



ENTRY INTO SUPPLEMENTAL AGREEMENT TO THE SUBSCRIPTION AGREEMENT DATED 30 APRIL 2024

Capitalised terms not defined herein shall bear the same meaning as defined in the Prior Announcement (as defined below), unless otherwise defined or the context requires otherwise.

1. INTRODUCTION

- 1.1. The board of directors (the “**Board**” or “**Directors**”) of Sevens Atelier Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the announcement made by the Company on 30 April 2024 (the “**Prior Announcement**”) in relation to the Proposed Subscription.
- 1.2 As announced in the Prior Announcement, the Company had entered into the Subscription Agreement dated 30 April 2024 (“**Original Subscription Agreement**”) with Mr. Huang Gang (the “**Subscriber**”) pursuant to which the Company has agreed to allot and issue, and the Subscriber has agreed to subscribe for an aggregate of 1,785,714 new ordinary shares representing approximately 0.82% of the existing issued and paid-up Shares of the Company at the issue price of S\$0.140 per Subscription Share, subject to the terms and conditions set out in the Original Subscription Agreement.
- 1.3 By way of update, the Company is pleased to announce that an amount of S\$70,000 towards the consideration for the Subscription Shares as part payment towards the Aggregate Consideration has been paid by the Subscriber and received by the Company as at the date of this announcement.

2. AMENDMENTS TO THE ORIGINAL SUBSCRIPTION AGREEMENT

- 2.1 The Board wishes to announce that after considering various factors, including the financial position of the Company, the required use of the net proceeds as at this date and the progress of the Proposed Subscription, the Company, as mutually agreed with the Subscriber, has decided to reduce the number of the subscription shares and the amount to be raised by entering into a supplemental agreement (the “**Supplemental Agreement**”) with the Subscriber on 9 May 2024 to amend the Original Subscription Agreement in relation to the Proposed Subscription (“**Amendments**”) for, *inter alia*, the following purposes:
 - (a) to amend the number of subscription shares to an aggregate of 714,285 new Shares representing approximately 0.33% of the existing issued and paid-up Shares of the Company at the Issue Price;

- (b) to amend the aggregate subscription consideration under the Original Subscription Agreement to be S\$100,000; and
- (c) in view of the part payment of S\$70,000 received by the Company, to amend the payment schedule of the subscription shares under the Original Subscription Agreement such that the balance consideration will be received by 15 May 2024.

2.2 Prior to the Amendments, assuming the completion of the Proposed Subscription, the total net proceeds from the Proposed Subscription and the intended use of the Net Proceeds are as follows

Intended Use of Net Proceeds	Proportion (%)	Amount of Net Proceeds (S\$)
Marketing expenses	83.3%	200,000
Working capital including, <i>inter alia</i> , professional fees and operational expenses	16.7%	40,000
Total	100.0%	240,000

Subsequent to the Amendments, the use of Net Proceeds will be amended as set out below:

Use of Net Proceeds	Proportion (%)	Amount of Net Proceeds (S\$)
Marketing expenses	83.3%	75,000
Working capital including, <i>inter alia</i> , professional fees and operational expenses	16.7%	15,000
Total	100.0%	90,000

2.3 Save as stated above, there were no other changes to the structure of the Proposed Subscription and the Subscription Agreement. The Issue Price remain unchanged i.e. S\$0.140 per Subscription Share.

2.4 A summary of, *inter alia*, the key salient amendments made to the Original Subscription Agreement pursuant to the terms and conditions of the Supplemental Agreement are set out in Annex A.

3. FINANCIAL EFFECTS

3.1. Bases and assumptions

The *pro forma* financial effects of the Proposed Subscription (taking into account the Amendments) on the consolidated net tangible assets ("NTA") per Share, Share capital and loss per Share of the Group have been prepared for illustration only and do not reflect the actual financial effects or the future financial performance and condition of the Group after completion of the Proposed Subscription.

For illustrative purposes only, the *pro forma* financial effects of the Proposed Subscription set out below were prepared based on the Group's latest audited financial statements for the full year ended 31 December 2023 ("FY2023") and subject to the following assumptions:

- 3.1.1. for purposes of computing the effect of the NTA per Share of the Group, it is assumed that the Proposed Subscription had been completed on 31 December 2023;
- 3.1.2. for purposes of computing the effect of the Proposed Subscription on the loss per Share, it is assumed that the Proposed Subscription was completed on 1 January 2023; and
- 3.1.3. the expenses incurred in connection with the Proposed Subscriptions amount to approximately S\$10,000.

3.2. Share Capital

	Before the Proposed Subscriptions	After the Proposed Subscriptions
Issued Share capital (S\$'000)	15,300 ⁽¹⁾	15,390
Number of Shares	214,202,036	214,916,321

Notes:

(1) Based on the issued share capital of the Company as at 31 December 2023.

3.3. NTA per Share

	Before the Proposed Subscriptions	After the Proposed Subscriptions
NTA attributable to the owners of the Group (S\$000)	6,772	6,862
Number of Shares	214,202,036	214,916,321
NTA per Share (cents)	3.16	3.19

3.4. Loss per Share

	Before the Proposed Subscriptions	After the Proposed Subscriptions
Loss attributable to the owners of the Group (S\$000)	(4,053)	(4,053)
Weighted average number of issued Shares	214,202,036	214,916,321
Loss per share (cents)	(1.89)	(1.89)

4. DIRECTORS' CONFIRMATION

The Directors are of the opinion that, as at the date of this announcement:

- (a) after taking into consideration the present bank facilities available to the Group, the Group has sufficient working capital to meet its present requirements; and
- (b) after taking into consideration the present bank facilities available to the Group, and the Net Proceeds, the working capital available to the Group is sufficient to meet its present requirements.

5. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

- 5.1 For illustration, the interests of the Directors, substantial shareholders and the Subscriber in the share capital of the Company as at the date of this announcement and after the Proposed Subscription (taking into account the Amendments) are set out below:

	As at the date of announcement		After the Proposed Subscriptions	
	Number of Shares	Percentage (%) ⁽¹⁾	Number of Shares	Percentage (%) ⁽²⁾
Directors				
Lim Xiu Fang, Vanessa	-	-	-	-
Lawrence Chen Tse Chau	-	-	-	-
Lo Kim Seng	-	-	-	-
Tan Yew Heng, Terrence	-	-	-	-
Substantial Shareholders (other than Directors)				
Lim Wei Zhi Sylvester	56,000,000	26.14	56,000,000	26.06
Lee Teck	31,818,000	14.85	31,818,000	14.80
Wong Zhi Wei (Huang Zhi Wei)	29,391,500	13.72	29,391,500	13.68
Lim Mui Leng	27,273,000	12.73	27,273,000	12.69
Pong Choon Kwang	14,053,000	6.56	14,053,000	6.54
Subscriber				
Huang Gang	-	-	714,285	0.33

Notes:

- (1) *The percentage shareholding interest is computed based on the existing issued and paid-up share capital (excluding treasury shares and subsidiary holdings) of the Company comprising 214,202,036 Shares as at the date of this announcement;*
- (2) *The percentage shareholding interest is computed based on the enlarged issued and paid-up share capital (excluding treasury shares and subsidiary holdings) of the Company comprising 214,916,321 Shares.*

6. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Original Subscription Agreement and the Supplemental Agreement are available for inspection by the Shareholders at the registered office of the Company at 31 Joo Chiat Place Singapore 427755 during normal office hours for three (3) months from the date of this announcement.

7. 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 about the Proposed Subscription, as amended by the Supplemental Agreement, 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 are advised to exercise caution in trading their Shares as there is no certainty or assurance as at the date of this announcement that the Proposed Subscription, as amended by the Supplemental Agreement, will proceed to completion. Shareholders are advised to read the Prior Announcement, this announcement, and any further announcements by the Company carefully. Shareholders should consult their stockbrokers, solicitors or other professional advisors if they have any doubts about the action they should take.

By Order of the Board

Mr. Lawrence Chen Tse Chau
Independent Director and Non-Executive Chairman
9 May 2024

This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (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.

The contact person for the Sponsor is Ms Foo Jien Jieng, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg.

ANNEX A: KEY SALIENT AMENDMENTS TO THE ORIGINAL SUBSCRIPTION AGREEMENT

Terms of Original Subscription Agreement	Modified or Amended Terms Pursuant to the Supplemental Agreement
<p>Definitions in Clause 1.1</p> <p>“Aggregate Consideration” means S\$250,000 being the total consideration for the Subscription Shares at the Issue Price;</p> <p>“Subscription Shares” has the meaning ascribed to it in Recital (B);</p>	<p>New definitions be inserted and replace the existing definition:</p> <p>“Aggregate Consideration” means an aggregate subscription consideration of up to \$100,000.00, comprising the Part Payment and the Balance Consideration;</p> <p>“Balance Consideration” has the meaning ascribed to it in Clause 3.1(a);</p> <p>“Part Payment” has the meaning ascribed to it in Clause 2.4;</p> <p>“Subscription Shares” means an aggregate of 714,285 new Shares representing approximately 0.33% of the existing issued and paid-up Shares of the Company at the Issue Price.</p>
<p>Subject to the terms and conditions of this Agreement, the Company agrees to allot and issue, and the Subscriber agrees to subscribe for an aggregate of 1,785,714 Subscription Shares at the Issue Price for each Subscription Share.</p>	<p>Subject to the terms and conditions of this Agreement, the Company agrees to allot and issue, and the Subscriber agrees to subscribe for an aggregate of 714,285 Subscription Shares at the Issue Price for each Subscription Share.</p>
<p>The Subscription Shares represents approximately 0.82% of the existing issued and paid-up Shares of the Company at the date of this Agreement. Assuming Completion occurs prior to issuance of the Incentive Consideration, the Subscription Shares will represent approximately 0.82% of the enlarged issued and paid-up Shares of the Company. However, assuming that Completion occurs after issuance of the Incentive Consideration, the Subscription Shares will represent approximately 0.82% of the enlarged issued and paid-up Shares of the Company.</p>	<p>The Subscription Shares represents approximately 0.33% of the existing issued and paid-up Shares of the Company at the date of this Agreement. Assuming Completion occurs prior to issuance of the Incentive Consideration, the Subscription Shares will represent approximately 0.33% of the enlarged issued and paid-up Shares of the Company. However, assuming that Completion occurs after issuance of the Incentive Consideration, the Subscription Shares will represent approximately 0.33% of the enlarged issued and paid-up Shares of the Company.</p>
<p>None</p>	<p>The insertion of a new Clause 2.4 of the Subscription Agreement as follows:</p>

	<p>“As at the date of this Agreement, the Subscriber has paid and the Company has received S\$70,000 as part payment (“Part Payment”) towards the Aggregate Consideration.”</p>																							
<p>Subject to the terms and conditions of this Agreement, Completion shall take place at the registered office of the Company (or at such place as the Parties may agree) on the Completion Date in the following manner:</p> <p>(a) the Subscriber shall pay to the Company the Aggregate Consideration by way of a bank transfer to the Designated Account; and follow the payment date as follows:</p> <table border="1" data-bbox="286 614 1077 900"> <thead> <tr> <th>Tranche</th> <th>Amount (SGD)</th> <th>Date</th> <th>Remark</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>70,000</td> <td>1st May 2024</td> <td></td> </tr> <tr> <td>2</td> <td>55,000</td> <td>1st November 2024</td> <td rowspan="2">No later than the date stated</td> </tr> <tr> <td>3</td> <td>70,000</td> <td>1st April 2025</td> </tr> <tr> <td>4</td> <td>55,000</td> <td>1st September 2025</td> <td></td> </tr> <tr> <td>Total:</td> <td>250,000</td> <td></td> <td></td> </tr> </tbody> </table> <p>(b) the Company shall, against payment of the Aggregate Consideration by the Subscriber in compliance with the provisions of Clause 3.1(a) above:</p> <p>(i) allot and issue to the Subscriber the Subscription Shares and issue the share certificates relating to the Subscription Shares in the name of CDP for the Securities Account of the Subscriber;</p> <p>(ii) deliver or procure to be delivered to CDP, the original share certificates for the Subscription Shares;</p> <p>(iii) instruct CDP to credit the Securities Account of the Subscriber (the details of which shall have been notified by the Subscriber to</p>	Tranche	Amount (SGD)	Date	Remark	1	70,000	1 st May 2024		2	55,000	1 st November 2024	No later than the date stated	3	70,000	1 st April 2025	4	55,000	1 st September 2025		Total:	250,000			<p>Subject to the terms and conditions of this Agreement, Completion shall take place at the registered office of the Company (or at such place as the Parties may agree) on the Completion Date in the following manner:</p> <p>(a) the Subscriber shall pay the Company S\$30,000 as the balance consideration (“Balance Consideration”) by way of a bank transfer to the Designated Account no later than 15 May 2024; and</p> <p>(b) the Company shall, against payment of the Balance Consideration by the Subscriber in compliance with the provisions of Clause 3.1(a) above:</p> <p>(i) allot and issue to the Subscriber the Subscription Shares and issue the share certificates relating to the Subscription Shares in the name of CDP for the Securities Account of the Subscriber;</p> <p>(ii) deliver or procure to be delivered to CDP, the original share certificates for the Subscription Shares;</p> <p>(iii) instruct CDP to credit the Securities Account of the Subscriber (the details of which shall have been notified by the Subscriber to the Company not later than three (3) Business Days prior to the Completion Date) with the Subscription Shares; and</p> <p>(iv) do all such acts or things as may be required by the Constitution of the Company and all applicable laws, regulations, rules and directives in Singapore as may otherwise be necessary or desirable in connection with or in relation to the subscription and the allotment and issue of the Subscription Shares, and</p>
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<p>the Company not later than three (3) Business Days prior to the Completion Date) with the Subscription Shares; and</p> <p>(iv) do all such acts or things as may be required by the Constitution of the Company and all applicable laws, regulations, rules and directives in Singapore as may otherwise be necessary or desirable in connection with or in relation to the subscription and the allotment and issue of the Subscription Shares, and</p> <p>in the event that the Subscriber fails to notify the Company on details of his Securities Account three (3) Business Days prior to Completion, the Company shall issue the share certificates relating to the Subscription Shares in the name of the Subscriber and mail it to the Subscriber at the Subscriber's own risk.</p>	<p>in the event that the Subscriber fails to notify the Company on details of his Securities Account three (3) Business Days prior to Completion, the Company shall issue the share certificates relating to the Subscription Shares in the name of the Subscriber and mail it to the Subscriber at the Subscriber's own risk.</p>
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