



TREK 2000 INTERNATIONAL LTD
(Registration Number 199905744N)

Proposed Disposal of Investment in Terrenus Energy Pte Ltd

1. INTRODUCTION

The Board of Directors (the “**Board**”) of Trek 2000 International Ltd (the “**Company**” or together with its subsidiaries, the “**Group**”) wishes to announce that the Company would be entering a Share Purchase Agreement (“**Share Purchase Agreement**”) with **Terrenus Energy Pte Ltd** (“**Terrenus Energy**”) to dispose its investment in Terrenus Energy representing 4.33% interest or 5,600,000 ordinary shares back to Terrenus Energy, on the terms and conditions set out in the Share Purchase Agreement (the “**Proposed Disposal**”).

2. INFORMATION ON THE INVESTMENT

Terrenus Energy is incorporated in Singapore and is a leading renewable energy solutions company with operations that spans across the Asia Pacific region in Singapore, Australia and China. In Singapore, it clinched its first solar project in 2018 with JTC Corporation to build Singapore’s first solar farm on Jurong Island. It also has solar projects with other notable organizations in Singapore including Facebook and the Housing Development Board (“HDB”).

The Company currently has 4.33% investment in Terrenus Energy. The Proposal Disposal is for the disposal of this investment in Terrenus Energy.

For information, the Group and Terrenus Energy are strategic partners, and both parties had worked closely on collaborations to leverage the Group’s extensive R&D and IoT capabilities, and developing and applying smart power system to support Terrenus Energy to capture the growth in the burgeoning renewable energy market where demand for such modern-day solutions is surging.

3. SALE CONSIDERATION

The consideration for the Proposed Disposal is S\$ 8.22 million (approximately US\$ 6.45 million) (the “**Sale Consideration**”), and is payable by Terrenus Energy to the Company in cash. The price was agreed on a willing buyer and willing seller basis after negotiation between both parties based on the current and long-standing business relationship, and in considerations of future collaborations between both parties for the Group to continue to provide cutting edge technology to support Terrenus Energy in its business.

Terrenus Energy would make payment of the Sale Consideration in full on the date of completion of the Proposed Disposal (the “**Completion**”).

4. CONDITIONS PRECEDENT

The Completion is subject to customary regulatory approvals and consents. There are no other material conditions with Completion expected in July 2025.

5. RATIONALE FOR THE PROPOSED DISPOSAL

The Board is of the view that the Proposed Disposal is in the best interests of the Group and its shareholders of the Company, as it will enable the Group to realise the value of the Sale Shares, which are currently held as investment. As shown in the financial effects below, the transaction would not materially change the risk profile of the Company.

For avoidance of doubt, the Proposed Disposal will result in a realized gain on disposal of investment and increased in Shareholders Fund by US\$ 6.05 million, and a positive cash inflow of S\$ 8.22 million (approximately US\$ 6.45 million), thereby strengthening the liquidity of the Group. This would also allow the Group to reallocate its resources to improve and optimise the utilisation of assets.

6. USE OF PROCEEDS

The net proceeds from the Proposed Disposal would be S\$ 8.22 million (approximately US\$ 6.45 million). The Group intends to apply such net proceeds towards the general working capital requirements.

7. FINANCIAL EFFECTS

The financial effects of the Proposed Disposal on the net tangible asset ("**NTA**") per share and earnings per share ("**EPS**") of the Group, prepared on a proforma basis on the unaudited consolidated full year financial statements ended 31 December 2024 ("**FY2024**") and on the assumption that the Proposed Disposal will result in net proceeds of S\$ 8.22 million (approximately US\$ 6.45 million) are set out below. The financial effects are purely for illustrative purposes only and are therefore not necessarily indicative of the actual financial position of the Group after Completion.

7.1 Net Profit Attributable to the Sale Shares

Based on the audited consolidated full year financial statements ended 31 December 2024, the book value of the Sale Shares is US\$ 400,000. The Sale Shares are currently held as investment and did not generate any income or revenue for FY2024.

The Proposed Disposal would result in a gain on disposal of investment of approximately US\$ 6.05 million.

7.2 Excess of Sale Consideration over Book Value

Based on the book value of the Sale Shares as set out in section 7.1 above, there is an excess of US\$ 6.05 million of the Sale Consideration over the said book value.

Based on the initial cost of investment of the Sale Shares of US\$ 1.50 million, there is an excess of approximately US\$ 4.95 million of the Sale Consideration over the said book value.

7.3 Earnings Per Share (EPS)

The financial effect of the Proposed Disposal on the EPS of the Group for FY2024 assuming that the Proposed Disposal had been effected as at 31 December 2024 is as follows:

	Before the Proposed Disposal	After the Proposed Disposal
Earnings Attribution to Shareholders	334,611	6,388,685
Number of issued ordinary shares, excluding treasury shares	311,684,925	311,684,925
EPS (US\$ cents)	0.11	2.05

7.4 Net Tangible Assets (NTA)

The financial effect of the Proposed Disposal on the NTA per share of the Group for FY2024 assuming that the Proposed Disposal had been effected as at 31 December 2024 is as follows:

	Before the Proposed Disposal	After the Proposed Disposal
NTA (US\$'000)	29,137	35,191
Number of issued ordinary shares, excluding treasury shares	311,684,925	311,684,925
NTA per share (US\$ cents)	9.35	11.29

7.5 Working Capital as at 31 December 2024

The Proposed Disposal would result in a positive cash inflow of US\$ 6.45 million (S\$ 8.22 million). For illustrative purpose, the effect on the Working Capital of the Group for FY2024 is shown as follows:

	Before the Proposed Disposal	After the Proposed Disposal
Working Capital (US\$'000)	27,392	33,846

7.6 Gearing and Shareholders' Fund as at 31 December 2024

The Group did not have any borrowings. The Proposed Disposal would result in a surplus to Shareholders' Fund by approximately US\$ 6.05 million. For illustrative purpose, the effect on the Shareholders' Fund of the Group for FY2024 is shown as follows:

	Before the Proposed Disposal	After the Proposed Disposal
Total Borrowings (US\$'000) (A)	-	-
Shareholders' Equity (US\$'000) (B)	29,633	35,687
Gearing (A/B)	-	-

8. RELATIVE FIGURES UNDER RULE 1006 OF SGX-ST LISTING MANUAL-MAINBOARD RULES

Rule 1006	Bases	Relative Figures
(a)	The net asset value of the assets to be disposed of amounted to US\$ 400,000, compared with the group's net asset value of US\$ 29.63 million. This basis is not applicable to an acquisition of assets.	1.35%
(b)	Net loss ⁽ⁱ⁾ attributable to the assets acquired or disposed amounted to (S\$ 716,089), compared with the Company's net profit of S\$ 396,883 (US\$ 311,574).	180.43%
(c)	Aggregate value of the Consideration of S\$ 8.22 million (approximately US\$ 6.45 million), compared with the Company's market capitalisation ⁽ⁱⁱ⁾ of S\$ 34.29 million (approximately US\$ 26.92 million).	23.98%
(d)	The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not Applicable
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets. If the reserves are not directly comparable, the Exchange may permit valuations to be used instead of volume or amount.	Not Applicable

Notes:

- (i) The net loss attributed to the assets disposed is computed as follows:

	<u>S\$</u>
Net loss of Terrenus Energy Pte Ltd (Financial Year 2024)	<u>(16,537,848)</u>
Trek 2000 International Ltd's share of Net Loss (4.33%)	<u>(716,089)</u>

- (ii) The Company's market capitalisation of S\$ 34.29 million (approximately US\$ 26.92 million) as at the date of this announcement was determined by multiplying the issued share capital of the Company of 311,684,925 shares (excluding treasury shares and subsidiary holdings) with the volume weighted average price of S\$ 0.110 (approximately US\$ 0.086) per share on 16 July 2025, being the last traded market day immediately preceding this application.

As the relative figure under Rule 1006 (b) and (c) exceeds 20% and pursuant to the requirements as set out under Rule 1014(2), the Company would have been required to seek shareholders' approval in respect of the Proposed Disposal.

9. Application for Waiver from Compliance with Rule 1014

On 2 July 2025, the Company had submitted an application to SGX-ST for a waiver from compliance with Rule 1014(2) ("Waiver"). SGX-ST had on 16 July 2025 granted the Waiver, subject to the following conditions:

- (i) the Company announcing the Waiver granted, the reasons for seeking the Waiver, the conditions as required under Mainboard Listing Rule 107 and if the Waiver conditions have been satisfied. If the Waiver conditions have not been met on the date of the announcement, the Company must make an update announcement when the conditions have all been met;
- (ii) submission of a written confirmation from the Board of Directors of the Company that the Waiver does not contravene any laws and regulations governing the Company and its constitution (or the equivalent in the Company's country of incorporation); and
- (iii) submission of a written confirmation from the Board of Directors of the Company and the Company announcing that there has been, and will be, no material change in the risk profile of the Company arising from the Proposed Disposal, including the bases for its opinion.

The Company had submitted the written confirmation to SGX-ST for paragraph (ii) and (iii) above. The Company considers the conditions described in paragraph (i) to (iii) above to be complied with by the making of this announcement.

10. Reasons for Seeking the Waiver

The Proposed Disposal is not an interested person transaction and would not materially change the risk profile of the Group.

Paragraph 7.3 (b) of Practice Note 10A of the Listing Manual states that SGX-ST may grant a Waiver from Rule 1014 if the proposed disposal involves a non-core asset and is not likely to affect the nature of the issuer's principal business.

The Company would like to confirm that the Proposed Disposal is for a non-core asset and would not affect the nature of the Company's principal business as:

- (i) the investment in Terrenus Energy is not critical to the Company's principal business activities; and
- (ii) the investment is also not an existing principal business of the Company.

As stated in paragraph 5 above, the Board is also of the view that the Proposed Disposal is in the best interests of the Group and its shareholders, as it will enable the Group to realise the value of the Sale Shares, which are currently held as investment. As also shown in the financial effects, the transaction would not materially change the risk profile of the Company.

The Company would like to confirm that the Waiver by SGX-ST will not result in the Company contravening any laws and regulations governing the Company and its constitution.

11. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save as disclosed in this announcement and save for their respective interests arising by way of their shareholdings and/or directorships in the Company, none of the Directors, controlling shareholders of the Company or their associates have any interest, direct or indirect, in the Proposed Disposal.

12. SERVICE CONTRACT

No person is proposed to be appointed as a director of the Company in connection with the Proposed Disposal. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

13. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts on the Proposed Disposal, the Company and its subsidiaries, and the Directors are not aware of any facts the omissions of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

14. DOCUMENT AVAILABLE FOR INSPECTION

A copy of the Share Purchase Agreement is available for inspection during normal business hours for a period of three (3) months commencing from the date of this announcement at the registered office of the Company at 30 Loyang Way #07-13/14/15 Loyang Industrial Estate Singapore 508769.

BY ORDER OF THE BOARD

Tan Joon Yong Wayne
Executive Chairman

17 July 2025