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## **COMMENCEMENT OF LEGAL PROCEEDINGS AGAINST AN ASSOCIATE**

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The Board of Directors (the “**Board**”) of Figtree Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the Company’s earlier announcement dated 27 December 2022. Following the withdrawal of the appeal by Vibrant Pucheng Logistics (Chongqing) Co., Ltd (“**Vibrant Pucheng**”), a 20%-owned associated company of the Group, in relation to the decision of the People’s Republic of China Court (the “**Court**”) on the legal proceedings commenced by 中铁建工集团有限公司, the Board, having considered all the options available, and with a view to protect the assets and legal position of the Group, wishes to announce that legal proceedings have been commenced by Figtree Projects (Shanghai) Co., Ltd (斐格瑞项目管理(上海)有限公司) (“**Figtree Shanghai**”), a wholly-owned subsidiary of the Group against Vibrant Pucheng (the “**Claims**”). Please refer below for further details.

The Board is of the view that it is in the best interests of the Group to file the Claims.

Figtree Developments Pte Ltd (“**Figtree Developments**”), a wholly-owned subsidiary of the Group, had agreed to grant an unsecured loan of RMB 61,168,572 (equivalent to approximately S\$11,622,029) to Vibrant Pucheng pursuant to an assignment agreement dated 1 January 2021.

On 1 November 2022, Vibrant Pucheng, Figtree Shanghai and Figtree Developments entered into an agreement for the assignment of debt receivables, pursuant to which Figtree Developments assigned all its rights to loan receivables and interest to loan receivables from Vibrant Pucheng to Figtree Shanghai, in order to facilitate the Claims process that will take place in the Court.

Vibrant Pucheng had failed to make repayments to Figtree Shanghai upon its demand in accordance with the assignment as mentioned in the paragraph immediately above, and Figtree Shanghai is therefore claiming against Vibrant Pucheng for an aggregate amount of RMB 67,134,799.46 (equivalent to approximately S\$12,755,612), comprising the sum of (i) the principal amount of RMB 61,168,572 (equivalent to approximately S\$11,622,029) owed to Figtree Shanghai, and (ii) interest amounting to RMB 5,966,227.46 (equivalent to approximately S\$1,133,583), calculated at the rate of 6% per annum up to 10 January 2023.

Vibrant Pucheng currently owns a property (the “**Property**”) that was valued by Cushman & Wakefield’s Shenzhen Office (the “**Valuer**”) as at 30 April 2022 at RMB 404,440,000 (equivalent to approximately S\$76,843,600). The basis of the valuation is fair value and is defined in International Financial Reporting Standards (IFRS) 13 as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The project undertaken on the Property is the development and construction of a Multi-Modal Logistics Distribution Centre to tap into the Chongqing Connectivity Initiative between the Government of Singapore and the People’s Republic of China (the “**Project**”). The Project comprises 3 separate phases: Phase 1 consists of 2 units of double-storey warehouses; Phase 2 consists of 1 unit of administrative building and 1 unit of warehouse; and Phase 3 consists of 6 units of warehouses. As the development and construction of the Property is not complete and the Property has not been put in use, the Valuer has adopted the cost method to determine the market value of the Property on an as-if basis. The cost approach of valuation is premised on the economic principle that a buyer will pay no more for a property than the cost of the property of equal utility. The value of the Property comprised 2 components, namely (i) the value of the land and (ii)

the value of the improvements. The value of the land and improvements in turn is made up of the land cost, expected construction cost of the improvements, management fee, interest costs, development profit, sales and agency fees. Once the improvement costs are determined, they are added to the land value to derive the capital value of the Property. No depreciation and obsolescence is deducted or reduced from the cost of improvement to arrive at the depreciated replacement cost as the Property remains under construction.

In the event the Group does not succeed in the Claims, or the Group succeeds in the Claims but does not recover the full amounts owed by Vibrant Pucheng, there may be a material impact on the financial performance of the Group for the current financial year ending 31 December 2023. The Group has not recognised any impairment losses in respect of the Claims as at the last audited financial statements for the year ended 31 December 2021. The total amount of the Claims represented approximately 29.0% of the Group's audited net assets value as at 31 December 2021.

The Company will make further announcements to update its shareholders when there are material updates to the Claims, as may be necessary or appropriate.

BY ORDER OF THE BOARD

**Siaw Ken Ket @ Danny Siaw**  
Managing Director  
13 February 2023

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#### ***About Figtree Holdings Limited***

*Founded in 2009, Figtree Holdings Limited ("**Figtree**" or the "**Company**", and together with its subsidiaries and associates, the "**Group**"), is a provider of commercial and industrial real estate solutions. The Group typically acts as the main contractor for its projects in Singapore, covering new construction, A&A works on existing buildings as well as refurbishment and upgrading of existing buildings. In China and Malaysia, the Group provides design, project and construction management consulting services.*

*The Group has established a strong presence in China in the property development sector with a diverse portfolio of residential, commercial and industrial properties. The Group continues to explore suitable property development and investment opportunities in Australia.*

*Figtree was listed on SGX Catalist on 11 November 2013.*

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*This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance 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 document, including the correctness of any of the statements or opinions made or reports contained in this document.*

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