



TREK 2000 INTERNATIONAL LTD (Registration Number 199905744N)

ADDITIONAL INVESTMENT IN TERRENUS ENERGY PTE LTD

The Board of Directors of Trek 2000 International Ltd (the “**Company**”) wishes to inform that the Company has acquired an additional 3.4 million shares in Terrenus Energy Pte Ltd (“**Terrenus Energy**”) for a cash consideration of SGD 1. This represents an equity interest of 8.5% in Terrenus Energy and brings the Company’s total equity interest in Terrenus Energy from 7.5% to 16%.

The Company’s increased stake in Terrenus Energy at nominal value was negotiated and agreed between the Company and Terrenus Energy as part of the considerations for future collaborations to leverage on the Company’s extensive R&D and IoT capabilities for Terrenus Energy’s business. These collaborations include developing and applying smart renewable power system to capture growth in the burgeoning renewable energy market where demand for such modern-day solutions is surging. With the current oil and gas acute supply, and the call for decarbonisation, the Company believes that these collaborations have positioned the Company to ride the Green Energy wave into the future to achieve business sustainability.

The details of the additional investment are as follows:

1. The cash consideration for the additional investment was determined through a privately negotiated process and was funded through internal fund of the Company. The audited net asset value of Terrenus Energy as at 30 June 2021 was USD 9.25 million (SGD 12.59 million).
2. The information required under Rule 1006(a) to (e) for the additional investment in Terrenus Energy is set out below:

Rule 1006	Bases	Relative Figures
(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	Not Applicable
(b)	Net profit ⁽ⁱ⁾ attributable to the assets acquired amounted to US\$17,143 (8.5% of US\$201,677), compared with the Company’s net loss of US\$1,183,788	Not meaningful ⁽ⁱⁱ⁾
(c)	Aggregate value of the Consideration of US\$1, compared with the Company’s market capitalisation ⁽ⁱⁱⁱ⁾ of US\$19,783,913 (equivalent of S\$26,925,906)	0.00%
(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



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Rule 1006	Bases	Relative Figures
(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 and gas company, but not to an acquisition of such assets. If the reserves are not directly comparable, the Exchange may permit valuations to be used instead of volume or amount.	Not Applicable

Notes:

- (i) Net profits/(loss) means the profit or loss before income tax, minority interests and extraordinary items.
 - (ii) Terrenus Energy recorded a net profit of US\$201,677 (S\$274,482) in their last financial year-end on 30 June 2021. The net profit attributable to the assets amounted to US\$17,143 (ie. 8.5% of US\$201,677). The Company recorded a net loss of US\$1,183,788 in FY2021. As such, the relative figure computed pursuant to Rule 1006(b) is not meaningful as this is negative due to the Company's net loss position.
 - (iii) The Company's market capitalisation of US\$19,783,913 (S\$26,925,906) as at the date of investment (11 March 2022) was determined by multiplying the issued share capital of the Company of 313,091,925 shares (excluding treasury shares and subsidiary holdings) with the volume weighted average price of such shares last transacted (11 March 2022) of S\$0.086 per share prior to the date of investment.
3. The information required under Rule 1008(2)(a) and (b) for the additional investment in Terrenus Energy is set out below:-

Rule 1008(2)	Bases	Relative Figures
(a)	Details of the consideration as required in Rule 1010(3): The aggregate value of the consideration was arrived at using the NTA of Terrenus Energy (US\$9.25 million) as at their last financial year-end (June 2021).	US\$1
(b)	Details of value of assets acquired as required in Rule 1010(5): The value (book value and net tangible assets) of Terrenus Energy was US\$9.25 million (SGD 12.59 million) and 8.5% of the assets amounted to US\$786,127 ⁽ⁱ⁾ .	US\$786,127



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Notes:

- (i) No valuation was done for this additional investment as the total investment in Terrenus Energy was relatively insignificant and not taken as a subsidiary or associate of the Company.
 - (ii) This additional investment is not expected to have a material impact on the consolidated net tangible assets and earnings per share of the Company.
4. None of the director or controlling shareholder of the Company has any interest, direct or indirect, in this additional investment.

BY ORDER OF THE BOARD

Tan Joon Yong Wayne
Deputy Chairman and Executive Director

14 March 2022