REENOVA INVESTMENT HOLDING LIMITED
(UNDER JUDICIAL MANAGEMENT)
(Company Registration No. 200104762G)
(Incorporated in Singapore)

RESPONSE TO SGX-ST QUERIES

The Judicial Managers (the "**JMs**") of Reenova Investment Holding Limited (Under Judicial Management) (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to address the queries raised by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 2 November 2022 with reference to the Company's announcement of 27 October 2022 titled "Quarterly Update Pursuant to Rule 1313(2) of the SGX-ST Listing Manual" (the "**Announcement**"). Unless otherwise defined, capitalised terms in the Company's response shall bear the same meanings as set out in the Announcement. The queries from the SGX-ST and the Company's responses are as follows:

Question 1: We refer to the quarterly update pursuant to Listing Rule 1313(2) announced on 27 October 2022. We note that the MOU entered into between the Company, HRPL and JWC contemplates the eventual sale of 100% of RGPL's shares to HRPL.

(a) Noting that RGPL is the principal subsidiary of the Company and holds the Group's main asset, the Rare Earth Project Mine, what are the relative figures of this disposal computed under Listing Rule 1006?

(b) Please clarify whether there has been any valuation undertaken for the Rare Earth Project Mine, noting the requirements under Listing Rule 1014(5) which requires the appointment of a competent and independent valuer to value the assets to be disposed where any of the relative figures on the bases set out in Listing Rule 1006 exceeds 75%.

Company's Response

The Statement of Affairs ("**SOA**") dated 12 August 2022 completed by the Company's independent director, Mr Eddy Lim Seok Boon, has indicated that the value of RGPL Shares has been completely written off. This write-off is attributable to the fact that:

(a) the exploration licence PR 6698 granting the exclusive rights for prospecting and research in the Rare Earth Project has expired on 5 November 2021 and that there is currently no confirmation from the Ministry of Mines and Strategic Resources of Madagascar that an extension would be granted; and

(b) the application for the full mining licence (*Permis de Exploitation)* to the Madagascar Mining Cadastral Office (*Bureau du Cadastre Minier de Madagascar)* in relation to the Rare Earth Project is still pending and there is currently no confirmation that the licence would be granted.

The Judicial Managers wish to clarify that the Company will not be disposing of the RGPL Shares under the MOU. Under the MOU, the sale of the RGPL's shares to HRPL is envisaged to be undertaken by JWC by way of enforcement by JWC of JWC's security interest in the RGPL Shares. Given that the Company will not be disposing of the RGPL Shares, the sale of the RGPL Shares by JWC to HRPL does not constitute a major transaction under Chapter 10 of the SGX Listing Rules (Mainboard) ("**Mainboard Rules**"). The Judicial Managers wish to further clarify that negotiations in respect of the details of the terms and conditions of the Company's consent to the Enforcement, including the sum to be paid to the Company in consideration to the Company's consent to the Enforcement, are still ongoing.

Notwithstanding that the sale of the RGPL Shares by JWC to HRPL does not constitute a major transaction under Chapter 10 of the Mainboard Rules, for the purpose of illustration, the JMs have assigned the relative figures to the following bases as set out in Listing Rule 1006 for the sale of the

RGPL Shares, based on the current circumstances of the exploration licence and application for the full mining licence for the Rare Earth Project:

Rule	Description	Relative Figure
Rule 1006(a)	Net asset value of the assets to be disposed of, compared with the Group's net asset value [(1)]	0.00%
Rule 1006(b)	Net profits attributable to the assets disposed of, compared with the Group's net profit	0.00%
Rule 1006(c)	The aggregate value of the consideration given or received, compared with the issuer's market capitalisation based on the total number of issued shares excluding treasury shares [(2)]	To be determined
Rule 1006(d)	The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue	Not applicable
Rule 1006(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves	Not applicable

Given that the sale of the RGPL Shares by JWC to HRPL does not constitute a major transaction under Chapter 10 of the Mainboard Rules, as well as considering the current relative figures computed based on the Listing Rule 1006, no valuation will be undertaken for the Rare Earth Project.

Question 2: Noting that the cure period for the Company to exit the watch-list ends on 2 December 2022, please clarify how the sale of RGPL to HRPL will enable the Company to meet the exit criteria of the watch-list. Please also provide the planned roadmap and timeline for the Company to exit the watch-list.

Company's Response

The JMs intend to hold a first meeting of creditors on 25 November 2022 pursuant to the provisions of the IRDA ("**First Creditors' Meeting**"), in which approval of the creditors' attending the First Creditors' Meeting will be sought in respect of the JM's statement of proposals as well as the next steps for the judicial management of the Company. Further details surrounding the statement of proposals will be disclosed in due course.

Notwithstanding that the trading of the Company's shares is suspended, Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company. In the event of any doubt as to the action they should take, Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors, or other professional advisers.

Luke Furler and Ellyn Tan
Joint and Several Judicial Managers

4 November 2022

[1] Based on the net asset value of the RGPL Shares of S$0.00 and the net asset value of the Group as at 31 December 2021 amounting to S$783,601.00.
[2] The Company is in the midst of negotiating with HRPL the agreed sum to be utilised for payment to the Company's preferential and unsecured creditors (where applicable) in accordance with the provisions of the IRDA.