



A-SMART HOLDINGS LTD.
(Company Registration No. 199902058Z)
(Incorporated in the Republic of Singapore)

PROPOSED RENOUNCEABLE RIGHTS ISSUE

1. INTRODUCTION

- 1.1. The board of directors (the “**Board**” or “**Directors**”) of A-Smart Holdings Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company is proposing to undertake a renounceable rights issue (the “**Rights Issue**”) of up to 89,437,417 new ordinary shares in the capital of the Company (the “**Rights Shares**”) at an issue price of S\$0.10 for each Rights Share (the “**Issue Price**”), on the basis of 1 Rights Share for every 2 existing ordinary shares in the capital of the Company (the “**Shares**”) held by Entitled Shareholders (as defined below) as at a time and date to be determined by the Directors for the purposes of determining Shareholders’ entitlement under the Rights Issue (the “**Record Date**”).
- 1.2. The principal terms of the Rights Issue are set out below:

Issue Price	:	S\$0.10 per Rights Share, payable in full upon acceptance and/or application.
Discount (specifying benchmarks and periods)	:	The Issue Price represents a discount of approximately: (a) 44% to the closing price of S\$0.18 per Share on 30 November 2023 (being the last trading day where there were Shares traded immediately prior to the date of this announcement); and (b) 35% to the theoretical ex-rights price ⁽¹⁾ of S\$0.15 per Share (based on the closing price of S\$0.18 per Share on 30 November 2023, being the last trading day where there were Shares traded immediately prior to the date of this announcement).
Allotment Ratio	:	The Rights Issue will be offered on a renounceable basis to Entitled Shareholders (as defined below) on the basis of 1 Rights Share for every 2 existing Shares held by Entitled Shareholders, or standing to the credit of the securities accounts of the Entitled Shareholders with the CDP, as at the Record Date, fractional entitlements to be disregarded.
Use of Proceeds	:	Please refer to paragraph 4 below for details on the use of proceeds of the Rights Issue.
Purpose of Rights Issue	:	Please refer to paragraph 3 below for details on the purpose of the Rights Issue.

Note:

- (1) The theoretical ex-rights price is calculated based on the following formula:

$$\frac{\text{Market capitalisation of the Company} + \text{gross proceeds from the Rights Issue}}{\text{Number of Shares after completion of the Rights Issue}}$$

- 1.3 As an indication of their support for the Rights Issue and to demonstrate their commitment to and vote of confidence in the Company, certain shareholders of the Company, namely Mr. Ma Weidong (“**MWD**”), Mr. Oei Hong Leong (“**OHL**”), Mr. Tseng An Hsiung Andy (“**TAH**”) and Mr. Lim Huan Chiang (“**LHC**”) (collectively, the “**Undertaking Shareholders**”) have each given an irrevocable undertaking to the Company in respect of the Rights Issue (“**Irrevocable Undertakings**”).

2. PRINCIPAL TERMS OF THE RIGHTS ISSUE

Basis of Provisional Allotment

- 2.1. The Rights Issue is proposed to be made on a renounceable basis to all shareholders of the Company (“**Shareholders**”), or standing to the credit of the securities accounts of Shareholders with The Central Depository (Pte) Limited (“**CDP**”), who are eligible to participate in the Rights Issue as at the Record Date (“**Entitled Shareholders**”), on the basis of 1 Rights Share for every 2 existing Shares held by the Entitled Shareholders as at the Record Date, fractional entitlements to be disregarded.

Issue Size

- 2.2. Based on the Company’s issued and paid-up share capital comprising 178,874,835 Shares (excluding treasury shares and subsidiary holdings, if any) as at the date of this announcement (“**Existing Issued Share Capital**”), assuming no new Shares are issued on or prior to the Record Date and assuming that the Rights Issue is fully subscribed, the Company will allot and issue up to 89,437,417 Rights Shares under the Rights Issue.
- 2.3. The Company does not hold any treasury shares and does not have any subsidiary holdings as at the date of this announcement.
- 2.4. As at the date of this announcement, there are 1,869,500 share options (the “**Options**”) granted pursuant to the A-Smart Employee Share Option Scheme 2018 which was adopted by the Company on 30 November 2018 (the “**Share Option Scheme**”) that remain outstanding. All holders of the Options have irrevocably undertaken not to exercise their Options prior to the Record Date under their respective deeds of undertaking (“**Options Undertakings**”). Save for the Options which remain outstanding, the Company has no existing warrants or other convertible securities.

Authority to issue the Rights Shares

- 2.5. The Rights Shares are intended to be issued and allotted pursuant to and within the limits of the general share issue mandate (the “**General Mandate**”) granted by Shareholders at the annual general meeting of the Company held on 29 November 2023 (the “**2023 AGM**”), pursuant to Section 161 of the Companies Act 1967 of Singapore and Rule 806(2) of the Listing Manual.
- 2.6. The General Mandate, amongst other things, authorises the Directors to issue new Shares not exceeding 50 per cent of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) of the Company as at the date of the 2023 AGM (the “**Base Figure**”), provided that the aggregate number of Shares to be issued other than on a pro-rata basis to existing Shareholders does not exceed 20 per cent. of the Base Figure.

- 2.7. As at the date of the 2023 AGM, the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company was 178,874,835. In addition, as at the date of the 2023 AGM, the Company had 1,869,500 outstanding Options granted pursuant to the Employee Share Option Scheme, which remain outstanding as at the date of this announcement and which are subject to the Options Undertakings.
- 2.8. As at the date of this announcement, the maximum number of Shares that may be issued pursuant to the General Mandate on a *pro rata* basis is 89,437,417 Shares. As at the date of this announcement, the Company has not issued any new Shares pursuant to the General Mandate. Accordingly, the Company will not be required to seek approval from Shareholders for the issuance of the Rights Shares as the maximum number of 89,437,417 Rights Shares is within the limit of the General Mandate.

Ranking of the Rights Shares

- 2.9. The Rights Shares will be payable in full upon acceptance and/or application. The Rights Shares, when issued and allotted, will rank *pari passu* in all respects with the then existing Shares, except that they will not rank for any dividends, rights, allotments or other distributions that may be declared or paid, the record date for which falls before the date of issue of the Rights Shares.
- 2.10. For this purpose, a “record date” means, in relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time as may have been notified by the Company) on which Shareholders must be registered with the Company’s share registrar, Boardroom Corporate & Advisory Services Pte. Ltd. (the “**Share Registrar**”), or CDP, as the case may be, in order to participate in such dividends, rights, allotments or other distributions.

Provisional Allotments and Excess Applications

- 2.11. Entitlements to subscribe for the Rights Shares will be renounceable and are expected to be tradable on the Mainboard of the SGX-ST over a period to be determined by the Directors in compliance with the Listing Manual. Entitled Shareholders will be at liberty to accept in full or in part, decline or otherwise renounce or, in the case of Entitled Depositors (as defined herein) only, trade (during the “nil-paid” rights trading period prescribed by the SGX-ST) their provisional allotments of Rights Shares and will be eligible to apply for additional Rights Shares (“**Excess Rights Shares**”) in excess of their provisional allotments under the Rights Issue.
- 2.12. Fractional entitlements to the Rights Shares will be disregarded in arriving at the Entitled Shareholders’ provisional allotments of Rights Shares and will, together with the provisional allotments of Rights Shares which are not taken up or allotted for any reason, be aggregated and allotted to satisfy excess applications for Rights Shares (if any), or disposed or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the best interests of the Company, subject to applicable laws and the Listing Manual.
- 2.13. In the allotment of Excess Rights Shares, preference will be given to Shareholders for the rounding of odd lots, whereas Directors and substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company, or the terms of the Rights Issue, or have a representation (direct or through a nominee) on the Board, will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares.

For the avoidance of doubt, as the Undertaking Shareholder, OHL, (i) is not a Director; and (ii) does not have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue; and/or does not have representation (direct or through a nominee) on the Board, he will not rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares. The other Undertaking Shareholders will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares.

- 2.14. The Company will not make any issuance and allotment of any Excess Rights Shares that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in a general meeting.
- 2.15. The procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sales of the provisional allotments of the Rights Shares and for the applications for Excess Rights Shares, including each different mode of acceptance or application and payment, will be contained in the offer information statement ("**Offer Information Statement**") and the relevant application forms.

Scaling Down of Subscriptions

- 2.16. The Singapore Code on Take-overs and Mergers (the "**Takeover Code**") regulates the acquisition of ordinary shares of, among others, corporations with a primary listing on the SGX-ST, including the Company. Except with the consent of the Securities Industry Council, any person acquiring an interest, either on his own or together with parties acting in concert with him, in 30.0% or more of the voting rights in the Company or if such person holds, either on his own or together with parties acting in concert with him, between 30.0% and 50.0% (both inclusive) of the voting rights in the Company, and acquires additional Shares representing more than 1.0% of the voting rights in the Company in any six (6)-month period, must extend a mandatory general offer for the remaining Shares in the Company in accordance with the provisions of the Takeover Code.
- 2.17. Depending on the level of subscription for the Rights Issue, the Company may, if necessary, scale down the subscription and/or excess applications for the Rights Shares by any Shareholder (if such Shareholder chooses to subscribe for such Shareholder's *pro rata* Rights Shares entitlement and/or apply for Excess Rights Shares) to:
 - (a) avoid placing such Shareholder and/or parties acting in concert with it (as defined in the Takeover Code) in the position of incurring an obligation to make a mandatory general offer under the Takeover Code as a result of other Entitled Shareholders not taking up, whether partly or in full, their provisional allotments of the Rights Shares; and/or
 - (b) to avoid the transfer of a controlling interest in the Company, which is prohibited under Rule 803 of the Listing Manual, unless prior approval of Shareholders is obtained in a general meeting.

Non-underwritten basis of the Rights Shares

- 2.18. The Rights Issue will not be underwritten.

The Directors are of the opinion that the Irrevocable Undertakings provide a strong indication of shareholders' support for the Rights Issue, hence the Company shall proceed to undertake the Rights Issue on a non-underwritten basis.

The Rights Issue cannot be withdrawn after the commencement of ex-rights trading of the Shares pursuant to Rule 820(1) of the Listing Manual.

3. RATIONALE FOR THE RIGHTS ISSUE

- 3.1. The Company is proposing the Rights Issue to raise proceeds to meet the working capital requirements for an ongoing property development, Timor Marina Square (the "**Timor Marina Square Project**"), in Timor-Leste. Timor Marina Square Project, which is 79% owned by the Group, is a mixed-use property development project in Dili, Timor-Leste.

- 3.2. The Company believes that the Rights Issue will strengthen the balance sheet and provide flexibility for the Group as the Group pursues its growth strategies, particularly in respect of its property development projects in Timor-Leste. The Company anticipates that it will require approximately US\$30 million for the Timor Marina Square Project over the construction period of 32 months. The initial seed funding for the development costs will be funded by way of the internal resources of the Group and the net proceeds from the placement exercise completed in March 2023. The Company further anticipates that the remaining funds required will be funded via the proceeds derived from the pre-sales of the project and the Rights Issue, as well as arm's-length shareholders' loans.

4. USE OF PROCEEDS FROM THE RIGHTS ISSUE

- 4.1. The Company expects to receive net proceeds of approximately S\$8.74 million from the Rights Issue, after deducting estimated expenses of approximately S\$0.21 million to be incurred in connection with the Rights Issue.
- 4.2. The Company intends to use the net proceeds ("**Net Proceeds**") in the following manner:

Use of Net Proceeds	Amount	Percentage of Net Proceeds
To fund the working capital needs of Timor Marina Square Project in Timor-Leste	S\$8.74 million	100%

- 4.3. Pursuant to Rule 704(30) and 1207(20) of the Listing Manual, the Company will make periodic announcements on the utilisation of the Net Proceeds via SGXNET, as and when such proceeds are materially disbursed and whether such disbursements are in accordance with the stated use and in accordance with the percentage allocated. The Company will also provide a status report on the use of the Net Proceeds in the Company's annual report(s) until such time the Net Proceeds have been fully utilised. Where there is any material deviation from the stated use of the Net Proceeds, the Company will announce the reasons for such deviation.
- 4.4. Pending the deployment of the Net Proceeds for the abovementioned purposes, such proceeds may, subject to relevant laws and regulations, be placed as deposits with banks and/or financial institutions, or invested in short-term money market instruments or debt instruments and/or used for any other purposes on a short-term basis as the Directors may, in their absolute discretion, deem appropriate in the interests of the Group.

5. OPINION OF DIRECTORS

- 5.1. As at the date of this announcement, the Directors are of the opinion that barring any unforeseen circumstances, and after taking into consideration:
- (a) the Group's present bank facilities and cash position, the working capital available to the Group is not sufficient to meet its present requirements which include the working capital requirements of its property development project(s) in Timor-Leste. The Rights Issue is being undertaken to fund the working capital needs of the Group's Timor Marina Square Project in Timor-Leste; and
 - (b) the Group's present banking facilities and cash position, along with the Net Proceeds, the working capital available to the Group is sufficient to meet its present capital requirements.

- 5.2. The Rights Issue will also provide the Shareholders with an opportunity to participate in the growth and expansion of the Group's business and also to maintain their *pro rata* equity interests in the Company by accepting their *pro rata* entitlements to the Rights Issue, as well as applying for Excess Rights Shares at the Issue Price. For the reasons outlined in paragraph 3 above, the Directors believe the Rights Issue is in the interest of the Group.

The rights shares will be issued at a discount to the current market price as a proactive measure to encourage widespread participation from our existing shareholders. This offer is to ensure that a broader spectrum of investors has the chance to contribute to the company's capital structure and also a token of appreciation for shareholders' ongoing support.

The Issue Price and the discount have been determined after taking into account, among others, fundraising needs, precedent rights issue and the Company's share price performance and volume in the past twelve (12) months.

6. ELIGIBILITY TO PARTICIPATE IN THE RIGHTS ISSUE

Eligibility to Participate

- 6.1. The Company proposes to provisionally allot the Rights Shares to all Shareholders who are eligible to participate in the Rights Issue on the basis of their shareholdings in the Company as at the Record Date ("**Entitled Shareholders**"). The Entitled Shareholders comprise Entitled Depositors and Entitled Scripholders (each as defined herein).
- 6.2. Entitled Shareholders will be entitled to participate in the Rights Issue and receive the Offer Information Statement (through electronic dissemination, if applicable) together with the appropriate application forms and accompanying documents at their respective Singapore addresses as maintained with the records of CDP or the Share Registrar, as the case may be.

Entitled Depositors

- 6.3. "**Entitled Depositors**" are Entitled Shareholders with Shares standing to the credit of their securities accounts with CDP as at 5.00 p.m. (Singapore time) on the Record Date, provided that such Entitled Depositors have registered addresses in Singapore with CDP as at the Record Date or if they have registered addresses outside Singapore, they have provided CDP with a registered address in Singapore no later than 5.00 p.m. (Singapore time) on the date being three (3) market days (being a day on which the SGX-ST is open for trading in securities) prior to the Record Date.
- 6.4. Entitled Depositors will be provisionally allotted the Rights Shares on the basis of the number of Shares standing to the credit of their securities accounts as at 5.00 p.m. (Singapore time) on the Record Date.
- 6.5. Shareholders who hold Shares under the Central Provident Fund ("**CPF**") Investment Scheme or the Supplementary Retirement Scheme ("**SRS**") or through a finance company and/or depository agent can only accept their provisional allotments of Rights Shares and apply for Excess Rights Shares (if applicable) through their relevant agent banks with which they hold their CPF investment accounts or relevant approved banks with which they hold their SRS accounts, or the respective finance companies and/or depository agents through which such Shareholders hold Shares. **ANY APPLICATION MADE BY THE ABOVE-MENTIONED SHAREHOLDERS DIRECTLY TO CDP OR THROUGH AUTOMATED TELLER MACHINES OF ANY PARTICIPATING BANK NAMED IN THE OFFER INFORMATION STATEMENT WILL BE REJECTED.** Such Shareholders should refer to the Offer Information Statement, which will be released in due course, for the details relating to the offer procedure in connection with the Rights Issue.

Entitled Scripholders

- 6.6. “**Entitled Scripholders**” are Entitled Shareholders whose share certificates have not been deposited with CDP as well as transferees who have tendered to the Share Registrar, registrable transfers of their Shares and the certificates relating thereto for registration up to the Record Date, provided that such Entitled Scripholders have registered addresses in Singapore with the Company as at the Record Date or if they have registered addresses outside Singapore, they have provided the Share Registrar with a registered address in Singapore no later than 5.00 p.m. (Singapore time) on the date being three (3) market days (being a day on which the SGX-ST is open for trading in securities) prior to the Record Date.
- 6.7. Entitled Scripholders will have to submit duly completed and stamped transfers in respect of Shares not registered in the name of CDP, together with all relevant documents of title, so as to be received up to 5.00 p.m. (Singapore time) on the Record Date by the Share Registrar, in order to be registered to determine provisional allotments of Rights Shares.

Foreign Shareholders

- 6.8. For practical reasons and to avoid any violation of the relevant legislation applicable in countries other than Singapore, the Rights Shares will **NOT** be offered to Shareholders with registered addresses outside Singapore as at 5.00 p.m. (Singapore time) on the Record Date and who have not, by no later than 5.00 p.m. (Singapore time) on the date being three (3) market days (being a day on which the SGX-ST is open for trading in securities) prior to the Record Date, provided to the Share Registrar or CDP, as the case may be, with registered addresses in Singapore for the service of notices and documents (“**Foreign Shareholders**”). As Foreign Shareholders will not be entitled to participate in the Rights Issue, no provisional allotments of the Rights Shares will be made to Foreign Shareholders and no purported acceptance thereof or application by Foreign Shareholders will be valid.
- 6.9. The Offer Information Statement and its accompanying documents will also **NOT** be despatched to persons purchasing entitlements to Rights Shares through the book-entry (scripless) settlement system if their registered addresses with CDP are outside Singapore (“**Foreign Purchasers**”). Foreign Purchasers may not accept any “nil-paid” rights credited to their securities accounts unless the Company and its counsel are satisfied that such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.
- 6.10. Entitlements to Rights Shares which would otherwise have been provisionally allotted to Foreign Shareholders will, if practicable to do so and at the absolute discretion of the Company, be sold “nil-paid” on the SGX-ST, as soon as practicable, after dealings in the provisional allotments of Rights Shares commence. Such sales may, however, only be effected if the Company, in its absolute discretion, determines that a premium can be obtained from such sales, after taking into account expenses to be incurred in relation thereto. The net proceeds from all such sales, after deduction of all expenses therefrom, will be dealt with in accordance with the terms set out in the Offer Information Statement.

7. PRIOR EQUITY FUNDRAISING IN THE PAST 12 MONTHS

- 7.1 On 28 March 2023, the Company completed the placement of an aggregate 29,812,473 new Shares, at an issue price of S\$0.18 for each new subscription share for a gross proceeds of S\$5,366,245.14 (the "**March 2023 Placement**").

The net proceeds of the March 2023 Placement of approximately S\$5,284,000 has been partially utilised as follows:

Intended use of proceeds	Percentage (%) allocation	Allocation of net proceeds raised	Amount utilised	Balance
Working capital for the Group's property development project in Timor-Leste	100%	S\$5,284,000	S\$3,602,000	S\$1,682,000

Save for the above, the Company has not undertaken any equity fund raising in the past 12 months.

8. ADJUSTMENTS TO OPTIONS

- 8.1 As described in paragraph 2.4 of this announcement, as at the date of this announcement, there are 1,869,500 Options granted pursuant to the Share Option Scheme that remain outstanding and which are subject to the Options Undertakings.
- 8.2 As a result of the Rights Issue, adjustments may have to be made to the number and/or exercise price of the Options that remain outstanding following the completion of the Rights Issue. The Company will in due course make the appropriate announcement and notify holders of such Options that remain outstanding following the completion of the Rights Issue, of such adjustments as and when appropriate.

9. IRREVOCABLE UNDERTAKINGS

- 9.1 As at the date of this announcement, the number of Shares held and the proportion held in the Company's Existing Issued Share Capital by each of the Undertaking Shareholders is as follows:

Undertaking Shareholders	Number of Shares		Total %
	Direct Interest	Deemed Interest	
MWD	75,000,000	353,000 ⁽¹⁾	42.13%
OHL	31,077,973	-	17.37%
TAH	-	7,950,749 ⁽²⁾	4.44%
LHC	897,000	-	0.50%

Notes:

- (1) Mr Ma Weidong is deemed interested in 353,000 Shares held by his spouse, Mrs Jin Li Yan by virtue of Section 7 of the Companies Act 1967 of Singapore.
- (2) Mr. Tseng Ah Hsiung Andy is holding 7,950,749 shares in the Company through: -
- (a) 4,012,032 Shares held by Dai Dai Development International Holdings Limited;
 - (b) 3,822,842 Shares held by Wellspring Investment Ltd; and
 - (c) 115,875 Shares held by Frontier Development Ltd.

9.2 As an indication of their support for the Rights Issue and to demonstrate their confidence in and commitment to the Company, the Undertaking Shareholders have entered into Irrevocable Undertakings on 29 November 2023 pursuant to which each Undertaking Shareholder has, subject to certain conditions, irrevocably undertaken to the Company that, among others:

- (a) as at the Record Date, the Undertaking Shareholder's interest (including deemed interest and indirect interest) in the Shares ("**Relevant Shares**") will not be less than the Undertaking Shareholder's interest (including deemed interest and indirect interest) in the Shares on the date of the respective Irrevocable Undertaking, and such Shares shall be held by the relevant Undertaking Shareholder free from any mortgages, liens, charges, pledges, options, debentures, assignments, title retention, security interest, encumbrances, claims and other equities or third party rights (including rights of pre-emption) of any nature whatsoever;
- (b) in the case of MWD, to subscribe for and settle in full and/or procure the subscription of and settlement in full for the pro rata entitlement of 37,676,500 Rights Shares;
- (c) in the case of OHL, to subscribe for and pay in full and/or procure the subscription of and payment in full for the pro rata entitlement of 15,538,986 Rights Shares; and within such time and date to be informed by the Company (to the extent permitted by the SGX-ST, CDP or any relevant authority), and in accordance with the terms of the Rights Issue, make excess applications and payment for up to 31,798,057 Excess Rights Shares (as defined above) (the "**OHL Excess Rights Shares**") that remain unsubscribed for by the Entitled Shareholders at the closing date of the Rights Issue after satisfying all applications and excess applications (if any) for the Rights Shares, provided that following the completion of the Rights Issue, the total shareholding of OHL and those parties acting in concert with him remain less than 30.0% of the total enlarged issued and paid-up share capital of the Company.
- (d) in the case of TAH, to subscribe for and pay in full and/or procure the subscription of and payment in full for the pro rata entitlement of 3,975,374 Rights Shares; and
- (e) in case of LHC, to subscribe for and pay in full and/or procure the subscription of and payment in full for the pro rata entitlement of 448,500 Rights Shares,

in each case, in accordance with the terms and conditions of the Rights Issue and not later than the last time and date for acceptance of and payment for the Rights Shares under the Rights Issue. No commission or fee will be paid to the Undertaking Shareholders in consideration of the Irrevocable Undertakings.

In addition to the above, pursuant to the terms of the Irrevocable Undertakings, each of Undertaking Shareholders has also provided the following undertakings in favour of the Company.

Each of the Undertaking Shareholders shall, *inter alia*:

- (a) from the date of the Irrevocable Undertakings up to the Record Date, remain the legal and beneficial owner (as applicable) of their respective Relevant Shares, and any additional Shares each of them may acquire (collectively and respectively, the "**Undertaken Shares**"), and together with all rights now and hereafter attaching thereto, and will not be holding any Rights Shares in trust or acting as a nominee for any party;
- (b) not on or before the Record Date, sell, transfer or otherwise dispose of or encumber their respective Undertaken Shares (or any interest therein); and
- (c) do and/or procure the doing of all such acts and things, provide all such information, confirmations, undertakings and/or certificates and execute and/or procure the execution of all such documents as may be reasonably required to give effect to the undertakings contained in the Irrevocable Undertakings (including but not limited to such information, confirmations, undertakings, certificates and/or documents as may be required by the SGX-ST, the Monetary

Authority of Singapore, the Securities Industry Council and/or any other regulatory authorities in Singapore), and acknowledges that in not making any underwriting arrangements in respect of the Rights Shares, the Company will be relying on the representations, warranties and undertakings contained in the Irrevocable Undertakings and that time of performance on each of their parts shall be of the essence in respect of the aforesaid and each of their other obligations under the Irrevocable Undertakings, and each of them shall not withdraw the undertakings referred to under the Irrevocable Undertakings.

The Irrevocable Undertakings shall lapse and cease to have any effect on the earlier of:

- (a) one (1) day immediately after the last time and date for acceptance and payment for the Rights Shares under the Rights Issue; and
 - (b) the Rights Issue being withdrawn, lapsed or closed.
- 9.3 The Irrevocable Undertakings are conditional upon, among others, the receipt of the approval in-principle of the SGX-ST for the dealing in, listing of and quotation for the Rights Shares on the Mainboard of the SGX-ST and, if such approval is granted subject to conditions, such conditions being acceptable to the Company, and such approval not having been withdrawn or revoked on or prior to the date of completion of the Rights Issue.
- 9.4 The obligations under the Irrevocable Undertakings will not trigger an obligation under the Singapore Code on Take-overs and Mergers to make a general offer for the Shares of the Company.
- 9.5 Based on the Irrevocable Undertakings and assuming that apart from the Undertaking Shareholders, none of the Entitled Shareholders subscribe for their respective pro rata entitlements to the Rights Shares under the Rights Issue, the Undertaking Shareholders will hold the following interests in the Shares of the Company:

	Number of Shares held as at the date of this announcement	Undertaking		Shareholding at the completion of the Rights Issue	
		Provisional entitlement to Nil-Paid Rights	Number of Excess Rights subscribed for	No. of Shares	%
MWD	75,353,000 ⁽¹⁾	37,676,500	-	113,029,500	42.13
OHL	31,077,973	15,538,986	31,798,057	78,415,016	29.23
TAH	7,950,749 ⁽²⁾	3,975,374	-	11,926,123	4.44
LHC	897,000	448,500	-	1,345,500	0.50

Notes:

- (1) Mr Ma Weidong is deemed interested in 353,000 Shares held by his spouse, Mrs Jin Li Yan by virtue of Section 7 of the Companies Act 1967 of Singapore.
- (2) Mr Tseng Ah Hsiung Andy is holding 7,950,749 shares in the Company through: -
 - (a) 4,012,032 Shares held by Dai Dai Development International Holdings Limited;
 - (b) 3,822,842 Shares held by Wellspring Investment Ltd; and
 - (c) 115,875 Shares held by Frontier Development Ltd.

10. APPROVALS

10.1. Shareholders should note that the Rights Issue is subject to, *inter alia*, the following conditions:

- (a) the receipt of the approval in-principle from the SGX-ST for the dealing in, listing of and quotation for the Rights Shares on the Mainboard of the SGX-ST, such approval not having been withdrawn or revoked as at the date of completion of the Rights Issue, and if such approval is granted subject to conditions, such conditions being acceptable to the Company; and
- (b) the lodgement of the Offer Information Statement together with all other accompanying documents (if applicable), to be issued by the Company in connection with the Rights issue, with the Monetary Authority of Singapore; and
- (c) all other necessary consents, approvals and waivers required from any person, financial institution or regulatory body or authority of Singapore or elsewhere under any and all agreements applicable to the Company and/or applicable laws for the Rights Issue and to give effect to the Rights Issue being obtained and not having been revoked or amended before the last time and date for acceptance of and/or excess application and payment and renunciation of the Rights Shares, under the Rights Issue.

10.2. An application will be made by the Company to the SGX-ST for permission to deal in and for the listing and quotation for the Rights Shares on the Mainboard of the SGX-ST. The Company will make an announcement when it receives the in-principle for the Rights Shares from the SGX-ST.

10.3. The Record Date will also be determined in due course after obtaining the approval in-principle from the SGX-ST, for which an announcement on the Record Date will be separately made by the Company in due course.

11. NOTIFICATION UNDER SECTION 309B OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE

The provisional allotments of Rights Shares and the Rights Shares are prescribed capital market products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in the Authority's Notice SFA 04-N12: Notice on the Sale of Investment Products and the Authority's Notice FAA-N16: Notice on Recommendations on Investment Products).

12. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Mr Ma Weidong, the Undertaking Shareholder, is the non-executive chairman and non-independent director of the Company. Mr Lim Huan Chiang, the Undertaking Shareholder, is the executive director and chief executive officer of the Company. Mr Oei Hong Leong is a substantial shareholder of the Company.

Save as disclosed in this announcement and save for their interests arising by way of their respective shareholding interest in the Company and/or directorships in the Group, as the case may be, none of the Directors nor, to the best of the Directors' knowledge, any of the substantial Shareholders, has any interest, whether direct or indirect, in the Rights Issue.

13. FURTHER ANNOUNCEMENTS

The Company will make the appropriate announcement(s) as and when required and/or material developments arise in respect of the Rights Issue.

14. CAUTIONARY STATEMENT

- 14.1. The terms and conditions of the Rights Issue are subject to such changes and such other terms and conditions as the Directors may deem fit. The final terms and conditions of the Rights Issue will be contained in the Offer Information Statement in connection with the Rights Issue, to be lodged with the Monetary Authority of Singapore, and to be despatched or, as the case may be, disseminated by the Company to Entitled Shareholders in due course after, among others, the receipt of the approval in-principle of the SGX-ST for the dealing in, listing of and quotation for the Rights Shares on the Mainboard of the SGX-ST from the SGX-ST.
- 14.2 Shareholders and potential investors are advised to exercise caution when dealing or trading in the Shares. The completion of the Rights Issue is subject to certain conditions. As at the date of this announcement, there is no certainty or assurance that the Rights Issue will be completed or that no changes will be made to the terms thereof. Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully and where in doubt as to the action they should take, they should consult their stockbrokers, bank managers, solicitors, accountants, tax advisers or other professional adviser(s) immediately.

15. 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 Rights Issue 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.

BY ORDER OF THE BOARD

Lim Huan Chiang
Executive Director and Chief Executive Officer
1 December 2023