

SEROJA INVESTMENTS LTD.

(Co. Reg. No. 198300847M)

(Incorporated in the Republic of Singapore)

CONDITIONAL SALE AND PURCHASE AGREEMENT IN RESPECT OF THE PROPOSED ACQUISITION OF UP TO 100% OF THE ISSUED SHARE CAPITAL OF DENWAY DEVELOPMENT LTD.

1. INTRODUCTION

The board of directors (the “**Board**” or “**Directors**”) of Seroja Investments Ltd. (the “**Company**”) refers to its previous announcements dated 15 January 2021, 21 April 2021, 22 July 2021, 21 October 2021 and 21 January 2022 in respect of its quarterly update of milestones in obtaining a viable business to meet the Singapore Exchange Securities Trading Limited’s (“**SGX-ST**”) requirements for a new listing.

The Board is pleased to announce that the Company had, on 20 May 2022, entered into a conditional sale and purchase agreement (the “**SPA**”) with Nickel Global Group Ltd (the “**Vendors**”) and Denway Development Ltd, (the “**Target Company**”) (the Company, the Vendors and the Target Company hereinafter referred to as each a “**Party**” and collectively, the “**Parties**”), in respect of the proposed acquisition by the Company of up to 100% of the issued share capital of the Target Company from the Vendors (the “**Proposed Acquisition**”) for a purchase consideration of US\$2 billion (subject to the Adjustment as defined under paragraph 4.2 below), to be satisfied by the issuance and allotment of new ordinary shares in the capital of the Company (“**Shares**”) to the Vendors that may in the aggregate amount to United States Two Billion Dollars (US\$2,000,000,000) at an issue price of S\$0.50 per Share.

Based on the foregoing, the Proposed Acquisition will result in a reverse takeover of the Company as defined under Chapter 10 of the SGX-ST Mainboard Rules (the “**Listing Rules**”). In accordance with Chapter 10 of the Listing Rules, the Proposed Acquisition will be subject to, amongst others, the approval of the shareholders of the Company (the “**Shareholders**”) at an extraordinary general meeting of the Shareholders (the “**EGM**”) to be convened pursuant to Rule 1015 (1) (b) of the Listing Rules.

2. INFORMATION ON THE PROPOSED ACQUISITION

The information on the Target Company and the Vendors was provided by the Target Company and the Vendors. In respect of such information, the Company and the Directors have not independently verified the accuracy and correctness of the same and the Company's responsibility is limited to the proper extraction and reproduction herein in the context that the information is being disclosed in this announcement.

2.1 Information on the Target Company

Incorporated in the Special Administration of Hong Kong in 2010, the Target Company is a private company limited by shares with an issued and paid-up share capital of HK\$416,341,862 comprising of one (1) ordinary share.

As at the date of this announcement, the Vendors are the ultimate beneficial owners of the entire issued share capital of the Target Company.

The Target Company is a holding company and holds 75% of the entire issued and fully paid-up share capital of each of PT Karyatama Konawe Utara ("KKU") and PT Konutara Sejati ("KS"). Both KKU and KS are companies incorporated in the Republic of Indonesia. The target Company does not carry out any other activity apart from holding these shares in KKU and KS and as at the date of this announcement, the Target Company has only one shell subsidiary that has not conducted any business and is dormant.

KKU and KS own their respective open-pit nickel mines in the North Konawe region of Sulawesi in the Republic of Indonesia. A summary of the essential information regarding the 2 nickel mines are as follows:

Location: Southeast Sulawesi Island, Indonesia

Size: World third largest in nickel reserve

Nickel Mine Area: 78 square kilometres (km²)

Types of nickel ore: Lateritic nickel ore

Nickel mineral resource estimates (JORC Code): 4.53 million tons

Nickel average grade: 1.34%

Iron mineral resource estimates (JORC Code): 116 million tons

Iron average grade: 45%

Cobalt mineral resource estimates (JORC Code): 0.27 million tons

Cobalt average grade:0.08%
Total mineral resource reserve value estimates: USD 120 Billion
Geological report: Complete geological reports (verified by SRK Consulting of South Africa)
Mining Licenses: Complete Mining Licenses (IUPK-OP issued for both mines)
Mining Operation Current Status: Proper functioning in mining
Mining Infrastructures: Complete (including ports, roads, living quarters and all mining facilities)

The Target Company's office is at Level 54, Hopewell Centre 183 Queen's Road East Special Administration Region of Hong Kong. The Vendor maintains an office at Gedung TCC Batavia JL. K. H Mas Mansyur Kav 126 Jakarta Pusat 10220 Indonesia. The Vendor, the Target, KKU and KS shall collectively be referred to as the "Group".

2.2 Mining Activities

Commercial mining of nickel ore and iron ore at the mines started in 2012. Mining activities were temporarily stopped in 2014 after the Indonesian government banned the export of raw mineral ores. Mining activities and production at the mines resumed in 2017 and all nickel ores produced from the mines are sold to local ferro-nickel smelters in Indonesia.

The Group is in discussion with a 3rd party to explore the feasibility of a joint venture to construct a ferro-nickel smelter plant to maximise the commercial exploitation of the nickel and iron ores deposits in the mines owned by KKU and KS. The Group also has plans to expand the production of its mineral resources at the 2 mines.

3. Information on the Vendors

The Vendor is a company incorporated in the British Virgin Islands. Its registered address is at OMC Chambers, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands.

The Vendor and its shareholders and directors are not related to any of the Company's Directors or controlling shareholders or their respective associates. As at the date of this announcement, neither the Vendors nor any party acting in concert with the Vendors hold any shares in the capital of the Company.

3.1 Financial Information on the Target Company

A summary of the unaudited proforma combined financial statements of the Target Company (prepared based on the management accounts of the Target Group) for the financial years ended 31 December 2019, 31 December 2020 and 31 December 2021 is presented in the tables below:

Income Statement

	Unaudited	Unaudited	Unaudited
	FY2019	FY2020	FY2021
	(US\$'000)	(US\$'000)	(US\$'000)
Revenue	10,114	19,715	25,837
(Loss)/Profit before tax	(1,691)	(1,266)	3,441
(Loss)/Profit after tax	(1,691)	(1,266)	3,127
(Loss)/Profit attributable to owner of the Target Group	(1,268)	(949)	2,345

Balance Sheet

	Unaudited	Unaudited	Unaudited
	As at 31	As at 31	As at 31
	December	December	December
	2019	2020	2021
	(US\$'000)	(US\$'000)	(US\$'000)
Non-current assets	24,166	24,065	25,454
Current assets	12,375	13,404	18,905
Total assets	36,541	37,469	44,359
Non-current liabilities	445	438	396
Current liabilities	6,944	6,678	11,660
Total liabilities	7,389	7,116	12,056
Total Equity	29,152	30,353	32,303

3.2 Rationale for and Benefits of the Proposed Acquisition

As indicated in the Company's previous announcements dated 21 October 2020, the Company became a cash company on 21 October 2020 and has been looking for a new viable business that can meet the requirements of the SGX-ST for a new listing in accordance with listing rule 1018(1).

Under Rule 1018(2) of the Listing Rules, the SGX-ST will proceed to remove an issuer from the Official List if it is unable to meet the requirements for a new listing within 12 months from the time it becomes a cash company. As earlier announced on 14 February 2022 and on 11 May 2022, the SGX-ST has extended the deadline for the Company to enter into a definitive agreement to acquire a new listing that will meet the requirement of a new listing under rule 1018(2) by 20 May 2022.

The Board believes that the Target Company would be able to satisfy the SGX-ST's requirements for a new listing, and in respect of the Company being a cash company, the Board will apply for such extensions of time, where necessary and appropriate, to complete the Proposed Acquisition. Subject to such requirements being satisfied, the Company will cease to be a cash company upon Completion (as defined under paragraph 4.1 below).

The Proposed Acquisition would present the Company with an opportunity to acquire a majority stake in 2 mines with a sizeable reserve of nickel ore. If the information presented to the Company is accurate, the nickel ore reserves at the 2 mines may be the 3rd largest nickel ore reserve globally. Nickel is needed to make lithium batteries and the price of Nickel ore has increased significantly because of the demand for lithium batteries.

In addition, the Board believes that the Proposed Acquisition will increase the value of the Company and should enable the Company to enhance shareholder value by generating investor interest in the Shares. This prospect compares well with the alternate possibility of the Company being delisted. Accordingly, the Board is of the view that the Proposed Acquisition is likely to enhance the long-term interests of the Company and its Shareholders.

4. Salient Terms of the SPA

4.1 Proposed Acquisition

Pursuant to the terms and conditions of the SPA, the Company intends to acquire the entire issued share capital of the Target Company from the Vendors, free from all encumbrances, together with all rights, benefits and entitlements attaching thereto with effect from the date of completion of the Proposed Acquisition (“**Completion**”, with such date being the “**Completion Date**”). As at the date of this announcement, the Target Company has an issued and paid-up share capital of HK\$416,341,862 comprising one (1) ordinary share (the “**Sale Shares**”).

4.2 Consideration

Subject to a valuation of the Target Company by an independent valuer to be appointed by the Company and to the Adjustment as defined under this paragraph, the purchase consideration for the Sale Shares is US\$2 billion (the “**Purchase Consideration**”). The Purchase Consideration was arrived at after arms’ length negotiations between the Company and the Vendors, and on a willing-buyer and willing-seller basis taking into consideration the mineral resource value of the 2 mines, the business prospects of the 2 mines and on the basis that it shall be supported by the Appraised Value as defined below.

Subject to any adjustment as may arise (please see the discussion below in this paragraph on the 2 scenarios where an adjustment in the Purchase Consideration may arise), the Purchase Consideration shall be satisfied, by the issuance and allotment of new fully paid-up Shares (the “**Consideration Shares**”) to the Vendors that will in the aggregate amount to United States Dollar 2 billion (US\$2,000,000,000) at the issue price of S\$0.50 per Consideration Share (subject to the Proposed Share Consolidation (as defined under paragraph 4.4 below)) (the “**Issue Price**”) on the Completion Date.

The Issue Price is based on Listing Rule 1015(3)(d) which provides that where the consideration for the acquisition of assets by an issuer is to be satisfied by the issue of shares, the price per share of the issuer after adjusting for any share consolidation must not be lower than S\$0.50.

For the avoidance of doubt, the Proposed Share Consolidation (as defined under paragraph 4.4 below) shall take place upon the issuance of the Consideration Shares on or before the Completion Date.

Pursuant to Listing Rule 1015(2), the Company will appoint a competent and independent valuer to conduct and furnish a valuation report (the “**Independent Valuation Report**”) on the value of the Target Company and the Target Business (the “**Appraised Value**”).

Further information relating to the independent professional valuer to be appointed, together with the Independent Valuation Report (which will include the basis and date of the Independent Valuation Report), will be included in the Circular (as defined under paragraph 12.1 below) to be despatched in due course.

- (a) The first scenario where the Purchase Consideration may be adjusted

In the event that the Appraised Value is less than the Purchase Consideration, the Parties shall negotiate in good faith on the new purchase price and if Parties are not able to agree on the new purchase price within 14 working days, then either Party shall be entitled to terminate this Agreement.

- (b) The second scenario where the Purchase Consideration may be adjusted

Pending completion, the Vendors are entitled to procure the sale of up to 32% of the total issued share capital of the Target to 3rd parties provided that:

- (i) The Vendor shall give at least seven (7) days written notice to SIL of the reduced number of shares in the Target Company that it is procuring for sale to SIL (“Reduced Sale Shares”); and
- (ii) The acquisition of the Reduced Sale Shares by SIL will result in SIL owning an effective and beneficial interest that is not less than 51% of the total issued and paid-up share capital of each of KGU and KS.

If the Sale Shares is reduced to less than 100% of the total issued and paid-up share capital of the Target Company, then Purchase Consideration for the purchase of the Sale Shares shall be proportionally reduced.

4.3 Waiver from the Securities Industry Council (the “SIC”)

Following Completion, the Vendors will own an aggregate interest of more than 30% of the enlarged share capital of the Company¹. In such event, pursuant to Rule 14 of the Singapore Code on Takeovers and Mergers (the “Code”), the Vendors and their concert parties will incur an obligation to make a mandatory general offer for all the remaining issued Shares not already owned, controlled or agreed to be acquired by the Vendors and their concert parties, at the highest price paid or agreed to be paid by the Vendors and their concert parties for the Shares in the preceding six (6) months period.

It is a condition precedent to the Proposed Acquisition, *inter alia*, that the SIC grants the Vendors and their concert parties, and does not revoke or repeal such grant, a waiver of their obligation to make a mandatory offer under Rule 14 of the Code for all the Shares not owned or controlled by them (the “Whitewash Waiver”) and that a majority of the independent Shareholders waive, by ordinary resolution on a poll taken, at the EGM, their right to receive a general offer from the Vendors and their concert parties under Rule 14 of the Code (the “Whitewash Resolution”). As such, the Vendors will be applying to the SIC to seek for the Whitewash Waiver.

4.4 Proposed Share Consolidation

Listing Rule 1015(d) provides that where the consideration for the acquisition of assets by an issuer is to be satisfied by the issue of shares, the price per share of the issuer after adjusting for any share consolidation must not be lower than S\$0.50.

The Vendor has agreed to an aggregate value of S\$8 million for the entire share capital of the Company that is currently issued. Accordingly, in conjunction with the Proposed Acquisition and subject to Shareholders’ approval being obtained, the Company will undertake a share consolidation exercise based on a consolidation ratio of 24 to 1, (the “Proposed Share Consolidation”) which shall satisfy Listing Rule 1015(3)(d) and achieve the contractual agreement between the Parties on or before the Completion Date. The Proposed Share Consolidation will not involve a diminution of any liability in respect of the unpaid capital or the payment to any Shareholder of any paid-up capital of the Company and has no effect on the shareholders’ funds of the Company. The details of the Proposed Share Consolidation will be set out in the

¹ Taking into consideration the compliance placement.

Circular (as defined under paragraph 12.1 below) to be despatched in due course.

4.5 Conditions Precedent

Unless specifically waived by the Parties, the completion of the Proposed Acquisition is conditional upon the following conditions and delivery and execution of the following items (collectively, the "**Conditions Precedent**", and each a "**Condition Precedent**"):

- (a) completion of a business, legal, technical, financial and tax due diligence exercise by SIL on the Group, which shall include, without limitation:
 - (i) the review of the business and operations of each Group Company including management meetings and site visits;
 - (ii) the review of each Group Company's historical financial figures; and
 - (iii) the review of any and all documents relating to legal and taxation matters of each Group Company,the results of such exercise being satisfactory to SIL in its sole and absolute discretion;

- (b) completion of a business, legal, technical, financial and tax due diligence exercise by the Vendor on SIL, which shall include, without limitation:
 - (i) the review of the business and operations of SIL;
 - (ii) the review of SIL's historical financial figures; and
 - (iii) the review of any and all documents relating to legal and taxation matters of SIL,the results of such exercise being satisfactory to the Vendor in its sole and absolute discretion;

- (c) SGX-ST having granted an extension of time for SIL to meet the requirements of a new listing under Rule 1018(2) of the Listing Manual of the SGX-ST no earlier than 12 months from the date of this Agreement;

- (d) the approval of the SGX-ST for the Acquisition being obtained;
- (e) the SGX-ST having granted listing and quotation approval for the listing and quotation of the Consideration Shares and the Placement Shares and SIL fulfilling all conditions for such approval;
- (f) the receipt and non-withdrawal of the grant by the Securities Industry Council to the Vendor of a waiver of any obligation by the Vendor to make a general offer under Rule 14 of the Code for SIL Shares not owned or controlled by the Vendor as a result of the allotment and issuance of the Consideration Shares to the Vendor;
- (g) SIL having received the requisite approvals from its Shareholders, at an extraordinary general meeting to be convened by SIL, for amongst others, the:
 - (i) Acquisition;
 - (ii) Whitewash Resolution;
 - (iii) allotment and issuance of the Consideration Shares;
 - (iv) removal of existing directors of SIL and appointment of new directors as may be directed by the Vendor;
 - (v) change of name of SIL, subject to the approval of any applicable Governmental Body, Provided Always that if there is any offending word or words in the new name that is holding up the approval, then such offending word or words shall be removed from the change of name of SIL;
 - (vi) consolidation of the Existing Shares and Additional SIL Shares, if any, to achieve the result that at the price of the Issue Price for each new consolidated share in SIL, the total aggregate value of all the consolidated shares is approximately S\$8 million;
 - (vii) all transactions contemplated under this Agreement.
- (h) the delivery of the Disclosure Letter by the Vendor to SIL being in a form and substance satisfactory and acceptable to SIL at SIL's reasonable discretion;
- (i) save as disclosed in this Agreement and the Disclosure Letter, all Vendor Warranties provided by the Vendor under this Agreement being

complied with, true, accurate and correct in all material respects as at the Completion Date;

- (j) save as disclosed in this Agreement, all SIL Warranties provided by SIL under this Agreement being complied with, true, accurate and correct in all material respects as at the Completion Date;
- (k) all necessary approvals and consents as may be necessary from and registration with any third party, governmental or regulatory body or relevant competent authority having jurisdiction over the transactions contemplated herein or to the entry into and completion of this Agreement by the Parties, being in full force and effect and not having been withdrawn, suspended, amended or revoked as at the Completion Date, and if such approvals or consents or registrations are granted or obtained subject to any conditions, such conditions being reasonably acceptable to SIL and the Vendor (as the case may be);
- (l) the execution, performance and completion of this Agreement by the Parties hereto not being materially prohibited, restricted, curtailed, hindered, impaired or otherwise materially adversely affected by any relevant statute, order, rule, directive or regulation promulgated by any legislative, executive or regulatory body or authority; and
- (m) there being no investigations by any Governmental Body and competent authorities or adverse proceedings pending or threatened against any of the Parties, that might reasonably be expected to materially impair or prevent the completion of the Acquisition and the matters contemplated herein (including the resultant change in shareholders, directors and management of the Target Company) or cause a material adverse change in the business operations, affairs, conditions (financial or otherwise) or prospects of the Parties or the Group from the date of this Agreement up to and including Completion Date.

4.6 Vendors' Representations and Warranties

The Vendors shall provide customary representations and warranties to the Company.

4.7 Company's Representations and Warranties

The Company shall provide customary representations and warranties to the Vendors.

5. RELATIVE FIGURES UNDER RULE 1006

Based on the latest announced audited consolidated financial statements of the Company for the financial year ended 31 December 2021 (the “FY2021”), the relative figures of the Proposed Acquisition as computed on the bases set out in Rule 1006 of the Listing Rules are as follows:

Rule 1006	Bases of Calculation	Relative Figures (%)
(a)	The net asset value of the assets to be disposed of as compared with the Group’s net asset value	Not applicable ⁽¹⁾
(b)	The net profit attributable to the Target Company, compared with the Group’s net loss	Not meaningful ⁽²⁾
(c)	The aggregate value of the consideration given for the Proposed Acquisition, compared with the Company’s market capitalization based on the total number of issued shares excluding treasury shares	8,720
(d)	The number of equity securities issued by the Company as consideration for the Proposed Acquisition, compared with the number of equity securities of the Company in issue	1,399
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group’s proved and probable reserves	Not applicable ⁽⁵⁾

Notes:

- (1) Rule 1006(a) of the Mainboard Rules is not applicable to an acquisition of assets.
- (2) Computed based on the Target Company’s unaudited net profit for the financial year ended 31 December 2021 of approximately US\$3.44 million and the Group’s audited net loss for FY2021 of approximately US\$0.90 million. Net profit/ (loss) is defined to be profit or loss before income tax, minority interests and extraordinary items.

- (3) Computed based on the Purchase Consideration of US\$2 billion, and the Company's market capitalisation of approximately US\$23.0 million (computed based on the Company's issued ordinary share capital of 390,388,110 shares and the volume weighted average price of the shares of S\$0.0802 on 7 October 2020, being the last full market day on which Company's shares were traded prior to the date of the SPA. The Company does not have any treasury shares.
- (4) Based on 5,460,000,000 Consideration Shares and the Company's issued ordinary share capital of 390,388,110 shares. The number of consideration shares is based on Purchase Consideration of US\$2 billion converted at exchange rate of US\$1 to S\$1.365 and issue price of S\$0.50 per Consideration Share.
- (5) Rule 1006(e) of the Mainboard Rules is not applicable as the Company is not a mineral, oil and gas company.

Notwithstanding the negative relative figure computed under Rule 1006(b) of the Mainboard Rules, the relative figures computed under Rule 1006(c) and (d) of the Mainboard Rules exceed 100%. Accordingly, the Proposed Acquisition constitutes a "very substantial acquisition" or "reverse takeover" pursuant to Chapter 10 of the Listing Rules. In addition, as the Vendors will hold more than 50% of the enlarged issue share capital of the Company upon Completion and after the issuance of the compliance placement shares required under Listing Rule 210, a change in control of the Company will arise immediately upon the completion of the Proposed Acquisition. Accordingly, the Proposed Acquisition is subject to the approval of the SGX-ST and the Shareholders under Rule 803 and Chapter 10 of the Listing Rules.

6. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION

The unaudited pro forma financial effects of the Proposed Acquisition are purely for illustrative purposes only and do not necessarily reflect the actual financial performance or position of the enlarged Group following the completion of the Proposed Acquisition.

The unaudited pro forma financial effects of the Proposed Acquisition set out below have been prepared based on the latest audited consolidated financial statements of the Group for FY2021 and the unaudited financial statements of the Target Group for the financial year ended 31 December 2021, as well as the following bases and key assumptions:

- (a) the financial effects of the Proposed Acquisition on the Group's net tangible assets (the "NTA") per share and gearing are computed based on the assumption that the Proposed Acquisition was completed on 31 December 2021;
- (b) the financial effects of the Proposed Acquisition on the Group's loss/earnings per share are computed based on the assumption that the Proposed Acquisition was completed on 1 January 2021;
- (c) the Consideration shares were issued at the Issue price on 1 January 2021 for EPS computation and on 31 December 2021 for NTA and Gearing computation;
- (d) the analysis does not take into account any transactions completed by the Company subsequent to 31 December 2021;
- (e) the analysis does not take into account the transactional costs and expenses in connection with the Proposed Acquisition;
- (f) the analysis does not take into account the financial effects of the Proposed Share Consolidation; and
- (g) the analysis does not take into account any dividends and distributions out of profits that may be declared by the Target Group in respect of the financial year ended 31 December 2021.

Share Capital

	Before the Proposed Acquisition	After the Proposed Acquisition
Number of Shares	390,388,110	5,476,266,171
Issued and paid-up share capital as at (US\$'000)	28,012	2,028,012

NTA per Share

	Before the Proposed Acquisition	After the Proposed Acquisition
NTA attributable to Shareholders(US\$'000)	(2,194)	39,324
Number of Shares	390,388,110	5,476,266,171
NTA per Share attributable to Shareholders (US cents)	(0.56)	0.72

Loss/Earning per Share

	Before the Proposed Acquisition	After the Proposed Acquisition
Net (loss)/profit attributable to Shareholders(US\$'000)	(865)	1,368
Number of Shares	390,388,110	5,476,266,171
(Loss)/earning per Share (US cents)	(0.22)	0.02

Gearing

	Before the Proposed Acquisition	After the Proposed Acquisition
Total liabilities (US\$'000)	76	12,132
Total shareholders' equity (US\$'000)	(2,194)	39,324
Gearing ratio ⁽²⁾	n.m.	30.85%

Notes:

- (1) The Loss/Earning per share and NTA per share are calculated on a post-Consolidation basis.
- (2) Gearing is determined based on total liabilities divided by shareholders' equity.

7. FINANCIAL INFORMATION ON THE PRO FORMA ENLARGED GROUP

A summary of the unaudited combined pro forma financial information of the enlarged Group after the Proposed Acquisition is set out below and has been prepared based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2021 and the unaudited financial statements of the Target Group for the financial year ended 31 December 2021, on the following assumptions: -

- (a) the Proposed Acquisition had been completed on 31 December 2021 for the proforma Balance Sheet Summary of the enlarged group;
- (b) the Proposed Acquisition had been completed on 1 January 2021 for the proforma Income Statement Summary of the enlarged group;
- (c) the Consideration shares were issued at the Issue price on 1 January 2021;
- (d) the analysis does not take into account any transactions completed by the Company subsequent to 31 December 2021;
- (e) the analysis does not take into account the transactional costs and expenses in connection with the Proposed Acquisition;
- (f) the analysis does not take into account the financial effects of the Proposed Share Consolidation; and
- (g) the analysis does not take into account any dividends and distributions out of profits that may be declared by the Target Group in respect of the financial year ended 31 December 2021.

Summary of unaudited combined pro forma Income Statement of the enlarged Group

**(Unaudited)
FY2021(US\$'000)**

Revenue	25,837
Profit before tax	2,576
Profit after year	2,262
Profit attributable to equity holders of the Company	1,368

Summary of unaudited combined pro forma Balance Sheet of the enlarged Group

	Unaudited As at 31 December 2021 (US\$'000)
Current assets	20,432
Non-current assets	25,454
Total assets	<hr/> 45,886 <hr/>
Current liabilities	11,736
Non-current liabilities	396
Total liabilities	<hr/> 12,132 <hr/>
Total equity	33,754

8. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or Controlling Shareholders has any interests, direct or indirect, in the Proposed Acquisition, other than through their respective shareholding interests in the Company, if any.

9. SERVICE CONTRACTS

It is envisaged that the Company shall, upon Completion, enter into service contracts on terms acceptable to the Company with certain executive director(s) and/or key management of the Target Company, the details of which will be disclosed in the Circular (as defined under paragraph 12.1 below). As at the date of this announcement, the Company has not entered into any service agreement with any person proposed to be appointed as a director or executive officer in connection with the Proposed Acquisition.

It is also envisaged that the Company shall, upon Completion, effect changes to the composition of the Board of Directors and key management, the details of which will be disclosed in the Circular (as defined under paragraph 12.1 below) to be despatched to Shareholders in due course.

10. FINANCIAL ADVISER AND FULL SPONSOR

The Company will be appointing a financial adviser in respect of the Proposed Acquisition in due course.

11. INDEPENDENT FINANCIAL ADVISER

The Company will be appointing an IFA to advise the Directors who are considered independent for the purposes of the Whitewash Resolution in due course. The advice of the IFA will be set out in the Circular (as defined under paragraph 12.1 below) to be despatched to Shareholders in due course.

12. CIRCULAR AND DOCUMENTS AVAILABLE FOR INSPECTION

12.1 Circular

The circular setting out, amongst others, the terms of the Proposed Acquisition, the Proposed Share Consolidation and the opinion and recommendations of the IFA in relation to the Whitewash Waiver (the “**Circular**”), together with a notice of EGM, will be despatched by the Company to Shareholders in due course.

12.2 Documents Available for Inspection

A copy of the SPA will be made available for inspection during normal business hours at the registered office of the Company at 25 North Bridge Road, level 7, Singapore 179104 for a period of three (3) months from the date of this announcement.

13. RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement (save for all information on the Target Company and the Vendors which were obtained from the Vendors, and in particular the information contained in paragraphs 2.1, 2.2 and 2.3) and confirm after making all reasonable enquiries that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Acquisition, the Proposed Share Consolidation, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading (save that in respect of information relating to the Target Company and the Vendors in paragraphs 2.1, 2.2 and 2.3 above, such information is given based on information available to the Company as at the date of this announcement and is subject to further due diligence investigation and verification). Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

14. CAUTION IN TRADING

Shareholders and potential investors are advised to exercise caution in trading their shares as there is no certainty or assurance as at the date of this announcement that Proposed Acquisition will be completed. The Company will make the necessary announcements when there are further developments on the Proposed Acquisition. Shareholders are advised to read this announcement and any further announcements by the Company carefully, and should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD

Ng Soon Kai
Independent Director

20 May 2022
