

AXINGTON INC.

(Company Registration No.: LL12218)

(A Company incorporated under the Labuan Companies Act 1990, Malaysia)

MONTHLY VALUATION OF ASSETS AND UTILISATION OF CASH FOR THE MONTH OF JUNE 2022 AND UPDATE ON MILESTONES IN OBTAINING A NEW BUSINESS

The Board of Directors (the “**Board**”) of Axington Inc. (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce the following pursuant to Rule 1017(1)(b) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”):

1) MONTHLY VALUATION OF ASSETS AND UTILISATION OF CASH

1.1 The Company’s assets and liabilities as at 30 June 2022 are as follows:

	S\$'000
<u>Assets</u>	
Escrow account	26,620
Cash and cash equivalents	1,506
Other receivables	35
Prepayment	7
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	28,168
Less:	
<u>Liabilities</u>	
Other payables and accruals	238
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Net Assets	<u><u>27,930</u></u>

1.2 The Company’s utilisation of cash and cash equivalents for the period from 1 June 2022 to 30 June 2022 are as follows:

	S\$'000
Opening balance as at 1 June 2022	1,596
Add:	
- Unrealised gain from FX translation ⁽¹⁾	2

- Directors' fees and remuneration	(63)
- Professional services ⁽²⁾	(16)
- Payment on behalf of subsidiaries ⁽³⁾	(7)
- Annual general meeting cost	(3)
- Other expenses	(3)

Closing balance as at 30 June 2022

1,506

Notes:

- (1) Adjusted for the unrealised FX movements arising from foreign currency cash holdings.
- (2) Mainly comprises of payment for legal, corporate secretarial and consultancy services.
- (3) Mainly relates to corporate secretarial and administrative expenses.

All figures provided in this announcement have not been reviewed or audited by the Company's auditors.

2) UPDATE ON MILESTONES IN OBTAINING A NEW BUSINESS

- 2.1 As disclosed in the Company's announcement dated 18 July 2022 (the "**Announcement**"), the Company had entered into a non-binding memorandum of understanding (the "**MOU**") on 18 July 2022 with Mr. Lim Boon Chay, Mr. Tan Soo See, Mr. Tan Soo Seng and Mr. Wong Sin Ting (collectively the "**Vendors**" and together with the Company, the "**Parties**") in connection with the proposed acquisition by the Company of 100% equity interest in each of Mushan Food Industries Pte. Ltd., Mushan Foods Pte. Ltd., Vitamax Food International Sdn Bhd and Vitamax Food Beverages Co. Ltd. (collectively the "**Target Group**") from the Vendors (the "**Proposed Acquisition**"). Please refer to the Announcement for more details.
- 2.2 The MOU is not intended to be legally binding between the Parties, except for certain provisions as disclosed under the Announcement. As such, the Proposed Acquisition is subject to the Parties' entry into the Sale and Purchase Agreement.
- 2.3 The Proposed Acquisition, if undertaken and completed, is expected to result in a reverse takeover of the Company as defined under Chapter 10 of the Catalist Rules. In accordance with Chapter 10 of the Catalist Rules, the Proposed Acquisition will be subject to, amongst others, the approval of the shareholders of the Company ("**Shareholders**") at an extraordinary general meeting to be convened pursuant to Rule 1015 of the Catalist Rules.
- 2.4 The Company will make further announcement(s) in relation to the Proposed Acquisition as and when there are any material updates or developments.

Shareholders and potential investors of the Company are advised to read this announcement and any further announcements by the Company carefully.

Shareholders are advised to refrain from taking any action in respect of their securities in the Company, which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. In the event of any doubt, Shareholders and potential investors of the Company should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

By Order of the Board

Ang Chiang Meng
Executive Director
26 July 2022

*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 Singapore Exchange Securities Trading Limited ("**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. Pong Chen Yih, Chief Operating Officer, 7 Temasek Boulevard, #18-03B Suntec Tower 1, Singapore 038987, telephone (65) 6950 2188.