



## REENOVA INVESTMENT HOLDING LIMITED

(Incorporated in the Republic of Singapore | Company Reg. No.: 200104762G)

Website: [www.reenovagroup.com](http://www.reenovagroup.com)

SGX Stock Code: **5EC**

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### RESPONSE TO SGX-ST QUERIES

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The Board of Directors (the “**Board**”) of Reenova Investment Holding Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to provide the following additional information in response to the queries raised by Singapore Exchange Securities Trading Limited (“**SGX-ST**”) in their email dated 13 December 2021 regarding the entry into a sales and purchase agreement on the proposed acquisition of 3DOM (Singapore) Pte Ltd announced on 10 December 2021.

*Unless otherwise defined, all capitalised terms used herein shall bear the same meanings ascribed to them in the Company’s announcements dated 17 November 2021 and 10 December 2021.*

#### Query by SGX-ST:

1. We refer to the Company’s announcement of its entry into a sales and purchase agreement (the “SPA”) on the proposed acquisition of 3DOM (Singapore) Pte Ltd (the “Proposed Acquisition”) announced on 10 December 2021. We note that this SPA is not conditional upon the proposed disposal of Reenova Global Pte. Ltd. announced on 10 November 2021. Please clarify what would be the implication on this SPA if the proposed disposal of Reenova Global Pte. Ltd. does not complete?

#### Company's Response:

1. Given that this SPA is not conditional upon the proposed disposal of Reenova Global Pte. Ltd., there would be no implication on this SPA if such disposal does not complete. In this regard, upon completion of the Proposed Acquisition, 3DOM (Singapore) Pte Ltd will become a wholly-owned subsidiary of the Company while Reenova Global Pte. Ltd. will remain a wholly-owned subsidiary of the Company if the proposed disposal of Reenova Global Pte. Ltd. is not completed by then. For the avoidance of doubt, the Company had entered into a non-binding term sheet in relation to the said proposed disposal. As at the date hereof, no definitive agreements have been entered into in respect of the same.

#### Query by SGX-ST:

2. We note that the Company has announced that the Proposed Acquisition is expected to result in a reverse takeover (the “RTO”) of the Company as defined under Chapter 10 of the Listing Manual. Under Listing Rule 1015(3)(a), the incoming business must comply with the IPO requirements under Chapter 2 of the Listing Manual, which includes amongst others, the quantitative criteria under Listing Rule 210(2). Please clarify how 3DOM (Singapore) Pte Ltd, which is the Target of this RTO, satisfies this quantitative criteria given that it is only incorporated less than 3 years ago on 25 July 2019, and based on its latest audited financial statements, has not produced any revenue since incorporation, would have been in a net liability position of \$1.3 million if not for the capitalisation of the loan from its parent company, and does not have any ongoing business at this point in time.

**Company's Response:**

2. The Target will be able to satisfy the quantitative criteria under Rule 210(2)(c) of the Listing Manual as it is expected to record operating revenue for its financial year ending 31 December 2021, and based on the Pre-Consolidation Issue Price of S\$0.0075 per Consideration Share and the Consideration Shares to be issued being equivalent to no less than S\$1.36 billion, it will have a market capitalisation of more than S\$300 million.

**Query by SGX-ST:**

3. How was the Company introduced to 3DOM Inc.?

**Company's Response:**

3. The Company was introduced to 3DOM Inc. by Mr. Yeo Soon Lye, whose position is Director, Equity Sales in UOB Kay Hian Pte Ltd. For the avoidance of doubt, as stated in the Company's announcement dated 10 December 2021, no introducer fee or finder's fee is payable by the Company for the Proposed Acquisition.

**Query by SGX-ST:**

4. It is stated that an independent valuer will be appointed to prepared a valuation report on the Target. Has the valuer been identified? If so, who is the valuer?

**Company's Response:**

4. The Company is in the process of engaging Ernst & Young Corporate Advisors Pte. Ltd. as the independent qualified valuer to prepare a valuation report in respect of the Target.

**Query by SGX-ST:**

5. It was announced that the consideration payable is assumed to be S\$1.36 billion.
  - a) Given that no valuation has been conducted yet, how was this amount arrived at?
  - b) What did the Board consider in agreeing to a consideration pegged at 80% of valuation of Target and how is this in the best interest of the Company and its shareholders?

**Company's Response:**

- 5.a. As stated in the Company's announcement dated 10 December 2021, the Consideration was a commercial decision agreed on a willing-buyer and willing-seller basis, after substantive negotiations between the Company and 3DOM Inc. The parties had considered that, amongst other things, 3DOM Inc., the parent of the Target had a valuation of more than US\$1.4 billion based on a valuation conducted by an independent valuer, and that 3DOM Inc. had essentially granted the Target full commercial rights to the intellectual property owned by 3DOM Inc.

- 5.b. In agreeing to a consideration pegged at 80% of valuation of the Target, the Board considered that the transaction would be in the best interest of the Company and its shareholders since the Company would be acquiring the Target at a significant discount to its fair value as determined by an independent qualified expert.

**Query by SGX-ST:**

6. Who are the professionals appointed to advise the Company on the Proposed Acquisition and conduct due diligence on the Target Group?

**Company's Response:**

6. As at the date hereof, the Company has appointed ZICO Insights Law LLC as the legal counsel to advise the Company on the Proposed Acquisition and to conduct due diligence on the Target Group.

The Company is in the process of appointing Evolve Capital Advisory Private Limited as the Issue Manager and Ernst & Young Corporate Advisors Pte. Ltd. as the independent qualified valuer, and will appoint an auditor/reporting accountant in respect of the Proposed Acquisition in due course.

On behalf of the Board  
**Reenova Investment Holding Limited**

Chen Tong  
Executive Chairman

14 December 2021