

ASIATIC GROUP (HOLDINGS) LIMITED
(Company Registration No: 200209290R)
(Incorporated in the Republic of Singapore)

RESPONSES TO QUERIES FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

The Board of Directors ("**Board**") of Asiatic Group (Holdings) Limited ("**Company**", together with its subsidiaries, "**Group**") refer to the Company's announcement made on 13 July 2022 (the "**Announcement**").

Save as expressly stated or the context otherwise requires, capitalized terms shall have the meanings ascribed to them in the Announcement.

The Board of the Company would like to provide the Company's responses to queries raised by the SGX-ST on 14 July 2022, in respect of the Announcement (the "**Company's responses**") as follows:-

SGX Queries	Company's Responses
1. Please provide the reason why the Company did not make immediate announcement upon receiving the Letter of Demand on 7 July 2022.	Upon receipt of the Letter of Demand, the Board had immediately held a Board meeting on the same day to discuss about the impact and the ramification resulting from the Letter of Demand. The Board was of the view that a discussion would be held with Lecca and a revised counter proposal could be given to the Financiers as a matter of sincere re-negotiation with an expectation the Financiers would respond amicably to it. The Board thereafter decided that a trading halt be called on 8 July 2022 mainly due to the need to review the circumstances and formulate a more comprehensive announcement to update Shareholders, following a revised counter proposal would be submitted to the Financiers the next day with a deadline of 14 July 2022 for the Financiers to revert with a decision.
Based on the Company's past announcements, we noted that: a. in the Company's announcement on 30 May 2022 titled Financial Statements and Related Announcement, it was mentioned under Notes to the condensed interim consolidated financial statements state, point 3 Going concern assumption, that	

SGX Queries	Company's Responses
<p>a. <u>"The above matters represent material uncertainties which may cast significant doubt on the ability of the Group and Company to continue as a going concern."</u></p> <p>b. "in the opinion of the directors, the Group and the Company are able to continue as a going concern as the directors are confident that the Group will continue to receive financial support from the banks, generate positive cash flows from its operations in the next twelve months and that <u>upon the completion of the disposal of MJE, the Company would be discharged from the corporate guarantees (Note 14) it had provided to MJE's bank and will no longer be expected to provide further funding to MJE.</u>"</p> <p>b. in the Company's announcement on 16 August 2021 titled Financial Statements and Related Announcement, the Board had assessed that the Group is able to operate as a going concern despite the auditors raising material uncertainty on the same, as the Board had taken into account the proposed disposal of MJE.</p> <p>2. With reference to the above announcements and the Letter of Demand received by the Company, please provide the Board of Directors' & Sponsor's opinion and assessment:</p> <p>a. The Group's and Company's ability to operate as a going concern, providing supporting bases;</p>	<p>Pursuant to the Announcement, the Board had reviewed and provided the assessment that the Repayment Amount arising from the receipt of the Letter of Demand may have a material impact of the Group's and the Company's ability to operate as a going concern.</p> <p>In the Company's announcement dated 14 July 2022, the Board updated that they were not able to quantify the Relevant Amounts in relation to the Repayment Amount following appointment of Receiver to MJE by the Financiers. Nevertheless, the Board</p>

SGX Queries	Company's Responses
	<p>has undertaken the necessary review and assessment of the going concern of the Group, as well as appointed professionals to negotiate with the Receivers and the Financiers and to advise the Company accordingly, which was disclosed in its 14 July 2022 announcement.</p> <p>The Sponsor is of the view that the Board's review and assessment on this matter is not unreasonable as at the date of this announcement.</p>
<p>b. Whether trading of the Company's shares should be suspended pursuant to Listing Rule 1303(3) (Going Concern) and the basis for such opinion; and</p>	<p>As at the date of this announcement, notwithstanding its responses detailed in (a), the Board of Directors is of the view that sufficient information has been disclosed for trading of the Company's shares to continue in an orderly manner and confirmed that all material disclosures have been provided for trading of the Company's shares to continue.</p> <p>Based on the above-mentioned, the Sponsor has no reason to doubt the Board's decision in relation to this matter as at the date of this announcement.</p>
<p>c. Confirmation that all material information has been announced.</p>	<p>The Company confirms that all material information has been announced.</p>

By Order of the Board

Tan Boon Kheng
Managing Director

15 July 2022

This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

The contact person for the Sponsor is Mr. Joseph Au, 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, sponsorship@ppcf.com.sg.
