(Incorporated in the Republic of Singapore on 20 October 2010)
(Company Registration Number 201022364R)
(Receivers Appointed over Property)

UPDATE ON NOTIFICATION OF DELISTING AND APPEAL

The Board of Directors (the "**Board**") of Libra Group Limited (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to refer to the Company's announcement on the SGX-Net on the notification of delisting from the Official List of the SGX-ST ("**Delisting Notification**") issued by the SGX Reg-Co to the Company on 21 February 2022 (the "**Previous Announcement**").

Pursuant to the Delisting Notification, the Company is required to inform the SGX-ST the terms of the exit offer proposal as soon as practicable and no later than one month from the date of the Delisting Notice, and also provide updates via SGXNET on the status of the Company's exit offer proposal.

Update on the Company's Exit Offer Extension Application to SGX-ST

On 18 March 2022, after the close of business, the Company wrote to SGX-ST to seek an extension of time to submit the exit offer proposal ("**Exit Offer Extension Application**"), on the basis that the Company is finalising its appeal against the Delisting Notification ("**Delisting Appeal**") and intends to submit the Delisting Appeal by 1 April 2022.

On 21 March 2021, the Company received certain queries from SGX-ST in relation to the Company's basis for the appeal against the Delisting Notification, the Sponsor's opinion in relation to the Exit Offer Extension Application and the basis of the Sponsor's opinion.

On 23 March 2022 and 24 March 2022, the Company provided the Sponsor the following responses to the SGX-ST's queries in relation to the Exit Offer Extension Application, with further clarifications on 29 March 2022:

(a) The Company informed the Sponsor that the Delisting Appeal will address the reasons for the delisting set out in the Delisting Notification and intends to submit the appeal by 1 April 2022. The Company informed the Sponsor on a preliminary basis that the Delisting Appeal will include the following:

    (i) At all material times, the Company has conveyed to the Sponsor and SGX-ST that it expects to be in a position to rectify the breaches upon the completion of the debt restructuring and the Investment. As disclosed in its announcements on the SGX-Net on 24 May 2021, 13 September 2021 and 14 January 2022, the Company lacks financial resources to rectify the breaches of the Catalist Rules at the present juncture. As a result, the Company had provided a letter of undertaking to the Sponsor and the SGX-ST that "*in the event that the offer [by the investor] is successful*", the Company will work towards rectifying all past/ongoing breaches.

(ii) The Scheme Documents are in the final stages of drafting and review, and subject to discussions with its major creditors on the draft Scheme Documents, the Company will soon be in a position to move definitely on other outstanding actions.

(iii) The Company and the Investor entered into the Master Restructuring Agreement on 25 October 2021 and the Investment and trading resumption are premised upon the Investor introducing new business opportunities to satisfy the requirements for trading resumption. At all material times, the introduction of new business opportunities is envisaged to be undertaken concurrently and in conjunction with the debt restructuring and completion of the Investment. During the 4-month period until the receipt of the Delisting Notification, the Company had worked very hard to demonstrate progress both in obtaining business opportunities and developing plans for the trading resumption. The Company had submitted a draft application for extension of time to submit the trading resumption proposal within approximately 1.5 months after its entry into the Master Restructuring Agreement, while actively sourcing for new business opportunities that would likely yield results starting April 2022.

(iv) The Company had submitted an application for extension of time to submit the trading resumption approximately 1.5 months after the entry into the Master Restructuring Agreement, while actively sourcing for new business opportunities that would likely yield results starting April 2022. Given the nature of construction projects, the Company is unable to control the timelines and progress of the projects, which would explain the lack of actual revenue generated during this 4-month period. However, the Company has demonstrated progress on attaining new business contracts and opportunities.

(v) In relation to the three material supply contracts entered into by CEPT, the Company is awaiting the receipt of the Purchase Information. This depends on the progress of the customers' construction projects, which is not within the Company's control. Nevertheless, the Company understands from its customers that the Purchase Information is likely to be submitted in April 2022, upon which CEPT will be able to start generating revenue.

Additionally, CEPT also entered into another agreement for the supply of building materials with Mei Xin Wooden Doors Co. Pte Ltd on 17 February 2022. The contract sets out in full details the description of building supplies, quantities, unit prices and total amount of building materials to be purchased, amounting to approximately $1.5 million. CEPT has also procured the agreement to supply building materials to two other customers amounting to approximately $1.2 million and $800,000. CEPT was also finalising the details of the agreements with these two customers to commence in May 2022 and June 2022 respectively.

Further, the Company's financial advisor is presently preparing the Group's proforma financials for the next 12 months, to be submitted in support of the appeal, to demonstrate the Group's core business as a service provider in the Singapore construction industry.

(vi) The Investor has confirmed that it will continue to comply with the terms of the Master Restructuring Agreement, taking into consideration all relevant circumstances and without prejudice to its rights under the Master Restructuring Agreement.

(b) The Company informed the Sponsor that it will set out the full grounds of appeal in more details in its Delisting Appeal upon receiving confirmations from the relevant parties. The Company had sought the Sponsor's and SGX-ST's indulgences to allow the Company the opportunity to implement and complete the Master Restructuring Agreement which was entered into between the Company and the Investor on 25 October 2021. The Company noted that other listed

companies that are in financial difficulties were afforded time to find an investor and to complete their restructuring, and that companies which were placed under judicial management were afforded at least 6 months or more to find an investor, and more time to complete the restructuring. If allowed to do so, the Company will work towards completion of the Investment and restructuring within a much shorter timeframe.

On 23 March 2022 and 24 March 2022, the Sponsor informed the Company that it was not supportive of the Company and its plans. The Sponsor noted that it had informed the Company in early December 2021 that they may not be suitable to be the continuing sponsor for the Company going forward and the Sponsor is of the understanding that the Company agrees and is looking to appoint a new Sponsor soon. The Sponsor also informed the Company that it was of the view that during the 4-months period between the entry into the Master Restructuring Agreement and the receipt of the Delisting Notification, the Company has not demonstrated any progress on new business opportunities front and that there has been some delay on the part of the Company in responding to the Sponsor and SGX-ST, including queries in relation to the contracts entered into by CEPT for the new business opportunities, which cast doubts on the seriousness and urgency shown by the Company in engaging the Sponsor and the authorities. The Sponsor has also concluded that it was of the view that the Company has no current operating business to generate recurring revenue, following the winding up of Kin Xin and the lack of revenues generated by CEPT. In relation to the Scheme, the Sponsor stated that it has not reviewed any draft of the Scheme Documents.

With respect, the Company does not agree with the Sponsor's opinion. As the Company has attempted to further explain to the Sponsor, whilst there has been some delay on its part in responding to the queries from the Sponsor and the SGX-ST, the Company is of the view that there is justified basis for an appeal against the Delisting Notification.

Whilst the execution of the Investment and debt restructuring are the responsibility of the Company, the Company noted that it had held preliminary discussions on the potential Investment in August 2021 with its advisors, including the Sponsor, together with the Investor on the broad framework on the resumption of trading proposal, including the introduction of new business opportunities envisaged to be undertaken concurrently and in conjunction with the debt restructuring and completion of the Investment.

Exit offer proposal

On 28 March 2022, SGX Reg-Co responded to the Company's Exit Offer Extension Application that it is of the view that there are no extenuating reasons to grant the Exit Offer Extension Application and to allow the Company to submit the Delisting Appeal on 1 April 2022. The SGX-ST directed the Company to update shareholders via SGX-NET by 29 March 2022 on the Company's exit offer proposal.

The Company wishes to update its shareholders that it is presently not in a position to provide a reasonable exit offer given that the Company is in the midst of implementing the Master Restructuring Agreement and its debt restructuring.

Given the completion of an investment into the Company is the only way to provide returns to the Company's stakeholders, including its shareholders, the Company humbly seeks the indulgence of the Sponsor and the SGX-ST to reconsider its decision and the full grounds that are be set out in its Delisting Appeal, which is envisaged to be submitted by 1 April 2022.

Shareholders and potential investors of the Company are advised to read this announcement and any further announcements made by the Company carefully. Shareholders and potential investors of the Company are advised to refrain from taking any action with respect to their

securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. Shareholders and potential investors of the Company should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

By Order of the Board

LIBRA GROUP LIMITED

Christine Liu Yang

Chief Executive Officer and Executive Director

30 March 2022

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd. ("**Sponsor**") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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