



PAN ASIAN HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 197902790N)

ISSUANCE OF NOTICE OF DISPUTE TO S.A.P.R JOINT VENTURE

The board of directors (the "**Board**") of Pan Asian Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that its wholly owned subsidiary in Hong Kong, Pan Asian Water Solutions (HK) Limited ("**PAHK**") has today served a Notice of Dispute (the "**NOD**") to SAPR JV (the "**JV**"), a Joint Venture Company incorporated in Hong Kong, in connection with its claim that the JV has defaulted in payment of outstanding trade receivables between January and July 2021 (the "**Outstanding Balance**") due to PAHK.

The Outstanding Balance comprises goods shipped and accepted by the JV between 28 December 2020 and 30 June 2021. The Outstanding Balance owed to PAHK is HKD4,543,966 (equivalent to approximately S\$794,000).

PAHK has been corresponding with the JV since 10 July 2021 to remind them of the outstanding balance and urge them for repayment. However, the JV did not respond and no repayment has been made as at the date of this announcement. PAHK has fulfilled all the requirements as stated in the Sales Order and Goods Supply Contract with the JV (the "**Contract**") and did not receive any rejection notice or notification of issues from the JV. As a result, PAHK has served the NOD pursuant to Clause 17(1) of the Contract.

In light of the foregoing, and as set out in the NOD, PAHK demands, among others:

- (1) The final account of the Contract upon the termination;
- (2) Entitlement to the Outstanding Balance of HKD4,543,966 being the balance / shortfall in respect of the first batch of pipes and fittings delivered to the JV between 28 December 2020 and 30 June 2021; and
- (3) Entitlement to loss and expenses due to the JV's rejection of the second batch of pipes.

The JV has 14 days from the date of the NOD, being up to 26 August 2021 to respond, failing which the dispute will be referred to mediation for resolution.

PAHK is working with its legal advisors to monitor the progress of this matter and the Company will update its shareholders if there are any material developments. In the meantime, the Group's operations are unaffected by this matter.

Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company and should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers if they are in doubt about the actions that they should take.

BY ORDER OF THE BOARD

Richard Koh Chye Heng
Executive Chairman
13 August 2021

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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