

**AEI CORPORATION LTD.**  
(Incorporated in the Republic of  
Singapore) Co. Registration No.  
198300506G

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**ANNOUNCEMENT**

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**QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF THE LISTING MANUAL**

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AEI Corporation Ltd (the “**Company**” and together with its subsidiaries, the “**Group**”) was placed on the watch-list under the financial entry criteria pursuant to Rule 1311(1) of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 4 December 2019.

Pursuant to Rule 1313(2) of the Listing Manual, the Board of Directors (the “**Board**”) of the Company wishes to provide an update as follows:

**(1) Proposed acquisition of 100% shareholding interest in MTBL Global Pte Ltd**

Reference is made to the Company’s announcement on 31 December 2020 on the proposed acquisition of the entire issued shares in the share capital of MTBL Global Pte. Ltd. (“**MTBL**”) which is subject to shareholders’ approval at an extraordinary general meeting (“**EGM**”)

The circular to shareholders containing further information on the proposed acquisition and the notice of the EGM submitted to the Singapore Exchange since April 2021 is still pending clearance. The Company will continue to proactively follow up with the Singapore Exchange.

The Company will make the relevant announcements to update the shareholders on the EGM when clearance is obtained from the Singapore Exchange.

**(2) Capital reduction**

Reference is made to the Company’s announcements on 31 December 2020, 11 January 2021, 20 May 2021, 31 May 2021, 2 June 2021, 25 Jun 2021 and 6 July 2021 on the capital reduction to return to shareholder’s surplus capital of the Company in excess of its needs by way of a cash distribution by the Company of S\$0.36 for each ordinary share held by the shareholders (“**Capital Reduction**”).

The Capital Reduction was completed with payment of the cash distribution effected on 9 July 2021.

**(3) Exercise of options under S\$50,000,000 Subscription Agreement**

*References are made to:*

- (i) the Company’s circular to shareholders dated 12 March 2018 (the “**Circular**”). All capitalised terms used herein shall have the meanings ascribed to them in the Circular;*
- (ii) announcements relating to the exercise of options by MTBL Global Holdings Pte Ltd (“**MTBLGH**”) on 23 April 2021, 5 May 2021, 27 May 2021, 1 June 2021, 25 June 2021 and 10 August 2021.*
- (iii) announcements on the exercise of options by Pro Honor Investment Limited (“**PHIL**”) on 27 April 2021 and 25 June 2021.*

There are 5,400,000 remaining Option Shares in respect of the Option exercised by MTBLGH which will have to be issued by 9 August 2021 subject to receipt of the related Option Shares Subscription Amount.

On 10 August 2021, the Company announced that it has not received the outstanding Option Shares Subscription Amount of S\$4,320,000 from MTBLGH. Accordingly, the Company has not allotted and issued the remaining balance of 5,400,000 Option Shares to MTBLGH.

**(4) Financial performance and financial position**

The Group reported a net profit after tax of \$15.6 million for 1H FY2021 as compared to a loss of \$2.2 million for 1H FY2020. The Group's cash and cash equivalents as at 30 June 2021 were \$74.1M compared with \$30.9M as at 30 June 2020.

Please refer to the unaudited financial statements of the Group for the half year ended 30 June 2021 released on SGXNET on 12 August 2021 for more details.

The COVID-19 situation is expected to continue to impact negatively the existing operations of the Company. With the proposed acquisition of MTBL, the new liquor and beverage business which the Group is seeking to diversify into will have potential to drive the Group's revenue and profitability.

**(5) Update on future direction and other material development**

The Group has embarked on a business diversification strategy with the proposed acquisition of MTBL. It will also continue to seek other opportunities in potential profitable businesses to expand and grow the Group as well as seeking divestment for the businesses with significant uncertainty that continued adversely affected the profitability of the Group

**BY ORDER OF THE BOARD**

Lum Soh Ping  
Foo Soon Soo  
Company Secretaries

1 October 2021