



VIBRANT GROUP LIMITED

Company Registration Number: 198600061G

UPDATE IN LEGAL PROCEEDINGS

Vibrant Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to its previous announcement dated 19 July 2024 in connection with the legal proceedings commenced against its 31% owned Chinese associated company, Vibrant Pucheng Logistics (Chongqing) Co., Ltd (“**Vibrant Pucheng**”) (the “**July Announcement**”). Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meanings in the July Announcement.

The Group now wishes to update that the Company has been notified that Vibrant Pucheng received the judgment issued by the People’s Republic of China Court in respect of the legal proceedings (the “**Judgment**”). The debts owed to 中国中信 were assigned to 浙江省浙商资产管理股份有限公司 (“**浙商**”), and since the July Announcement, 浙商 took over the legal proceedings commenced against Vibrant Pucheng.

Under the Judgment, the People’s Republic of China Court found in favour of 浙商, and ordered and declared (in summary):

- (i) Vibrant Pucheng to repay to 浙商 an aggregate sum of RMB 29,642,742.85, comprising the sum of (i) the principal amount of RMB 28,999,913.71, (ii) interest amounting to RMB 264,555.55, (iii) default interest of RMB 377,265.36, and (iv) compound interest of RMB 1,008.23, calculated up to 20 April 2023, within 10 days of the Judgment;
- (ii) Vibrant Pucheng to pay default interest and compound interest to 浙商 within 10 days of the Judgment based on certain formulae according to the loan prime rate (“**LPR**”), being the one-year LPR published by the National Interbank Funding Center of China, plus a margin, increased by an additional 50%, calculated from 21 April 2023. On the assumption that Vibrant Pucheng pays such default interest and compound interest within 10 days of the Judgment, the Company has ascertained that the amount payable is approximately RMB 3,847,454;
- (iii) Vibrant Pucheng to pay a compensation amount of RMB 100,000 to 浙商 for breach of contract, within 10 days of the Judgment;
- (iv) Vibrant Pucheng to pay legal fees amounting to RMB 10,000 to 浙商, within 10 days of the Judgment; and
- (v) in the event Vibrant Pucheng fails to make payments in accordance with (i) to (iv) above, all outstanding amounts shall be secured against a certain property owned by Vibrant Pucheng (based on the last valuation as at 24 October 2023, the property was valued at RMB 407,418,500), and 浙商 has the right to require the other local individual Chinese shareholders of Vibrant Pucheng (as co-defendants) to bear joint and several liability in respect of the outstanding amounts.

Vibrant Pucheng intends to appeal against points (ii) and (iii) of the Judgment, and is currently seeking legal advice on the matter from its Chinese legal adviser. The principal amount, interest and default interest have been accounted for in the financial statements of Vibrant Pucheng, and the Judgment is not expected to have a material financial impact on the Group. The Company will make further announcements to update its shareholders when there are any further material updates, as may be necessary or appropriate.

Shareholders are advised to refrain from taking any action in respect of their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. In the event of any doubt, shareholders and potential investors should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

BY ORDER OF THE BOARD

Eric Khua Kian Keong
Executive Director & CEO
23 December 2024