

# LIBRA

GROUP LIMITED

(Incorporated in the Republic of Singapore on 20 October 2010)  
(Company Registration Number 201022364R)

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## UPDATE ON MEMORANDUM OF UNDERSTANDING AND APPOINTMENT OF JOINT AND SEVERAL PROVISIONAL LIQUIDATORS OVER THE COMPANY'S SUBSIDIARY

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The Board of Directors (the "**Board**") of Libra Group Limited (the "**Company**") and together with its subsidiaries, the "**Group**") refers to its announcements dated 2 January 2020, 17 February 2020, 2 April 2020 and 29 May 2020 (the "**Previous Announcements**"). Unless otherwise defined, the Company adopts its abbreviations in the Previous Announcements.

The Company wishes to announce that the MOU with the Buyer in relation to the disposal of Libra Engineering Pte Ltd ("**LE**") will lapse on 30 June 2020.

In anticipation of the expiry of the MOU, the Company wishes to announce the following pursuant to Rule 704(20) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited.

The Company's wholly-owned subsidiary, LE, had on 29 June 2020 appointed Saw Meng Tee and Ong Shyue Wen, all care of EA Consulting Pte Ltd, 1 North Bridge Road, #23-05 High Street Centre, Singapore 179094 as joint and several provisional liquidators of LE for the creditors' voluntary winding up of LE.

The decision by the Group to initiate the creditors' voluntary winding up of LE is based on the following considerations:

- (a) The Proposed Disposal under the MOU was to allow the Group to dispose of non-operational assets for cash and allow the Group to streamline its corporate structure.
- (b) Despite reasonable efforts by the Company and the Buyer, the Parties were unable to reach an agreement on the terms and conditions of the Definitive Agreements to enable the consummation of the Proposed Disposal, including, inter alia, the following conditions to the Definitive Agreements:
  - (i) the novation of all debts of LE that are guaranteed by the Company from LE to the Company;
  - (ii) the cancellation or termination of all guarantees provided by LE to any lenders in favour of the Company and/or its subsidiaries and/or its shareholders; and
  - (iii) the cancellation or termination of all intra-group debts owing by LE to the Company and/or its subsidiaries and/or its shareholders.
- (c) As stated in the Previous Announcements, the Group is currently undergoing a restructuring phase and LE had wound down most of its operations and has no more substantial operations. At this juncture, without the support of the Buyer and third-party investment into the Group, further injection of funds to support the continuation of business and operations of LE are not available, and any debt restructuring of LE in these circumstances would be unsustainable.

- (d) The initiation of the creditors' voluntary winding up of LE would be the most cost-effective way to orderly wind down the company and streamline its corporate structure.

**The Company will make further announcements to update its shareholders when there are material updates as may be necessary or appropriate. Shareholders and potential investors of the Company are advised to read this announcement and any further announcements made by the Company carefully. Shareholders and potential investors of the Company are advised to refrain from taking any action with respect to their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. Shareholders and potential investors of the Company 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  
**LIBRA GROUP LIMITED**

Christine Liu Yang  
Chief Executive Officer and Executive Director

30 June 2020

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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 Listing Manual Section B: Rules of Catalist 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 Lay Shi Wei, Registered Professional, RHT Capital Pte. Ltd. at 9 Raffles Place #29-01 Republic Plaza Tower 1 Singapore 048619, telephone (+65) 6381 6966.