

INCREDIBLE HOLDINGS LTD.

(Incorporated in the Republic of Singapore)
(Company Registration Number 199906220H)

The Proposed Subscription of Perpetual Convertible Bonds and Warrants in Ntegrator International Ltd. - Entry into Subscription Agreement

1. Introduction

The Board of Directors (the “**Board**”) of Incredible Holdings Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company has on 31 December 2021 entered into a subscription agreement (the “**Subscription Agreement**”) with Ntegrator International Ltd. (“**Ntegrator**”) in relation to, *inter alia*, a proposed subscription of:

- (a) 0% perpetual convertible bonds of an aggregate principal amount of S\$9,000,000 (the “**Ntegrator Perpetual Convertible Bonds**”) which shall, at the option of the holder thereof, be convertible into new ordinary shares in Ntegrator (the “**Ntegrator Conversion Shares**”) at a conversion price of S\$0.003333 per Ntegrator Conversion Share (the “**Ntegrator Conversion Price**”); and
- (b) 10,000,000,000 free warrants (the “**Ntegrator Warrants**”), each Warrant shall grant the holder thereof the right to subscribe for one new ordinary share in Ntegrator (the “**Ntegrator Exercised Share**”) at an exercise price of S\$0.003333 (the “**Ntegrator Exercise Price**”),

(the “**Proposed Subscription**”).

The Company is intending to undertake a Proposed Capital Reduction (as defined in Paragraph 11 below). In the event that the Proposed Capital Reduction is completed, the Company will effectively subscribe for 100,000,000 Ntegrator Warrants. Please refer to Paragraph 11 below for further details in relation to the Proposed Capital Reduction.

2. Information on Ntegrator

Ntegrator International Ltd. (Company Registration Number 199904281D), is a public company incorporated in Singapore on 24 July 1999 and has an issued and paid-up share capital of S\$30.1 million comprising 1,464,458,714 ordinary shares as at the date of this announcement.

The Ntegrator is listed on the Catalist Board of the SGX-ST.

The principal activities of Ntegrator comprise, *inter alia*, the following:

- (a) design, installation and implementation of data, video, fiber optics, wireless and cellular network infrastructure, and voice communication systems; and
- (b) provision of a wide range of services such as outside plant services, including fiber cable installation and pipe laying, project management services as well as maintenance and support services.

As at the date of this announcement, Ntegrator is not an associate (as defined under the Catalist Rules) of Christian Kwok-Leun Yau Heilesen (“**Mr Heilesen**”), a director of the Company and Mission Well Limited, a controlling shareholder of the Company. Mr Heilesen is deemed interested in the shares held in Ntegrator through Mission Well Limited, representing approximately 11.7% of the total issued share capital of Ntegrator. Mr Heilesen is the sole shareholder and sole director of Mission Well Limited. Accordingly, the Proposed Subscription is not classified as an interested person transaction under

Chapter 9 of the Catalist Rules. The Company will obtain the necessary approvals for the subscription of the Ntegrator Perpetual Convertible Bonds, Ntegrator Conversion Shares, Ntegrator Warrants or the Ntegrator Exercised Share under Chapter 9 of the Catalist Rules if the Company incurs an obligation under Chapter 9 of the Catalist Rules.

3. Representations from the Company

The Company has represented that:

- (a) The Company is not acquiring the Ntegrator Perpetual Convertible Bonds and the Ntegrator Warrants as trustee to beneficiaries of a trust nor is the Company acting on behalf of another person (whether as an agent or otherwise) in connection with its acquisition of the Ntegrator Perpetual Convertible Bonds and the Ntegrator Warrants.
- (b) The Company is subscribing for the Ntegrator Perpetual Convertible Bonds for investment purposes and not subscribing for the Ntegrator Perpetual Convertible Bonds with a view to subsequently offer the Ntegrator Perpetual Convertible Bonds for sale to another person.
- (c) The Company will do all acts and things as may be required in order to comply with Section 272B and Section 277 of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”).
- (d) The Company will not convert the Ntegrator Perpetual Convertible Bonds and exercise the Ntegrator Warrants to acquire shares which (taken together with shares held or acquired by persons acting in concert with it) carry 30% or more of the voting rights of Ntegrator.
- (e) The Company will not convert the Ntegrator Perpetual Convertible Bonds and exercise the Ntegrator Warrants to acquire a controlling interest under the Catalist Rules without prior approval of shareholders of the Company in general meeting.
- (f) Save that the Company is a corporation in whose shares Ntegrator’s directors and substantial shareholders have an aggregate interest of at least 10%, the Company is not (i) a substantial shareholder of Ntegrator; (ii) a substantial shareholder, related company, associated company or sister company of a substantial shareholder of Ntegrator; and (iii) to the best of its knowledge, information and belief, a person who, in the opinion of the SGX-ST, falls within (i) or (ii).
- (g) The Company is not acting in accordance with the instructions or direction of any director or shareholder of Ntegrator, nor is the Company under any obligation to act in accordance with the instructions or direction of any director or shareholder of Ntegrator.
- (h) The Company will not convert the Perpetual Convertible Bonds and/or exercise the Warrants to the extent that would result in a very substantial acquisition or a reverse takeover by the Subscriber under the Catalist Rules.
- (i) The Company’s market capitalisation of approximately S\$9.4 million on 30 December 2021, being the last full market day on which trades were done preceding the date of the Subscription Agreement. The Company’s market capitalisation was determined by multiplying the number of shares in issue 2,993,532,545 shares by the weighted average price of such shares transacted on 30 December 2021, being S\$0.00314.

4. The Proposed Subscription

Principal Terms and Conditions of the Ntegrator Perpetual Convertible Bonds

The following is a summary of the principal terms and conditions of the Ntegrator Perpetual Convertible Bonds:

Issuer : Ntegrator International Ltd.

- Size of the Ntegrator Perpetual Convertible Bonds : The Company will subscribe for S\$9,000,000 aggregate principal amount of the Ntegrator Perpetual Convertible Bonds.
- Issue Date of Perpetual Convertible Bonds : On the Completion Date of the Subscription Agreement (as defined below).
- Issue Price of the Ntegrator Perpetual Convertible Bonds : 100% of the principal amount of the Ntegrator Perpetual Convertible Bonds, or S\$1.00 for each S\$1.00 in principal amount of the Ntegrator Perpetual Convertible Bonds.
- Form and Denomination : The Ntegrator Perpetual Convertible Bonds will be subscribed in registered form and in the denomination of S\$1.00 each.
- Status of the Ntegrator Perpetual Convertible Bonds : The Ntegrator Perpetual Convertible Bonds constitute direct, unconditional, unsecured and unsubordinated obligations of Ntegrator and shall at all times rank *pari passu*, without any preference or priority among themselves and *pari passu* with all other present and future direct, unconditional, unsecured and unsubordinated obligations of Ntegrator, save for such exceptions as may be provided by mandatory provisions under applicable laws and regulations.
- Conversion Right : The Ntegrator Perpetual Convertible Bonds shall, at the option of the holder thereof, be convertible into the Ntegrator Conversion Shares at the Ntegrator Conversion Price. The conversion right may be exercised at any time after the date of issue of the Ntegrator Perpetual Convertible Bonds and if the Ntegrator Perpetual Convertible Bonds have been called for redemption by Ntegrator, then before 5.00 p.m. on a date no later than ten days prior to the date fixed for redemption of such Ntegrator Perpetual Convertible Bonds.
- The number of Ntegrator Conversion Shares to be issued by Ntegrator upon conversion of the Ntegrator Perpetual Convertible Bonds will be determined by dividing the principal amount of the Ntegrator Perpetual Convertible Bonds to be converted by the Ntegrator Conversion Price in effect at the conversion date.
- Fractions of a Ntegrator Conversion Share will not be issued upon conversion of the Ntegrator Perpetual Convertible Bonds and no cash adjustments will be made in respect of such fractions of Ntegrator Conversion Shares.
- Registration : As soon as practicable, and in any event not later than 15 market days after the conversion date, Ntegrator will, in the case of Perpetual Convertible Bonds converted on exercise of the Conversion Right and in respect of which a duly completed conversion notice has been delivered and the relevant Certificate and amounts payable by the relevant Bondholder as required have been paid, procure that the relevant number of conversion shares to be issued on conversion of the Perpetual Convertible Bonds are allotted to and registered in the name of

CDP for credit to the securities account designated for the purpose in the conversion notice for so long as the Conversion Shares are listed on the Catalist Board of the SGX-ST, together with any other documents as may be required by law to effect the allotment thereof.

Number of Ntegrator Conversion Shares : Assuming there are no adjustments to the Ntegrator Conversion Price subsequent to the issuance of the Ntegrator Perpetual Convertible Bonds, Ntegrator will issue 2,700,270,027 Ntegrator Conversion Shares upon conversion of all of the Ntegrator Perpetual Convertible Bonds.

The 2,700,270,027 Ntegrator Conversion Shares represents:

- (a) approximately 184.39% of the existing total issued share capital of Ntegrator (excluding treasury shares and subsidiary holdings) comprising 1,464,458,714 ordinary shares; and
- (b) approximately 64.84% of the enlarged total issued share capital of Ntegrator (excluding treasury shares and subsidiary holdings) comprising 4,164,728,741 ordinary shares, assuming that 2,700,270,027 Conversion Shares were issued by Ntegrator upon conversion of all of the Perpetual Convertible Bonds.

Status of Ntegrator Conversion Shares : The Ntegrator Conversion Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing ordinary shares in Ntegrator, except that they will not rank for any dividends, rights, allotments or other distributions the record date for which falls on or before the date of allotment and issue of the Ntegrator Conversion Shares.

Listing and Trading of the Ntegrator Perpetual Convertible Bonds and the Ntegrator Conversion Shares : The Ntegrator Perpetual Convertible Bonds will not be listed and quoted on the Catalist Board of the SGX-ST.
The Ntegrator Conversion Shares will be listed and quoted on the Catalist Board of the SGX-ST.

Ntegrator Conversion Price : S\$0.003333

The Ntegrator Conversion Price of S\$0.003333 represents a discount of 52.39% to the weighted average price of S\$0.007 for trades done on the SGX-ST for the full market day on 30 December 2021, being the last full market day on which the shares of Ntegrator were traded prior to the signing of the Subscription Agreement on 31 December 2021.

The Ntegrator Conversion Price was arrived at after (i) arm's length negotiations between the Issuer and the Company on a willing-buyer willing-seller basis, (ii) latest available open market value of the Issuer and the Company and (iii) in view of further co-operation with the Issuer to expand the new and existing business of the Company

Taking into account the Ntegrator Exercise Price of the Ntegrator Warrants as further detailed below under “Ntegrator Exercise Price” in the section titled “Principal Terms and Conditions of the Ntegrator Warrants and the Ntegrator Exercised Shares”, the effective price of the Ntegrator Conversion Shares is the same as that of the Ntegrator Warrants, being S\$0.003333, which represents a discount of 52.39% to the weighted average price of S\$0.007 for trades done on the SGX-ST for the full market day on 30 December 2021, being the last full market day on which the shares of Ntegrator were traded prior to the signing of the Subscription Agreement on 31 December 2021.

Adjustments : The Ntegrator Conversion Price is subject to adjustments under certain circumstances in accordance with the terms and conditions of the Ntegrator Perpetual Convertible Bonds.

Ntegrator will make an announcement of any adjustments made to the Ntegrator Conversion Price via SGXNET.

Coupon : Zero coupon

Maturity Date : The Ntegrator Perpetual Convertible Bonds will be perpetual convertible bonds and will have no fixed maturity date.

Redemption : The Ntegrator Perpetual Convertible Bonds may be redeemed at the option of Ntegrator in whole or in part by giving not less than 21 days’ notice to the holders of the Ntegrator Perpetual Convertible Bonds at a redemption price equal to the principal amount of the Ntegrator Perpetual Convertible Bonds to be redeemed at any time after the date falling three years from the date of issue of the Ntegrator Perpetual Convertible Bonds.

The Ntegrator Perpetual Convertible Bonds may also be redeemed at the option of Ntegrator in whole but not in part at any time at a redemption price equal to the principal amount of the Ntegrator Perpetual Convertible Bonds upon the occurrence of the following events at the discretion of the Issuer’s Board: (a) certain changes in applicable laws or regulations of Singapore requiring the payment of additional amounts to gross up payments on account of withholding taxes; (b) a change in control of the Company; or (c) a suspension or delisting of the securities of the Company.

For the avoidance of doubt, the Ntegrator Perpetual Convertible Bonds are not redeemable at the option of the holders of the Ntegrator Perpetual Convertible Bonds.

Participation Rights in Distributions and/or Offer of Further Securities : The holders of the Ntegrator Perpetual Convertible Bonds have no participation rights in any distributions and/or offer of further securities made by Ntegrator.

- Transferability : Subject to applicable laws and regulations, the Ntegrator Perpetual Convertible Bonds may be transferred by a holder thereof with the prior written consent of Ntegrator in accordance with the terms and conditions of the Ntegrator Perpetual Convertible Bonds.
- Governing Law : The Ntegrator Perpetual Convertible Bonds will be governed by, and construed in accordance with, the laws of Singapore.

Principal Terms and Conditions of the Ntegrator Warrants and the Exercised Shares

The following is a summary of the principal terms and conditions of the Ntegrator Warrants and the Exercised Shares:

- Issuer : Ntegrator International Ltd.
- Number of Ntegrator Warrants : The Company will subscribe for 10,000,000,000 Ntegrator Warrants.
- The Company is intending to undertake a Proposed Capital Reduction (as defined in Paragraph 11 below). In the event that the Proposed Capital Reduction is completed, the Company will effectively subscribe for 100,000,000 Ntegrator Warrants. Please refer to Paragraph 11 below for further details in relation to the Proposed Capital Reduction.
- Form and Subscription Right : The Ntegrator Warrants will be constituted by a deed poll ("**Deed Poll**") and will be issued in registered form. Each Ntegrator Warrant shall grant the holder thereof the right to subscribe for one Ntegrator Exercised Shares at the Ntegrator Exercise Price at any time during the Ntegrator Exercise Period subject to the terms and conditions of the Warrants in the Deed Poll.
- Number of Ntegrator Exercised Shares : Assuming there are no adjustments to the number of Ntegrator Warrants, Ntegrator will issue 10,000,000,000 Exercised Shares upon exercise of all of the Ntegrator Warrants.

The 10,000,000,000 Ntegrator Exercised Shares represents:

- (a) approximately 682.85% of the existing total issued share capital of Ntegrator (excluding treasury shares and subsidiary holdings) comprising 1,464,458,714 ordinary shares
- (b) approximately 87.23% of the enlarged total issued share capital of Ntegrator (excluding treasury shares and subsidiary holdings) comprising 11,464,458,714 ordinary shares, assuming that 10,000,000,000 Ntegrator Exercised Shares were issued by the Company upon exercise of all of the Warrants.

The 2,700,270,027 Ntegrator Conversion Shares and the 10,000,000,000 Ntegrator Exercised Shares represent:

- (a) approximately 867.23% of the existing total issued share capital of Ntegrator (excluding treasury shares and subsidiary holdings) comprising 1,464,458,714 ordinary shares; and
- (b) approximately 89.66% of the enlarged total issued share capital of Ntegrator (excluding treasury shares and subsidiary holdings) comprising 14,164,728,741 ordinary shares, assuming that 2,700,270,027 Ntegrator Conversion Shares were issued by Ntegrator upon conversion of all of the Ntegrator Perpetual Convertible Bonds and that 10,000,000,000 Ntegrator Exercised Shares were issued by Ntegrator upon exercise of all of the Ntegrator Warrants.

Status of Ntegrator Exercised Shares : The Ntegrator Exercised Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing ordinary shares in Ntegrator, except that they will not rank for any dividends, rights, allotments or other distributions the record date for which falls before the date of allotment and issue of the Ntegrator Exercised Shares.

Listing and Trading of the Ntegrator Warrants and the Ntegrator Exercised Shares : The Ntegrator Warrants and the Ntegrator Exercised Shares will be listed and quoted on the Catalist Board of the SGX-ST.

It should be noted that the Ntegrator Warrants may not be listed and quoted on the Catalist Board of the SGX-ST in the event of an insufficient spread of holdings of the Ntegrator Warrants to provide for an orderly market in the Ntegrator Warrants. Accordingly, in such event, the holders will not be able to trade their Ntegrator Warrants on the Catalist Board of the SGX-ST. However, if the Ntegrator Warrants are exercised in accordance with its terms and conditions, the Ntegrator Exercised Shares will be listed and quoted on the Catalist Board of the SGX-ST.

Ntegrator Exercise Price : S\$0.003333

The Ntegrator Exercise Price of S\$0.003333 represents a discount of 52.39% to the weighted average price of S\$0.007 for trades done on the SGX-ST for the full market day on 30 December 2021, being the last full market day on which the shares of Ntegrator were traded prior to the signing of the Subscription Agreement on 31 December 2021.

The Ntegrator Exercise Price was arrived at after (i) arm's length negotiations between Ntegrator and the Company on a willing-buyer willing-seller basis, (ii) latest available open market value of Ntegrator and the Company and (iii) in view of further co-operation with Ntegrator to expand the new and existing business of the Company.

Ntegrator Exercise Period : The Ntegrator Warrants may be exercised during the period commencing on the date of issue of the Ntegrator Warrants and

expiring at 5.00 p.m. on the date falling five years after the date of issue of the Ntegrator Warrants (the “**Exercise Period**”). At the expiry of the Ntegrator Exercise Period, any Ntegrator Warrants which have not been exercised shall lapse and cease to be valid for any purpose.

Adjustments

: The number of Ntegrator Warrants and/or the Ntegrator Exercise Price are subject to adjustments under certain circumstances in accordance with the terms and conditions of the Ntegrator Warrants in the Deed Poll.

Ntegrator will be making an application to the SGX-ST through its sponsor, PrimePartners Corporate Finance Pte. Ltd., for the listing and quotation of the Conversion Shares on the Catalist of the SGX-ST.

Any additional Ntegrator Warrants issued pursuant to such adjustments shall rank *pari passu* in all respects with the then existing Ntegrator Warrants and without any preference or priority among themselves and among the then existing Ntegrator Warrants, save as may otherwise be provided in the terms and conditions of the Ntegrator Warrants in the Deed Poll.

Ntegrator will make an announcement of any adjustments made to the number of Ntegrator Warrants and/or the Ntegrator Exercise Price via SGXNET.

Modification of Rights of the Holders of the Warrants:

: Ntegrator may, without the consent of the holders of the Warrants but in accordance with the terms and conditions of the Warrants in the Deed Poll, effect:

: (a) any modification to the Warrants, the warrant agency agreement or the Deed Poll which, in its opinion, is not materially prejudicial to the interests of the holders of the Warrants;

(b) any modification to the Warrants, the warrant agency agreement or the Deed Poll which, in its opinion, is of a formal, technical or minor nature or to correct a manifest error or to comply with mandatory provisions of Singapore law; and/or

(c) any modification to the Warrants or the Deed Poll which, in its opinion, is to vary or replace provisions relating to the transfer or exercise of the Warrants, including the issue of Exercised Shares upon exercise of the Warrants or meetings of the holders of the Warrants in order to facilitate trading in or the exercise of the Warrants or in connection with the implementation and operation of the book-entry (scripless) settlement system in respect of trades of Ntegrator’s securities on the Catalist Board of the SGX-ST.

Any such modification shall be binding on the holders of the Warrants and shall be notified to the holders of the Warrants in accordance with the terms and conditions of the Warrants in the Deed Poll as soon as practicable thereafter.

Any alteration to the terms and conditions of the Warrants in the Deed Poll after the issue of the Warrants must be subject to the approval of the SGX-ST (if required), except where the alterations are made pursuant to the terms and conditions of the Warrants in the Deed Poll.

Notwithstanding any other provisions as set out in the Deed Poll, any material alteration to the terms and conditions of the Warrants in the Deed Poll after the issue of the Warrants to the advantage of the holders of the Warrants and prejudicial to the shareholders of Ntegrator must be approved by shareholders of Ntegrator in general meeting, except where the alterations are made pursuant to the terms and conditions of the Warrants in the Deed Poll.

Save as provided by the terms and conditions of the Warrants in the Deed Poll, Ntegrator shall not extend the Exercise Period, create and issue new warrants to replace the Warrants, change the Exercise Price or change the exercise ratio of the Warrants.

- Winding-up of Ntegrator : If a resolution is passed for a members' voluntary winding-up of Ntegrator then:
- (a) if such winding-up is for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement to which the holders of the Warrants, or some person designated by them for such purpose sanctioned by extraordinary resolution at a meeting of the holders of the Warrants, the terms of such scheme of arrangement shall be binding on all holders of the Warrants; and
 - (b) in any other case, every holder of the Warrants shall be entitled, subject to the terms and conditions of the Warrants in the Deed Poll, within two weeks after the passing of such resolution for a members' voluntary winding-up of Ntegrator, by irrevocable surrender of his warrant certificate(s) to Ntegrator with the exercise notice(s) duly completed, together with payment of the full amount of the aggregate Exercise Price in respect of the Warrants specified in the exercise notice(s), to elect to be treated as if he had immediately prior to the commencement of such winding-up exercised the Warrants to the extent specified in the exercise notice(s) and had on such date been the holder of the Exercised Shares to which he would have become entitled pursuant to such exercise and the liquidator of Ntegrator shall, if permitted by law, give effect to such election accordingly. Ntegrator shall give notice to the holders of the Warrants in accordance with the terms

and conditions of the Warrants in the Deed Poll of the passing of any such resolution within seven market days after the passing thereof.

Subject to the foregoing, if Ntegrator is wound-up for any other reason, all Warrants which have not been exercised at the date of the passing of such resolution in relation to the winding-up of Ntegrator, shall lapse and the Warrants shall cease to be valid for any purpose.

- Transferability : Subject to applicable laws and regulations and the terms and conditions of the Ntegrator Warrants in the Deed Poll, the Ntegrator Warrants shall be transferrable in lots entitling a holder thereof to subscribe for whole numbers of Ntegrator Exercised Shares and so that no person shall be recognised by Ntegrator as having title to the Ntegrator Warrants granting the relevant holder thereof the right to subscribe for a fractional part of an Ntegrator Exercised Share or otherwise than as the sole or joint holder of the entirety of such Ntegrator Exercised Share.
- Governing Law : The Ntegrator Warrants will be governed by, and construed in accordance with, the laws of Singapore.

5. Source of Funds for the Proposed Subscription

The aggregate maximum consideration to be paid by the Company in connection with the Proposed Subscription is approximately S\$9,333,300 (comprising the aggregate principal amount of Ntegrator Convertible Perpetual Bonds of S\$9,000,000 and the aggregate Ntegrator Exercise Price payable upon exercise of all of the Warrants of S\$333,300) and the estimated costs and expenses to be incurred in connection with the Proposed Subscription of S\$50,000 shall be funded through the proposed issuance of the perpetual non-convertible bonds, perpetual convertible bonds and warrants to Ntegrator as announced on 5 January 2022 (the “**Proposed Issuance**”) and the working capital of the Company if necessary. The Proposed Subscription is conditional upon the completion of the Proposed Issuance.

6. Consideration

The consideration for the Proposed Subscription is approximately S\$9.3 million as detailed above.

The aggregate principal amount of Ntegrator Convertible Perpetual Bonds, Ntegrator Conversion Price Warrants and the Ntegrator Exercise Price were arrived at arm’s length and on a willing-buyer-willing-seller basis after taking into account, inter alia, the following:

- (a) the market value of Ntegrator;
- (b) the upside of the new and existing businesses of Ntegrator; and
- (c) the prevailing economic conditions.

7. Principal terms of the Proposed Subscription

According to the Subscription Agreement:

- (a) Completion Date

“**Completion Date**” means the date falling Seven (7) business days after the fulfilment or waiver (if capable of waiver) of all the conditions precedent below (other than conditions precedent to be fulfilled on the Completion Date), or such other date as the Company and Ntegrator (collectively, the “**Parties**”) may agree in writing.

(b) Conditions Precedent

The obligations of the Parties under the Subscription Agreement are conditional upon, and completion shall not take place until, all the following conditions precedent (other than conditions precedent to be fulfilled or waived (if capable of waiver) on the Completion Date) have been fulfilled:

- (i) Ntegrator having obtained such approvals from its board of directors and shareholders in connection with the Subscription Agreement and the transactions contemplated therein as may be necessary, including but not limited to (aa) the issue of the Ntegrator Perpetual Convertible Bonds to the Company and the issue of the Ntegrator Conversion Shares upon conversion of the Ntegrator Perpetual Convertible Bonds; (bb) the issue of the Ntegrator Warrants to the Company and the issue of the Ntegrator Exercised Shares upon exercise of the Ntegrator Warrants; (cc) the issue of new share certificates in respect of the Ntegrator Conversion Shares and the Ntegrator Exercised Shares; and (dd) the lodgement of the required statutory returns with the Accounting and Regulatory Authority of Singapore, and such approvals not having been amended or revoked before the Completion Date;
- (ii) Ntegrator having obtained shareholders’ approval from its shareholders for the transfer of controlling interest to the Company in connection with the Proposed Subscription pursuant to Catalist Rule 803;
- (iii) the Company having obtained such approvals from its board of directors and shareholders (if applicable) in connection with the Subscription Agreement and the transactions contemplated therein as may be necessary and such approvals not having been amended or revoked before the Completion Date;
- (iv) Ntegrator having obtained the listing and quotation notice from the SGX-ST for the listing and quotation of the Ntegrator Warrants, the Ntegrator Conversion Shares and the Ntegrator Exercised Shares, and the listing and quotation notice not having been amended or revoked before the Completion Date, and if the listing and quotation notice is subject to conditions, such conditions being fulfilled on or before the Completion Date;
- (v) the Company complying with the applicable requirements under the Companies Act, Chapter 50 of Singapore (the “**Companies Act**”), the SFA, the Singapore Code on Take-overs and Mergers (the “**Code**”), the Catalist Rules and applicable laws (to the extent that such laws relates to or affects the subscription);
- (vi) there is no breach by the Company of its representations, warranties and undertakings contained in the Subscription Agreement;
- (vii) each of the representations, warranties and undertakings remaining true and accurate in all material respects as at the Completion Date (by reference to the facts and circumstances then subsisting) with the same force and effect as if repeated on the Completion Date; and
- (viii) all necessary consents, approvals and waivers where required for the transactions contemplated under the Subscription Agreement (including third party, governmental and regulatory consents, approvals and waivers) having been obtained by the Parties, and such consents, approvals and waivers not having been amended or revoked before the Completion Date, and if any such consents, approvals or waivers are subject to conditions, such conditions being fulfilled on or before the Completion Date.

(c) Long Stop Date

“Long Stop Date” means Twelve (12) months from the date of the Subscription Agreement, or such other later date as the Parties may agree in writing.

If any of the conditions precedent above is not fulfilled on or before 5.00 p.m. on the Long Stop Date and such non-fulfilment is not waived by the party who has the benefit of such condition precedent, the Subscription Agreement shall lapse and no party shall have any claim against the other party under the Subscription Agreement, save for any claim arising from antecedent breaches of the Subscription Agreement.

(d) Payment of the Issue Price for the Ntegrator Perpetual Convertible Bonds

The aggregate issue price for the Ntegrator Perpetual Convertible Bonds equal to 100% of the aggregate principal amount of the Ntegrator Perpetual Convertible Bonds of S\$9,000,000 shall be paid to Ntegrator in cash by way of cashier’s order, cheque, telegraphic transfer or such other payment method as the Parties may agree in writing (i) free of any restriction or condition; (ii) free and clear and without any deduction or withholding for or on account of any tax; and (iii) without deduction or withholding on account of any other amount, whether by way of set-off, counterclaim or otherwise.

(e) Indemnity

The Company has agreed to indemnify, defend and hold harmless Ntegrator (and its directors, officers, employees, agents, representatives, affiliates, successors and assigns) from and against any and all losses, liabilities, fines, penalties, costs (including legal or arbitral costs, advisors’, experts’ and consultants’ fees and costs of enforcement of any settlements, judgments or arbitral awards), charges, expenses, actions, proceedings, investigations, claims and demands which Ntegrator may at any time and from time to time sustain, incur or suffer by reason of:

- (i) any non-compliance by the Company with the applicable requirements under the Companies Act, the SFA, the Code, the Catalist Rules and applicable laws (to the extent that such laws relates to or affects the subscription); and
- (ii) any breach by the Company of its representations, warranties and undertakings contained in the Subscription Agreement.

(f) Costs and Expenses

Each party shall bear and be responsible for its respective costs and expenses incurred in relation to the negotiation, preparation, finalisation, execution and performance of the Subscription Agreement and the transactions contemplated therein.

(g) Governing Law and Jurisdiction

The Subscription Agreement shall be governed by, and construed in accordance with, the laws of Singapore.

In relation to any legal action or proceeding arising out of or in connection with the Subscription Agreement and the transactions contemplated therein, the Parties hereby irrevocably submit to the exclusive jurisdiction of the courts of Singapore.

8. Rationale for the Proposed Subscription

The rationale for the Proposed Subscription is for the Company to participate in the business growth and upside of the new and existing businesses of Ntegrator. The Board believes that the Proposed Subscription will broaden and diversify the Group's revenue streams and customer base.

9. Relative Figures under Rule 1006 of the Catalyst Rules

The relative figures computed on the bases set out in Catalyst Rule 1006 for the Proposed Subscription are as follows:

Catalist Rule 1006(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value. This basis is not applicable to an acquisition of assets. ⁽¹⁾	Not Applicable ⁽²⁾
Catalist Rule 1006(b)	The net profits attributable to the assets acquired or disposed of, compared with the Group's net profits. ⁽³⁾	Not Applicable ⁽⁴⁾
Catalist Rule 1006(c)	The aggregate value of the consideration given or received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares.	95.75% ⁽⁵⁾
Catalist Rule 1006(c)	The aggregate value of the consideration given or received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares.	99.29% ⁽⁶⁾
Catalist Rule 1006(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not Applicable
Catalist 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. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets. If the reserves are not directly comparable, the SGX-ST may permit valuations to be used instead of volume or amount.	Not Applicable ⁽⁷⁾

Notes:

- (1) "Net assets" means total assets less total liabilities.
- (2) The Proposed Subscription is an acquisition of assets not a disposal of assets.
- (3) "Net profits" means profit or loss including discontinued operations that have not been disposed and before income tax and non-controlling interests.
- (4) There are no net profits attributable to the Perpetual Bonds, the Perpetual Convertible Bonds and the Warrants.
- (5) The aggregate principal amount of approximately S\$9,000,000 comprising S\$9,000,000 Ntegrator Perpetual Convertible Bonds represents approximately 95.75% of the Company's market capitalisation of approximately S\$9.4 million on 30 December 2021, being the last full market day on which trades were done preceding the date of the Subscription Agreement. The Company's market capitalisation was determined by multiplying the number of 2,993,532,545 shares in issue by the weighted average price of such shares transacted on 30 December 2021.
- (6) The Company intends to undertake a capital reduction pursuant to Section 78C of the Companies Act and return to Entitled Shareholders surplus capital of the Company in excess of its needs by way of a distribution in specie of 9,900,000,000 Warrants to Entitled Shareholders in proportion to their respective

shareholdings in the Company. Accordingly, the aggregate principal amount of approximately S\$9,333,300 comprising (a) S\$9,000,000 Ntegrator Perpetual Convertible Bonds; and (b) S\$333,300 on the assumption that 100,000,000 Ntegrator Warrants are exercised into 100,000,000 Ntegrator Exercised Shares represents approximately 99.29% of the Company's market capitalisation of approximately S\$9.4 million on 30 December 2021, being the last full market day on which trades were done preceding the date of the Subscription Agreement. The Company's market capitalisation was determined by multiplying the number of 2,993,532,545 shares in issue by the weighted average price of such shares transacted on 30 December 2021.

(7) The Company is not a mineral, oil and gas company.

As one of the relative figures computed on the bases set out in Catalist Rule 1006 exceeds 75% but is less than 100%, the Proposed Subscription is classified as a "major transaction" under Catalist Rule 1014.

Catalist Rule 1014 requires, *inter alia*, that (a) the Company immediately announce the information required in Catalist Rules 1010, 1011, 1012 and 1013, where applicable; and (b) the Proposed Subscription must be made conditional upon approval by shareholders in general meeting. The required information has been disclosed accordingly and a circular containing the information required in Catalist Rules 1010, 1011, 1012 and 1013, where applicable, will be sent to all shareholders of the Company in due course.

10. Financial Effects of the Proposed Subscription

The financial effects of the Proposed Subscription on the NTA per share and the loss per share ("LPS") of the Group have been prepared based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2020.

There are no net profits attributable to the assets being acquired in connection with the Proposed Subscription.

For the purpose of illustrating the financial effects, the financial effects have been prepared based on, *inter alia*, the following assumptions:

- (a) the financial effects on the NTA per share of the Group are computed assuming that:
 - (i) the Proposed Subscription was completed on 31 December 2020 and 2,700,270,027 Ntegrator Conversion Shares were issued upon conversion of all of the Ntegrator Perpetual Convertible Bonds on 31 December 2020 ("**Scenario A**"); and
 - (ii) the Proposed Subscription was completed on 31 December 2020, 2,700,270,027 Ntegrator Conversion Shares were issued upon conversion of all of the Ntegrator Perpetual Convertible Bonds on 31 December 2020 and 100,000,000,000 Ntegrator Exercised Shares were issued upon exercise of all of the Ntegrator Warrants on 31 December 2020 ("**Scenario B**");

- (b) the financial effects on the LPS of the Group are computed assuming that:
 - (i) the Proposed Subscription was completed on 1 January 2020 and 2,700,270,027 Ntegrator Conversion Shares were issued upon conversion of all of the Ntegrator Perpetual Convertible Bonds on 1 January 2020 ("**Scenario C**"); and
 - (ii) the Proposed Subscription was completed on 1 January 2020, 2,700,270,027 Ntegrator Conversion Shares were issued upon conversion of all of the Ntegrator Perpetual Convertible Bonds on 1 January 2020 and 100,000,000,000 Ntegrator Exercised Shares were issued upon exercise of all of the Ntegrator Warrants on 1 January 2020 ("**Scenario D**");

- (c) no adjustments have been made to the Ntegrator Conversion Price, the number of Ntegrator Warrants and the Ntegrator Exercise Price; and
- (d) the costs and expenses in connection with the Proposed Subscription shall be disregarded.

Financial Effects on NTA per Share of the Group

	Before Completion of the Proposed Subscription	Scenario A	Scenario B
NTA as at 31 December 2020 (S\$'000)	836	836	836
Number of shares in the Company, excluding treasury shares and subsidiary holdings	299,843,943	299,843,943	299,843,943
NTA per share of the Group (Singapore cents)	0.28	0.28	0.28

Financial Effects on EPS of the Group

	Before Completion of the Proposed Subscription	Scenario C	Scenario D
Net losses for the financial year ended 31 December 2020 (S\$'000)	(4,124)	(4,174)	(4,174)
Weighted average number of shares in the Company, excluding treasury shares and subsidiary holdings	299,843,943	299,843,943	299,843,943
LPS of the Group (Singapore cents)	(1.38)	(1.39)	(1.39)

The financial effects presented above are for illustrative purposes only and are not intended to reflect the actual future results and/or financial position of the Company and/or the Group. No representation is made as to the actual results and/or financial position of the Company and/or the Group.

11. Proposed Distribution by way of Proposed Capital Reduction

The Company intends to undertake a capital reduction (the “**Proposed Capital Reduction**”) pursuant to Section 78C of the Companies Act and return to Entitled Shareholders (as defined below) surplus capital of the Company in excess of its needs by way of a distribution in specie (the “**Proposed Distribution**”) of 9,900,000,000 Ntegrator Warrants to Entitled Shareholders in proportion to their respective shareholdings in the Company, on the basis of one (1) Warrants for every one (1) ordinary shares in the Company, as at a record date (the “**Record Date**”) to be determined by the directors of the Company for the purposes of determining the entitlement of shareholders of the Company to the Proposed Distribution, fractional entitlements to be disregarded. Only shareholders of the Company with Singapore addresses as at the Record Date will be entitled to the Proposed Distribution (the “**Entitled Shareholders**”).

Entitled Shareholders will not be required to pay for any Warrants received from the Proposed Distribution. The Warrants will be distributed to Entitled Shareholders on the Proposed Distribution Completion Date (as defined below) free and clear from any encumbrances, together with all rights and entitlements that attach (or may in the future attach) to the Warrants on or after the Proposed Distribution Completion Date. The date of completion of the Proposed Distribution (the “**Proposed Distribution Completion Date**”) shall be determined by the director of the Company and announced by the Company via SGXNET.

The Company has insufficient retained profits to effect a distribution in specie of the Warrants to Entitled Shareholders by way of dividends. Accordingly, the Company is proposing to undertake the Proposed Distribution by way of the Proposed Capital Reduction which involves a reduction of the issued share capital of the Company. There will not be any cancellation of ordinary shares in the Company or any reduction in the number of issued ordinary shares in the Company, and the number of ordinary shares in the Company held by each shareholder of the Company will remain the same before and immediately after the Proposed Capital Reduction.

The completion of the Proposed Capital Reduction is conditional upon, inter alia, the following:

- (a) all the directors of the Company making a solvency statement in relation the reduction of share capital of the Company in compliance with Section 78C of the Companies Act;
- (b) the Company meeting the solvency requirements as prescribed by the Companies Act;
- (c) the Company meeting the publicity requirements as prescribed by the Companies Act;
- (d) shareholders’ approval from shareholders of the Company for the Proposed Capital Reduction by way of special resolution (the “Proposed Capital Reduction Resolution”) at an extraordinary general meeting to be convened;
- (e) no application for cancellation of the Proposed Capital Reduction Resolution being made by a creditor of the Company within the timeframe prescribed by the Companies Act or, if an application for cancellation of the Proposed Capital Reduction Resolution was made, the withdrawal or dismissal of such application by the Singapore Courts; and
- (f) the Company complying with any other requirements prescribed by the Companies Act.

Shareholders of the Company are advised to read future announcements made by the Company via SGXNET carefully for further details.

12. Abstention from Voting

Mr Heilesen is (a) an executive director and controlling shareholder of the Company through shares held by Mission Well Limited and Go Best Holdings Limited in the Company; and (b) executive director and substantial shareholder of Ntegrator through shares held by Mission Well Limited in Ntegrator. Accordingly, Mr Heilesen, Mission Well Limited and Go Best Holdings Limited will abstain from voting on the resolution in relation to the Proposed Subscription as a major transaction under Catalist Rule 1014.

13. Interests of Directors and Controlling Shareholders

Mr Heilesen, who is a director and controlling shareholder of the Company, is a director and a substantial shareholder of Ntegrator.

Mr Leung Kwok Kuen Jacob, Mr Leung Yu Tung Stanley and Ms Zhou Jia Lin, who are directors of the Company, are directors of Ntegrator.

Save as disclosed in this announcement, none of the directors and substantial shareholders of the Company has any interest, direct or indirect, in the Proposed Subscription, other than through their shareholdings in the Company, if any.

14. Directors' Service Contracts

No person is proposed to be appointed as a director of the Company in connection with the Proposed Subscription and no service contracts in relation thereto is proposed to be entered into by the Company.

15. Directors' Responsibility Statement

The directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Subscription, the Company and its subsidiaries, and the directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

16. Documents Available for Inspection

A copy of the Subscription Agreement may be inspected at the registered office of the Company located at 280 Woodlands Industrial Park E5, #10-50 Harvest @ Woodlands Singapore 757322 during normal business hours for three months from the date of this announcement.

17. Cautionary Statement

Shareholders and potential investors of the Company should note that there is no certainty or assurance as at the date of this announcement that the Proposed Subscription will be completed.

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 Incredible Holdings Ltd.

Christian Kwok-Leun Yau Heilesen
Executive Director

5 January 2022

This announcement has been reviewed by the Company's Sponsor, Hong Leong Finance Limited. It has not been examined or approved by the Exchange and the Exchange 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.

The contact person for the Sponsor is Ms Vera Leong, Vice President, Hong Leong Finance Limited, at 16 Raffles Quay, #01-05 Hong Leong Building, Singapore 048581, telephone (+65) 6415 9881.