ABUNDANTE LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 197902587H)

PROPOSED ACQUISITION OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF HONG KONG NHB GROUP LIMITED

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1. INTRODUCTION

The Board of Directors (the "**Board**") of Abundante Limited (the "**Company**", together with its subsidiaries, the "**Group**") wishes to announce that the Company has on 3 April 2023 entered into a sale and purchase agreement (the "**SPA**") with NHB Group Limited (the "**Vendor**") for the proposed acquisition by the Company of the entire issued and paid-up share capital of Hong Kong NHB Group Limited (能環寶綠色電力產業集團有限公司) (the "**Target Company**"), in accordance with the terms and conditions of the SPA (the "**Proposed Acquisition**").

2. INFORMATION ON THE TARGET GROUP AND THE VENDOR

2.1 Information on the Target Group

The Target Company is a private company limited by shares incorporated in Hong Kong on 15 August 2019. As at the date hereof, the Target Company has an issued and paid-up share capital of HK$10,000, comprising 10,000 ordinary shares (the "**Sale Shares**").

The Target Company intends to engage in the provision of integrated clean energy solution services, mainly providing consultation and services such as project resource development, market research, project management, and operation and maintenance to customers who wish to invest in, develop and use photovoltaic power generation systems and green electricity, focusing on delivering sustainable and cost-effective solutions to achieve energy goals while minimising environmental impact (the "**Solar Energy Business**"). The Target Company intends to carry out the Solar Energy Business primarily in Singapore and the People's Republic of China (the "**PRC**") for commercial and industrial rooftop distributed photovoltaic power plants. The PRC business will be carried out through the Target Company's wholly-owned subsidiary in the PRC, Ningxia Jinting New Energy Technology Co., Ltd. (宁夏金庭新能源科技有限公司) (the "**Target Subsidiary**", and together with the Target Company, the "**Target Group**" and each a "**Target Group Company**").

2.2 Value of the Sale Shares

Based on the unaudited management accounts of the Target Company as at 31 March 2023:

(a) the aggregate book value of the Sale Shares is approximately HK$10,000; and

(b) the aggregate net tangible assets value attributable to the Sale Shares is approximately HK$10,000.

The Company has not commissioned an independent valuation of the Target Company as the Target Company does not have any material assets.

2.3 Information on the Vendor

The Vendor is the legal and beneficial owner of the entire issued and paid-up share capital of the Target Company comprising the Sale Shares. The Vendor is an investment holding company incorporated under the laws of the Cayman Islands. The ultimate shareholders of the Vendor are Wu Gang and Xun Tingting (the "**Vendor's Controllers**").

The Vendor and the Vendor's Controllers are third parties who are not related to the Company, the Group, the Directors or the controlling shareholders (as defined in the Listing Manual ("**Listing Manual**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**")) of the Company.

3. PRINCIPAL TERMS OF THE PROPOSED ACQUISITION

3.1 Sale and Purchase of the Sale Shares

Subject to the terms and conditions of the SPA, the Vendor shall sell and the Company shall purchase the Sale Shares free and clear from all encumbrances and together with all rights attached to them, including all rights to any dividend or other distribution declared, made or paid on or after the Completion Date (as defined below).

3.2 Consideration

The aggregate consideration for the Proposed Acquisition is the sum of HK$10,000 (approximately S$1,700) (the "**Consideration**").

The Consideration was arrived at pursuant to arm's length negotiations between the Vendor and the Company on a willing-buyer willing-seller basis, after taking into account prevailing market conditions, the value of the Sale Shares and the rationale for the Proposed Acquisition as disclosed in paragraph 4 below.

The Consideration shall be fully paid by the Company to the Vendor or its nominee in cash on or before the completion of the sale and purchase of the Sale Shares ("**Completion**").

3.3 Source of Funds

The Consideration is intended to be funded wholly by the internal resources of the Company.

3.4 Conditions Precedent

Completion is conditional in all respects upon fulfilment or waiver of the following matters (the "**Conditions**"):

(a) all necessary approvals and consents by government, regulatory authorities, banks, contractual counterparties and/or any other parties in respect of the SPA and the transactions contemplated herein having been obtained;

(b) in relation to the transactions contemplated in the SPA, all relevant regulatory requirements (including but not limited to those under the Listing Manual and all relevant regulatory requirements in Singapore, PRC and Hong Kong) having been complied with and satisfied;

(c) no material adverse change in the Target Group's business, operations or financial conditions as a whole having occurred between the date of the SPA and the Completion Date;

(d) the warranties and representations given by the Vendor in the SPA having remained true and accurate in all material respects; and

(e) the Vendor having performed and complied with all agreements, obligations and conditions contained in the SPA that are required to be performed or complied with by it on or before Completion.

If the Conditions have not been fulfilled or waived by the Company at or before 12.00 noon on 31 May 2023 (or such later date as the Vendor and the Company may agree in writing), then the

SPA shall lapse, whereupon all rights and obligations of the parties shall cease to have effect, except in respect of any accrued rights and obligations of the parties.

3.5 Completion

The parties have agreed that Completion shall take place on 1 May 2023 or such other date as the Vendor and the Company may agree (the "**Completion Date**").

3.6 Put Option

Upon Completion, the Vendor shall grant an option (the "**Put Option**") to the Company whereby the Company shall have the right (but not obligation) to request the Vendor to buy back the Sale Shares at the Consideration. The Put Option may be exercised once by the Company during the period of two years from the Completion Date, after which the Put Option shall expire automatically.

3.7 Representations and Warranties

The SPA contains customary representations and warranties by the Vendor for transactions of this nature, including but not limited to the power and authority of the Vendor to enter into and perform the SPA, title to the Sale Shares, the Company's title to its assets and the Target Group not being engaged in any litigation, arbitration, governmental or regulatory proceedings.

3.8 Indemnity

The Vendor shall indemnify the Company and (as the Company may direct) any Target Group Companies and their directors (collectively, the "**Indemnified Parties**") from and against any and all losses actually incurred or suffered by any Indemnified Parties by reason of, resulting from, in connection with, or arising in any manner whatsoever out of any claims in respect of, amongst others, any breach of any laws, regulations, orders or judgments which occurred, or which is deemed to have occurred, on or before Completion, or the breach by the Vendor of any of the warranties, undertaking, covenant, agreement or other obligation under the SPA.

Concurrently with the execution of the SPA, the Vendor's Controllers have executed a deed of indemnity (the "**Deed of Indemnity**") pursuant to which they shall indemnify the Target Group from and against, amongst others, all losses, claims, actions, demands, liabilities, damages, costs, expenses, penalties and fines of whatever nature suffered or incurred by any Target Group Company directly or indirectly as a result of or in connection with any violations or breaches or non-compliance of any laws, rules or regulations and/or all litigations, arbitrations, claims, complaints, demands and/or legal proceedings by or against any Target Group Company in Hong Kong, PRC or any other part of the world, which was issued, accrued and/or arising from any act of any Target Group Company at any time on or before the Completion Date.

3.9 Management

On Completion, the Target Company shall enter into an employment agreement (in form and substance reasonably satisfactory to the Company) with Wu Gang, one of the Vendor's Controllers, to spearhead the Solar Energy Business.

4. RATIONALE FOR THE PROPOSED ACQUISITION

The Company was incorporated in Singapore on 31 August 1979 under the name of Transit-Mixed Concrete Pte Ltd. The Company was listed on the then SGX Sesdaq on 15 October 1997 and its listing was subsequently transferred to the Main Board of the SGX-ST on 23 November 2009. On 29 June 2022, the Company changed its name to Abundante Limited, in line with its strategy to pursue growth opportunities and initiatives to diversify into other businesses in order to establish new sustainable income streams. The Group's existing core

businesses comprise concrete pumping services and waste management services, which are the sole revenue contributors to the Group.

In line with the strategy to diversify into other sustainable businesses which will provide a stable income, the Board had decided that the Company should pursue the Solar Energy Business as one of the Group's businesses. The demand for solar energy is increasing rapidly in Singapore and the PRC, driven by factors such as government incentives, decreasing equipment costs and environmental concerns. By venturing into the Solar Energy Business, the Company can position itself as a key contributor in the transition to a low-carbon economy while also generating financial returns. The development of commercial and industrial distributed photovoltaic power generation is growing rapidly and the Company sees opportunities in this business segment, especially in the PRC where it is becoming an indispensable part of the government's efforts to achieve its "dual carbon" goal.

5. CHAPTER 10 OF THE LISTING MANUAL

5.1 Relative Figures

The relative figures for the Proposed Acquisition, computed on the bases set out in Rule 1006 of the Listing Manual and based on the Group's latest announced consolidated financial statements, being the unaudited interim financial statements for the six months ended 31 August 2022 ("**1H2022**"), are set out below:

Rule 1006	Bases	Relative Figures
(a)	Net asset value of the assets to be disposed of, compared with the Group's net asset value.	Not applicable(1)
(b)	Net profits attributable to the assets acquired, compared with the Group's net profits	0%(2)
(c)	Aggregate value of the consideration given, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares	0.01%(3)
(d)	Number of equity securities issued by the Company as consideration for the Proposed Acquisition, compared with the number of equity securities previously in issue	Not applicable(4)
(e)	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(5)

Notes:

(1) Not applicable, as the Proposed Acquisition is in relation to the acquisition (and not a disposal) of assets.

(2) Based on the Group's net profits of approximately S$403,000 and nil net profits of the Target Group for the six months ended 31 August 2022.

(3) The Company's market capitalisation is S$20,858,160, based on the number of issued shares (excluding treasury shares) in the capital of the Company of 104,290,800 and the volume weighted average market price of S$0.20 per share as at 31 March 2023, being the market day immediately preceding the date of the SPA on which the Company's shares were traded,.

(4) Not applicable, as no equity securities will be issued by the Company as consideration for the Proposed Acquisition.

(5) Not applicable, as the Company is not a mineral, oil and gas company.

5.2 Non-Discloseable Transaction

Based on the above, the Proposed Acquisition constitutes a "non-discloseable transaction" for the purposes of Chapter 10 of the Listing Manual as the relative figures under Rules 1006(b) and 1006(c) do not exceed 5%. Accordingly, neither an announcement nor the approval of

shareholders of the Company ("**Shareholders**") is required in respect of the Proposed Acquisition based on the relative figures.

Nevertheless, the Company would be venturing into a new business, being the Solar Energy Business, pursuant to the Proposed Acquisition. Depending on the Company's strategy and future plans for the Target Group, the Company may inject further funding or take on additional debt with a view to developing and growing the new business. Such future plans for the Target Group could potentially change the risk profile of the Company. Hence, the Board will continue to assess any further developments in the new business and the Company will seek approval from Shareholders if there is a change in the risk profile of the Company or the Company proposes to diversify the core business of the Group to include the Solar Energy Business.

6. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION

6.1 Illustrative Nature of Financial Effects

The financial effects of the Proposed Acquisition on the net tangible assets ("**NTA**") per share and earnings per share ("**EPS**") of the Company have been prepared based on the Group's audited financial statements for the financial year ended 28 February 2022 ("**FY2022**"). The financial effects below are purely for illustrative purposes.

6.2 NTA

Assuming that the Proposed Acquisition had been effected on 28 February 2022, being the end of FY2022, the effect of the Proposed Acquisition on the NTA per share of the Company would be as follows:

	Before the Proposed Acquisition	After the Proposed Acquisition
NTA (S$'000)	17,612	17,562
Number of ordinary shares ('000)	104,291	104,291
NTA per ordinary share (cents)	16.89	16.84

6.3 EPS

Assuming that the Proposed Acquisition had been effected on 1 March 2021, being the beginning of FY2022, the effect of the Proposed Acquisition on the EPS of the Group would be as follows:

	Before the Proposed Acquisition	After the Proposed Acquisition
Profit attributable to Shareholders (S$'000)	2,444	2,394
Weighted average number of ordinary shares – basic ('000)	90,221	90,221
EPS (cents) - basic	2.71	2.65

7. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or controlling shareholders (as defined in the Listing Manual) of the Company has any interest, direct or indirect, in the Proposed Acquisition, other than through their respective shareholdings (if any) in the Company.

8. DIRECTORS' SERVICE CONTRACTS

No person is proposed to be appointed as a director of the Company in connection with the Proposed Acquisition. Accordingly, no service contract is proposed to be entered into between the Company and any such person in connection with the Proposed Acquisition.

9. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the SPA and the Deed of Indemnity is available for inspection during normal business hours for a period of three months from the date of this announcement, at the registered office of the Company at 150 Changi Road #03-05 Guthrie Building, Singapore 419973 until mid-May 2023, when the registered office will be relocated to 160 Paya Lebar Road #07-09, Singapore 409022. The Company will announce the relocation of its registered office in due course.

10. CAUTIONARY STATEMENT

Shareholders should note that there is no certainty or assurance that the SPA will be completed. Accordingly, Shareholders are advised to exercise caution when trading in the shares of the Company. The Company will make the necessary announcements when there are further developments on the Proposed Acquisition and other matters contemplated by this announcement. Persons who are in doubt as to the action they should take should consult their legal, financial, tax or other professional advisers.

BY ORDER OF THE BOARD

Lee Sai Sing
Executive Director

3 April 2023