NEW WAVE HOLDINGS LTD.

(Company Registration No.199906870Z)

(Incorporated in the Republic of Singapore)

(the "**Company**")

PROPOSED ACQUISITION OF THE ENTIRE SHARE STAKE IN ALUTECH METALS ASIATIC PTE. LTD. (THE "ACQUISITION")

1. INTRODUCTION

The Board of Directors (the "**Board**") of the Company is pleased to announce that the Company has on 5 February 2018 entered into a conditional sale and purchase agreement (the "**S&P Agreement**") with two independent parties; Tan Suan Dao (the "**Vendor#1**") and Hu Wing Ko (the "**Vendor#2**") (collectively the "**Vendors**"), pursuant to which the Company shall acquire from the Vendors, the entire share stake in Alutech Metals Asiatic Pte. Ltd. (the "**Target Company**").

The Vendors shall sell the entire stake in the Target Company to the Company in the following proportions: Vendor#1 (50%) and Vendor#2 (50%). Upon the completion of the Acquisition, the Target Company will become a wholly-owned subsidiary of the Company.

2. INFORMATION ON THE TARGET COMPANY

The Target Company is a company incorporated in Singapore on 21 January 2010 with a wholly-owned subsidiary, namely, Alutech Metals Co., Ltd. (the "**PRC Subsidiary**"), incorporated in the People's Republic of China ("**PRC**") (collectively, the "**Target Group**"). The principal activities of the Target Company is that of an investment holding company and the PRC Subsidiary is principally involved in trading of aluminium alloy, steel, stainless steel and other metal products. As at the date of this announcement, the director of the Target Company is Tan Suan Dao.

3. RATIONALE FOR THE ACQUISITION

The Board is of the view that the Acquisition would be in the best interest of the Company for the following reasons:

(a). The Acquisition is in line with the Company's strategic plan to develop and expand its aluminium product distribution business; and

(b). The Company intends to tap on the Target Group's marketing strength and well established customer network in the PRC so as to strengthen its presence in the region.

4. PURCHASE CONSIDERATION

The maximum aggregate consideration for the Acquisition is S$2,800,000.00 ("**Maximum Consideration**") which was derived on a "willing buyer willing seller" basis, taking into consideration the Target Company's consolidated unaudited profit before tax of S$693,610 for the financial year ended 31 December 2017, the Target Company's consolidated unaudited net assets value and net tangible assets value of S$615,606 as at 31 December 2017 as well as the growth potential of the Target Group.

The Maximum Consideration shall be paid by the Company in the following manner:

1st Tranche

An initial consideration of S$2,400,000.00 (the "**Initial Consideration**"), shall be paid by way of (i) issuance of 120,000,000 new ordinary shares in the Company (the "**Initial Consideration Shares**") to the Vendors at an issue price of S$0.015 per Initial Consideration Share (the "**Issue Price**"), being 25% premium to the volume weighted average closing price of the ordinary shares in the Company ("**Shares**") for the full market day on the date of the S&P Agreement of S$0.012 per Share; and (ii) S$600,000 in cash (the "**Initial Consideration Cash Payment**").

The Initial Consideration Shares shall be issued by the Company to the Vendors in the following proportions:

Vendor#1	-	60,000,000 Initial Consideration Shares
Vendor#2	-	60,000,000 Initial Consideration Shares

The Initial Consideration Shares will be issued pursuant to the general share issuance mandate (the "**General Mandate**") granted to the Directors by the shareholders of the Company by way of an ordinary resolution at the AGM of the Company held on 27 July 2017 ("**2017 AGM**"). The General Mandate authorises the Directors to allot and issue Shares not exceeding 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the 2017 AGM, of which the aggregate number of Shares to be issued other than on a pro-rata basis to the existing shareholders shall not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings).

The number of issued Shares as at the date of the 2017 AGM was 1,607,469,695. Therefore, the number of Shares that may be issued pursuant to the General Mandate is 1,607,469,695, of which the maximum number of Shares to be issued other than on a pro-rata basis is 803,734,847. As such, the allotment and issuance of all the Initial Consideration Shares falls within the limits of the General Mandate.

Pursuant to the allotment and issuance of all the Initial Consideration Shares, the Company's issued and paid-up share capital will increase from 1,607,469,695 Shares ("**Existing Share Capital**") to 1,727,469,695 Shares ("**Enlarged Share Capital**"). The Initial Consideration Shares represent 7.47% and 6.95% of the Existing Share Capital and the Enlarged Share Capital of the Company after the completion of the Acquisition, respectively.

The Initial Consideration Shares, when issued and allotted, shall rank *pari passu* in all respects with the then existing issued and paid-up ordinary shares in the capital of the Company. The Initial Consideration Shares will be acquired by the Vendors free from all encumbrances and will carry all rights similar to the existing shares of the Company, except that they will not rank for any dividend, rights, allotment or other distribution, the record date for which falls on or before the date of issuance and allotment of the Initial Consideration Shares.

The Company will be making an application to the Singapore Exchange Securities Trading Limited ("**SGX-ST**") via its continuing sponsor for the listing of, and quotation for, the Initial Consideration Shares on the Catalist of the SGX-ST and will make the relevant announcement upon receipt of the listing and quotation notice from the SGX-ST.

The Initial Consideration Cash Payment shall be paid to the Vendors in the following proportions:

Vendor#1	-	S$300,000 Initial Consideration Cash Payment
Vendor#2	-	S$300,000 Initial Consideration Cash Payment

2nd Tranche

Subject to the terms of the S&P Agreement, a further cash consideration of up to S$400,000 (the "**Further Consideration**") shall be paid to the Vendors upon the PRC Subsidiary achieving net profits after tax of not less than S$400,000 after excluding asset sales and other non-operational gains (the "**Profit Target**") for the financial year ending 31 December 2018 ("**FY2018**"). Payment shall be made within 14 days after the issuance of the audited profit and loss accounts and balance sheet of the PRC Subsidiary for FY2018, which shall be audited by a public accounting firm appointed by the Company.

If the PRC Subsidiary fails to meet the Profit Target, the Further Consideration shall be adjusted in accordance with the following formula:

A = ((Actual NPAT x 7) - Initial Consideration)

Where:

A	=	Further Consideration;
Actual NPAT	=	the audited net profits after tax of the PRC Subsidiary for FY2018**,** excluding asset sales and other non-operational gains, subject to a maximum of S$400,000.

The Further Consideration shall be paid by the Company to the Vendors in the following proportions:

Vendor#1	-	50% x A
Vendor#2	-	50% x A

5. SALIENT DETAILS OF THE ACQUISITION

(a) The entire share capital of the Target Company to be acquired by the Company amounts to an aggregate of 300,000 ordinary shares (the "**Target Group Stake**"). The respective proportions of the Target Group Stake to be sold by each Vendor are as follows:

Vendor#1	-	150,000 shares (50%)
Vendor#2	-	150,000 shares (50%)

(b) Any dividend received by the Target Company from the PRC Subsidiary for the financial year ended 31 December 2017 shall be equally distributed to the Vendors within 14 days upon the receipt of such dividend by the Target Company. The maximum amount of such distribution shall be S$500,000.

(c) Each Vendor shall be entitled to transfer part of the Initial Consideration Shares to certain named employees of the Target Group as part of the employees' performance incentive.

The completion date of the Acquisition is expected to be no later than 30 June 2018, or such other date as agreed by the Company and the Vendors in writing.

6. CONDITIONS PRECEDENT

Pursuant to the S&P Agreement, the completion of the Acquisition is conditional upon:

(a) the respective businesses of the Target Group being carried out in the normal manner and each of the companies in the Target Group not having disposed of any assets or assumed or incurred any liabilities (including contingent liabilities) other than those in connection with their ordinary course of business during the period between the signing of the S&P Agreement and the completion date of the Acquisition;

(b) there being no change of circumstances which would render it unlawful, inadvisable, inexpedient or not commercially viable for the Company to acquire the Target Group Stake;

(c) all warranties, representations and undertakings hereunder being complied with, and being true, accurate and correct in all respects as at the completion date of the Acquisition;

(d) all approvals, consents and licences (whether governmental, corporate or otherwise) for the transactions described or contemplated herein having been obtained and not having been revoked or amended and, where such approval is subject to conditions, such conditions being acceptable to the Company and, to the extent that any such conditions are required to be fulfilled on or before completion, they are so fulfilled;

(e) the Company being satisfied at its sole discretion with the results of the due diligence exercise (legal, financial or otherwise) on each of the companies in the Target Group, as advised by legal counsels, accountants or other professional advisers appointed by the Company; and

(f) the passing of board resolutions by the board of directors of the Target Company, approving and authorising the resignation of the existing director of the Target Company and the appointment of persons nominated by the Company as directors of the Target Company with effect from the completion date or the date of their respective consents to act as directors.

7. SOURCE OF FUNDS FOR THE ACQUISITION

The Group intends to fund the cash payments of the Acquisition comprising the Initial Consideration Cash Payment and the Further Consideration with internal resources and S$0.93 million of the proceeds from the private placement exercise that was completed on 21 December 2015 to be used to support business development and provide liquidity for business expansion through acquisitions, joint ventures and collaborations.

8. DISCLOSEABLE TRANSACTION

The relative figures for the Acquisition computed on the bases set out in Rule 1006 of the SGX-ST Listing Manual: Section B: Rules of Catalist (the "**Catalist Rules**") and based on the latest announced consolidated financial statements of the Company for the half year period to 30 September 2017 ("**HY2018**") are as follows:

Rule	Bases	Relative Figures (%)
Rule 1006 (a)	Net asset value of the assets to be disposed of compared with the Group's net asset value	Not applicable(1)
Rule 1006 (b)	Net profits attributable to the assets acquired, compared with the Group's net profits(2)	15.4%(2)
Rule 1006 (c)	Aggregate value of the consideration given, compared with the Company's market capitalisation on 2 February 2018, being the market day preceding the date of the S&P Agreement	13.4%(3)
Rule 1006 (d)	Number of equity securities issued by the Company as consideration for an acquisition, compared with the equity securities previously in issue	7.5%(4)
Rule 1006 (e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves.	Not applicable(5)

Notes:

(1) This Catalist Rule is not applicable to the Acquisition.

(2) Under Catalist Rule 1002(3)(b), "net profit/loss" means profit or loss before income tax, minority interests and extraordinary items.

Based on the net profit of the Group for HY2018 of S$2,256,000 and the unaudited consolidated net profit of the Target Company for the financial year ended 31 December 2017 pro-rated for a period of six months, which amounted to S$347,000.

(3) Based on the Maximum Consideration of S$2,800,000, and the Company's market capitalisation of approximately S$20.9 million, which is determined by multiplying the issued share capital of the Company of 1,607,469,695 shares with the volume weighted average price of such Shares transacted on 2 February 2018 (being the full market day immediately prior to the signing of the S&P Agreement) of S$0.0130 per Share.

(4) Based upon the 120,000,000 Initial Consideration Shares to be issued and the Company's issued share capital of 1,607,469,695 Shares as at the date of the S&P Agreement.

(5) This Catalist Rule is not applicable as the Acquisition is not a disposal of mineral, oil or gas assets by a mineral, oil and gas company.

Based on the above, the relevant relative figures as computed on the bases set out in Rule 1006(b) to 1006(d) of the Catalist Rules exceed 5% but are less than 75%. Thus, the Acquisition constitutes a discloseable transaction as defined under Chapter 10 of the Catalist Rules.

9. FINANCIAL EFFECTS OF THE ACQUISITION

The pro-forma financial effects of the Acquisition are purely for illustrative purposes only and do not reflect the future actual financial position of the Group after completion of the

Acquisition.

The following pro-forma financial effects have been prepared based on the latest audited consolidated financial statements of the Group for the financial year ended 31 March 2017.

For the purposes of computing the effect of the Acquisition on the net tangible assets per share of the Group, it is assumed that the Acquisition had been completed on 31 March 2017.

For the purposes of computing the effect of the Acquisition on the loss per share of the Group, it is assumed that the Acquisition had been completed on 1 April 2016.

Loss per Share (“**LPS**”)

	Before the Acquisition	**After the Acquisition**
Loss after tax (S$’000)	(1,153)	(707)
Weighted average number of Shares	1,607,469,695	1,727,469,695
LPS (Singapore cents)	(0.07)	(0.04)
Weighted average number of Shares – diluted	1,607,469,695	1,727,469,695
LPS - diluted (Singapore cents)	(0.07)	(0.04)

Net Tangible Asset (“NTA”) per Share

	Before the Acquisition	**After the Acquisition**
NTA as at 31 March 2017 (S$’000)	17,157	17,773(1)
Number of Shares as at 31 March 2017	1,607,469,695	1,727,469,695
NTA per Share (Singapore cents)	1.07	1.03

Note: The NTA of the Target Company is based on the consolidated unaudited net tangible assets value of S$616,000 after taking into account the maximum dividend distribution of S$500,000 as stated in Section 5(b) above.

10. INTERESTS OF DIRECTORS AND/OR CONTROLLING SHAREHOLDERS

None of the Directors or the controlling shareholders of the Company has any direct or indirect interest in the Acquisition (other than through their respective shareholding interests in the Company, if any). None of the Directors or the controlling shareholders of the Company are related to the Vendors.

11. SERVICE AGREEMENT

No new director will be appointed to the Board of the Company in connection with the Acquisition.

12. 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 Acquisition, 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 the 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 the announcement in its proper form and context.

13. DOCUMENT FOR INSPECTION

A copy of the S&P Agreement will be made available for inspection by the shareholders of the Company during the normal business hours at 101 Kitchener Road, #02-17 Jalan Besar Plaza, Singapore 208511 for a period of 3 months from the date of this announcement.

The Company will make the necessary follow-up announcements as and when there are any material developments to the Acquisition.

BY ORDER OF THE BOARD

Ong Kian Soon
Chief Executive Officer
5 February 2018

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"), for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made *or reports contained in this announcement.*

The contact person for the Sponsor is Ms Jennifer Tan, Senior Manager, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).