

CHASWOOD RESOURCES HOLDINGS LTD.
(Incorporated in Singapore)
(Company Registration No. 200401894D)

**ENTRY INTO SALE AND PURCHASE AGREEMENT AND CONVERTIBLE LOAN FACILITY IN
RELATION TO THE PROPOSED ACQUISITION OF THE ENTIRE ISSUED AND PAID-UP SHARE
CAPITAL OF 3DOM (SINGAPORE) PTE. LTD.**

Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meanings as in the Company's announcements dated 22 August 2021 and 26 August 2021 ("Previous Announcements").

1. INTRODUCTION

The Board of Directors (the "**Board**" or the "**Directors**") of Chaswood Resources Holdings Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Company had on 5 November 2021 entered into a Sale and Purchase Agreement (the "**SPA**") with 3DOM Inc. ("**3DOM**" or the "**Vendor**"), in relation to the proposed acquisition of the entire issued and paid-up share capital of 3DOM (Singapore) Pte. Ltd. (the "**Target**"), a company incorporated in the Republic of Singapore, by the Company (the "**Proposed Acquisition**").

Under the SPA, the Company shall acquire the entire issued and paid-up share capital of the Target (the "**Sale Shares**") from the Vendor, for a consideration equivalent to 70% of the valuation of the Target (the "**Actual Valuation**") conducted by an independent qualified valuer (the "**Consideration**"). In consideration for the Sale Shares, the Company shall allot and issue such number of new fully-paid up ordinary shares (the "**Shares**") in its capital (the "**Consideration Shares**") at an pre-consolidation issue price of S\$0.038 each (the "**Pre-Consolidation Issue Price**") to the Vendor.

In connection with the SPA, the Company has entered into a loan facility with 3DOM (the "**Lender**") for a principal sum of S\$2 million, which shall be granted with the right to capitalise and convert such loan (the "**Conversion Rights**") into Shares of the Company (the "**Conversion Shares**") in accordance with the terms set out therein (the "**Convertible Loan**").

The Proposed Acquisition, if undertaken and completed, is expected to result in a reverse takeover (the "**RTO**") 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**") and is subject to, *inter alia*, the approval of shareholders of the Company (the "**Shareholders**") at an extraordinary general meeting (the "**EGM**") to be convened and the approval of the SGX-ST.

In addition, the grant of the Conversion Rights and the allotment and issuance of the Conversion Shares shall be subject to the approval of Shareholders at the EGM to be convened.

2. INFORMATION ON THE TARGET AND THE VENDOR

The information in this section relating to the Target and 3DOM is based on information provided by and/or representations made by 3DOM. The Directors have not conducted an independent review or verification of the accuracy of the statements and information below. The sole responsibility of the Company and the Directors in this regard has been limited to ensuring that such information has been properly extracted and reproduced in the context that the information has been disclosed in this announcement.

The Target was incorporated on 25 July 2019 and as at the date of this Announcement, it has an issued and paid up capital of US\$1,557,803.85 which had been increased recently from US\$10,000 via the capitalization of inter-company loans. Its directors are Hiroshi Iizuka, Shusuke Oguro and Teo Lai Wah Timothy.

The Target is in the business of manufacture, distribution and sale of lithium-ion secondary batteries using 3DOM's next-generation battery technologies. As at the date of this announcement, the Target is wholly-owned by 3DOM, and has been granted by 3DOM with an irrevocable exclusive global licence to manufacture and sell next-generation lithium-ion batteries using 3DOM's next-generation lithium-ion battery technologies, as well as the sub-licensing right of such technology. The Target has firmed up suppliers and OEM plants to fulfil orders from battery firms and global automobile manufacturers for deliveries in mid-year 2022. Further financial information of the Target is set out below in paragraph 6 of this announcement.

3DOM was established in 2014 to deliver a next-generation energy infrastructure through sustainable development and innovative battery technologies, and aims to be at the centre of the technological shift that commercialises battery technology for mass scale usage, powering future applications such as battery energy storage systems. As at the date of this announcement, Masataka Matsumura is the Representative Director and President of 3DOM, with a direct shareholding of approximately 52.73% in 3DOM. The remaining directors of 3DOM are Hikari Imai (Chairman), Kiyoshi Kanamura, Shusuke Oguro and Noriyoshi Suzuki. The other shareholders of 3DOM holding more than 5% are Future Science Research Inc. (an entity ultimately beneficially owned by Masataka Matsumura, which is holding approximately 10.82%) and Yukizo Kuroda (holding approximately 6.18%).

The Target was introduced to the Company by Mr Chng Hee Kok, the former Lead Independent Non-Executive Director of the Company from 28 June 2018 up to 11 May 2020. No introducer fee or finder's fee is payable by the Company to Mr Chng Hee Kok for the Proposed Acquisition.

To the best knowledge of the Company, 3DOM and its directors and shareholders do not hold any Shares in the Company or have had any previous business, commercial, and trade dealings with the Company, and its Directors or substantial shareholders.

The Company will conduct due diligence on the Target and, if any, its subsidiaries (collectively, the "Target Group" and each a "Target Group Company") and will update Shareholders as and when there are material developments. For further details on the due diligence to be conducted, please refer to paragraph 3.6.1 of this announcement.

3. SALIENT TERMS OF THE SPA

3.1 The Proposed Acquisition

Pursuant to the SPA, the Company shall acquire the Sale Shares from 3DOM, representing the entire issued and paid-up ordinary share capital of the Target, for the Consideration. Upon Completion, the Target will become a subsidiary of the Company.

The Consideration was agreed on a willing-buyer and willing-seller basis, after substantive negotiations with 3DOM, and is based on an agreed discount to the Actual Valuation that will be ascertained in due course. The Company has appointed EY Corporate Advisors Pte. Ltd. as an independent qualified valuer to prepare a valuation report in respect of the Target. Where the valuation report states a valuation range, the Actual Valuation shall be deemed to be the mean between the highest and lowest values.

Based on the audited financial statements of the Target for its financial period from its date of incorporation in 25 July 2019 to 31 December 2020 (“**FP2020**”), the book value and net tangible asset value of the Sale Shares are both approximately S\$(1,314,724). The Target had subsequently capitalised certain inter-company loans owing to the Vendor on 22 October 2021, and the book value and net tangible asset value of the Sale Shares, as at the date of this announcement, are both approximately S\$152,273.03. There is no open market for the Sale Shares.

The Sale Shares shall be acquired from 3DOM free from encumbrances and ranking *pari passu* with all other outstanding issued ordinary shares of the Target in respect of all rights, dividends, entitlements and advantages as of and including the date of completion of the Proposed Acquisition (the “**Completion**”) (the “**Completion Date**”).

3.2 The Issuance of the Consideration Shares

In consideration for the Sale Shares, the Company shall allot and issue such number of new fully-paid up Consideration Shares at the Pre-Consolidation Issue Price to 3DOM, fractional entitlements to be disregarded. The Consideration Shares will be allotted free from encumbrances and shall rank *pari passu* in all respects with the then-issued Shares save for any dividends, rights, allotments or other distributions, the record date for which falls before the date of issue of the Consideration Shares.

In addition under the SPA, 3DOM is entitled to direct the Consideration Shares to be allotted and issued to third parties (including but not limited to Future Science Research Inc.) (the “**Recipients**”), in such proportion and quantum as 3DOM may decide. The allotment and issuance of the Consideration Shares to the relevant Recipients shall constitute a good and valid discharge of the Company’s obligation to issue the Consideration Shares under the SPA. The identity of the Recipients and their respective connections with 3DOM will be announced to Shareholders if and after 3DOM decides to direct such Consideration Shares to said Recipients.

For the avoidance of doubt, all Consideration Shares shall be subject to the moratorium requirements under Rule 422 of the Catalist Rules, or as otherwise required by the SGX-ST or the Sponsor.

The Pre-Consolidation Issue Price of S\$0.038 for each Consideration Share represents a premium of approximately 322% over the volume weighted average price of S\$0.009 per Share for trades done on the Catalist Board of the SGX-ST on 14 June 2018, being the last full market day prior to the suspension of trading of the Shares on 18 June 2018.

By way of illustration, assuming the following:

the Proposed Share Consolidation (as defined below) has been completed;

- a. the Consideration derived from the Actual Valuation is S\$1.357 billion;
- b. no compliance placement is undertaken and the maximum number of Conversion Shares (as defined below) is issued;
- c. the SOA (as defined below) is completed in accordance with its terms and 40,511,144 Consolidated Shares (as defined below) are issued pursuant thereto. Shares to be issued under SOA are based on estimates and further details on the Shares to be issued under SOA Shares will be announced at later date; and

- d. save as set out above, there is no further share issuance prior to Completion, the number of Consideration Shares to be issued is 3,571,421,052 Shares. The Company will have an enlarged issued share capital of 3,647,519,034 ordinary shares after the issuance of the Consideration Shares and the maximum amount of Conversion Shares (as defined below) (the “**Proposed Share Issuance**”). The number of Consideration Shares to be issued in this illustration represent approximately 97.91% of the Company’s enlarged share capital after Completion.

For the avoidance of doubt, Shareholders are to note that the above computation is for illustrative purposes only and, amongst others, the actual amounts of Shares to be issued are subject to change.

3.3 **The Proposed Share Consolidation**

Under the Catalist Rules, the resulting issue price of the Consideration Shares must not, *inter alia*, be lower than the prescribed minimum price of S\$0.20.

In order to ensure compliance with the aforementioned rule, the Parties have agreed to a proposed share consolidation of every ten (10) existing Shares of the Company into one (1) consolidated Share (a “**Consolidated Share**”) (the “**Proposed Share Consolidation**”). To that end, upon the execution of the Proposed Share Consolidation, the Pre-Consolidation Issue Price shall be adjusted to S\$0.38 per Consolidated Share (the “**Post-Consolidation Issue Price**”) and together with the Pre-Consolidation Issue Price where the context so permits, the “**Issue Price**”).

3.4 **Adjustments to the Consideration**

The Consideration payable may also be subject to further adjustments, by mutual agreement between the Parties in consultation with the full sponsor to be appointed in respect of the RTO (the “**Sponsor**”), so as to allow a compliance placement to take place concurrently with or shortly after Completion at the same Issue Price per Consolidated Share. In this regard, the Company has appointed Evolve Capital Advisory Private Limited as the full sponsor for this RTO.

3.5 **Funding of Costs and Expenses**

The parties agreed that all fees, costs and expenses incurred by the parties in connection with the RTO (the “**RTO Costs**”) will be paid by 3DOM. In satisfaction of this payment obligation, the Company shall issue, and 3DOM shall extend, the Convertible Loan which shall be convertible into Conversion Shares. For the avoidance of doubt, the RTO Costs will be deemed to be paid even in the event that the Convertible Loan is converted into Conversion Shares. For further details on the Convertible Loan, please refer to paragraph 4 of this announcement.

As the RTO Costs are to be borne by 3DOM, 3DOM (and not the Company) shall be obliged to pay for any unpaid sums arising under the Convertible Loan. As such, 3DOM has indemnified the Company against any and all losses, costs, liabilities and expenses arising out of or in connection with the Convertible Loan.

3.6 **Conditions Precedent**

The Proposed Acquisition is conditional upon the fulfilment or waiver of customary conditions precedent for a transaction of this nature, including but not limited to the following:

- 3.6.1 the Consideration derived from the Actual Valuation being not less than S\$1,357,140,000. Where the Consideration is less than S\$1,357,140,000, the parties to the SPA agreed to renegotiate the SPA in good faith;
- 3.6.2 the completion of financial, legal, operational and any other due diligence exercise on the Target Companies by the Company, and the results of such due diligence exercise being reasonably satisfactory to the Company;
- 3.6.3 the appointment of the independent valuer being satisfactory to the SGX-ST and the Sponsor to be appointed for the Proposed Acquisition;
- 3.6.4 the findings and methodology presented in the valuation report to be issued by the appointed independent valuer being satisfactory to the Company, the Sponsor and the SGX-ST;
- 3.6.5 the entry into of service agreements by the key management of the Target Group, on terms mutually agreeable to the parties;
- 3.6.6 3DOM procuring each of the Target Group Companies obtain such approval(s) required from the respective Target Group Company's board of directors and its shareholder(s) (if applicable) in connection with the SPA and the transactions contemplated herein;
- 3.6.7 3DOM procuring or obtaining all necessary consents or approvals required or necessary, if any, for the transactions contemplated in the SPA on terms reasonably satisfactory to the Company by governmental or regulatory bodies or competent authorities or stock exchanges having jurisdiction over such transactions contemplated, and such consent or approvals not being revoked or repealed on or before Completion. All such consents or approvals obtained shall be delivered to the Company;
- 3.6.8 the Target Group Companies having executed legally-binding commitments with third party customers for the lithium-ion secondary batteries manufactured with intellectual property rights licensed to the Target Group from 3DOM, within six (6) calendar months of the date of the SPA;
- 3.6.9 the extension of time to submit a proposal for the resumption of trading of the Company being submitted by the Company and being approved by the SGX-ST as soon as reasonably practicable, and the resumption of trading proposal being submitted by the Company and being approved by the SGX-ST;
- 3.6.10 the Company obtaining an extension of time from its creditors in respect of its ongoing scheme of arrangement, which had lapsed on 30 June 2021, as soon as reasonably practicable;
- 3.6.11 the Company obtaining such approval(s) as may be required from its Directors, Shareholders and the SGX-ST in respect of, among others;
 - a. the Proposed Share Consolidation;
 - b. the Proposed Acquisition;
 - c. the Proposed Share Issuance;
 - d. the proposed issue of the Conversion Rights to the lender of the Convertible Loan;

- e. the ordinary resolution to be passed by the Shareholders who are independent to vote in a general meeting to waive the requirement of 3DOM and its concert parties to make a mandatory general offer under Rule 14 of the Singapore Code on Take-Overs and Mergers (the “**Code**”) arising from the allotment and issuance of the Consideration Shares and the Conversion Shares (if applicable) upon Completion (the “**Proposed Whitewash Resolution**”);
 - f. the appointment of individuals nominated by 3DOM to serve as directors of the Company post-Completion; and
 - g. the compliance placement of the Company’s Consolidated Shares, if required to be undertaken after Completion to fulfil all requirements under the Catalist Rules, (collectively, the “**Proposed Transactions**”);
- 3.6.12 the completion of the Proposed Share Consolidation before the Completion Date;
- 3.6.13 in respect of the Company, all consents and approvals required under any and all applicable laws, regulations or the Catalist Rules for the Proposed Transactions and the other transactions contemplated herein being obtained from all governmental bodies, and, if applicable, the Sponsor, and where any consent or approval is subject to conditions, such conditions being reasonably satisfactory to the Company;
- 3.6.14 the approval for the Proposed Acquisition and the receipt and non-withdrawal of the listing and quotation notice from the SGX-ST for, among other things, the listing of and quotation for the Consideration Shares and the Conversion Shares on terms reasonably acceptable to the Company and 3DOM;
- 3.6.15 the fulfilment of any such condition that the Securities Industry Council of Singapore may impose which are reasonably acceptable to 3DOM and the Company, the waiver by the Securities Industry Council of Singapore of the obligation imposed upon 3DOM and his concert parties to make a general offer of all the shares of the Company under Rule 14 of the Code, and from having to comply with the requirements of Rule 14 of the Code (the “**Proposed Whitewash Waiver**”), and the grant of the Proposed Whitewash Waiver remaining in full force and effect on and before Completion. For the avoidance of doubt, 3DOM shall apply to the Securities Industry Council of Singapore for the Proposed Whitewash Waiver;
- 3.6.16 in the reasonable opinion of the Company, there being no change, event, circumstance or effect which is or is reasonably likely to be materially adverse to the business, affairs, financial, condition, assets, properties, operations, prospects or results of operations to the Target Group as a whole, or any development that is likely to result in such a material adverse change, on or before Completion; and
- 3.6.17 all of 3DOM’s warranties in the SPA materially being complied with, and being true and correct in all material respects and 3DOM having materially complied with and materially performed all of the terms, conditions, agreements and covenants of the SPA to be complied with by it prior to Completion.

Unless specifically waived in accordance of the terms of the SPA, if any of the conditions precedent are not fulfilled on or before the long-stop date, being one (1) year from the date of this SPA or such other date as mutually agreed in writing between the parties to the SPA, or such date falling three (3) months from the date on which the Proposed Whitewash Resolution is approved, whichever is earlier (the “**Long-Stop Date**”), the SPA (save for certain surviving

clauses) shall immediately cease and determine and neither of the parties thereto shall have any claim against the other party for costs, damages, compensation or otherwise, save for any claims arising from an antecedent breach of the terms of the SPA.

3.7 Completion Date

The Completion Date shall take place on the date falling five (5) business days after the date on which all of the conditions precedent in the SPA have been fulfilled (or waived in accordance with its terms) or such other date as the parties thereto may mutually agree in writing.

3.8 Other Salient Terms

As part of 3DOM's fundraising efforts for the Proposed Acquisition, Future Science Research Inc., a shareholder of 3DOM holding more than 5% in its capital, may enter into financing arrangements with third-party investors which may require the transfer of some of the Sale Shares currently held by 3DOM to Future Science Research Inc. from time to time. The Sale Shares to be transferred to Future Science Research Inc. shall not in aggregate exceed 5% of the total issued and paid-up share capital of the Target. 3DOM shall notify and consult with the Company in writing prior to its execution of any such financing arrangements, and the parties agree to negotiate in good faith and to enter into further supplemental agreements to the SPA, such that the Company will acquire the entire share capital of the Target immediately after Completion.

The Company may by written notice to 3DOM terminate the SPA (save for certain surviving clauses) upon the occurrence of certain customary events, including without limitation, the failure to fulfill the conditions precedent, material breaches of 3DOM's warranties, and if the Proposed Transactions contemplated in the SPA cannot be proceeded with for any reason.

Either party to the SPA may also terminate the SPA (save for certain surviving clauses) upon the occurrence of certain customary events, including without limitation, a material breach of warranties or of any covenants and agreements required to be performed or cause to be performed by the other party on or before Completion.

There are no other material conditions attaching to the transaction including a put, call or other options.

4. SALIENT TERMS OF THE CONVERTIBLE LOAN FACILITY

Concurrently and pursuant to the SPA, the Company and 3DOM entered into the term loan facility in respect of the Convertible Loan.

The salient terms of the facility agreement (the "**Facility Agreement**") are as follows:

1. Lender	3DOM (the " Lender ").
2. Borrower	The Company.
3. Principal Amount	Up to S\$2,000,000.
4. Term	The term of the loan facility shall be from the date of the Facility Agreement to and including the date falling one (1) year after the date of the Facility Agreement (the " Maturity Date ") (the " Availability Period ").

	<p>The Maturity Date may be extended automatically to match any extension by the parties of the Long-Stop Date in the SPA.</p>
5. Purpose	<p>The Convertible Loan may only be used by the Company towards the RTO Costs incurred by the Company in respect of the Proposed Acquisition.</p> <p>As such, all of the proceeds arising out of the Convertible Loan will be used for the RTO Costs.</p>
6. Drawdown	<p>The convertible loan facility may be drawn down by the Company from time to time during the Availability Period.</p> <p>The convertible loan facility can be drawn down in such number of loans as may be requested by the Company, which shall not exceed the balance amount of the convertible loan facility available for draw down as at the date of the relevant request.</p> <p>Any sums repaid or prepaid may not be re-borrowed by the Company.</p>
7. Interest	<p>The Convertible Loan shall be interest free prior to the Maturity Date.</p>
8. Payment, Repayment and Prepayment	<p>Unless agreed otherwise in writing, all payments to be made under the Facility Agreement shall be made in Singapore Dollars and in immediately available funds.</p> <p>The loans under the Convertible Loan shall become payable on the Maturity Date if Conversion (as defined below) has not taken place. For the avoidance of doubt, the Maturity Date may be extended automatically to match any extension by the parties of the Long-Stop Date in the SPA.</p> <p>The loans under the Convertible Loan shall be repaid by the Borrower by setting off such repayment obligation against 3DOM's obligation under the SPA to bear all RTO Costs. The loans under the Convertible Loan shall only be repaid by way of offsetting in the event that Conversion has not taken place by the Maturity Date.</p> <p>The Convertible Loan cannot be prepaid prior to the Maturity Date.</p>
9. Conversion	<p>The Company shall grant the Lender the entitlement to automatically capitalise and convert the outstanding loans and all unpaid sums arising under the Convertible Loan into Conversion Shares (the "Conversion") (the "Conversion Rights").</p> <p>The Conversion Rights shall only be effective upon the fulfilment or waiver (at the Company's discretion) of the</p>

following conditions (collectively, the “**Conversion Conditions**”):

- a) due diligence is carried out on the Conversion Share Recipients (as defined below) (if any), the results of which are satisfactory to the Company;
- b) the Lender shall deliver the required moratorium undertakings executed by the Lender and its Conversion Share Recipients to the Company, as well as all other undertakings deemed necessary by the Company, in consultation with the Sponsor and the SGX-ST;
- c) the Shareholders approve the grant of the Conversion Rights and the allotment and issuance of Conversion Shares at the EGM to be convened;
- d) a listing and quotation notice is received from the SGX-ST, approving the listing of the Conversion Shares on the Catalist Board of the SGX-ST; and
- e) the Lender’s prescribed representations, warranties and undertakings under the Facility Agreement and in the SPA are true, accurate and complete upon Conversion,

failing which the Conversion Rights shall be deemed to be invalid and ineffective and the Convertible Loan and all unpaid sums arising thereunder shall be repaid in accordance with the terms herein on the Maturity Date.

Upon fulfilment (or waiver) of the Conversion Conditions, the outstanding Convertible Loan and all other unpaid sums arising thereunder shall be automatically capitalised and be converted into such number of fully-paid Conversion Shares equivalent to the aggregate unpaid sums under the Convertible Loan, at an conversion price per Conversion Share (the “**Conversion Price**”) set at:

- i. if a compliance placement of the Company’s Shares is carried out to meet the shareholding spread requirements of the Catalist Rules, at a fifty per cent. (50%) discount to the indicative issue price per Share in such placement; and
- ii. if no compliance placement of the Company’s Shares is undertaken, at a fifty per cent. (50%) discount to the Issue Price of the Consideration Shares to be allotted and issued for the Proposed Acquisition under the SPA. By way of illustration, if the Consideration Shares are issued at the Post-Consolidation Issue Price of S\$0.38 per Consolidated Share, then the Conversion Price will be priced at S\$0.19 per Conversion Share.

The Conversion Price shall take reference to the issue price of the Company’s Shares immediately before the Conversion,

	<p>which is (for the avoidance of doubt) subject to adjustment under the Proposed Share Consolidation that is to be undertaken. Save as aforesaid, pursuant to the Company's ongoing SOA (as defined below) or otherwise specifically provided for in the SPA, the Company acknowledges and confirms that it is prohibited under the SPA from carrying out any share consolidations, stock splits, rights issues, cash or shares dividend distributions, bonus issues or any other dilutive events.</p> <p>After the completion of the allotment and issuance of the Conversion Shares above, the Convertible Loan shall be deemed fully repaid.</p> <p>In addition, the Lender is entitled to direct the Conversion Shares to be allotted and issued to third party recipients (the "Conversion Share Recipients"), in such proportion and quantum as the Lender may decide. The allotment and issuance of the Conversion Shares to the relevant Conversion Share Recipients shall constitute a good and valid discharge of the Company's obligation to issue the Conversion Shares under the Facility Agreement. The identity of said Conversion Share Recipients and their respective connections with the Lender will be announced to Shareholders if and after the Lender decides to direct such Conversion Shares to said recipients.</p> <p>The Conversion Shares shall be free from encumbrances and shall rank <i>pari passu</i> in all respects with the then issued Shares in the capital of the Company save for any dividends, rights, allotments or other distributions, the record date for which falls before the date of issue of the Conversion Shares.</p>
<p>10. Security</p>	<p>Unsecured.</p>
<p>11. Status of the Convertible Loan</p>	<p>The Convertible Loan constitutes direct, unconditional, unsubordinated and unsecured obligations of the Company, ranking <i>pari passu</i> and rateably without preference or priority among themselves, and will, save for such exceptions as may be provided by mandatory provisions of applicable laws, rank equally with all other unsecured obligations (other than subordinated obligations, if any) of the Company from time to time outstanding.</p>
<p>12. Representations and Warranties</p>	<p>The Company has given customary representations and warranties for a loan of such nature.</p> <p>The Lender has given customary representations and warranties for a loan of such nature. The Lender has also confirmed that it is not a person falling within the categories set out in Rule 812(1) of the Catalist Rules. It will also similarly procure that the Conversion Shares will not be allotted and/or issued to any Conversion Share Recipients falling within the categories set out in Rule 812(1) of the Catalist Rules.</p>

<p>13. Events of Default</p>	<p>The Convertible Loan is subject to customary events of default for a loan of such nature, and also including the following:</p> <ul style="list-style-type: none"> i. if the Company fails to pay any sum payable by it when due under the Facility Agreement in the currency in which it is expressed to be payable; ii. a breach by the Company of any terms of the SPA which (if capable of being remedied) is not remedied within 10 business days of written notice given to the Company to do so; iii. any material provision of the Facility Agreement is or becomes for any reason illegal, invalid and/or unenforceable; or iv. any of the prescribed insolvency events occurs in respect of the Company. <p>On and at any time after the occurrence of an event of default, the Lender may by notice to the Company cancel the loan facility and declare all or any part of the Convertible Loan, together with accrued interest (if any) and all other amounts accrued or outstanding, to be immediately due and payable to the Lender at which time they shall become immediately due and payable and the Lender may exercise any of its rights, remedies, powers or discretions under the Facility Agreement.</p>
<p>14. Transferability</p>	<p>Subject to the below paragraph, the Convertible Loan and the Conversion Rights are non-transferrable. The Convertible Loan is only assignable or transferrable by any party with the prior written consent of the other party.</p> <p>Nevertheless, the Company has acknowledged and confirmed that the Lender intends to search for a third-party investor to assume its obligations under the Convertible Loan, which is subject to, amongst others, satisfactory due diligence on said investor, all other required approvals from the SGX-ST and the Company's full sponsor, and the delivery of all necessary undertakings from such investor (including without limitation, a moratorium on its Conversion Shares). To that end, the Company shall not unreasonably withhold its consent to any such novation required to effect such change. Any such third-party investor shall be sought and identified to the Company no later than the submission of the circular in respect of the Proposed Acquisition (the "Circular") to the SGX-ST.</p>
<p>15. Amendments</p>	<p>The Company and the Lender shall not agree to a material alteration to the terms of the Facility Agreement to the advantage of the Lender, without seeking the approval of the Company's Shareholders, except where the alterations are made pursuant to the terms of the Facility Agreement.</p>

16. Governing law	Singapore law.

While the grant of the Convertible Loan itself is not subject to Shareholders' approval, the Conversion Rights must be approved by Shareholders at the EGM to be convened. Consequently if the Conversion Rights are not approved, the Convertible Loan will not be capitalised and converted, and must be repaid on the Maturity Date. The allotment and issuance of the Conversion Shares is subject to Shareholders' approval, as part of the Proposed Share Issuance, to be obtained at the EGM to be convened in respect of the Proposed Transactions. The allotment and issuance of the Conversion shares is also conditional upon the receipt of an listing and quotation notice from the SGX-ST. For the avoidance of doubt, the Convertible Loan itself will not be listed on the SGX-ST.

As the Convertible Loan was entered into pursuant to the SPA, there is no placement agent appointed. For further details on the introduction of 3DOM to the Group, please refer to paragraph 2 of this announcement for further details.

By way of illustration, assuming the following:

- a. the Proposed Share Consolidation has been completed;
- b. the Consideration derived from the Actual Valuation is S\$1.357 billion and 3,571,421,052 Consideration Shares are issued;
- c. no compliance placement is undertaken;
- d. the full Convertible Loan amount of S\$2 million is drawn down by the Company and converted in accordance with its terms. The number of Conversion Shares to be issued is 10,526,315 Shares ;
- e. the SOA (as defined below) is completed in accordance with its terms and 40,511,144 Consolidated Shares are issued pursuant thereto; and
- f. save as set out above, there is no further share issuance prior to Completion.

Based on the assumptions set out in paragraph 3.2 of this announcement including the Conversion Shares from the Convertible Loan, the Company will have an enlarged issued share capital of 3,647,519,034 ordinary shares after the Proposed Share Issuance.

The number of Conversion Shares to be issued from the Convertible Loan in this illustration represents approximately 0.29% of the Company's enlarged share capital after Completion.

For the avoidance of doubt, Shareholders are to note that the above computation is for illustrative purposes only and, amongst others, the actual amounts of Shares to be issued are subject to change.

5. RATIONALE FOR THE PROPOSED ACQUISITION AND THE CONVERTIBLE LOAN

The Group is currently undergoing a restructuring exercise, and pursuant thereto has entered into a scheme of arrangement with its creditors ("**SOA**"). The last extension of time to submit resumption of trading proposals was 15 June 2021 and the SOA expired on 30 June 2021. Please refer to the Company's previous update announcements on the SOA and the extension of time to submit resumption of trading proposals. The Company will seek all necessary extensions of time from the SGX-ST as well as the creditors under the SOA.

To rebuild shareholder value, the Company has been seeking an appropriate business to be injected into the Group. The Company is of the view that the Proposed Acquisition will place the Company in a position to expand into new business areas and grow revenues, both of which will help rebuild shareholder value. In addition, the RTO will facilitate the Group's attempts to build a profitable recurrent business and operate as a going concern in the long term.

In addition, the Convertible Loan will help to alleviate the cash flow of the Company in respect of the RTO Costs. As such, all of the proceeds arising out of the Convertible Loan will be used for the RTO Costs. The Board also notes that under the SPA, 3DOM has indemnified the Company against any and all losses, costs, liabilities and expenses arising out of or in connection with the Convertible Loan. As such, the Convertible Loan is favourable to the Company.

The Directors are of the opinion that, as of the date of this announcement, after taking into consideration the Proposed Transactions, the Convertible Loan and its present banking facilities, the working capital available to the Group is sufficient to meet its present requirements and that the Company will be able to operate on a going concern and therefore, have a viable proposal for the resumption of trading of its Shares.

6. FINANCIAL INFORMATION ON THE TARGET GROUP AND THE ENLARGED GROUP

A summary of the audited financial statements of the Target for FP2020, and one (1) year of pro forma unaudited consolidated financial information of the enlarged Group after completion of the Proposed Transactions (collectively, the "Enlarged Group") is set out below.

6.1 Historical Financial Information on the Target

Since the Target was incorporated on 25 July 2019, only the audited financial statements for the financial period from its date of incorporation on 25 July 2019 to 31 December 2020 is available.

6.1.1 Operating Results of the Target Group

	FP2020 (S\$)
Revenue	-
Other income	79,650
Interest income	28
Expenses	
Administrative	1,369,201
Finance	38,803
(Loss)/profit before tax	(1,328,326)
Income tax expense	-
(Loss)/profit after tax	(1,328,326)
Other comprehensive income for FP2020, net of tax	-
Total comprehensive loss for FP2020	(1,328,326)

6.1.2 Statement of Financial Position of the Target

	As at 31 December 2020 (S\$)
ASSETS	
Non-current assets	
Property, plant and equipment	435,298
Current assets	
Cash and cash equivalents	35,929
Other receivables	84,267
Total assets	<u>555,494</u>
LIABILITIES	
Non-current liabilities	
Lease liabilities	184,861
Current liabilities	
Other payables and accruals	66,162
Amount due to immediate holding company	1,370,598
Lease liabilities	248,597
Total liabilities	<u>1,870,218</u>
EQUITY	
Capital and reserves attributable to equity holders of the Target	
Share capital	13,602
Accumulated losses	(1,328,326)
Total equity	<u>(1,314,724)</u>
Total liabilities and equity	<u>555,494</u>

6.2 Pro Forma Financial Information of the Enlarged Group

The summary of the unaudited pro forma consolidated financial statements of the Enlarged Group for its financial year ended 31 December 2020 set out below is for illustrative purposes only and has been prepared based on a mere summation of the audited financial statements of the Company for its financial year ended 31 December 2020 (“FY2020”) and the audited consolidated financial statements of the Target for FP2020.

The financials, including the proforma will be reviewed by auditors.

6.2.1 Operating Results of the Enlarged Group

**Audited FY2020
of the Company
S\$'000 ⁽¹⁾**

**Pro forma FY2020 of
the Enlarged Group
S\$'000 ⁽¹⁾**

Revenue	567	567
Cost of sales	(215)	(215)
Gross profit	352	352
Profit/(Loss) before taxation	96	13,704
Profit/(Loss) after taxation	82	13,689

* The increase in profit before and after tax was due to

- I. Income from the waiver of existing Scheme Creditors' outstanding of approximately S\$16.6 million upon completion of the SOA and conversion of its debt-to-equity at the ratio of 18% as the full and final settlement; and offsetted by
- II. Expenses incurred for professional fees for the purpose of current RTO exercise of approximately S\$2.0 million; and
- III. Net loss after taxation of Target Group of S\$1.0 million for FY2020.

6.2.2 Statement of Financial Position of the Enlarged Group

	Audited FY2020 of the Company S\$'000 ⁽¹⁾	Pro forma FY2020 of the Enlarged Group S\$'000 ⁽¹⁾
Non-current assets		
Property and equipment	686	1,121
Goodwill on acquisition of subsidiary	-	1,357,452
Total Non-current Assets	686	1,358,573
Current Assets		
Inventories	7	7
Trade and other receivables	69	153
Other Assets	55	55
Cash and cash equivalents	347	383
Total Current Assets	479	599
Total Assets	1,165	1,359,172
Current Liabilities		
Trade and other payables	20,806	1,985
Tax payable	165	165
Lease liabilities	66	315
Total Current Liabilities	21,036	2,465
Non – Current Liabilities		
Deferred tax liabilities	32	32
Lease liabilities	271	456
Total Non-Current Liabilities	302	487
Total Liabilities	21,339	2,952
Net Assets	(20,174)	(1,356,220)
Equity		
Share Capital	8,029	1,370,815
Accumulated Losses	(37,932)	(24,324)
Translation reserve	9,870	9,870

Equity attributable to owners of the Company	(20,032)	1,356,362
Non-controlling interests	(142)	(142)
Total equity	(20,174)	1,356,220
Net Tangible Liabilities	(20,174)	(1,232)

Note:

The figures involving the Company has been converted from Malaysian Ringgit ("MYR"), based on an exchange rate of MYR3.0468 :S\$1.00 as at 31 December 2020.

7. FINANCIAL EFFECTS OF THE PROPOSED TRANSACTIONS

The financial effects of the Proposed Transactions on the Group have been computed based on the audited consolidated financial statements of the Group for the financial year ended 30 December 2020, and assumes the following:

- a. the Proposed Share Consolidation is carried out and the Proposed Share Issuance is undertaken based on the Post-Consolidation Issue Price for the Consideration Shares and the Conversion Shares;
- b. the Consideration derived from the Actual Valuation is approximately S\$1,357,140,000 and no adjustments to the Consideration are made, and 3,571,421,052 Consideration Shares are issued;
- c. the full Convertible Loan of S\$2,000,000 is drawn down in its entirety for the settlement of professional fees incurred for the Proposed Transactions, and is converted into 10,526,315 Conversion Shares;
- d. the approximately 40,511,144 Consolidated Shares to be issued to the Company's creditors pursuant to its SOA, assuming an extension of time is granted to the SOA;
- e. the exchange rate of MYR3.0468 :S\$1.00 is used; and
- f. no adjustments have been made to account for the different accounting standards of the Group and the Target Group.

The financial effects of the Proposed Transactions set out below are strictly for illustrative purposes only and do not purport to be indicative or a projection of the results and financial position of the Group after completion of the Proposed Transactions.

7.1 Net Tangible Assets (“NTA”)

The effects of the Proposed Transactions on the audited consolidated NTA per Share for the financial year of the Group ended 31 December 2020, assuming that the Proposed Transactions had been effected at the end of that financial year, are summarised below:

	Before Completion of the Proposed Transactions	After Completion of the Proposed Transactions
NTA (S\$'000)	(20,174)	(1,232)
Number of Shares ('000)	250,605	3,647,519
NTA per Share (S\$ cents)	(8.1)	(0.0)

7.2 Earnings per Share (“EPS”)

The effects of the Proposed Transactions on the audited consolidated LPS of the Group for its financial year beginning on 1 January 2020, assuming that the Proposed Transactions had been effected at the beginning of that financial year, are summarised below:

	Before Completion of the Proposed Transaction	After Completion of the Proposed Transaction
Profit after tax attributable to equity holders of the Company (S\$'000)	82	13,689
Number of Shares ('000)	250,605	3,647,519
Earnings per Share (S\$ cents)	0.03	0.38

7.3 Share Capital

The effect of the Proposed Transactions on the share capital of the Group is as follows:

	Before Completion of the Proposed Transactions	After Completion of the Proposed Transactions
Number of issued and paid-up Shares ('000) of the Company (excluding treasury Shares)	250,605	3,647,519
Share capital at 31 December 2020 (S\$'000) (excluding treasury Shares)	8,029	1,370,815

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

Based on the latest announced audited consolidated financial statements of the Group for FY2020 and the audited consolidated financial statements of the Target for FP2020, the relative figures for the Proposed Acquisition computed on the bases set out in Rules 1006 (a) to (e) of the Catalist Rules are as follows:

Rule 1006	Bases of Calculation	Relative Figures (%)
(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value. This basis is not applicable to an acquisition of assets.	Not applicable ⁽¹⁾
(b)	The net profits attributable to the assets acquired or disposed of, compared with the Group's net profits.	(1,226%) ⁽²⁾

(c)	The aggregate value of the Consideration given or received, compared with the Company's market capitalisation based on the total number of issued Shares excluding treasury Shares.	60,172% ⁽³⁾
(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	14,293% ⁽⁴⁾
(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 or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.	Not applicable ⁽⁵⁾

Notes:

- 1) This is not applicable as the Proposed Acquisition constitutes an acquisition of assets.
- 2) The net loss of the Target Group for FY2020 amounted to approximately S\$(1,002,000). The Group's net profit after tax for FY2020 amounted to S\$82,000 (converted from its reported net profits of approximately MYR249,000).
- 3) The Consideration payable is assumed to be approximately S\$1,357,140,000. The Group's market capitalisation of approximately S\$2,255,447 is computed based on the number of issued Shares of 250,605,231 (excluding treasury Shares) and the volume weighted average price of S\$0.009 per Share for trades done on the Catalist Board of the SGX-ST on 14 June 2018, being the last full market day prior to the suspension of trading of the Shares on 18 June 2018.
- 4) Illustrated based on pre-Proposed Share Consolidation figures of 3,571,421,052 Consideration Shares and 10,526,315 Conversion Shares to be allotted and issued, and the Company's existing share capital of 25,060,523 Shares. Please refer to paragraphs 3.2 and 4 of this announcement on the bases and assumptions underlying the illustrative number of Consideration Shares and Conversion Shares respectively.
- 5) This base is not applicable to the Proposed Acquisition.

As the relative figures under Rules 1006(c) and (d) exceed 100%, and that the Proposed Acquisition will result in a change in control of the Company on completion of the Proposed Acquisition, the Proposed Acquisition constitutes a "reverse takeover" transaction pursuant to Rule 1015 of the Catalist Rules. Therefore, the Proposed Acquisition will be conditional upon, *inter alia*, the approval of the Company's Shareholders at an EGM to be convened, and the approval of the SGX-ST (or such other relevant regulatory authority) being obtained.

9. CIRCULAR TO SHAREHOLDERS

The Company will be seeking specific approval of its Shareholders for the Proposed Transactions at an EGM. The Circular containing, *inter alia*, further information on the Proposed Transactions and enclosing the notice of EGM therewith, will be dispatched to the Shareholders in due course.

10. THE PROPOSED WHITEWASH RESOLUTION AND INDEPENDENT FINANCIAL ADVISER

Under Rule 14 of the Code, upon the completion of the Proposed Share Issuance, the Vendor and its concert parties are obliged to extend a general offer the Shareholders of the Company for the remaining issued Shares in the Company not already owned, controlled or agreed to be acquired by them. To that end, the Vendor intends to seek the Proposed Whitewash Waiver from the Securities Industry Council of Singapore.

In connection with the Proposed Whitewash Waiver and the Proposed Whitewash Resolution, the Company will be appointing an independent financial adviser to advise its independent Shareholders on the Proposed Whitewash Resolution. The Circular containing, *inter alia*, the conditions of the Proposed Whitewash Waiver (if so granted by the Securities Industry Council of Singapore) and the opinion and advice of the independent financial adviser will be circulated to the Shareholders in due course.

11. ADDITIONAL LISTING APPLICATION

The Company will be submitting an application for the additional listing of and quotation for the Consideration Shares and the Conversion Shares on the Catalist Board of the SGX-ST. The Company will make the necessary announcement once the listing and quotation notice of the SGX-ST has been obtained.

12. SHAREHOLDING STRUCTURE

Assuming all of the illustrative post-Proposed Share Consolidation numbers of 3,571,421,052 Consideration Shares and 10,526,315 Conversion Shares are allotted and issued to the Vendor, the shareholding structure of the Company before and after the Completion of the Proposed Transactions (assuming that the SOA is carried out in accordance with its terms) is set out as follows:

[This announcement continues on the next page]

	Before the completion of the Proposed Transactions				After the completion of the Proposed Transactions			
	Direct Interest		Deemed Interest		Direct Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
<u>Directors</u>								
Ng Teck Wah ⁽¹⁾	-	-	163,482,328	65.24	-	-	16,348,233	0.45
Andrew Roach Reddy	58,310,906	23.27	-	-	5,831,091	0.16	-	-
Chong Ming Jun	-	-	-	-	-	-	-	-
<u>Substantial Shareholders (other than the Directors)</u>								
Posh Corridor Sdn. Bhd. (“ Posh Corridor ”) ^{(2) (3)}	100,898,838	40.26	58,095,490	23.18	10,089,884	0.28	5,809,549	0.16
Blumont Group Ltd. ⁽²⁾	13,340,000	5.32	-	-	1,334,000	0.04	-	-
Attilan Group Limited (“ AGL ”) ^{(3) (4)}	-	-	163,482,328	65.24	-	-	16,348,233	0.45
TAP Private Equity Inc. (“ TAP ”) ⁽³⁾	-	-	158,994,328	63.44	-	-	15,899,433	0.44
Attilan Investment Ltd. (“ AIL ”) ^{(3) (4)}	-	-	163,482,328	65.24	-	-	16,348,233	0.45
Dragonrider Opportunity Fund L.P. (“ DOF ”) ⁽³⁾	-	-	158,994,328	63.44	-	-	15,899,433	0.44
Datuk Jared Lim Chih Li ⁽¹⁾	-	-	163,482,328	65.24	-	-	16,348,233	0.45
<u>Vendor and related persons</u>								
3DOM	-	-	-	-	3,581,947,367	98.20	-	-
Masataka Matsumura ⁽⁵⁾	-	-	-	-	-	-	3,581,947,367	98.20
SOA creditors ⁽⁶⁾	-	-	-	-	40,511,144	1.11	-	-
Existing Public	78,055,487	31.15	-	-	7,805,549	0.21	-	-
Total	250,605,231	100.0			3,647,519,034	100.0		

Notes:

- (1) Each of Ng Teck Wah and Datuk Jared Lim Chih Li has a deemed interest of 33.3% in AGL. By virtue of Section 7 of the Companies Act (Chapter 50) of Singapore (the "**Companies Act**"), each of them is deemed to be interested in all the Shares held by Posh Corridor and AIL.
- (2) Posh Corridor is deemed interested in 44,755,490 Shares held by Phillip Securities Pte. Ltd. as its nominee and 13,340,000 Shares held by Blumont Group Ltd. due to an assignment of shares arrangement.
- (3) Posh Corridor is owned by DOF (78.4%) and AIL (21.6%). DOF is a fund managed by TAP which is in turn wholly owned by AGL. AIL is a wholly owned subsidiary of AGL. By virtue of Section 7 of the Companies Act, DOF, TAP, AIL and AGL are deemed to be interested in all the Shares held by Posh Corridor.
- (4) AIL is deemed interested in 158,994,328 Shares held by Posh Corridor and 4,488,000 Shares held by Phillip Securities Pte. Ltd. as its nominee. By virtue of Section 7 of the Companies Act, AGL is deemed to be interested in all the Shares held by AIL.
- (5) Masataka Matsumura has a direct shareholding of approximately 52.73% in 3DOM. By virtue of Section 7 of the Companies Act, Masataka Matsumura is deemed to be interested in all the Shares held by 3DOM.
- (6) SOA creditors include certain indirect substantial shareholders, namely Mr Ng Teck Wah, Datuk Jared Lim Chih Li and Attilan Group Limited. Shares to be issued under SOA are based on estimates and further details on the Shares to be issued under SOA Shares will be announced at later date.

[This announcement continues on the next page]

13. SERVICE AGREEMENTS

As at the date of this announcement, the Company has not entered into any service agreement with any person proposed to be appointed as director in connection with the Proposed Acquisition. The Company however wishes to highlight its obligation to appoint individuals nominated by the Vendor to the Board, pursuant to the conditions precedent set out in the SPA. Please refer to paragraph 3.6.11(f) of this announcement for further details.

The details of any such appointments and service agreements, if any, will be set out in the Circular to be despatched to Shareholders in respect of the EGM to be convened.

14. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save for their respective interests in the Shares of the Company (as the case may be) and as otherwise disclosed herein, none of the Directors, controlling Shareholders or their associates have any interest, direct or indirect in the Proposed Acquisition and the other proposed transactions under the SPA.

15. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors of the Company 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 of the SPA, the Proposed Transactions 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 (including information relating to the Vendor and the Target) 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.

16. CAUTIONARY STATEMENT

Shareholders and potential investors are advised to exercise caution when trading in the shares of the Company as the Proposed Acquisition is subject to certain conditions. There is no assurance or certainty that the SPA will be completed, being subject to such 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.

The Company will make the necessary announcements as and when there are further material developments on the Proposed Transactions, in compliance with the Catalist Rules.

17. DOCUMENTS FOR INSPECTION

A copy of the SPA is available for inspection during normal business hours at 80 Robinson Road #02-00 Singapore 068898, for a period of three (3) months commencing from the date of this announcement.

Pursuant to the relevant health and safety measures imposed in respect of the COVID-19 pandemic, all Shareholders are to register their intention to inspect said document at least five

(5) business days before the date of their appointment, via the Company's email address invest@chaswood.com.my. The Company shall be entitled to reject requests for inspection as it deems necessary to comply with the relevant laws and regulations relating to the COVID-19 pandemic.

BY ORDER OF THE BOARD

Andrew Roach Reddy
Managing Director
6 November 2021

*This announcement has been reviewed by the Company's Sponsor, Asian Corporate Advisors Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange 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. Liau H.K., at 160 Robinson Road, #21-05 SBF Center, Singapore 068914, Telephone number: 6221 0271