

ASIATIC GROUP (HOLDINGS) LIMITED
(Company Registration No.: 200209290R)
(Incorporated in the Republic of Singapore)

ANNOUNCEMENT PURSUANT TO RULE 704(4) OF THE SGX-ST LISTING MANUAL SECTION B: RULES OF CATALIST

The Board of Directors of Asiatic Group (Holdings) Limited (the "**Company**") and together with its subsidiaries the "**Group**") wishes to announce that the Company's independent auditor, Messrs Ernst & Young LLP (the "**Auditor**"), had included in their report an emphasis of matter ("**EOM**") in relation to the material uncertainty on the Group's ability to continue as a going concern, on the Group's audited financial statements for FY2018 (the "**Financial Statements**").

The Board wishes to highlight that the Auditor's opinion on the Financial Statements remains unqualified.

The Independent Auditor's Report and extract of the relevant note of the Financial Statements are annexed to this announcement.

With respect to the Group's debt obligations referred in the EOM, the current portion of term loan amounted to S\$16.9 million as of 31 March 2018. The Group has successfully rolled over approximately S\$14.1 million subsequent to the financial year end, and continues to fulfill its debt obligations. Further, a substantial portion of the term loans are secured by the Group's power plant assets and factory building, and as at the end of FY2018, the Group was in a net asset position of S\$62.7 million.

Taking the above into consideration, the Board of Directors is of the opinion that the Group will be able to fulfil its obligations for the next 12 months. The Board (i) is of the opinion that sufficient information has been disclosed for trading of the Company's securities to continue in an orderly manner; and (ii) confirmed that all material disclosures have been provided for trading of the Company's shares to continue.

Shareholders of the Company are advised to read the Financial Statements in its FY2018 annual report, which will be despatched to shareholders of the Company in due course.

The Board of Directors of the Company wishes to advise the shareholders and investors of the Company to exercise caution when dealing in the shares of the Company. In the event of any doubt, they should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

BY ORDER OF THE BOARD

Tan Boon Kheng
Managing Director

Date: 9 July 2018

This announcement (the "Announcement") has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of the Announcement.

This Announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of the Announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in the Announcement.

The contact person for the Sponsor is Mr Lance Tan, Director, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).