ALPHA DX GROUP LIMITED
(UNDER JUDICIAL MANAGEMENT)
(Incorporated in the Republic of Singapore)
(Company Registration No. 200310813H)

ENTRY INTO CONDITIONAL LOAN AGREEMENT

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1. INTRODUCTION

Alpha DX Group Limited (under judicial management) (the "**Company**") wishes to announce that the Company had on 5 December 2023 entered into a conditional loan agreement (the "**Conditional Loan Agreement**") with Mr. Bryan Lim Soon Fang and Mr. Cheung Po Kuen, Michael (each a "**Lender**" and collectively, the "**Lenders**") for a convertible loan facility of an aggregate principal amount of up to S$2 million (the "**Convertible Facility**").

2. INFORMATION ON THE LENDERS

The Lenders are making available the Convertible Facility as private investors, with a view to facilitating potential business injections as co-investors. Each Lender has confirmed to the Company that he is not related in any way to the Directors and/or substantial shareholders of the Company.

3. RATIONALE FOR CONDITIONAL LOAN AGREEMENT

One of the statutory objectives of judicial management is to seek a compromise or arrangement between the Company and its creditors ("**Creditors**") by way of a scheme of arrangement ("**Scheme**"). The Conditional Loan Agreement seeks to provide funding for (a) the settlement and discharge of the Company's debts with the said Creditors by way of a Scheme, and (b) working capital for general compliance purposes and for costs and expenses required for the implementation of the Scheme.

4. PRINCIPAL TERMS OF THE CONDITIONAL LOAN AGREEMENT

The principal terms of the Conditional Loan Agreement are set out below:

Principal Amount	S$2.0 million, consisting of S$1.0 million (50%) from Mr. Bryan Lim Soon Fang and S$1.0 million (50%) from Mr. Cheung Po Kuen, Michael
Interest	Amounts drawn down do not carry interest.
Availability Period	Period commencing on the date of the Conditional Loan Agreement and ending on the date falling 12 months thereafter or such later date as the parties to the Conditional Loan Agreement may agree in writing.
Use of Convertible Facility	S$1.2 million (60%) ("**Repayment Purpose**") is to be used for the settlement and discharge of outstanding debts of the Company owing to the Creditors after the implementation of a Scheme, and

	S$0.8 million (40%) ("**Working Capital Purpose**") is to be used as working capital for general compliance purposes and for costs and expenses required for the implementation of the Scheme. Disbursement for Repayment Purpose is conditional on the Scheme being sanctioned by the Singapore court. Disbursements for Working Capital Purpose are conditional on various milestones being met by the Company to progress the Scheme, such as, *inter alia*, the convening of the Scheme meeting of the Creditors and the Scheme being sanctioned by the Singapore court.
Repayment	Unless earlier converted or capitalised into new shares of the Company ("**Conversion Shares**"), repayment of the outstanding loan shall be made in one tranche upon demand made any time after the Availability Period. The Convertible Facility, to the extent disbursed, can however be declared to be immediately due and payable upon occurrence of an event of termination as elaborated further below.
Conversion (Capitalisation)	Subject to the satisfaction of various conditions precedent, the Lenders shall be entitled at any time to elect to capitalise all (and not part only) of their relevant proportion of the Convertible Facility into Conversion Shares at the Conversion Price (the "**Capitalisation**"). The Capitalisation is subject to, *inter alia*, all relevant approvals being obtained, including approvals from shareholders of the Company ("**Shareholders**") and the SGX-ST, as required.
Conversion Price	S$0.002744 per Conversion Share.
Rights and liabilities of the Lenders	Unless expressly stated otherwise: 1. a right conferred onto a particular Lender is held by that Lender severally (and not jointly with the other Lender); and 2. each Lender is severally (and not jointly with the other Lender) liable for any liability imposed on such Lender or arising from the breach of that Lender's obligations.
Termination	The Conditional Loan Agreement can be terminated at any time prior to any drawdown on the Convertible Facility or so long as any part of the loan drawdown under the Convertible Facility remains outstanding, by the Lenders on the following circumstances: 1. a material breach on the part of the Company of the terms of the Conditional Loan Agreement (which breach is not rectified within an agreed grace period);

	2. delisting of the shares of the Company; or 3. if there is issued any order, decree, ruling, direction or taken any other action permanently enjoining, restraining or otherwise prohibiting the implementation of the Scheme, the Capitalisation or any transaction contemplated under this Agreement, and such order, decree, ruling, other action or refusal shall have become final and non-appealable. The Company can likewise terminate the Conditional Loan Agreement at any time prior to any drawdown on the Convertible Facility or so long as any part of the loan drawdown under the Convertible Facility remains outstanding, on similar circumstances: 1. a material breach on the part of any of the Lenders of the terms of the Conditional Loan Agreement (which breach is not rectified within an agreed grace period); 2. delisting of the shares of the Company; or 3. if there is issued any order, decree, ruling, direction or taken any other action permanently enjoining, restraining or otherwise prohibiting the implementation of the Scheme, the Capitalisation or any transaction contemplated under this Agreement, and such order, decree, ruling, other action or refusal shall have become final and non-appealable. The Conditional Loan Agreement shall terminate automatically if there is no drawdown on the Convertible Facility within 3 months of the date of the Conditional Loan Agreement, unless otherwise mutually agreed in writing amongst the parties to the Conditional Loan Agreement.

5. ILLUSTRATIVE FINANCIAL EFFECTS

The *pro forma* financial effects as set out below are prepared purely for illustrative purposes only and do not reflect the actual financial position of the Company following the entry into the Conditional Loan Agreement.

These pro forma financial effects have been prepared based on the consolidated audited financial statements of the Company for financial year ended 31 December 2021 ("**FY2021**"), being the most recently completed financial year and on the following bases and assumptions (disregarding transaction costs):

(a) the full disbursement of the Convertible Facility and implementation of the Scheme; and

(b) the full Capitalisation of the Convertible Facility with the issuance of 728,862,973 Conversion Shares,

(collectively, the "**Corporate Actions**").

5.1 **Share Capital**

For the purposes of illustrating the financial effects of the Corporate Actions on the share capital of the Company, it is assumed that the Corporate Actions were completed on 31 December 2021:

	Before the Corporate Actions	**After the Corporate Actions**
Issue and paid-up share capital (S$)	178,672,533	180,672,533
Total number of issued share (excluding treasury shares)	242,955,916	971,818,889

5.2 **NTA per Share**

For the purposes of illustrating the financial effects of the Corporate Actions on the NTA per Share, it is assumed that the Corporate Actions were completed on 31 December 2021:

	Before the Corporate Actions	**After the Corporate Actions**
NTA (S$'million)	3.0	7.1
NTA per share (S$' cents)	1.24	0.73

5.3 **Loss per Share**

For the purposes of illustrating the financial effects of the Corporate Actions on the loss per Share of the Company, it is assumed that the Corporate Actions were completed on 31 December 2021:

	Before the Corporate Actions	**After the Corporate Actions**
(Loss) from continuing operations after tax and minority interests attributable to shareholders (S$'million)	(6.2)	(4.09)
(Loss) from continuing operations per Share (S$)	(0.026)	(0.004)

6. CHANGES TO SHAREHOLDINGS

Subject to the full Capitalisation of the Convertible Facility with the issuance of 728,862,973 Conversion Shares above, the changes in the shareholdings of the Company, for illustrative purposes, are set out below:

Shareholders	Current Shareholding		After the Corporate Actions	
	Number of shares	%	Number of shares	%
Existing shareholders	242,955,916	100.0	242,955,916	25.0
Lenders	-	-	728,862,973	75.0
Total	242,955,916	100.0	971,818,889	100.0

7. FURTHER INFORMATION; CIRCULAR TO SHAREHOLDERS

The Company will seek Shareholders' approval for the Capitalisation and other transactions contemplated under the Conditional Loan Agreement.

Further information is intended to be set out in a circular to Shareholders, including on the dilutive impact of the Convertible Facility and the financial implications.

8. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Lenders are presently Shareholders.

To the knowledge of the Company, none of the directors or controlling shareholders of the Company or their respective associates has any interest, direct or indirect, in the Capitalisation and other transactions contemplated under the Conditional Loan Agreement other than through their respective directorships and/or shareholding interests in the Company.

9. FURTHER ANNOUNCEMENTS

Further announcements on the above will be made in due course as and when there are material developments.

SUBMITTED BY THE JUDICIAL MANAGERS

For and on behalf of the Company
Tan Wei Cheong
Joint and Several Judicial Manager
6 December 2023

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*This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited ("**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.*

Information in this announcement relating to the Lenders has been provided by the Lenders. Shareholders are cautioned that the Company and the judicial managers have not independently verified the accuracy and correctness of such information, and accordingly do not accept any responsibility for any such information.