VIBRANT GROUP LIMITED
Company Registration Number: 198600061G

UPDATE ON LEGAL PROCEEDINGS

The board of directors (the "**Board**") of Vibrant Group Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the Company's earlier announcements dated 25 February 2022, 4 March 2022, and 4 May 2022 respectively in relation to the legal proceedings commenced by 中铁建工集团有限公司 ("**Plaintiff**") against the Company's 31% owned Chinese associated company, Vibrant Pucheng Logistics (Chongqing) Co., Ltd ("**Vibrant Pucheng**").

In the 4 May 2022 announcement, it was announced that following an open court hearing held on 28 February 2022, Vibrant Pucheng was, on 28 April 2022, served with a judgement from the People's Republic of China Court ("**Court**") dated 14 April 2022. Pursuant to the judgment, the Court had ordered that:

(a) the agreement entered into between the Plaintiff and Vibrant Pucheng on 2 August 2019 in relation to the construction of the Multi-Modal Logistics Distribution Centre located in Chongqing, People's Republic of China be terminated;

(b) Vibrant Pucheng be required to pay the Plaintiff the amount owed to the Plaintiff, being the sum of (i) RMB 59,385,282 and (ii) interest accrued on such principal amount to be calculated based on the People's Republic of China Bank lending rate from 12 November 2021, within 10 days from the effective date of judgment;

(c) in the event the Multi-Modal Logistics Distribution Centre project is disposed of at a discount or pursuant to an auction for a price not exceeding RMB 59,385,282, the Plaintiff shall have priority in receiving any compensation;

(d) all other claims made by the Plaintiff were rejected; and

(e) Vibrant Pucheng be required to pay court fees and property preservation fees amounting to RMB 354,323.

It was also announced in the 4 May 2022 announcement that Vibrant Pucheng intended to submit an appeal against the decision of the Court. An appeal was subsequently submitted on 10 May 2022.

The Company has been notified by Vibrant Pucheng that following the recommendations of its Chinese legal advisers ("**Chinese Counsel**"), the appeal has been withdrawn with effect from 23 December 2022. The rationale for the withdrawal are as follows:

(1) The Chinese Counsel has advised Vibrant Pucheng that the court of appeal is likely to uphold the verdict of the Court and Vibrant Pucheng will likely lose the appeal.

(2) The continuation of the appeal process will result in Vibrant Pucheng incurring additional legal fees.

(3) Upon withdrawing the appeal, Vibrant Pucheng will be able to apply to recover half of the court fees previously lodged for the appeal, amounting to approximately RMB 100,000.

The Company will update the shareholders and make further announcements on any material developments in connection with the above as and when necessary or appropriate.

Shareholders are advised to refrain from taking any action in respect of their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. In the event of any doubt, shareholders and potential investors should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers

BY ORDER OF THE BOARD

Eric Khua Kian Keong
Executive Director & CEO
27 December 2022