

NGSC LIMITED
Company Registration No. 196400100R

APPLICATION FOR 2-MONTH EXTENSION OF TIME TO COMPLY WITH RULE 704(8) OF THE LISTING MANUAL BY 16 APRIL 2021 IN RESPECT OF FILLING THE VACANCY IN THE AUDIT COMMITTEE OF THE COMPANY

The Board of Directors ("**Board**") of NGSC Limited ("**Company**", and together with its subsidiaries, "**Group**") refers to its announcement on 17 November 2020 relating to the resignation of Mr Ong Tiang Lock as Director of the Company. Mr Ong Tiang Lock, Lead Independent Director and member of the Audit Committee of the Company, resigned as Director of the Company on 17 November 2020. Pursuant to Rule 704(8) of the listing manual ("**Listing Manual**") of Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the Company needs to appoint a new member of the Audit Committee of the Company within 3 months from 17 November 2020, i.e. by 16 February 2021.

The Board wishes to update the shareholders that pursuant to the Company's application to SGX-ST for a 2-month extension of time from 16 February 2021 to 16 April 2021 to comply with Rule 704(8) of the Listing Manual of SGX-ST in respect of filling the vacancy in the audit committee of the Company ("**Waiver**"), the SGX-ST had, on 19 February 2021, informed that based on the information provided to the SGX-ST, it has no objection to the Company's application for the Waiver subject to the Company announcing the Waiver granted, the reasons for seeking the Waiver, the conditions as required under Mainboard Listing Rule 107 and if the Waiver conditions have been satisfied. If the Waiver conditions have not been met on the date of the announcement, the Company must make an update announcement when the conditions have all been met. The Waiver will not be effective if any of the conditions have not been fulfilled.

The reasons for seeking the Waiver are as follows:

- i) The Company received notification of delisting from SGX-ST on 3 December 2019 and trading in Company's securities was suspended from 3 January 2020 until the completion of exit offer;
- ii) Based on the latest announced unaudited financial statements of the Company for the first quarter ended 30 June 2020, the Company recorded (i) nil revenue and (ii) negative operating cash flows of S\$680,000;
- iii) The Company has been actively searching for an additional independent director since the cessation of the lead independent director of the Company (who was also a member of the Audit Committee of the Company) on 17 November 2020. However, the Company has been unsuccessful to-date, due in part to the concerns of such potential candidates about (i) the receipt of notification of delisting from SGX-ST on 3 December 2019 (ii) trading in Company's securities was suspended from 3 January 2020 and (iii) the outlook of the Company; and
- iv) The Company announced its audited results for the half year ended 30 September 2020 on 29 January 2021. The Company has appointed financial advisers to advise on exit offer proposals, and by 16 April 2021, the Company would be able to gauge more certainty of its exit offer proposals.

The Company confirms the Waiver is not in contravention of any laws and regulations governing the Company and its Constitution. The Company considers the Waiver conditions have been satisfied by releasing this announcement.

The Company will also be making an application to the Accounting and Corporate Regulatory Authority of Singapore ("ACRA") for a similar extension of time to comply with the statutory requirements under Section 201B of the Companies Act of Singapore (Cap.50) in relation to the appointment of new audit committee member to make up the minimum number of three (3) members. The Company will announce the outcome of the application to ACRA in due course.

By Order of the Board

Michael Kuan-Chi Sun
Executive Director
22 February 2021