

AXINGTON INC.

(Company Registration No.: LL12218)

(A Company incorporated under the Labuan Companies Act 1990, Malaysia)

APPLICATION FOR AN EXTENSION OF TIME TO COMPLY WITH RULES 707(1), 1017(2) AND 1304(1) OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (“SGX-ST”) LISTING MANUAL SECTION B: RULES OF CATALIST (“CATALIST RULES”)

*Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meanings in the Company’s announcements dated 31 August 2020, 6 April 2021, 12 August 2021, 31 August 2021 and 18 February 2022 in relation to among others, the voluntarily suspension of the Company, the notification of the Company as a cash company, the application for the extension of time for the submission of the resumption proposal, receipt of no-objection letter from SGX-ST for the extension of time and the further extension of time application in respect of the resumption proposal made to the SGX-ST (the “**Previous Announcements**”).*

The Board of Directors (the “**Board**” or “**Directors**”) of Axington Inc. (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company has, through its sponsor, made a revised extension of time application (“**Revised EOT Application**”) to SGX-ST on 18 March 2022 which contemplates, amongst others, the following:

- (i) Further Extension of Time, of up to (a) 30 September 2022 to meet the requirements of a new listing pursuant to Rule 1017(2) of the Catalist Rules and to submit the Resumption Proposal pursuant to Rule 1304(1) of the Catalist Rules; and (b) following from (a), up to 31 March 2023 to implement the Resumption Proposal after receipt of the no-objection letter from the SGX-ST pursuant to Rule 1304(2) of the Catalist Rules, as set out in the Previous Announcements;
- (ii) partial withdrawal of the Escrow Monies (defined herein) for the Proposed Distribution (defined herein) (“**Partial Withdrawal**”); and
- (iii) extension of time to hold its annual general meeting (“**AGM**”) by 31 May 2022 for the financial year ended 31 December (“**FY**”) 2021 from the current deadline of 30 April 2021, as required pursuant to Rule 707(1) of the Catalist Rules (“**AGM EOT**”).

The reasons for the Revised EOT Application are as follows:

- (i) in respect of the Further Extension of Time and the Partial Withdrawal, the Company is proposing a cash distribution of up to S\$26.0 million via a declaration of dividends and a capital reduction (“**Proposed Distribution**”), which would result in the Company distributing some of its surplus cash holdings held in the Company’s escrow account, on a *pro-rata* basis to its shareholders, as permitted under Rule 1017(1)(a) of the Catalist Rules, before pursuing the Resumption Proposal.

This will allow the shareholders of the Company (“**Shareholders**”) to recover some of their initial investment in the Company and at the same time enable them to benefit from any potential upside post-completion of the transaction contemplated under the Resumption Proposal.

- (ii) in respect of the AGM EOT:
 - (a) the Company wishes to highlight that as at the date of this announcement, the Company has minimal manpower comprising only one executive director who is being supported by a part-time administrative assistant and a part-time finance manager;

- (b) as such, the Company will need more time to prepare the circular and relevant documentation setting out the reasons and rationale for the Proposed Distribution and to convene an extraordinary general meeting to seek Shareholders' approval ("**EGM**") which will require at least 21 days' notice in addition to, amongst others, preparing its annual report for FY2021, the Resumption Proposal and ensuring the Company's continued compliance with the Catalist Rules; and
- (c) the Board is also of the view that to convene the FY2021 AGM together with the EGM would be a more efficient use of resources, in light of the Company's limited resources, and postponing the FY2021 AGM by one month would not prejudice the Shareholders after considering the Company's current cash-company status.

The Company will make further announcements to update Shareholders on the outcome of the Revised EOT Application in due course.

By Order of the Board

Ang Chiang Meng
Executive Director
21 March 2022

*This announcement has been prepared by the Company and reviewed by the Company's sponsor, Novus Corporate Finance Pte. Ltd. ("**Sponsor**"), in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist.*

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.

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