

EUROSPORTS GLOBAL LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No.: 201230284Z)

DISCLOSURE OF FUNDRAISING AND CONVERSION OF CONVERTIBLE LOANS BY SUBSIDIARY

All capitalised terms used herein shall unless otherwise defined, have the meanings ascribed to them in the Company's announcement dated 21 November 2019 and 6 November 2020 (the "**Previous Announcements**").

1. EST EQUITY FUNDRAISING

- 1.1 In accordance with Rule 703(1) of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**"), the Board wishes to disclose that Eurosports Technologies Pte. Ltd. ("**EST**"), a subsidiary of the Company, has on the date of this Announcement entered into share subscription agreements with various investors (the "**EST Equity Investors**") for the subscription of ordinary shares in the capital of EST ("**EST Ordinary Shares**") for an aggregate consideration of US\$5,000,000 (the "**EST Equity Fundraising**").
- 1.2 The rationale for the EST Equity Fundraising is to raise funds for the general working capital purposes (such as operating expenses and development expenses) of EST.
- 1.3 Under the EST Equity Fundraising, EST will be allotting and issuing an aggregate of 272,725 EST Ordinary Shares (the "**EST Subscription Shares**") to the EST Equity Investors. The EST Subscription Shares will rank *pari passu* in all respects with EST Ordinary Shares.
- 1.4 The EST Equity Fundraising is carried out by EST pursuant to the exemptions under Sections 272B, 274 and/or 275 of the Securities and Futures Act (Chapter 289) of Singapore. As such, no prospectus or offer information statement will be issued by EST in connection with the EST Equity Fundraising.
- 1.5 As EST is not a principal subsidiary (as defined under the Catalist Rules) of the Company, the approval of the shareholders of the Company is not being sought for the EST Equity Fundraising under Rule 805(2) of the Catalist Rules.

2. CONVERSION OF EST CONVERTIBLE LOANS

- 2.1 In addition, the Board wishes to make reference to the 21 November 2019 announcement in relation to the EST Convertible Loan Agreements.
- 2.2 As a result of the EST Equity Fundraising, a Next Equity Financing has occurred. In accordance the terms of the EST Convertible Loan Agreements, the Convertible Loans (with an aggregate principal amount of US\$1,300,000) will be automatically converted into EST Ordinary Shares after the closing of the EST Equity Fundraising (the "**EST CLA Conversion**").
- 2.3 Under the EST CLA Conversion, EST will be allotting and issuing an aggregate of 94,544 EST Ordinary Shares (the "**EST Conversion Shares**") to the investors under the EST Convertible Loan Agreements. The EST Conversion Shares will rank *pari passu* in all respects with EST Ordinary Shares.

3. **IMPACT OF TOTAL EST FUNDRAISING**

- 3.1 The share capital of EST was increased from 2,000,000 EST Ordinary Shares to 2,181,811 EST Ordinary Shares after the issuance of the Exchanged Shares on 6 November 2020. Following the allotment and issuance of the EST Subscription Shares, the issued and paid-up share capital of EST will be increased from 2,181,811 EST Ordinary Shares to 2,454,536 EST Ordinary Shares. Thereafter, following the allotment and issuance of the EST Conversion Shares, the issued and paid-up share capital of EST will be increased from 2,454,536 EST Ordinary Shares to 2,549,080 EST Ordinary Shares.
- 3.2 Therefore, following the November 2019 EST Fundraising and the EST Equity Fundraising announced today, EST will have issued a total of 367,269 EST Ordinary Shares for funds raised in an aggregate of US\$6,300,000.
- 3.3 With the new EST Subscription Shares and EST Conversion Shares issued, the Company's holdings in EST will be reduced to 78.46%.
- 3.4 The EST Equity Fundraising is not expected to have any material impact on the consolidated net tangible assets per share and consolidated earnings per share of the Group for the financial year ending 31 March 2021.
- 3.5 The net liabilities value of EST as at 30 September 2020 (assuming that the EST CLA Conversion is carried out) would be approximately S\$2,600,086.

4. **INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

None of the Directors (other than in his capacity as a Director or shareholder of the Company, as the case may be) and controlling shareholders (other than by virtue of their shareholding in the Company) of the Company has any interest, direct or indirect, in the above transactions.

By Order of the Board

Goh Kim San
Executive Chairman and Chief Executive Officer
9 November 2020

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, CIMB Bank Berhad, Singapore Branch (the "Sponsor"), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist.

This announcement has not been examined or approved by the SGX-ST. 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.

The contact person for the Sponsor is Mr Eric Wong, Director, Investment Banking, Singapore. The contact particulars are 50 Raffles Place, #09-01 Singapore Land Tower, Singapore 048623, Telephone: +65 63375115.