

SEATRIUM LIMITED
(Incorporated in Singapore)
(Company Registration Number: 196300098Z)

PROPOSED SHARE CONSOLIDATION OF EVERY TWENTY (20) EXISTING SHARES OF SEATRIUM LIMITED (THE “COMPANY”) AS AT THE RECORD DATE TO BE DETERMINED BY THE DIRECTORS INTO ONE (1) CONSOLIDATED SHARE OF THE COMPANY, FRACTIONAL ENTITLEMENTS TO BE DISREGARDED

1. INTRODUCTION

- 1.1 The board of directors (the “**Directors**”) of the Company wishes to announce that the Company is proposing to undertake a share consolidation of every twenty (20) existing issued ordinary shares (“**Shares**”) (including treasury shares) of the Company (“**Existing Shares**”) held by the shareholders of the Company (the “**Shareholders**” and each a “**Shareholder**”) as at the record date to be determined by the Directors (“**Record Date**”) into one (1) ordinary share of the Company (collectively referred to as the “**Consolidated Shares**” and each, a “**Consolidated Share**”), fractional entitlements to be disregarded (the “**Proposed Share Consolidation**”).
- 1.2 As a result of the Proposed Share Consolidation, each Shareholder will receive one (1) Consolidated Share for every twenty (20) Existing Shares held prior to the Proposed Share Consolidation as at the Record Date.
- 1.3 Pursuant thereto, the Company proposes to seek Shareholders’ approval for the Proposed Share Consolidation at its upcoming Annual General Meeting (“**AGM**”) to be held on 26 April 2024.
- 1.4 The Company will be issuing a letter to Shareholders, containing, *inter alia*, details in respect of the Proposed Share Consolidation, together with the notice of AGM in due course, via announcement on the Singapore Exchange Securities Trading Limited’s (the “**SGX-ST**”) website and the Company’s website. Printed copies of the notice of AGM and accompanying proxy form will also be despatched to Shareholders.

2. INFORMATION ON THE PROPOSED SHARE CONSOLIDATION

- 2.1 Subject to Shareholders’ approval at the AGM and the other conditions set out in paragraph 4.1 below being obtained, fulfilled or waived (as the case may be) for the Proposed Share Consolidation, it is proposed that Shareholders’ holdings of the Consolidated Shares arising from the Proposed Share Consolidation will be ascertained on the Record Date. After the Record Date, every twenty (20) Existing Shares (including treasury shares) registered in the name of each Shareholder as at the Record Date will be consolidated into one (1) Consolidated Share, fractional entitlements to be disregarded.
- 2.2 Each Consolidated Share will rank *pari passu* in all respects with each other, except that the Consolidated Shares which are to be held as treasury shares will be subject to the provisions of the Companies Act 1967 on treasury shares. Trading in the Consolidated Shares on the Mainboard of the SGX-ST will be in board lots of one hundred (100) Consolidated Shares.

- 2.3 Shareholders should note that the number of Consolidated Shares which they will be entitled to pursuant to the Proposed Share Consolidation, based on their holdings of Existing Shares as at the Record Date, will be rounded down to the nearest whole Consolidated Share and any fractions of a Consolidated Share arising from the Proposed Share Consolidation will be disregarded. Fractions of a Consolidated Share arising from the Proposed Share Consolidation will be aggregated and dealt with in the manner set out in paragraph 2.5 below.
- 2.4 Shareholders who hold less than twenty (20) Existing Shares as at the Record Date will not be entitled to any Consolidated Shares and will no longer be Shareholders upon completion of the Proposed Share Consolidation (the “**Affected Shareholders**”). Affected Shareholders who wish to remain as Shareholders upon completion of the Proposed Share Consolidation may wish to consider purchasing additional Shares so as to increase the number of Existing Shares held to a multiple of twenty (20) Shares as at the Record Date.
- 2.5 The Company intends to aggregate and dispose of the fractional entitlements arising from the Proposed Share Consolidation, including the fractional entitlements of Affected Shareholders, with the proceeds arising from such sale to be distributed on a *pro rata* basis to Shareholders based on their holdings of Existing Shares as at the Record Date. Shareholders will receive such proceeds in cash credited to their Securities Accounts maintained with The Central Depository (Pte) Limited or, as the case may be, by cheque sent by ordinary post to their registered address (at their own risk), in proportion to the number of Existing Shares held by them as at the Record Date.
- 2.6 The Company also intends to make arrangements with brokers to provide brokerage services for the trading of odd lots arising from the Proposed Share Consolidation. Further details on the brokerage services will be set out in the letter to Shareholders.
- 2.7 As at the date of this announcement, the Company has an issued and paid-up share capital of S\$8,580,774,355.58 comprising 68,217,075,670 Shares (excluding 20,102,623 treasury shares) and no subsidiary holdings. The Company also has no outstanding share options, share awards or convertible securities. On the assumption that there will be no new Shares issued by the Company up to and including the Record Date and no fractions of Consolidated Shares arising from the Proposed Share Consolidation, and subject to Shareholders’ approval being obtained for the Proposed Share Consolidation at the AGM, the issued and paid-up share capital of the Company would be S\$8,580,774,355.58, comprising 3,410,853,783 Consolidated Shares, following the completion of the Proposed Share Consolidation (excluding 1,005,131 treasury shares).
- 2.8 The Proposed Share Consolidation will have no impact on the issued and paid-up share capital of the Company. The Proposed Share Consolidation will not involve the diminution of any liability in respect of unpaid capital or the payment to any Shareholder of any paid-up capital of the Company and has no effect on the shareholders’ funds (if any) of the Company and the Group. Shareholders will not be required to make any payment to the Company in respect of the Proposed Share Consolidation. The Proposed Share Consolidation will not cause any material changes to the percentage shareholding of each Shareholder, other than non-material changes due to rounding and disregarding fractional entitlements.

3. RATIONALE FOR THE PROPOSED SHARE CONSOLIDATION

The Directors believe that the Proposed Share Consolidation will generally be beneficial to the Company and its Shareholders for the following reasons:

3.1 Reduction of volatility of the Company's share price

The Shares of the Company were traded on the Mainboard of the SGX-ST in the range of S\$0.086 and S\$0.146 in the past six months.

As share trading may involve certain minimum fixed expenses (such as minimum brokerage fees), trading in lowly-priced shares may translate to higher transaction costs, relative to the trading price, for each trading of one board lot of Shares. In addition, lowly-priced shares are generally more prone to speculation and market manipulation, which may result in excessive share price volatility. The Directors believe that the Proposed Share Consolidation may serve to (i) reduce the volatility of the Company's share price and reduce fluctuations in the Company's market capitalisation; and (ii) reduce the percentage transaction cost for trading in each board lot of Shares.

3.2 Increase in the market interest and attractiveness of the Company

The Proposed Share Consolidation will rationalise the share capital of the Company by reducing the number of issued Shares. Following the Proposed Share Consolidation, the Directors expect that, all other things being equal, the theoretical trading price and net tangible asset value ("NTA") of each Consolidated Share would be higher than that of the current trading price and NTA of each Existing Share, taking into account the decrease in the number of Shares in issue following the Proposed Share Consolidation. In addition, the Proposed Share Consolidation may facilitate corporate actions and increase market interest and activity in the Shares, and generally make the Shares more attractive to investors.

Shareholders should note that there is no assurance that the Proposed Share Consolidation will achieve the desired results as described above or benefit all Shareholders, nor is there assurance that such results (if achieved) can be sustained in the longer term.

4. APPROVALS AND CONDITIONS FOR THE PROPOSED SHARE CONSOLIDATION

4.1 The Proposed Share Consolidation is subject to, *inter alia*:

- (i) the receipt of approval in-principle ("AIP") from the SGX-ST for the dealing in, listing of and quotation for the Consolidated Shares on the Mainboard of the SGX-ST and compliance with such conditions (if any) as the SGX-ST may impose in connection therewith; and
- (ii) the approval of the Shareholders for the Proposed Share Consolidation by ordinary resolution at the AGM.

4.2 An application will be made to the SGX-ST to obtain the AIP for the dealing in, listing of and quotation for the Consolidated Shares arising from the Proposed Share Consolidation. An announcement on the outcome of the application will be made in due course. Any AIP which may be granted by the SGX-ST for the listing and quotation of the Consolidated Shares is not to be taken as an indication of the merits of the Proposed Share Consolidation, the Company, its subsidiaries, the Shares and/or the Consolidated Shares.

5. LETTER TO SHAREHOLDERS

As mentioned in paragraphs 1.4 and 2.6 above, a letter to Shareholders containing further details of the Proposed Share Consolidation, together with the notice of the AGM of the Company, will be issued to Shareholders in due course.

6. INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors or substantial Shareholders and their respective associates have any interest, direct or indirect, in the Proposed Share Consolidation (other than through their respective shareholdings in the Company).

7. 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 Share Consolidation and the Company and its subsidiaries which are relevant to the Proposed Share Consolidation, 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.

8. CAUTIONARY STATEMENT

Shareholders and potential investors are advised to exercise caution in trading their Shares. The Proposed Share Consolidation is subject to numerous conditions. There is no certainty or assurance as at the date of this announcement that the Proposed Share Consolidation will be completed or that no changes will be made to the terms thereof. Shareholders are advised to read this announcement and any past and future announcements by the Company carefully.

Shareholders who are in any doubt as to the course of action they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional advisers.

BY ORDER OF THE BOARD

26 February 2024