

9R LIMITED

(Company Registration No. 199307300M)
(Incorporated in Singapore)

(1) FULFILMENT OF CONDITIONS SUBSEQUENT

(2) ALLOTMENT OF 4,419,150 NEW ORDINARY SHARES TO BODY POWER SDN BHD

Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meanings as ascribed to them in the Company's circular dated 14 December 2023.

1. Introduction

The board of directors (the "**Board**") of 9R Limited (the "**Company**") refers to the Company's previous announcements dated 14 July 2023, 3 December 2023, 5 January 2024, 9 January 2024 and 6 February 2024 (together, the "**Announcements**") and the circular dated 14 December 2023 in relation to the proposed acquisition of (i) Lavish Pearl Sdn Bhd; (ii) Booming Gain Sdn Bhd; (iii) Redbox (1st Avenue) Sdn Bhd; (iv) Sunlight Ventures Sdn Bhd; (v) Lovely Pyramid Sdn Bhd; (vi) Majestic Glory Sdn Bhd; and (vii) Cheer Bonanza Sdn Bhd by 9R Leisure Sdn Bhd ("**9R Leisure**"), a wholly owned subsidiary of the Company, from Body Power Sdn Bhd ("**Body Power**") as a major transaction.

2. Fulfilment of the Conditions Subsequent

The Board wishes to announce that Conditions Subsequent as set out in the SPA (including the Conditions Precedent that have been converted to Conditions Subsequent) have been fulfilled. Pursuant to the terms of the SPA, the portion of the Consideration Sum to be settled upon 9R Leisure's satisfaction of any or all of the Conditions Subsequent (including any Conditions Precedent that shall have been converted into Conditions Subsequent) being fulfilled by Body Power comprises a sum of RM2,500,000 (approximately S\$717,751) ("**Outstanding Consideration**") to be satisfied by the allotment and issuance of 11,925,000 Consideration Shares to Body Power or a related entity of Body Power.

3. Netting Off of Amounts Owed between the Group and Body Power and its subsidiaries

3.1. As at the date of this announcement:

- (i) the Group owes an aggregate amount of RM829,794 (approximately S\$238,235) to Body Power, together with its subsidiaries, Grand Surf Sdn Bhd Free Store (Empire Damansara) Sdn Bhd and Bottomless Sdn Bhd; and
- (ii) Body Power, together with its subsidiaries, Grand Surf Sdn Bhd, Free Store (Empire Damansara) Sdn Bhd and Bottomless Sdn Bhd, owe an aggregate amount of RM2,406,254 (approximately S\$690,837) to the Group,

resulting in a net amount of RM1,576,460 (approximately S\$452,602) in aggregate ("**Outstanding Amount**") owed by Body Power and its subsidiaries to the Group.

3.2. The Directors are of the view that it is in the best interests of the Company and the Group to net off the Outstanding Amount, which represents a debt owed by Body Power and its subsidiaries to the Group, against the Outstanding Consideration ("**Netting Off**").

3.3. On 26 June 2024 9R Leisure had effected the Netting Off by way of a letter to, and acknowledged by, Body Power.

3.4. Pursuant to the Netting Off, the net amount payable by the Group to Body Power is RM923,540 (approximately S\$265,149) in aggregate.

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4. Allotment of the Consideration Shares

- 4.1 The Board wishes to announce that pursuant to (i) fulfilment of the Conditions Subsequent in relation to the Proposed Acquisition and (ii) the Netting Off, the Company will on 1 July 2024 allot and issue 4,419,150 new ordinary shares in the capital of the Company to Body Power at an issue price of S\$0.06 for each Consideration Share.
- 4.2 The Consideration Shares will be credited as fully-paid and shall rank *pari passu* in all respects with the existing Shares in the capital of the Company at the time of the allotment and issuance of the Consideration Shares, save for rights to any dividends, rights, allotments or distributions, the record date of which falls prior to the date of issuance of the Consideration Shares.
- 4.3 Following the allotment and issuance of the Consideration Shares, the total issued share capital of the Company has increased from 1,079,895,765 Shares (excluding 159,230 treasury shares) to 1,084,314,915 Shares (excluding 159,230 treasury shares) and Body Power will hold a total of 118,568,694 Shares (comprising both direct and deemed interest), representing approximately 10.93% of the total issued share capital of the Company (on an enlarged basis immediately after the allotment and issuance of the Consideration Shares).
- 4.4 The listing and quotation of the Consideration Shares on the Catalist board of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) is expected to take place on or around 4 July 2024.
- 4.5 In the event the Target Companies fulfil certain conditions as set out in the SPA, Body Power shall be entitled to an Earn-Out Amount of RM4,000,000 in aggregate, to be satisfied by the allotment and issuance of Earn-Out Shares by the Company to Body Power or a related entity of Body Power.

BY ORDER OF THE BOARD OF
9R Limited

Datuk Low Kim Leng
Chairman and Independent Non-Executive Director
28 June 2024

*This announcement has been reviewed by the Company’s sponsor, UOB Kay Hian Private Limited (the “**Sponsor**”).*

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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