

ASIATIC GROUP (HOLDINGS) LIMITED
(Company Registration No: 200209290R)
(Incorporated in the Republic of Singapore)

UPDATE SUBSEQUENT TO THE LETTER OF DEMAND FROM MAYBANK ISLAMIC BERHAD AND APPOINTMENT OF RECEIVERS IN MAJU INTAN BIOMASS ENERGY SDN BHD

The Board of Directors ("**Board**") of Asiatic Group (Holdings) Limited ("**Company**") refers to its announcements dated 10 May 2022 and 13 July 2022 (the "**Announcements**").

Save as expressly stated or the context otherwise requires, capitalized terms shall have the meanings ascribed to them in the Announcements.

The Board would like to provide an update to Shareholders that the Financiers had on 13 July 2022 rejected Lecca's representative's revised counter proposal and had appointed Dato' Adam Primus Varghese bin Abdullah and Macpherson Anak Simon as Receivers and Managers (the "**Receivers**") of all the assets and undertakings of MJE with effect from 14 July 2022. The Company had received a copy of the notification letter of the appointment of the Receivers on 14 July 2022.

As announced previously, the Repayment Amount is substantial and may have a material impact on the going concern of the Company. In order to protect the interests of Shareholders, the Board of Directors has undertaken the necessary review and assessment of the going concern of the Group, as well as appointed professionals to negotiate with the Receivers and the Financiers and advise the Company, the details of which are set out below:

- (a) assessed the cash flow position of all the Company's other subsidiaries, namely Asiatic Fire System Pte Ltd and Colben Systems Pte Ltd, and found that these subsidiaries continue to generate positive cashflow to the Group as at the date of this announcement and hence would be able to continue to service its liabilities and obligations toward its operations and creditors;
- (b) the appointment of Deloitte & Touche Financial Advisory Services Pte Ltd as financial advisor to ensure orderly and smooth negotiations with the Financiers and the Receivers, with the aim that MJE continues to remain operational and that the amount owing to the Financiers can be repaid, depending on the viability of any other options; and
- (c) the appointment of Messrs Rajah and Tann Singapore LLP to assist with all legal corporate advisory matters in respect of the Repayment Amount and any other corporate action that is needed due to the appointment of Receivers.

The Board of Directors has also assessed the Repayment Amount and is of the view that they are not able to quantify the exact liabilities resulting from the Letter of Demand or the appointment of Receivers as at the date of this announcement.

However, Shareholders should take note that any potential repayment by the Group to the Financiers arising from its corporate guarantee obligations as demanded in Letter of Demand shall be the difference after taking into account and/or deducting any residual value from MJE (including the value of the land held by MJE and its assets), and the discharge of other guarantees from governmental agenc(ies) in Malaysia or guarantees provided by other individuals (collectively "**Relevant Amounts**"). As at the date of this announcement, the Board of Directors is of the view that they are not able to quantify the Relevant Amounts and that sufficient information has been disclosed for trading of the Company's shares to continue in an orderly manner and confirmed that all material disclosures have been provided for trading of the Company's shares to continue.

In view of the foregoing, Shareholders should note that pursuant to Catalist Rule 1303(3) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), the SGX-ST may at any time suspend trading of the Company’s shares on the SGX-ST where the Company is unable to continue as a going concern or reasonably assess its financial position and inform the market accordingly. Further, pursuant to Catalist Rules 1304(1) and 1304(2), where trading in the shares of the Company has been suspended and the Company has not submitted a resumption of trading proposal within 12 months of the date of suspension, or a resumption proposal has been provided but has not been implemented within 6 months from the date SGX-ST indicates it has no objection to the resumption proposal, the SGX-ST may remove the Company from the Official List of the SGX-ST.

CAUTION IN TRADING

The Company will continue to make the necessary announcements, in compliance with the requirements of the Catalist Rules, as and when there are material developments. Shareholders are advised to read this announcement and any further announcements by the Company carefully and should exercise caution when trading in the shares of the Company. Persons who are in doubt as to the action they should take should consult their legal, financial, tax or other professional advisers.

By Order of the Board

Tan Boon Kheng
Managing Director

14 July 2022

*This announcement has been reviewed by the Company’s sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “**Sponsor**”). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the “**Exchange**”) and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.*

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