

**BM MOBILTY LTD**  
(IN PROVISIONAL LIQUIDATION)  
**(COMPANY REGISTRATION NO. 200800853Z)**

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**RESPONSE TO QUERIES FROM SGX-ST OF 11 SEPTEMBER 2019**

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The Provisional Liquidators of BM Mobility Ltd (In Provisional Liquidation)(the “Company”) refers to the queries raised by the Singapore Exchange Securities Trading Limited (the “SGX-ST”) on 11 September 2019 (each, a “SGX’s Query”) to the Board of Directors (the “Board”) of the Company. The said queries and the Board’s responses are as follows:

**SGX’s Query:**

On 30 August 2019, the Board suddenly announced that it had “unanimously resolved” to appoint provisional liquidators “after the Directors have made a Statutory Declaration of the Company’s inability to continue business by reason of its liabilities”. Merely a week later, on 6 September 2019, the Company announced the Notice of EGM proposing 2 special resolutions to be considered; namely, (1) the winding up of the Company as a Creditors’ Voluntary Winding Up and the appointment of Deloitte & Touche LLP as the liquidators and (2) powers of the liquidators.

1. Noting the urgency of the Board’s actions to wind up the Company, without a Shareholders’ Circular, please robustly justify on what basis would shareholders be able to make a fully informed decision in deciding whether to vote for or against the Special Resolutions;

**Board’s Responses:**

Under section 294(2) of the Companies Act, on the appointment of a provisional liquidator, all the powers of the directors shall cease.

As the directors have filed a statutory declaration that the Company would be unable to pay its debts as they fall due within 12 months from the date of the said statutory declaration. The Company has to call a meeting within 30 days in compliance with the Companies Act.

It is stated above in the second paragraph that “On 30 August 2019, the Board suddenly announced it had “unanimously resolved” to appoint provisional liquidators “after the Directors have made a Statutory Declaration of the Company’s inability to continue business by reason of its liabilities.”

The Board wishes to clarify that it was the midst of raising funds for the Company’s working capital when on 29 July 2019, as directed by the Exchange in pursuance of Rule 1303(3) of the Listing Manual, the Company must request for an immediate suspension of its shares.

The suspension announced on 29 July 2019 in pursuance of Rule 1303(3) had foreshadowed and precipitated the insolvency of the Company.

Prior to and after the 29 July 2019, the Company was still working to secure funding via a private placement of shares to enable the Company to continue its operations. With the suspension, potential investors declined any investment into the Company.

Finally, on 30 August 2019, with no immediate prospect of fresh funding, the directors, in discharge of their duties under the Companies Act, made a pragmatic assessment that the Company was insolvent, and would be trading while insolvent if it continued operations. Provisional liquidators were then appointed to preserve and protect the interests of the Company's creditors and shareholders after the required statutory declarations were sworn and filed.

**SGX's Query:**

2. Principle 11 of the Code of Corporate Governance states that the Company "treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects". Please robustly justify and demonstrate the Board's compliance with this principle, without any Shareholders Circular provided yet and with only two(2) weeks to the EGM.

**Board's Responses:**

Up to 29 July 2019, the Board had made every effort to secure funding, including the provision by the Company's executive directors of loans to the Company in the past to meet its operational requirements while a longer-term solution was sourced.

Shareholders will have ample opportunity to discuss and ask questions regarding the special resolutions proposed to be passed at the upcoming general meeting.

A liquidation would in fact allow an orderly and fair distribution of the Company's remaining assets to creditors and shareholders in accordance with the Companies Act.

**Submitted by the Provisional Liquidators**

**For and On Behalf of the Company**

Tan Wei Cheong  
Deloitte & Touche LLP

12 September 2019

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The responses to the SGX-ST's queries of 11 September 2019 have been prepared by the Board. The Provisional Liquidators are not privy to the state of affairs of the Company prior to their appointment and have not independently verified the contents of this announcement. The Provisional Liquidators assumes no responsibility for the contents of this statement, including the correctness of any of the statements or opinions made or reports contained (if any) in this announcement.