

Is there any matter in relation to the cessation that needs to be brought to the attention of the shareholders of the listed issuer?

If yes, please elaborate:

As announced on 2 August 2020, subsequent to Ms Wang Jue ceasing to be an Executive Director of the Company, the Company tried to contact her on numerous occasions to request her to comply with all employee exit procedures, including the handover of all work, documents and equipment, but she has to date, not responded to the Company. There has been no handover and the Company is reviewing its records and conducting verification checks / investigations and seeking legal advice from its lawyers on the appropriate course of action.

Any other relevant information to be provided to shareholders of the listed issuer?

If yes, please elaborate:

Ms Wang has highlighted matters related to the following:

1. Ownership of shares held by certain shareholders of the Company are held on trust for certain individuals;
2. The rights, interest, title, claims and benefits of the interest free loan in the sum of S\$1.19 million from Dr Zhang to the Company (as announced on 23 January 2020) belong to the said certain individuals; and
3. Concerns relating to the purpose of the Bank facility entered into by the Company/Board.

Response from Company to item 1:

The Company assumes that ‘certain shareholders and certain individuals’ referred to by Ms Wang are those identified in the Company’s announcement dated 2 August 2020. The Company understands that the alleged trust arrangement is said to be in respect of the shares acquired by such shareholders pursuant to a sale and purchase agreement entered into with Mr Jeffrey Hing Yih Peir, who was at the relevant time, the Executive Chairman and Managing Director, and a controlling shareholder, of the Company.

As announced on 27 July 2020, the Company has engaged legal counsel to render independent legal advice on the basis and merits of the claims made in the letter of demand received from such Claimants (the “**Letter**”) and/or to address/rebut the allegations made against the Company and the Board.

Company’s response to item 2:

The Company noted that the Claimants’ lawyers have in the Letter, made the claim that the loan of S\$1.19 million from Dr Zhang Jian to the Company belonged to the Claimants.

As announced by the Company on 27 July 2020, the Company has engaged legal counsel to render independent legal advice on the basis and merits of the claims made in the Letter. The Company further understands that the relevant shareholders and other individuals concerned has sought separate legal representation in relation to the claims/ allegations made by the Claimants.

Company's response to item 3:

The Company refers to its announcement dated 27 July 2020 on the Board's views on the bank facility accepted by the Company in May 2020. In addition, the Company also wishes to highlight that Ms Wang had signed the board resolution in writing dated 26 May 2020 in connection with the Company's acceptance of the bank facility. The Company intends to utilise such bank facility proceeds as working capital to fund its operations and expansion of its businesses. As such, the Company does not understand Ms Wang's concerns in respect of such bank facility.