

ACROMETA GROUP LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number 2015440003M)

PROPOSED SUBSCRIPTION OF 12,500,000 SHARES IN THE CAPITAL OF THE COMPANY

1. Introduction

The Board of Directors of ACROMETA Group Limited (the “**Company**”) wishes to announce that the Company has entered into a conditional subscription agreement dated 7 November 2023 (the “**Agreement**”) with Huang She Thong (the “**Subscriber**”) pursuant to which the Subscriber shall subscribe for, and the Company shall allot and issue, an aggregate of 12,500,000 new ordinary shares (the “**New Shares**”) at an issue price of S\$0.04 (the “**Issue Price**”) for each New Share (the “**Share Subscription**”), amounting to an aggregate consideration of S\$500,000.

The Share Subscription is made pursuant to the exemption under Section 272B of the Securities and Futures Act (Chapter 289) of Singapore. As such, no prospectus or offer information statement will be issued by the Company in connection with the Share Subscription.

The Share Subscription would not result in any transfer of controlling interest in the Company, and the New Shares will not be issued to any of the persons set forth in Rule 812(1) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) (the “**Catalist Rules**”).

2. Share Subscription

2.1 Ranking and Subscription Price

The Issue Price represents a premium of approximately 31.6% to the volume weighted average price of S\$0.0304 for trades done on the Shares on the SGX-ST from 6 November 2023, being the full market day preceding up to the time the Agreement was signed on 7 November 2023. The Share Subscription and the Issue Price was commercially agreed between the Company and the Subscribers, after arm’s length negotiations and with reference to the price for trades done on the Shares on the SGX-ST over the last six months preceding the Agreement and the limited liquidity of the shares.

The New Shares shall be issued free from all claims, charges, liens and other encumbrances whatsoever and shall rank *pari passu* in all respects with and carry all rights similar to the then existing ordinary shares of the Company (“**Shares**”), except that they will not rank for any dividend, right, allotment or other distributions, the record date for which falls on or before the date of issue of the New Shares.

2.2 Authority to allot and issue the New Shares

The Company will allot and issue the New Shares pursuant to the general share issue mandate granted by shareholders of the Company at the annual general meeting held on 30 January 2023 (the “**2022 AGM**”) (the “**Share Issue Mandate**”).

Pursuant to the Share Issue Mandate, the Directors are authorised to issue not more than 277,127,956 ordinary shares, being 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the 2022 AGM, of which the aggregate number of shares to be issued other than on a *pro rata* basis to existing shareholders shall not exceed 50% of the total number of issued shares in the capital of the Company (excluding treasury shares and subsidiary holdings) as at the date of the 2022 AGM, being 138,563,978 ordinary shares. As such, the New Shares to be issued and allotted pursuant to the proposed Share Subscription is within the limits of the Share Issue Mandate.

The New Shares, when issued and allotted, represent approximately 4.51% of the existing issued share capital of the Company comprising 277,127,956 ordinary shares as at the date of this announcement, and will represent approximately 4.32% of the enlarged issued share capital of the Company comprising 289,627,956 ordinary shares after the allotment and issue of the New Shares.

2.3 Information on the Introducer and the Subscribers

Shareholders should note that the information relating to the Introducer and the Subscribers in this paragraph and elsewhere in this Announcement were provided by the Introducer and the Subscribers, respectively. The Company and the Directors have not independently verified the accuracy and correctness of such information.

The Subscriber was introduced by the Company's appointed introducer, Daniel Kway, an independent third party, from UOB Kay Hian Private Limited. Subject to the completion of the proposed Share Subscription, there will be an introducer fee of S\$15,000 payable to Daniel Kway by the Company, in connection with the Share Subscription. No commission will be shared with any Subscribers.

Huang She Thong is a private investor and was previously an Executive Director of Geo Energy Resources Limited. The Subscriber has warranted that he is not a director or substantial shareholder of the Company or any other person specified under Rule 812(1) of the Catalist Rules. As far as the Directors are aware, the Subscribers are individuals and entities wishing to invest in the Company.

To the best of the knowledge of the Directors, none of the Subscribers, their directors and substantial shareholder has any connections (including business relationships) with the Company, its directors and substantial shareholders.

2.4 Conditions of Share Subscription

The Company shall, through its sponsor, submit an additional listing application to the SGX-ST for the New Shares to be listed and quoted on the Catalist Board of the SGX-ST, and shall execute all such documents and do all acts and things as may be necessary or advisable for such purpose. The Company will make the necessary announcement when it has received the listing and quotation notice (the "**LQN**") from the SGX-ST, or as and when appropriate.

The completion of the Share Subscription is expected to take place three business days after the later of (a) the receipt by the Company of the LQN from the SGX-ST for the listing, dealing and quotation of the New Shares on the Catalist Board of the SGX-ST; or (b) the date of execution of the Escrow Agreement, or such later date as the parties may agree (the "**Completion Date**").

3. **Financial Effects of Share Subscription**

Pursuant to the issue of the New Shares, the issued and paid share capital of the Company will increase from S\$18,865,910 divided into 277,127,956 Shares to S\$19,330,910 (net of share issuance costs) divided into 289,627,956 Shares. The New Shares represents approximately 4.51% of the existing issued share capital of the Company, and approximately 4.32% of the enlarged issued share capital of the Company. The Company does not hold any treasury shares.

The basic earnings per Share ("**EPS**") and the net asset value ("**NAV**") per Share of the Company and its subsidiaries (the "**Group**") based on the audited financial statements of the Group for the financial year ended 30 September 2022 ("**FY2022**") were S\$1.15 cents and S\$5.31 cents respectively. The EPS and NAV per Share of the Group for FY2022, after adjusting for the Share Subscription, would be S\$1.06 cents and S\$4.87 cents respectively.

The financial effects of the Share Subscription set out above are for illustrative purposes only and are therefore not indicative of the actual financial performance or position of the Group upon completion of the proposed Share Subscription especially in light of the recent announcements of the Group on 31 October 2023.

4. Purpose and Use of Proceeds

The gross proceeds raised from the Share Subscription of S\$465,000 will, after deducting expenses relating thereto of approximately S\$35,000, will be used for general working capital purposes.

Pending the deployment of the net proceeds for the purpose as set out above, such proceeds may be deposited with banks and/or financial institutions, invested in short-term money market and/or debt instruments or used for any other purposes on a short-term basis as the Directors may deem fit.

The Company will make periodic announcements on the utilisation of the net proceeds from the Share Subscription when such proceeds are materially disbursed and will provide a status report on the use of such proceeds in the Company's annual report.

The Directors are of the opinion that, after taking into consideration (i) the present banking facilities of the Group; and (ii) present banking facilities and the net proceeds from the issue of the New Shares, the working capital available to the Group is sufficient to meet its present requirements.

Nonetheless, the Directors have decided to undertake the Share Subscription to strengthen the Group's working capital, and/or to fund the Group's growth and expansion (as and when the opportunities arise).

5. Interests of Directors, Controlling Shareholders and Substantial Shareholders

None of the Directors, and as far as the Directors are aware, none of the substantial shareholders of the Company, has any interest, direct or indirect, in the Share Subscription, other than in their respective capacities as the Director or substantial shareholder of the Company.

6. Documents for Inspection

A copy of the Agreement is available for inspection at the registered office of the Company at 4 Kaki Bukit Avenue 1 #04-04 Kaki Bukit Industrial Estate Singapore 417939 during normal business hours for a period of three months from the date of this announcement.

7. 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 about the Share Subscription, the Company, and its subsidiaries, and the Directors are not aware of any facts the omission 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.

8. Trading Caution

Shareholders and potential investors should exercise caution when trading in Shares of the Company, and where in doubt as to the action they should take, they should consult their financial, tax or other professional adviser immediately.

BY ORDER OF THE BOARD

Levin Lee
Executive Chairman
7 November 2023

This announcement has been reviewed by the Company's Sponsor, Evolve Capital Advisory Private Limited (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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