



Y VENTURES GROUP LTD.
(Company Registration No.: 201300274R)
(Incorporated in the Republic of Singapore)

PROPOSED DISPOSAL OF COMMERCIAL UNIT AT 46 EAST COAST ROAD #09-06 EASTGATE SINGAPORE 428766 - GRANT OF OPTION TO PURCHASE

1. INTRODUCTION

The Board of Directors (the "**Board**" or "**Directors**") of Y Ventures Group Ltd. (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that LYJ International Pte. Ltd. ("**LYJ International**" and the "**Vendor**"), a wholly-owned subsidiary of the Company, had on 27 August 2022 granted an option to purchase ("**Option**") to PAL Container Line Pte. Ltd. (the "**Purchaser**") in respect of the commercial unit located at 46 East Coast Road #09-06 Eastgate Singapore 428766 (the "**Property**") for a purchase consideration of S\$2,000,000 (the "**Purchase Consideration**"), on the terms and subject to the conditions of the Option (the "**Proposed Disposal**"). The Option shall remain valid up to 4 p.m. on 10 September 2022.

The Purchaser is a company incorporated in Singapore and is in the business of freight forwarding and transport arrangement. The Purchaser is an independent and unrelated third party. The Purchaser is not related to the Group, the Directors and controlling shareholders of the Company, and their respective associates.

2. INFORMATION ON THE PROPERTY

The Property is a freehold commercial development unit with lot area of approximately 1,163 square feet located at 46 East Coast Road #09-06 Eastgate Singapore 428766. The Property is currently being rented out.

The Company had appointed an independent valuer to conduct a valuation of the Property. Based on the independent valuation report on the Property dated 10 January 2022, the value of the Property is approximately S\$1.95 million.

3. SALIENT TERMS OF THE PROPOSED DISPOSAL

The Purchase Consideration was arrived at on a willing buyer and willing seller basis and was facilitated by a property agent. In deriving the Purchase Consideration, the Group had taken into account: (i) the independent valuation of the Property last conducted on 10 January 2022; (ii) general property market conditions; and (iii) the current economic environment in view of the rising interest rates.

Under the Option, the Purchase Consideration shall be payable by the Purchaser to LYJ International as follows:

- (a) an option fee of S\$20,000, representing 1% of the Purchase Consideration, was paid by the Purchaser to the Vendor on the grant of the Option on 27 August 2022 (the "**Option Money**");
- (b) a further S\$80,000, representing 4% of the Purchase Consideration, is payable to the Company's solicitors on the exercise of the Option;
- (c) the remaining 95% of the Purchase Consideration is payable to the Company's solicitors on completion of the sale of the Property, which shall be within 3 months upon exercise of the option ("**Completion**"); and

The Option has been issued to the Purchaser subject to approval from the Company's shareholders (the "**Shareholders**") at general meeting. If the approval from shareholders is not obtained, the Vendor shall return the Option Money to the Purchaser and the Option shall become null and void.

4. RATIONALE FOR THE PROPOSED DISPOSAL

The Board believes that the Proposed Disposal is in the best interests of the Group and the shareholders, as it will enable the Group to realise the value of the Property at a premium thereby improving the liquidity of the Group.

5. USE OF PROCEEDS

The Company intends to utilise the net proceeds of approximately S\$850,000 for the general working capital requirements of the Group.

6. FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL

The financial effects of the Proposed Disposal set out below are purely for illustrative purposes only and do not reflect the actual future financial position of the Company or the Group after the Completion.

The financial effects of the Proposed Disposal were calculated based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2021 (“**FY2021**”) being the most recently completed financial year for which financial statements are publicly available as at the date of this announcement.

6.1 Net Tangible Assets

The effect of the Proposed Disposal on the Net Tangible Assets (“**NTA**”) per share of the Group for FY2021, assuming that the Proposed Disposal had been effected as at 31 December 2021 is as follows:

As at 31 December 2021	Before the Proposed Disposal	After the Proposed Disposal
NTA (US\$'000)	3,209	3,332
Number of issued shares (excluding treasury shares and subsidiary holdings) ('000)	246,854	246,854
NTA per share (US Cents)	1.30	1.35

6.2 Loss Per Share

The effect of the Proposed Disposal on the Loss Per Share (“**LPS**”) of the Group for FY2021, assuming that the Proposed Disposal had been effected on 1 January 2021 is as follows:

FY2021	Before the Proposed Disposal	After the Proposed Disposal
Net loss attributable to the owners of the Company (US\$'000)	1,566	1,443
Weighted average number of issued shares (excluding treasury shares and subsidiary holdings) ('000)	245,089	245,089
LPS (US Cents)	0.64	0.59

7. CHAPTER 10 OF THE CATALIST RULES

7.1 Major Transactions

Rule 1014 of the Listing Manual Section B: Rules of Catalist of the SGX-ST (the “**Catalist Rules**”) provides that for a disposal, where any of the relative figures as computed on the bases set out in Rule 1006 of the Listing Manual exceeds 50%, the transaction is classified as a major transaction and requires the approval of the Shareholders.

7.2 Relative Figures

Based on the latest announced unaudited consolidated financial statements of the Group for the half year ended 30 June 2022 (“**1H 2022**”), the relative figures of the Proposed Disposal as computed on the relevant bases set out in Rule 1006 of Catalist Rules are as follows:

Rule	Basis	Relative Figures
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.	63.58% ⁽¹⁾
1006 (b)	The net profits attributable to the assets acquired or disposed of, compared with the Group's net profits for 1H 2022.	1.41% ⁽²⁾
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.	22.61% ⁽³⁾
1006 (d)	The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable
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 or gas company, but not to an acquisition of such assets.	Not applicable

Notes:

- (1) Based on the net asset value of the Property of approximately US\$1,270,988 as at 30 June 2022 and the net asset value of the Group of approximately US\$1,999,087 as at 30 June 2022.
- (2) The Property generated net rental loss of approximately US\$19,412 and the Group generated net losses of US\$1,378,831 for the six months period ended 30 June 2022.
- (3) Based on the Purchase Consideration of S\$2,000,000 and the Company's market capitalisation of approximately S\$8,847,247 (being the issued ordinary share capital of the Company (“**Shares**”) of 246,854,000 Shares (excluding treasury shares and subsidiary holdings) and the volume weighted average price of the Shares of S\$0.03584 on 26 August 2022, which is the last full market day on which the Shares were traded prior to the date of the Option.

7.3 Shareholders' Approval Required

As the relative figures computed on the basis set out in Rule 1006(a) of the Catalist Rules exceeds 50%, the Proposed Disposal constitutes a “major transaction” within the meaning of Chapter 10 of the Catalist Rules, and therefore is subject to the approval of the Shareholders at an Extraordinary General Meeting (or any adjournment thereof) (“**EGM**”).

8. SERVICE CONTRACT

No person will be appointed to the Board, and no service contract will be entered into by the Company, in connection with the Proposed Disposal.

9. INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or controlling shareholders of the Company and their respective associates has any interest, direct or indirect, in the Proposed Disposal, other than through their respective shareholdings (if any) in the Company.

10. DOCUMENT FOR INSPECTION

A copy of the Option and the Valuation Report are available for inspection at the registered office of the Company at 6001 Beach Road #09-01, Golden Mile Tower, Singapore 199589 during normal business hours for a period of three months from the date of this announcement

11. CIRCULAR AND EGM

The circular to Shareholders containing, inter alia, further information on the Proposed Disposal and enclosing the notice of EGM will be despatched by the Company to Shareholders in due course. In the meantime, Shareholders are advised to refrain from taking any action in relation to their shares in the Company which may be prejudicial to their interests until they or their advisers have considered the information and recommendations to be set out in the Circular.

12. 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 Disposal, 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.

13. FURTHER ANNOUNCEMENTS

The Company will make further announcements to keep Shareholders informed, as and when there are material updates and developments in respect of the Proposed Disposal.

By Order of the Board

Low Yik Jin
Chief Executive Officer and Executive Director
29 August 2022

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd. (the "**Sponsor**") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**").

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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