

SAPPHIRE CORPORATION LIMITED

("Company")

(Incorporated in the Republic of Singapore)

(Company Registration No. 198502465W)

RESPONSES TO QUESTIONS RECEIVED IN RELATION TO THE ANNUAL GENERAL MEETING TO BE CONVENED ON 28 SEPTEMBER 2022

The Board of Directors (the "Board") of Sapphire Corporation Limited (the "Company" and together with its subsidiaries, the "Group") wishes to provide responses to the following questions received from a shareholder in relation to the Company's upcoming annual general meeting to be convened on 28 September 2022 as of the deadline of 10.00am on 16 September 2022. The Company's responses to the queries are set out in Annex A of this Announcement.

By Order of the Board

SAPPHIRE CORPORATION LIMITED

Wang Heng

Chief Executive Officer and Executive Director

22 September 2022

**ANNEX A
REPOSSES TO QUESTIONS FROM SHAREHOLDER**

Question	Response
<p>Reference to the Annual Report 2021, on page 4 under "Chairman's Message", it was stated that part of the cash proceeds (kept under escrow) from the sale of the equity interest in Ranken Railway will be allocated for distribution to shareholders. The Chairman further stated that the Company "will be able to make the distribution to shareholders soon". Please elaborate further on the planned timeline for the distribution to be effected.</p>	<p>The Company required the audited financials for FY2021 to determine the details of the capital reduction. Further, some time will be required to seek SGX-ST's approval of the capital reduction as well as for internal corporate proceedings to proceed with the capital reduction and effect the distribution to the shareholders. In view of the above, the Company currently envisages that it will be able to proceed with the distribution further to the capital reduction in 2023 Q1.</p>
<p>It was stated that Tranche 2 Escrow Sum will be utilised for expanding the Company's business. Can the company provide more details on how this money will be utilised to enhance shareholder's value?</p>	<p>The Company will utilise the Tranche 2 Escrowed Sum for the uses as stated in Page 24 of Company's Circular dated 9 October 2020, which was approved by shareholders. The details are reproduced as below. Please note that as the original allocation was determined some time ago in October 2020, the use of Tranche 2 Escrowed Sum may be subject to a revision in view of the Company's operational needs. In the event that a change of use is required, the Company will seek SGX-ST's approval of the same and provide relevant updates to shareholders.</p>

In the event that the Company fulfils the Financial Conditions and the SGX-ST approves the release of the Tranche 2 Escrowed Sum, the Company intends to allocate the Tranche 2 Escrowed Sum in the following manner:

Use of Tranche 2 Escrowed Sum	Percentage Allocation
(a) Investments into, and financing, urbanisation, infrastructure and WEM projects and TOD projects, as and when opportunities arise	22.8% to 31.9%
(b) Purchase of construction equipment by SYE for its business, being the leasing of warehouse and equipment and supply of materials for urbanisation projects	0.3% to 9.4%
(c) Expansion of the BEM business of CJPS, including investments into other companies undertaking the BEM business or by increasing the headcount of CJPS	1.1% to 14.7%
(d) General corporate purposes including general working capital, financing of new business ventures through acquisitions and/or strategic investments as and when opportunities arise, and share buy-back exercises to Shareholders	2.6% to 11.7%