

EXECUTION OF SUPPLEMENTAL LETTER AGREEMENT IN RELATION TO THE PROPOSED DISPOSAL OF LAND AT ONE BUKIT SENYUM

1. INTRODUCTION

The Board of Directors (the “**Board**” or “**Directors**”) of Astaka Holdings Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the announcement of the Company dated 14 January 2022 (the “**Announcement**”) in relation to a sale and purchase agreement dated 14 January 2022 (“**SPA**”) entered into between Astaka Padu Sdn. Bhd. (“**Vendor**”), a 99.99% owned indirect subsidiary of the Company, and Seaview Holdings Sdn. Bhd. (“**Purchaser**”) for the sale of the Vendor’s property known as One Bukit Senyum, a parcel of freehold land held under H.S.(D) 571006, PTD 233330, Mukim of Plentong, District of Johor Bahru, State of Johor, Malaysia to the Purchaser (the “**Proposed Disposal**”).

Unless otherwise defined, all capitalised terms shall bear the same meaning as set out in the Announcement.

2. SUPPLEMENTAL LETTER AGREEMENT

The Board wishes to announce that the Vendor and the Purchaser had, on 21 February 2022, entered into a supplemental letter agreement to the SPA (the “**Supplemental Letter Agreement**”), to vary, amend and alter certain terms of the SPA. A summary of the material amendments to the SPA is set out below. Save as amended by the Supplemental Letter Agreement, all other terms and provisions of the SPA shall remain in full force and continue to take effect and be binding on the Vendor and the Purchaser.

Removal of set-off arrangement

The Vendor and the Purchaser have agreed, under the terms of the Supplemental Letter Agreement, to remove the set-off arrangement in respect of the Balance against the Related Party Advances entirely from the SPA and that the Balance (of **RM104,400,000.00**) shall be paid and settled in full by the Purchaser to the Vendor in cash via 6 tranches in a fixed sum of **RM17,400,000.00** for each Instalment Tranche in accordance with the following payment schedule⁽¹⁾:

No.	Instalment Payment Date	Instalment Tranche (RM)	Percentage of the Balance
1.	On the Unconditional Date	17,400,000.00	15%
2.	3 months after the Unconditional Date	17,400,000.00	15%
3.	6 months after the Unconditional Date	17,400,000.00	15%
4.	9 months after the Unconditional Date	17,400,000.00	15%
5.	12 months after the Unconditional Date	17,400,000.00	15%
6.	15 months after the Unconditional Date	17,400,000.00	15%
Total		104,400,000.00	90%

Note:

(1) *The payment schedule for the Instalment Tranche remains unchanged, except that each Instalment Tranche shall be paid and settled solely in cash, instead of being subject to the potential set-off arrangement as described in paragraph 2.2 of the Announcement.*

3. RATIONALE FOR THE SUPPLEMENTAL LETTER AGREEMENT

As a result of the variations to the SPA under the Supplemental Letter Agreement, the Purchaser is no longer able to pay and settle the Instalment Tranche by way of a set-off of each cash payment of an Instalment Tranche against an equal amount of the Related Party Advances. The removal of the set-off arrangement provides certainty to the Group on the receipt of proceeds arising from the Proposed Disposal as well as greater flexibility on its intended use of the proceeds as set out in paragraph 2.3 of the Announcement.

The Supplemental Letter Agreement gives the Company certainty of receipt of proceeds arising from the Proposed Disposal and also greater flexibility on its intended use of the proceeds. This arose as a result of the ongoing review of the Proposed Disposal by the Board and the management of the Company, who are of the view that this Supplemental Letter Agreement is in the best interest of the Company and its shareholders.

Please refer to the Announcement for more information on the rationale for the Proposed Disposal.

The removal of the set-off arrangement pursuant to the Supplemental Letter Agreement does not result in any change to the relative figures in paragraph 7 of the Announcement, nor the financial effects of the Proposed Disposal as set out in paragraph 8 of the Announcement.

4. AUDIT COMMITTEE STATEMENT

Having reviewed and considered the terms and rationale of the Supplemental Letter Agreement, the Audit Committee of the Company is of the view that the Supplemental Letter Agreement is on normal commercial terms and is not prejudicial to the interests of the Company and its minority shareholders.

5. CAUTIONARY STATEMENT

Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors are advised to exercise caution when trading in the shares of the Company as the Proposed Disposal is subject to certain conditions. In the event of any doubt as to the action they should take, Shareholders and potential investors should consult their stock brokers, bank managers, solicitors or other professional advisors.

6. 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 Disposal, 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.

7. DOCUMENTS AVAILABLE FOR INSPECTION

The Supplemental Letter Agreement is available for inspection during normal office hours at the Company's registered office at 133 Cecil Street, #14-01 Keck Seng Tower, Singapore 069535, for three (3) months from the date of this announcement.

In light of the prevailing safe distancing measures due to the COVID-19 situation, please contact the Company at robin.yoo@a8ile.com prior to making any visits to arrange for a suitable time slot for the inspection.

By Order of the Board

Khong Chung Lun
Executive Director and Chief Executive Officer

21 February 2022

This announcement has been prepared by the Company and reviewed by the Company's sponsor, Novus Corporate Finance Pte. Ltd. (the "**Sponsor**"), in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST 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 Mr Andrew Leo, Chief Executive Officer, at 7 Temasek Boulevard, #18-03B Suntec Tower 1, Singapore 038987, telephone (65) 6950 2188.
