



(Company Registration No.: 201301440Z)
(Incorporated in the Republic of Singapore)

Acceptance of Banking Facility and Disclosure Pursuant to Rule 704(31) of the Listing Manual of Singapore Exchange Securities Trading Limited (the “SGX-ST”)

1. INTRODUCTION

The Board of Directors (the “**Board**”) of Soilbuild Construction Group Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that its direct wholly owned subsidiary, Precast Concrete Pte. Ltd. (“**PCPL**”) has, at the date of this announcement, entered into a new banking facility with United Overseas Bank Limited (the “**Lender**”), pursuant to which the Lender has agreed to grant and PCPL has agreed to accept a banking facility amounting to an aggregate amount of S\$25,000,000 (the “**Facility**”).

2. SALIENT TERMS OF THE FACILITY

2.1	Facility	Up to an aggregate of S\$25,000,000
2.2	Purpose	(a) For part financing the purchase and the expansion of the Group’s precast manufacturing facilities at Pontian in Johor, Malaysia on an reimbursement basis (b) For the purchase of machinery for the Group’s Integrated Construction and Precast Hub in Singapore (“ ICPH ”) on an reimbursement basis
2.3	Tenure of Facility	60 months
2.4	Securities	(a) Corporate Guarantee from each of the Company and Precast Concrete (Pontian) Sdn. Bhd. (an indirect wholly-owned subsidiary of the Company) (b) Mortgage over the Group’s precast manufacturing facilities at Pontian in Johor, Malaysia (c) Charge over precast equipment located at the ICPH

3. RATIONALE

The Board is of the view that it is in the best interest of PCPL to accept the Facility to, *inter alia*, reimburse the internal funds utilised for the purchase and expansion of the Group’s precast

manufacturing facilities at Pontian in Johor, Malaysia; and the purchase of machineries for the Group's ICPH. The acceptance of the Facility is aimed at improving the Group's cashflow position with a view to placing the Group in a position of strength to capture business opportunities in relation to the growing demand for precast and prefabricated products in the Singapore market.

4. CHANGE OF CONTROL PROVISIONS

Pursuant to Rule 704(31) of the Listing Manual of the SGX-ST, the Board wishes to announce that the Facility contains the following change of control provisions:

- a. throughout the tenure of the Facility (which was granted under the Enterprise Singapore Finance Scheme), there shall be no direct or indirect change of control in the shareholding or management of PCPL unless otherwise approved by Enterprise Singapore;
- b. so long as any sum remains or may be outstanding under the Facility, there shall be no direct or indirect change of control in the shareholding or management of PCPL, as determined by the Lender in its absolute discretion. In the event of a change, prior written consent from the Lender shall be required; and
- c. so long as any monies are owing or are to be advanced under the Facility, PCPL shall not, without the Lender's prior written consent, among others, undertake or permit any substantial change of shareholders.

Assuming the occurrence of a breach of the above change of control provisions which may cause the Lender to require PCPL to prepay the outstanding sums under the Facility, the level of the Facility that may be affected by such a breach is up to S\$25,000,000 (excluding interest and fees).

5. FINANCIAL EFFECTS

The Facility is not expected to have any material effects on the Group's consolidated earnings and net tangible assets per share for the financial year ending 31 December 2021.

6. INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors and/or the controlling shareholders of the Company has any interests, direct or indirect, in the Facility (other than through their respective effective shareholding interests in the Company, if any).

BY ORDER OF THE BOARD
SOILBUILD CONSTRUCTION GROUP LTD.

Ganessaraj Soocelaraj
Group Chief Executive Officer

18 November 2021
Singapore