ECOWISE HOLDINGS LIMITED
(Company Registration No. 200209835C)

RESPONSES TO SGX REGCO QUERIES REGARDING THE COMPANY'S RECEIPT OF LETTER FROM SHAREHOLDERS CONVENING AN EXTRAORDINARY GENERAL MEETING PURSUANT TO SECTION 177 OF THE COMPANIES ACT (CAP. 50) OF SINGAPORE

The board of directors (the "**Board**" or the "**Directors**") of ecoWise Holdings Limited (the "**Company**") sets out its response to the queries raised by the Singapore Exchange Regulation ("**SGX Regco**") received on 27 October 2021 ("**Compliance Query Notification**") in relation to the announcement released by the Company on 26 October 2021 ("**26 Oct Announcement**") in relation to the Company's receipt of a letter ("**Special Notice**") from the Relevant Shareholders, constituting a special notice under Section 152(2) read with Section 185 of the Companies Act (Cap. 50) of Singapore ("**Companies Act**") of the intention of the Relevant Shareholders to convene an extraordinary general meeting of the Company ("**EGM**") pursuant to Section 177 of the Companies Act.

Unless otherwise defined, all capitalised terms used and not defined in this announcement shall have the same meanings as defined in the 26 Oct Announcement.

Query 1

Pursuant to the Notice of Compliance ("NOC") issued by SGX RegCo to the Company on 25 June 2021,

(i) ***the Company's statutory auditor, RSM Chio Lim LLP ("RSM"), is auditing the Company's 1HFY2021 financial results ("1HFY2021 Audit");***

(ii) ***the Company has appointed Ernst & Young Advisory Pte. Ltd, ("EY") to look into the adequacy and effectiveness of its internal controls ("Internal Audit"). The Internal Audit is still in progress.***

(iii) ***The Company has appointed Mr Lo Kim Seng ("Mr Lo") and Mr Tham Chee Soon ("Mr Tham") as its independent Non-Executive directors. Mr Lo and Mr Tham, together with the Company's Lead ID Mr Er Kwong Wah ("Mr Er"), constituted the new Audit Committee ("New AC"), which oversees the ongoing 1HFY2021 Audit and Internal Audit.***

Please seek clarifications from the requisitioning shareholders on reasons for the Requisition and plans for the Company. Such clarifications should also be detailed in the circular to shareholders in relation to the Requisition.

Considering that the Company has recently appointed Mr Lo and Mr Tham and has reconstituted its board committees, please seek clarifications from the requisitioning shareholders on the rationale for appointing 3 additional directors to the Board, considering amongst others, the ongoing 1HFY2021 Audit and Internal Audit and the scale of the Company's current operations. Such clarifications should also be detailed in the circular to shareholders in relation to the Requisition.

Company's Response

On 29 October 2021, the Company has, through their legal advisers, written to the Relevant Shareholders ("**Letter to the Relevant Shareholders**") to request for (1) the reasons for the calling of the EGM; (2) their plans for the Company; and (3) their rationale for appointing 3 additional directors to the Board ("**Clarifications**"), and has informed the Relevant Shareholders to also include their Clarifications into the circular ("**Circular**").

The Company will update shareholders after it has received a response from the Relevant Shareholders and/or as and when there are material developments on this matter.

Query 2

The Company has announced that it is seeking legal advice on, amongst others, the Requisition. Please advise on timeline to update shareholders on the legal advice and the next course of action to be taken by the Company with regards to the Requisition.

Company's Response

Further to the 26 Oct Announcement, the Company has verified the individual shareholdings of each of the Relevant Shareholders and note that they collectively hold an aggregate of more than 10% of the total share capital (excluding treasury shares) of the Company, in compliance with Section 177(1) of the Companies Act.

Under Section 152(2)[1] read with Section 185[2] of the Companies Act, as the proposed removal of Mr Cao Shixuan as a director of the Company requires special notice, the Company is only obliged to provide shareholders notice of this proposed resolution and notice of the EGM, which the Company has duly provided in the 26 Oct Announcement.

The legal advisers have advised the Company that it has complied with its obligations with Sections 177, 152(2) and 185 of the Companies Act and its directors are not obliged to perform any further act in respect of the EGM to be convened by the Relevant Shareholders. Therefore, any communication on any meetings, including the preparation of the Circular, pursuant to a general meeting under Section 177 of the Companies Act should be under the purview of the Relevant Shareholders. The Company has also alerted the Relevant Shareholders to include the bases and assessment of the Nominating Committee in the Circular pursuant to query 3 below.

Following the Compliance Query Notification, the Company has written to the Relevant Shareholders to seek Clarifications and obtain information on Dr Danny Oh Beng Teck, Mr Gan Fong Jek and Mr Tan Poh Chye Allan, whom the Relevant Shareholders have proposed to appoint as directors of the Company (collectively, the "**Proposed New Directors**").

The Company will update shareholders after it has received a response from the Relevant Shareholders and/or as and when there are material developments on this matter.

The Board also wishes to clarify that given that the interim injunction obtained by Mr Cao Shixuan, as referred to in the 26 Oct Announcement, was only related to the convening of the Prior EGM, it has no relevance to the Notice of EGM by the Relevant Shareholders.

Query 3

Please disclose the Nominating Committee's assessment of suitability of the Proposed New Directors, and efficacy of the Board as a whole. To enable shareholders to make informed decisions, the NC's assessment and bases should also be included in the circular to shareholders in relation to the Requisition.

Company's Response

In the Letter to the Relevant Shareholders, the Company has requested for information on the Proposed New Directors ("**Letter to the Relevant Shareholders**").

As the Nominating Committee does not have any information in particular their professional qualifications

[1] Section 152(2) provides that special notice shall be required of any resolution to remove a director of a public company or to appoint some person in place of a director so removed at the meeting at which he is removed

[2] Section 185 provides *inter alia* that special notice is required of a resolution, the resolution shall not be effective unless no less than 28 days' notice has been given to the company prior to the meeting and the company shall give its members notice of any such resolution at the same time and in the same manner as it gives notice of the meeting.

and their working experience on the Proposed New Directors[3] at this juncture, the Nominating Committee is unable to commence any assessment of suitability of the Proposed New Directors and the efficacy of the Board as a whole at this juncture.

Further, in accordance with its corporate governance policies as disclosed by the Company in its annual report:

(a) the Company will have to obtain a minimum of two testimonials from each of the Proposed New Directors on their experience and expertise from senior executives of their respective former employer or directors of other companies of which they serve as a board member;
(b) the Nominating Committee has to review the qualifications, attributes and past experience of the Proposed New Directors;
(c) the Nominating Committee has to interview the Proposed New Directors and makes its recommendation to the Board; and
(d) the Company has to engage independent third party to conduct a thorough check on the background and experience of the Proposed New Directors.

On the basis that such assessment can be completed upon receipt of the relevant information, the Nominating Committee will keep the Shareholders informed.

Query 4

Please obtain undertakings from the relevant parties and provide details in the circular to shareholders in relation to the Requisition:

(i) ***To provide assurance that the ongoing 1HFY2021 Audit and the Internal Audit will not be impacted, the Board and Proposed New Directors are required to undertake to ensure the smooth completion of the 1HFY2021 Audit and Internal Audit, as well as the satisfactory resolution of material findings from RSM and EY.***

(ii) ***It is stated in the NOC that the New AC (comprising of Mr Tham, Mr Lo and Mr Er) must see through the completion of the 1HFY2021 Audit and Internal Audit and satisfactory resolution of material findings from RSM and EY.***

(iii) ***In addition, the NOC also requires (a) the Company; (b) its past, current and future board of directors, key management and staff; and /or (c) any other person(s) as directed by the Exchange, to render full support to SGX RegCo, RSM, EY and the Company's continuing sponsor. This includes, but is not limited to, requests for information, interviews and visits to facilitate the 1HFY2021 Audit and Internal Audit.***

(1) To this end, the Board, Key Management and the Proposed New Directors are required to undertake to comply with the above directives.

(2) ***The New AC (comprising Mr Tham, Mr Lo and Mr Er) is required to continue to oversee the 1HFY2021 Audit and Internal Audit, and report directly to the SGX RegCo.***

Company's Response

In the Letter to the Relevant Shareholders, the Company has also attached the Compliance Query Notification to this effect. In so far as compliance by (a) the Company; and (b) its past and current directors, key management and staff is concerned, the Board intends to comply and provide their undertakings as required by SGX RegCo accordingly.

Query 5

The Company terminated its continuing sponsorship agreement with its former continuing sponsor, ZICO Capital Pte. Ltd. with effect from 29 August 2021. Pursuant to Catalist Rule 746(5), the Company may face delisting if it does not have a sponsor for more than three continuous months. SGX RegCo has been reminding the Company of the urgency in appointing a new continuing sponsor. In its updates to shareholders, the Company announced that it has shortlisted two potential sponsor firms that are conducting requisite due diligence for the purpose of onboarding the Company as a sponsored issuer. Till-date, the Company has yet to appoint a new continuing sponsor.

[3] Please refer to 26 Oct Announcement for details.

(i) Please provide updates on the Company's progress and status in appointing a new continuing sponsor.

(ii) Please provide the key milestones and timeline for the appointment of the new continuing sponsor.

(iii) In view of the Requisition Notice, please request that the two potential sponsor firms assess the suitability of the Proposed New Directors and efficacy of the Board as a whole, as part of its onboarding due diligence. Such assessment and bases must be provided to the Company's Nominating Committee. Upon appointment as the Company's continuing sponsor, such assessment and bases are to be included in the circular to shareholders in relation to the Requisition.

Company's Response

Updates on appointment of new continuing sponsor

As at the date of this Response, one of the potential sponsor firms has completed all its requisite interviews and due diligence, and is in the midst of obtaining their internal committee approval, while the other potential sponsor firm is expected to complete its interviews with key management and professionals next week and is in the process of onboarding the Company. The Company is expected to appoint a sponsor firm by mid-November.

The Company has requested both potential sponsor firms to assess the suitability of the Proposed New Directors and the efficacy of the Board as a whole. However, both potential sponsor firms are of the view that they would not be able to carry out the assessment in time for the assessment to be included into the Circular, should they be appointed as the Company's new continuing sponsor.

The Company wishes to highlight to shareholders that there is no certainty that the two potential sponsor firms will accept appointment as the Company's continuing sponsor, given the current state of affairs. In the event that the two potential sponsor firms do not accept the appointment as the Company's continuing sponsor, it would be highly unlikely that the Company will be able to appoint another sponsor firm to act as the Company's continuing sponsor by 29 November 2021 and the Company may face the risk of being delisted pursuant to Rule 746(5) of the Catalist Rules.

The shares in the Company have been suspended from trading on the Singapore Exchange Securities Trading Limited since 18 June 2021. Shareholders and potential investors of the Company are advised to read this announcement and further announcements by the Company carefully. In the event of any doubt, Shareholders should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

Shareholders should note that, as at the date of this announcement, the Company does not have a continuing sponsor. Please refer to the Company's announcement dated 28 August 2021 for further information.

By Order of the Board

ER KWONG WAH
Lead Independent Director
29 October 2021