

AXINGTON INC.

(Incorporated under the Labuan Companies Act 1990, Malaysia)
(Company Registration No. LL12218)

PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 95,230,150 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY (THE "RIGHTS ISSUE")

RETURN OF APPLICATION MONIES

1. Introduction

- 1.1 The board of directors ("**Board**") of Axington Inc. (the "**Company**") refers to the Company's announcements dated 28 July 2020, 11 August 2020, 13 August 2020, 14 August 2020, 21 August 2020, 26 August 2020, 31 August 2020, 3 September 2020, 6 September 2020 and 9 September 2020 (collectively, the "**Announcements**") and the offer information statement dated 21 August 2020 (the "**Offer Information Statement**") in relation to the Rights Issue.
- 1.2 Unless otherwise defined herein, capitalised terms used herein shall bear the same meaning ascribed to them in the Announcements and the Offer Information Statement.

2. Background

- 2.1 By way of background, the Company announced the Rights Issue on 28 July 2020 and received the listing and quotation notice from the SGX-ST for the listing and quotation of the Rights Shares on 11 August 2020. On 13 August 2020, the Record Date was fixed at 5:00 p.m., 21 August 2020, and the Company had despatched the Offer Information Statement on 26 August 2020.
- 2.2 On 31 August 2020, in light of certain developments in the media concerning the Company's Controlling Shareholders, the Company had requested a voluntary suspension pending the release of announcement(s) in relation to strategic changes to be made in the business direction of the Company (the "**Suspension**"). The majority of the Company's then board members had also resigned in August 2020.
- 2.3 Trading in the Company's shares continued to be suspended and on 9 September 2020, the Company announced that it was permitting the withdrawal of acceptances, applications and/or payment made by Entitled Shareholders for the Rights Shares or the Excess Rights Shares, provided that written instructions are provided with their authorised signatories to CDP (in the case of Entitled Depositors and Purchasers) and/or the Share Registrar (in the case of Entitled Scripholders and their Renounees) on behalf of the Company ("**Withdrawal Instruction**").

3. Return of application monies

- 3.1 The Board continues to engage with the Company's Controlling Shareholders on the strategic changes to be made in the business direction of the Company, in order for the Suspension to be lifted and for the Revised Timetable to be released.
- 3.2 Given that there is no visibility as to when the Suspension can be lifted and the Revised Timetable released, the Board intends to refund in full all application monies received from Entitled Shareholders for the Rights Shares or the Excess Rights Shares, whether or not the Company has received a Withdrawal Instruction (such monies known as the "**Application Monies**").
- 3.3 The Application Monies will be returned without any interest or any share of revenue or other benefit arising therefrom.

4. Manner of refund

The Company will return all Application Monies by any one or a combination of the following:

- 4.1 in respect of Entitled Depositors, where the acceptance and/or application had been made through Electronic Applications through an Accepted Electronic Service, by crediting the relevant applicant's bank account with the relevant bank at the relevant applicant's own risk, the receipt by such bank being a good discharge of the Company's and the CDP's obligations, if any, thereunder;
- 4.2 in respect of Entitled Scripholders, where the acceptance and/or application had been made through the Share Registrar, by means of a crossed cheque drawn in Singapore currency on a bank in Singapore and sent by ordinary post at the relevant applicant's own risk to the relevant applicant's mailing address as recorded with the Share Registrar; and/or
- 4.3 in respect of Entitled Depositors, where the acceptance and/or application had been made through the CDP, by crediting the designated bank account via CDP's Direct Crediting Service (DCS) at the relevant applicant's own risk. In the event that the relevant applicant is not subscribed to CDP's DCS, any monies to be refunded will be retained by CDP and reflected under the Cash Transaction section of the relevant applicant's CDP monthly account statement. This cash balance will be carried forward and will be automatically credited into the relevant applicant's bank account once the relevant applicant has applied for the DCS.

5. Timeline of refund

Entitled Shareholders who had accepted, applied or made payment for Rights Shares and/or Excess Rights Shares ("**Participating Shareholders**") can expect their Application Monies returned to them by **18 March 2021**.

6. Implications on the Rights Issue

- 6.1 The return of the Application Monies does not mean that the Rights Issue is cancelled. The Company intends to proceed with the Rights Issue as soon as the Suspension is lifted and the Revised Timetable, new Application Forms and any other documents as may be required by applicable laws are released.
- 6.2 In such an event, Entitled Shareholders who wish to accept their provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares would then have to take the necessary actions to accept their provisional allotment of Rights Shares and (if applicable) apply for Excess Rights Shares or dispose of their "nil-paid" rights, when trading of the "nil-paid" rights commences. This means that Participating Shareholders will be given the opportunity to participate in the Rights Issue again when the Rights Issue resumes.
- 6.3 There is no change to the previously announced Record Date. In other words, when the Suspension is lifted and the Revised Timetable, new Application Forms and any other documents as may be required by applicable law are released, the entitlements to participate in the Rights Issue and the provisional allotments of Rights Shares under the Rights Issue to Entitled Shareholders will be determined based on the shareholdings of Entitled Shareholders as at 5.00 p.m. (Singapore time) on 21 August 2020.

The Company will keep Shareholders updated on the Rights Issue via appropriate announcements on SGXNET.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company. Persons who are in doubt as to the action they should take should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

BY ORDER OF THE BOARD

Roberto Dona
Non-executive Chairman and Independent Director

15 March 2021

*This announcement has been prepared by the Company and reviewed by the Company's sponsor, Novus Corporate Finance Pte. Ltd. ("**Sponsor**"), in compliance with Rule 226(2)(b) of 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.

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