

AXINGTON INC.

(Company Registration No.: LL12218)

(A Company incorporated under the Labuan Companies Act 1990, Malaysia)

UPDATE ON APPLICATION FOR AN EXTENSION OF TIME TO COMPLY WITH RULES 707(1), 1017(2) AND 1304(1) OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (“SGX-ST”) LISTING MANUAL SECTION B: RULES OF CATALIST (“CATALIST RULES”) - RECEIPT OF NO OBJECTION LETTER FROM THE SGX-ST

The Board of Directors (the "**Board**") of Axington Inc (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the announcement dated 21 March 2022 in relation to the Company's application to the SGX-ST for an extension of time to comply with the requirements of Catalist Rules 707(1), 1017(2) and 1304(1) (the "**Announcement**").

Unless otherwise specified, all capitalised terms used herein shall have the meanings ascribed to them in the Announcement.

The Company wishes to announce that the SGX-ST had, on 29 March 2022, via the Company's sponsor, informed the Company that based on the Company's submissions and representations to the SGX-ST, it has no objection to the Company's application for:-

- (i) a further 6-month extension of time till 30 September 2022 (the "**Extension of Time**") to sign a definitive sale and purchase agreement and to submit a reverse takeover ("**RTO**") application to Singapore Exchange Regulation Pte. Ltd. (the "**SGX RegCo**"). The Company shall be required to submit a fresh extension of time application of up to 6 months to complete the RTO, upon submission of the RTO application to the SGX RegCo;
- (ii) a 1-month extension of time till 31 May 2022 for the Company to hold its FY2021 annual general meeting (the "**AGM**"); and
- (iii) a drawdown of up to S\$26.0 million from its escrow account only for the purpose of the proposed cash distribution to all shareholders on a *pro rata* basis (the "**Proposed Distribution**"),

(collectively, the "**Waivers**").

The Waivers are subject to the following conditions:-

- (a) the Company announcing the Waivers granted, the reasons for seeking the Waivers, the conditions as required under Catalist Rule 106 and if the Waivers' conditions have been satisfied. If the Waivers' conditions have not been met on the date of the announcement, the Company must make an update announcement when the conditions have all been met;
- (b) the Company obtaining shareholders' approval for the Proposed Distribution in an extraordinary general meeting;
- (c) disclosure of a confirmation by the Board that the Proposed Distribution will be completed as soon as possible and is not dependent on whether the Company enters into an RTO agreement;

- (d) disclosure of a confirmation by the Board (which shall include the confirmation of the Company's Audit Committee) that the drawdown of up to S\$26.0 million from the escrow account is in the best interests of the Company and minority shareholders;
 - (e) regular updates to the SGX-ST and investors via SGXNET on the Company's progress in meeting the key milestones of the RTO;
 - (f) disclosure of a confirmation from the Board that the Extension of Time to comply with Catalist Rule 1017(2) would be the final extension requested by the Company, and the Company would seek a voluntary delisting should it fail to submit the RTO application to SGX RegCo by 30 September 2022;
 - (g) disclosure of the Company's confirmation that it is not aware of any other information (including but not limited to financial information) with respect to the Group that may have a material bearing on investors' decisions which was not formally disclosed to the investors;
 - (h) disclosure of the Board's confirmation that the Waivers will not be in contravention of any laws and regulations governing the Company and its constitution; and
 - (i) the Company convening the AGM by 30 May 2022,
- (collectively, the "**Waiver Conditions**").

The Waivers will not be effective if any of the Waiver Conditions have not been fulfilled.

The Board wishes to disclose the following:-

- (1) while the SGX-ST had previously informed the Company that it will serve a delisting notice if the Company fails to submit a trading resumption proposal by 31 March 2022, the SGX-ST is granting the further extension in view of steps taken by the Company to distribute the escrow funds of up to S\$26.0 million to shareholders whilst it works on a potential RTO which would form its resumption proposal. The SGX-ST will not grant any further extension if the RTO application is not submitted to SGX RegCo by 30 September 2022;
- (2) the Board confirms that the Company will not be in contravention of any laws and regulations governing the Company and the constitution of the Company arising from the Waivers;
- (3) the Board has been advised that the Labuan Companies Act 1990 does not stipulate the latest date that a company may convene an AGM, save that the company is required to lay its audited accounts before its shareholders no later than a date nine months after the date to which the audited accounts are made up. As such, the Company is not required to make an application to the Labuan Financial Services Authority for the 1-month extension of time for the AGM;
- (4) the Company had previously announced the reasons for seeking the Waivers in the Announcement;
- (5) the Board confirms that the Proposed Distribution will be completed as soon as possible and is not dependent on whether the Company enters into an RTO agreement;

- (6) the Board and the Audit Committee are of the view that the drawdown of up to S\$26.0 million from its escrow account for the purpose of the Proposed Distribution is in the best interests of the Company and its minority shareholders;
- (7) the Board confirms that the Extension of Time would be the final extension requested by the Company, and the Company would seek a voluntary delisting should it fail to submit the RTO application to the SGX RegCo by 30 September 2022; and
- (8) the Company confirms that it is not aware of any other information (including but not limited to financial information) with respect to the Group that may have a material bearing on investors' decisions which was not formally disclosed to the investors.

As at the date of this announcement, the Company has satisfied the Waiver Conditions set out in paragraphs (a), (c), (d), (f), (g) and (h). The Company has yet to satisfy the Waiver Conditions set out in paragraphs (b) and (i), and will provide further updates to shareholders when such Waiver Conditions are satisfied. In respect of the continuing Waiver Condition under paragraph (e), the Company will provide regular updates via SGXNet on the Company's progress in meeting the key milestones of the RTO.

By Order of the Board

Ang Chiang Meng
Executive Director
31 March 2022

*This announcement has been prepared by the Company and reviewed by the Company's sponsor, Novus Corporate Finance Pte. Ltd. ("**Sponsor**"), in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist.*

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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