



REENOVA INVESTMENT HOLDING LIMITED

(formerly known as ISR Capital Limited)

(Incorporated in the Republic of Singapore | Company Reg. No.: 200104762G)

SGX Stock Code: **5EC**

QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF THE LISTING MANUAL

The Board of Directors (the “**Board**”) of Reenova Investment Holding Limited (the “**Company**”) and together with its subsidiaries, the “**Group**”) refers to the Company’s announcements dated 4 December 2017 and 4 December 2019 (the “**Announcements**”) in relation to the Company being placed on the Minimum Trading Price (“**MTP**”) Entry Criterion Watch-list under Listing Rule 1311(2) and the Financial Entry Criteria Watch-list under Listing Rule 1311(1) of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) with effect from 5 December 2017 and 4 December 2019, respectively.

Pursuant to Rule 1313(2) of the Listing Manual of SGX-ST, the Board wishes to provide an update in respect of the three months ended 31 March 2020 (“**Q1 FY2020**”) as follows:

- (1) The Company notes that on 11 May 2020, the Singapore Exchange Regulation announced the removal of MTP rule with effect from 1 June 2020. Hence, the Company will no longer be required to comply with the MTP Exit Criteria according to Rule 1314(2) of the Listing Manual.
- (2) The Company, however, will continue to be required to comply with the Financial Exit Criteria according to Rule 1314(1) of the Listing Manual. The Board will continue to monitor the Group’s developments and prospects, as well as its financial position, and review the options to comply with the Financial Exit Criteria that will best serve the interests of the Company’s shareholders.
- (3) Please refer to the unaudited financial statements of the Group for the financial period ended 31 March 2020 (“**Q1 FY2020**”) announced on 15 June 2020 for a detailed update on the Group’s financial position.

As of 31 March 2020, the Group had a net asset value of approximately S\$24.2 million.

The Group’s next quarterly update pursuant to Rule 1313(2) of the Listing Manual will be announced by 14 August 2020.

Update on Future Direction and Other Material Developments

The ongoing global COVID-19 pandemic that led to the lockdown of cities, continues to exacerbate the business environment with uncertainties and unprecedented challenges.

The Group is upbeat on the prospects of its Rare Earth Project with the increasing initiatives by governments across the world to improve the overall living environment. One area of the growing demand for rare earth elements is driven by the growth in demand for electric vehicles. According to the Allied Market Research, the global electric vehicle market was valued at US\$162.34 billion in 2019 and is projected to grow at a compounded annual growth rate of 22.6% to reach US\$802.81 billion by 2027.¹

Amidst the unprecedented challenges, the Group remains committed to bringing the 238km² concession area in north-western Madagascar, Africa that hosts rare earth oxides (the “**Rare Earth Project**”) to commercial production. The Group is monitoring the situation surrounding the COVID-19 pandemic closely. With the re-opening of cross border travel and barring any further lockdowns or travel restrictions due to the pandemic, the Group intends to deploy a team to Madagascar, as early as July or August 2020, to commence works on the Rare Earth Project to facilitate the application of the full mining licence.

The Company will make further announcements to update shareholders as and when appropriate.

Source:

¹ <https://www.alliedmarketresearch.com/electric-vehicle-market>

On Behalf of the Board

REENOVA INVESTMENT HOLDING LIMITED

Chen Tong

Executive Chairman

15 June 2020