NauticAWT Limited

(Company Registration Number: 201108075C)
(Incorporated in the Republic of Singapore)

RESPONSE TO QUERIES FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (THE "SGX-ST")

The Board of Directors (the "**Board**") of NauticAWT Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to its announcements on:

(i) 12 April 2019 and 26 April 2019 in relation to the audited financial statements for the financial year ended 31 December 2018 ("**FY2018**") pursuant to Rule 704(4) of the Listing Rules (Section B: Rules of Catalist) of the SGX-ST;

(ii) 22 January 2019 and 26 April 2019 in relation to the Proposed Placement and the Entry into Supplemental Deeds to the Placement Agreement respectively;

(iii) 10 July 2019 in relation to the lapse of the Proposed Placement; and

(iv) 10 July 2019 in relation to the Proposed Subscription and Issuance of Settlement Shares pursuant to Debt Restructuring.

(Collectively, the "**Announcements**").

Unless otherwise defined herein, all capitalised terms and references used herein shall have the definitions ascribed to them in the Announcements.

The Board would like to provide the Company's responses to queries raised by the SGX-ST on 15 July 2019, in respect of the Announcements: -

1. Please provide the underlying reasons for the extension of Cut-Off Date of the Placement Agreements and the subsequent mutual agreement not to proceed with the Proposed Placement.

The extension of the Cut-Off Date (from 30 April 2019 to 30 June 2019) was requested by the Placement Agents as negotiations with investors were still on-going and the Placement Agents were unable to finalise the Proposed Placement before the original Cut-Off Date (being 30 April 2019).

Subsequently, the Company requested for an update prior to the expiry of the extended Cut-Off Date of 30 June 2019 and was made to understand that the progress of the fund-raising had not significantly improved due to poor market conditions and weak investor sentiments. In order for Placement Agents to raise sufficient amount for the Company's intended purposes, a further extension was requested by the Placement Agents. Around the same time, the Company was also introduced to Dr Chirasak Chiyachantana (the "**Subscriber**") by UOB Kay Hian Private Limited. Accordingly, the Board was of the view that the Company should consider other fund-raising options.

In view of the circumstances and after careful consideration, the Board is of the view that the granting of a further extension may not guarantee the required funding needed for the Company and the Company should consider other fund-raising options. As such, the Company and the Placement Agents mutually agreed to not further extend the Placement Agreements.

2. Justification and basis for the going concern assumption and thereby the continued trading of the Company's shares.

Following the lapse of the Placement Agreements as mutually agreed by the Company and the Placement Agents, the Company had entered into a conditional share subscription agreement for an aggregate of 400,000,000 new ordinary shares at the subscription price of S$0.01125 per share, amounting to S$4.5 million as announced on 10 July 2019 (the "**Proposed Subscription**").

Pursuant to the terms of the Proposed Subscription, the Company undertakes to commence a debt and capital restructuring exercise ("**Debt Restructuring**"), where the Company is intending to, subject to shareholders' approval, issue and allot up to 181,852,521 Shares as settlement shares (the "**Settlement Shares**") for debt capitalisation.

Following the Debt Restructuring, it is intended for the Company to further reduce its liabilities to not more than S$500,000 (the "**Balance Liabilities**"). As at the date of this announcement, the Company has not finalised the terms of the Debt Restructuring, and will make the relevant announcements as and when appropriate.

As announced on 10 July 2019, the Company had also set out an amount up to S$500,000, out of the total net proceeds of approximately S$4.3 million, for the repayment of the Balance Liabilities.

Pursuant to the terms of the Proposed Subscription, the Company intends to complete the Proposed Subscription, including, but not limited to, the Debt Restructuring by the long-stop date of 31 December 2019.

Accordingly, the Board is satisfied that the use of going concern assumption is appropriate, taking into consideration of the above factors and the following:

i) the present banking facilities and continuous support from the existing banks,

ii) positive operating cash flows generated from existing and new contracts from customers, and

iii) the new funding from the Proposed Subscription of S$4.5 million as well as the Debt Restructuring exercise.

By Order of the Board

John Grønbech
Executive Director and CEO
24 July 2019

*This announcement has been reviewed by the Company's Sponsor, SAC Capital 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 announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

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