

SITRA HOLDINGS (INTERNATIONAL) LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 197901237E)

**THE PROPOSED DISPOSAL BY THE COMPANY'S SUBSIDIARY OF ITS ENTIRE
SHAREHOLDING INTEREST IN WORLD FURNISHING HUB PTE. LTD. AS A MAJOR
TRANSACTION**

1. INTRODUCTION

The board of directors (the "**Board**") of Sitra Holdings (International) Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that on 24 March 2021, the Company's wholly owned subsidiary, Sitra Agencies Pte Ltd ("**SAPL**"), had entered into a sale and purchase agreement (the "**SPA**") with Hafary Pte Ltd ("**HPL**") for the disposal of all of the shares held by SAPL (the "**Sale Shares**") in World Furnishing Hub Pte. Ltd. ("**WFHPL**"), representing 10% of the total issued and paid up capital of WFHPL, to HPL for an aggregate cash consideration of S\$3,700,000 (the "**Consideration**") (the "**Proposed Disposal**").

In connection therewith, SAPL and HPL, together with the rest of the Promoters (as defined below), have also entered a deed of termination and settlement on 24 March 2021 (the "**Deed of Termination and Settlement**") relating to certain prior agreements entered into by, *inter alia*, SAPL and HPL, which will take effect on the date of the completion of the Proposed Disposal. Further details on the Deed of Termination and Settlement and the prior agreements to which the Deed of Termination and Settlement relates are provided in Sections 1.1 and 3.7 of this Announcement.

The Proposed Disposal is considered a "major transaction" of the Company as defined under Chapter 10 of the Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**") of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). Accordingly, the Proposed Disposal will be subject to, amongst others, the approval of the shareholders of the Company (the "**Shareholders**") for the Proposed Disposal at an extraordinary general meeting (the "**EGM**") to be convened in due course.

1.1 Background to the Proposed Disposal

On 2 July 2013, SAPL, HPL, Mr. Ching Chiat Kwong ("**Mr Ching**") and Mr. Low See Ching ("**Mr Low**") (collectively known as the "**Promoters**") had incorporated WFHPL as a joint venture company for the purposes of:

- (i) acquiring the leasehold interest of the property located at 18 Sungei Kadut Street 2, Singapore 729236 (the "**Property**") from the Company;
- (ii) developing the Property in accordance with the objectives, concept and development strategy envisioned for the International Furniture Park in Sungei Kadut, Singapore by certain government organisations, including JTC Corporation ("**JTC**"); and
- (iii) holding the Property for the purposes of and in accordance with the usage approved by JTC and the Urban Redevelopment Authority of Singapore,

(the "**Joint Venture**").

In connection therewith, the Promoters entered into the following agreements on 2 December 2013 (the “**2013 Agreements**”) in relation to WFHPL, the Property and the Joint Venture:

- (a) a sale and purchase agreement (the “**2013 SPA**”) entered into between the Company, the Promoters and WFHPL, pursuant to which the Company had agreed to sell the Property to WFHPL for a consideration of S\$8,650,000, exclusive of goods and service tax thereon, on the terms and conditions of the 2013 SPA (the “**2013 Disposal**”);
- (b) a shareholders’ agreement (the “**SHA**”) entered into between the Company and the Promoters in relation to the business and affairs of WFHPL; and
- (c) a put and call option deed entered into between the Promoters as thereafter supplemented by a Supplemental Deed dated 23 January 2014 (the “**Option Deed**”), pursuant to which SAPL has the right to require HPL, Mr Ching and Mr Low to purchase all of the shares held by SAPL in WFHPL (the “**Option Shares**”) free from encumbrances and with all rights attaching thereto (the “**Put Option**”) and concurrently, HPL, Mr Ching and Mr Low have the right to require SAPL to sell the Option Shares to them in an agreed proportion, free from encumbrances and with all rights attaching thereto (the “**Call Option**”).

The entry into the 2013 Agreements were previously announced by the Company on SGXNET. As the 2013 Disposal was classified as a major transaction under Rule 1014 of the Catalyst Rules and the grant of the call option was required to be approved by the Shareholders Rule 1018(1) of the Catalyst Rules, the Company had issued a circular to the Shareholders dated 29 January 2014 (the “**2014 Circular**”) to seek their approval for the 2013 Disposal and the entry into and grant of the Call Option under the Option Deed. Pursuant thereto, the Company had obtained the Shareholder’s approval in respect of the 2013 Disposal and the entry into and grant of the Call Option under the Option Deed at an extraordinary general meeting held on 14 February 2014.

Upon the completion of the 2013 Disposal, WFHPL had developed the Property in accordance with the objectives, concept and development strategy envisioned for the International Furniture Park in Sungei Kadut Singapore by *inter alia* JTC in accordance with the terms of the 2013 Disposal. The temporary occupation permit for the Property following its redevelopment was issued on 25 August 2016.

Under the Option Deed, the aggregate consideration for the Option Shares pursuant to an exercise of the Put Option or Call Option shall be the higher of (a) 10% of the market value of the Property prevailing as at the date of the applicable exercise of the Put Option or Call Option as determined in accordance with the Option Deed; or (b) if the Property is sold or contracted to be sold at the time of the exercise of the Put Option or Call Option, 10% of the sale price or contracted sale price of the Property.

Having regard to all relevant considerations, including, *inter alia*, discussions between the Promoters, the Company and WFHPL in connection with the Option Deed and the fact that the cooperation of the Promoters and the Company is required to apply for and obtain consent from JTC for any transfer of the shares in WFHPL, the Promoters and the Company have agreed to undertake the Proposed Disposal pursuant to the terms of the SPA and terminate the Option Deed pursuant to the Deed of Termination and Settlement.

2. INFORMATION RELATING TO WFHPL, THE SALE SHARES AND HPL

2.1 Information relating to WFHPL

WFHPL is a private company limited by shares incorporated in Singapore on 2 July 2013, which has a total issued and paid-up share capital of S\$1,000,000 comprising 1,000,000 ordinary shares. WFHPL is principally engaged in the business of property ownership.

SAPL is the legal and beneficial owner of 100,000 ordinary shares in WFHPL, representing 10% of the total issued and paid-up share capital of WFHPL. The remaining shareholders of WFHPL are HPL, Mr Ching and Mr Low who respectively own 46%, 25% and 19% of the issued and paid-up share capital of WFHPL. The directors of WFHPL are Ms. Cheah Yee Leng, Mr. Chew Ah Ba, Mr. Chew Chiew Siang, Mr. Low Kok Ann and Mr. Low See Ching (i.e. Mr Low).

Based on the unaudited financial statements of WFHPL for the financial year ended 31 December 2020, the net liability value of WFHPL as at 31 December 2019 is S\$4,139,548.

The assets of WFHPL comprises the Property. The Property is a leasehold property granted by JTC with a lease tenure that expires on 4 September 2043. The Property has a land area of approximately 9,919.5 square metres, a gross floor area of approximately 27,456.27 square metres, and is currently being used by HPL and HHL as an office cum warehouse for their group's operations. The retail space on the first floor is tenanted to a pet supplies store and a food and beverage operator.

2.2 Value and net profit attributable to the Sale Shares

2.2.1 NTA, Book Value and net profit figures

Based on the unaudited financial statements of WFHPL for the financial year ended 31 December 2020:

- (a) the net tangible asset ("**NTA**") value attributable to the Sale Shares is negative S\$413,955;
- (b) the book value of the Sale Shares which was recorded as financial assets, at fair value through profit or loss on the Group's balance sheet is S\$5,000,000;
- (c) the net profits* attributable to the Sale Shares is S\$41,100; and
- (d) the deficit of the proceeds over the book value of S\$1,300,000; and
- (e) the loss on the Proposed Disposal is S\$1,300,000;

** Under Rule 1002(3)(b) of the Catalist Rules, "net profits" means profit or loss including discontinued operations that have not been disposed and before income tax and non-controlling interests.*

2.2.2 Valuation Report

For the purposes of the Proposed Disposal, the Company has commissioned Colliers International Consultancy and Valuation (Singapore) Pte Ltd (the "**Independent Valuer**"), as a competent and independent valuer, to perform a valuation on the Property. The Independent Valuer is a member of the Singapore Institute of Surveyors and Valuers ("**SISV**") and has more than five (5) years of experience in valuing real properties in a similar industry and area as the

Property. Based on the valuation report issued by the Independent Valuer on 29 January 2021 (the "**Valuation Report**"), the market value of the Property as at 31 December 2020 is S\$50,000,000. The valuation of the Property was arrived at based on a comparison method, with the income capitalisation method used to cross check the valuation.

The comparison method provides an indication of value by comparing the subject asset with identical or similar assets for which price information is available. By analysing such sales, which qualify as 'arms-length' transactions between willing buyers and sellers, adjustments are made for size, location, time, amenities and other relevant factors when comparing such sales prices to assess the value of the subject asset. This approach is commonly used to value assets where reliable sales evidence of assets of a similar nature is available. The income capitalisation approach to valuation provides an indication of value by converting future cash flows to a single current capital value.

The income capitalisation approach entails an estimate of the rental income of the building after deducting all necessary outgoings and expenses, which is then capitalized at an appropriate rate of return to arrive at the market value. The adopted yield reflects the age, tenure, type, use, location together with the prevailing property market conditions. The estimated rental income takes into account the current market rent and likely sustainable future rental.

The valuation was conducted in accordance with SISV standards.

2.3 Information relating to HPL

HPL is a private company limited by shares incorporated in Singapore on 8 May 1980 and is principally engaged in the business of wholesale trading of building materials. The company is a leading building material supplier that has been defining living spaces with premium products. The sole director of HPL is Mr Low.

HPL is a wholly-owned subsidiary of Hafary Holdings Limited ("**HHL**"), a company incorporated in Singapore on 6 October 2009 which has been listed on the Mainboard of the SGX-ST since 18 June 2003. Based on publicly available information, HHL is a supplier of premium tiles, stone, mosaic, wood-flooring, quartz top and sanitary ware and fittings in Singapore. Mr Low is a director and controlling shareholder of HHL. Mr Ching is a substantial shareholder of HHL.

HPL, Mr Low and Mr Ching do not have any shareholding interest, direct or indirect, in the Company, nor are HPL, Mr Low and Mr Ching related to any of the directors, the chief executive officer, or controlling shareholders of the Company, or their respective associates.

3. MATERIAL TERMS OF THE PROPOSED DISPOSAL

A summary of the material terms and conditions of the Proposed Disposal as set out in the SPA is as follows.

3.1 Disposal of the Sale Shares

SAPL shall sell the Sale Shares to HPL in six (6) tranches (each a "**Tranche**"), free from all encumbrances or condition whatsoever, and with all rights, benefits and entitlements attaching thereto as at the relevant date of completion of the sale of each Tranche of the Sale Shares (each, a "**Tranche Completion Date**"), in the manner set out below.

The aggregate consideration payable by HPL to SAPL for the Sale Shares shall be S\$3,700,000 in cash (the "**Consideration**") which shall be paid in six (6) tranches on the Tranche Completion Dates in the following manner:

(a) First Tranche Completion

Completion of the sale of the first tranche of the Sale Shares comprising 50,000 Sale Shares (the "**Tranche 1 Shares**"), being 50.0% of the Sale Shares, shall take place five (5) business days after all the Conditions Precedent (as defined herein) are fulfilled or waived (as the case may be) (the "**1st Tranche Completion Date**") upon payment by HPL to SAPL of the sum of S\$1,850,000 (the "**Tranche 1 Consideration**"), being 50.0% of the Consideration, less the Deposit (as defined herein).

(b) Second Tranche Completion

Completion of the sale of the second tranche of the Sale Shares comprising 10,000 Sale Shares (the "**Tranche 2 Shares**"), being 10.0% of the Sale Shares, shall take place on the last business day of the first month immediately after the 1st Tranche Completion Date, upon payment by HPL to SAPL of the sum of S\$370,000 (the "**Tranche 2 Consideration**"), being 10.0% of the Consideration.

(c) Third Tranche Completion

Completion of the sale of the third tranche of the Sale Shares comprising 10,000 Sale Shares (the "**Tranche 3 Shares**"), being 10.0% of the Sale Shares, shall take place on the last business day of the second month immediately after the 1st Tranche Completion Date, upon payment by HPL to SAPL of the sum of S\$370,000 (the "**Tranche 3 Consideration**"), being 10.0% of the Consideration.

(d) Fourth Tranche Completion

Completion of the sale of the fourth tranche of the Sale Shares comprising 10,000 Sale Shares (the "**Tranche 4 Shares**"), being 10.0% of the Sale Shares, shall take place on the last business day of the third month immediately after the 1st Tranche Completion Date, upon payment by HPL to SAPL of the sum of S\$370,000 (the "**Tranche 4 Consideration**"), being 10.0% of the Consideration.

(e) Fifth Tranche Completion

Completion of the sale of the fifth tranche of the Sale Shares comprising 10,000 Sale Shares (the "**Tranche 5 Shares**"), being 10.0% of the Sale Shares, shall take place on the last business day of the fourth month immediately after the 1st Tranche Completion Date, upon payment by HPL to SAPL of the sum of S\$370,000 (the "**Tranche 5 Consideration**"), being 10.0% of the Consideration.

(f) Sixth Tranche Completion

Completion of the sale of the sixth and final tranche of the Sale Shares comprising 10,000 Sale Shares (the "**Tranche 6 Shares**"), being 10.0% of the Sale Shares, shall take place on the last business day of the fifth month immediately after the 1st Tranche Completion Date, upon payment by HPL to SAPL of the sum of S\$370,000 (the "**Tranche 6 Consideration**"), being 10.0% of the Consideration.

For the purposes of this Announcement, the following terms shall have the meanings ascribed to them below:

- (i) "**Tranche Consideration**" means the relevant amount of the Consideration that is payable on each Tranche Completion Date (as defined herein); and
- (ii) "**Tranche Completion**" means the relevant completion of the disposal of each Tranche of the Sale Shares.

3.2 Consideration

The aggregate Consideration of S\$3,700,000 in cash shall be paid in the manner set out in Section 3.1 of this Announcement and was arrived at after arms' length negotiations and on a willing-buyer willing-seller basis, after taking into consideration the valuation of the Property pursuant to the Valuation Report, a minority interest and illiquidity discount, discussions between the Promoters, the Company and WFHPL in connection with the Option Deed, other commercial factors including prevailing market conditions, and the rationale for and benefits to the Group arising from the Proposed Disposal as further described in Section 4 of this Announcement.

3.3 Deposit

In accordance with the terms of the SPA, HPL has on 24 March 2021 paid a cash deposit equivalent to 5.0% of the Consideration, being a sum equal to S\$185,000 (the "**Deposit**"), to SAPL, which shall be applied to the payment of the Tranche 1 Consideration on the 1st Tranche Completion Date in accordance with Section 3.1 of this Announcement.

In the event that the Tranche Completion of the disposal of the Tranche 1 Shares does not take place within five (5) business days after the Longstop Date (as defined herein), the Deposit shall be fully refunded by SAPL to HPL within three (3) further business days.

3.4 Conditions Precedent

Completion of the Proposed Disposal shall be conditional upon the following conditions precedent (the "**Conditions Precedent**") being satisfied or waived (as the case may be) on or prior to the Longstop Date (as defined herein) and remaining satisfied (unless otherwise waived) on each of the respective Tranche Completion Dates:

- (a) the entry into and valid execution of the Deed of Termination and Settlement;
- (b) the consent of JTC to the transfer of the Sale Shares to HPL having been received;
- (c) the approval of the Shareholders in respect of the Proposed Disposal having been obtained in a general meeting (the "**Shareholders' Approval**");
- (d) the shareholders of WFHPL other than SAPL and HPL having waived their rights and entitlements of pre-emption and/or rights of first refusal, if any, in respect of the sale and purchase of the Sale Shares;
- (e) the warranties provided under the SPA being true, complete and accurate in all material respects as at the relevant Tranche Completion Dates; and

- (f) all other necessary governmental or regulatory filings, permits or approvals required in connection with the SPA and the Proposed Disposal herein having been made or obtained and being in full force and effect and not having been withdrawn, suspended, amended, or revoked, and if such approval, consents, and/or waivers are granted or obtained subject to any conditions, and if such conditions affect SAPL or HPL, such conditions being reasonably acceptable to the Party concerned, and if such conditions are to be fulfilled before specific dates, such conditions being fulfilled before such dates.

3.5 Longstop Date

If the Conditions Precedent are not satisfied or waived (as the case may be) by 31 May 2021 or such other date as may be agreed between SAPL and HPL (the “**Longstop Date**”), the SPA shall *ipso facto* cease and determine, and neither SAPL nor HPL shall have any claim against the other for costs, damages, compensation or otherwise, save for any claim by either party against the other arising from a breach of its undertaking to use its best endeavours to ensure the satisfaction of the Conditions Precedent or any claim by HPL against SAPL for a refund of the Deposit in accordance with the provisions of the SPA.

3.6 Tranche Completion Dates

The Tranche Completions shall take place on the respective Tranche Completion Dates set out Section 3.1 of this Announcement unless otherwise deferred by the mutual agreement of SAPL and HPL in accordance with the SPA.

3.7 Termination of Option Deed and Settlement of Liabilities

Pursuant to the SPA, the Promoters have entered into the Deed of Termination and Settlement which provides for the termination of the Option Deed and the mutual waiver and release of claims against each other in relation to or in connection with the 2013 Agreements, WFHPL, the Property and the Joint Venture, which shall take effect from the date of completion of the Proposed Disposal (being the 6th Tranche Completion Date).

Pursuant to the Deed of Termination and Settlement, each of the Promoters shall fully release and discharge each other from all and any claims or liabilities, whether known, unknown, past or future, in relation to or in connection with the 2013 Agreements, WFHPL, the Property and the Joint Venture, and shall not bring any future actions or proceedings against each other in connection therewith.

4. RATIONALE FOR THE PROPOSED DISPOSAL

The Board is of the view that the Proposed Disposal is in the best interest of the Company.

The Company had originally entered into the Joint Venture to enable the Company to continue participating in the development of the Property as part of the development envisioned for the International Furniture Park in Sungei Kadut, Singapore. The Joint Venture between the Promoters was intended to be a synergistic partnership whereby the parties may leverage on each other’s strengths to respectively expand and/or strengthen their local and overseas markets and presence in, *inter alia*, the furniture industry and to add value to each other’s business operations.

However, WFHPL has been loss-making since the temporary occupation permit for the Property following its redevelopment was issued on 25 August 2016, and has recorded a net loss of

S\$1,006,030, S\$2,270,949, S\$1,365,742 and S\$576,170 for the financial year ended 31 December 2016, 31 December 2017, 31 December 2018 and 31 December 2019 respectively and a net profit after tax of S\$148,228 for 31 December 2020. SAPL, as a minority shareholder, does not control the day-to-day operations of WFHPL. Based on the financial performance of WFPHL for the previous five (5) financial years, the Board does not expect the present operating deficit of WFHPL to materially improve or that SAPL will receive any dividends, returns or material benefits from WFHPL in the foreseeable future.

Therefore, taking into consideration, among others, the above factors, the challenging operating environment in the wood trading business faced by the Group in recent years, and the relatively low trading liquidity of the Sale Shares, the Board is of the view that the Proposed Disposal is a good opportunity for the Group to dispose of a relatively illiquid loss-making asset and realise its value at a satisfactory consideration before there is further deterioration of its value.

5. USE OF PROCEEDS

The proceeds will be used for general working capital purposes and/or repayment of working capital loans of the Group.

6. FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL

The *pro forma* financial effects of the Proposed Disposal as set out below are purely for illustrative purposes only and should not be taken as an indication of the actual financial performance or position of the Company and the Group following the completion of the Proposed Disposal. The *pro forma* financial effects have been prepared based on the Group's audited consolidated financial statements for the financial year ended 31 December 2020 ("FY2020"), subject to the following assumptions:

- (a) the financial effects of the Proposed Disposal on the NTA per share of the Company for FY2020 are computed assuming that the Proposed Disposal had been completed on 31 December 2020; and
- (b) the financial effects of the Proposed Disposal on the earnings per share ("EPS") of the Company for FY2020 are computed assuming that the Proposed Disposal had been completed on 1 January 2020.

6.1 Effects on NTA per share

	Before the Proposed Disposal	After the Proposed Disposal
NTA (S\$)	13,890,773	12,590,773
Number of shares	1,228,300,000	1,228,300,000
NTA per share (S\$ cents)	1.13	1.03

6.2 Effects on EPS

	Before the Proposed Disposal	After the Proposed Disposal
Net loss ⁽¹⁾ attributable to equity holders of the Company (S\$)	5,214,780	6,514,780
Number of shares	1,228,300,000	1,228,300,000

EPS (S\$ cents)	(0.42)	(0.53)
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Note:

- (1) Net profits means profit or loss including discontinued operations that have not been disposed and before non-controlling interest.
- (2) The Sale Shares are recorded as financial assets at fair value, hence the financial performance of WFHPL is not consolidated as part of the accounts of the Group. Accordingly there is no profit attributable to the Sale Shares.
- (3) EPS has been calculated based on the 1,228,300,000 shares in issue as at the date of this announcement.

7 RELATIVE FIGURES COMPUTED ON THE BASES SET OUT IN RULE 1006 OF THE CATALIST RULES

Based on the latest announced consolidated financial statements of the Group (being the unaudited financial statements for the financial year ended 31 December 2020), the relative figures in relation to the Proposed Disposal computed on the applicable bases set out in Rule 1006 of the Catalist Rules are as follows:

Rule	Bases of computation	Relative figures
Rule 1006(a)	Net asset value (“NAV”) ⁽¹⁾ of the assets to be disposed of \$5m compared with the Group’s NAV of \$13.891m. This basis is not applicable to an acquisition of assets.	36.0%
Rule 1006(b)	Net profit ⁽²⁾ attributable to the Sale Shares to be disposed of S\$41,100, compared with the Group’s net loss of S\$5,194,817.	(0.8%)
Rule 1006(c)	Aggregate value of the consideration received of S\$3,700,000 ⁽³⁾ , compared with the Company’s market capitalisation ⁽³⁾ of approximately S\$20,881,100	17.7%
Rule 1006(d)	Number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable as the transaction is not an acquisition.
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. This basis is applicable to a disposal of mineral, oil and gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.	Not applicable as this transaction is not a disposal of mineral, oil and gas assets.

Notes:

- (1) Under Rule 1002(3)(a) of the Catalist Rules, “net assets” means total assets less total liabilities.

- (2) Under Rule 1002(3)(b) of the Catalist Rules, "net profits" means profit or loss including discontinued operations that have not been disposed and before income tax and non-controlling interests.
- (3) Under Rule 1002(5) of the Catalist Rules, "market capitalisation" of the Company is determined by multiplying the 1,228,300,000 shares in issue by the weighted average price of such shares transacted on 23 March 2021, being the market day immediately preceding the date of the SPA, of S\$0.017 per share.

As the relative figure computed under Rule 1006(b) of the Catalist Rules involves a negative figure and the Proposed Disposal does not fall within the relevant scenarios provided for in paragraphs 4.3 and 4.4 of Practice Note 10A of the Catalist Rules, pursuant to paragraph 4.6 of Practice Note 10A of the Catalist Rules, the Proposed Disposal is a "major transaction" under Rule 1014 of the Catalist Rules and is accordingly subject to the approval of the Shareholders at the EGM to be held in due course.

8 INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

As at the date of this Announcement, none of the Directors or the controlling shareholders of the Company has any direct or indirect interest in the Proposed Disposal, other than through their respective shareholding interests in the Company (if any).

9 DIRECTORS' SERVICE CONTRACTS

No person is proposed to be appointed as a director of the Company in connection with the Proposed Disposal. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

10 CIRCULAR TO SHAREHOLDERS

A circular containing further details on the Proposed Disposal and enclosing a notice of extraordinary general meeting in connection therewith will be despatched to Shareholders of the Company in due course.

11 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 and the Group, 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.

12 DOCUMENTS FOR INSPECTION

A copy of the SPA, the Deed of Termination and Settlement, and the Valuation Report is available for inspection during normal business hours at the Company's registered office at 15

Hillview Terrace, Hillview Industrial Estate, Singapore 669226 for a period of three (3) months from the date of this Announcement.

13 CAUTION IN TRADING

Shareholders and potential investors should note that the Proposed Disposal is subject to the fulfilment of the Conditions Precedent set out above and accordingly are advised to exercise caution in trading their shares as there is no certainty or assurance as at the date of this Announcement that the Proposed Disposal will be completed. Shareholders are advised to read this Announcement and any further announcements by the Company carefully, and should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD

Chew Hua Seng

Non-Executive Chairman

24 March 2021

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd. (the "Sponsor") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The Sponsor has not independently verified the contents of this announcement.

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 Leong Weng Tuck - Registered Professional, 6 Raffles Quay, #24-02, Singapore 048580, sponsor@rhtgoc.com.