HEATEC JIETONG HOLDINGS LTD.
(Incorporated in the Republic of Singapore)
(Company Registration No. 200717808Z)
(the "**Company**")

PROPOSED DISPOSAL OF 60% OF THE ISSUED AND PAID-UP SHARE CAPITAL OF SETYA ENERGY PTE. LTD.

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1. INTRODUCTION

The board of directors (the "**Board**" or the "**Directors**") of Heatec Jietong Holdings Ltd (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Company had, on 5 November 2025, entered into a sale and purchase agreement ("**SPA**") with Mr. Lim Kay Cheong (the "**Purchaser**").

Pursuant to the SPA, the Company had agreed to sell, and the Purchaser had agreed to purchase, 300,000 ordinary shares in Setya Energy Pte. Ltd. ("**Target Company**"), representing 60% of the total issued and paid-up share capital of the Target Company (the "**Sale Shares**"), for a total cash consideration of S$1.00 (the "**Consideration**"), subject to the terms and conditions of the SPA (the "**Proposed Disposal**"). For the purposes of this announcement, the Company and the Purchaser shall collectively be known as the "**Parties**", and each a "**Party**". Following completion of the Proposed Disposal, the Company will cease to hold any interest in the Target Company and accordingly, the Target Company will cease to be a subsidiary of the Group.

2. INFORMATION ON THE TARGET COMPANY

The Target Company is a company incorporated in the Republic of Singapore on 25 March 2017, and has an issued and paid-up share capital of S$500,000 comprising 500,000 ordinary shares. The Target Company is principally engaged in the business of supply and trades various products, including but not limited to petroleum products, bunkers, lubricants, chemicals, equipment and tools. As at the date of this announcement, the Group holds an effective equity interest of 60.0% in the Target Company, while the remaining 40.0% of the Target Company is held by an individual, Mr. Mo Jingxiong, Nicholas.

3. INFORMATION ON THE PURCHASER

The Purchaser is a Singaporean individual and is a sales manager of the Group's wholly owned subsidiary, Heatec Jietong Pte. Ltd. ("**HJPL**"). He is involved in the sales and marketing activities for the provision of heat exchanger repairs and services to the Group's customers. In this regard, the Purchaser has provided a letter of declaration to HJPL confirming that following the completion of the Proposed Disposal, (a) he will not be involved in the daily operations and management of the Target Company; (b) he will not engage, directly or indirectly, in any business activities that compete with HJPL, particularly in the heat exchanger and piping sector or any related field; and (c) he will continue to fully commit to his duties and responsibilities as the sales manager of HJPL, and to apply his best efforts, skills, and dedication to support the Company's goals and performance expectations. As such, the Purchaser's acquisition of the Sale Shares will not conflict with his role in HJPL.

In addition, any future transaction between the Group and the Target Company will be on an arm's length basis and non-exclusive. While the Group does not expect there to be regular transactions

between the Group and the Target Company, there may be ad-hoc transactions, and in 2025, the Target Company supplied diesel to the Group on an ad-hoc basis for operational usage with a value of approximately S$68,000 from January to September 2025.

The Purchaser was identified as he was both a sales manager of HJPL and also an acquaintance of the Target Company's minority shareholder. Upon learning about the Group's intention to dispose of the Sale Shares from an internal management meeting, he approached the Group to make an offer to acquire the Sale Shares.

The Purchaser is not related to any of the Directors and the substantial shareholders of the Company or any of their respective associates. No commission is to be paid to anyone in connection with the Proposed Disposal.

4. FINANCIAL INFORMATION RELATING TO THE TARGET COMPANY AND KEY TERMS OF THE SPA

Based on the audited financial statements of the Target Company as at 31 December 2024, the net tangible liabilities ("**NTL**") value of the Target Company was S$84,717, of which approximately S$50,830 was attributable to the Sale Shares.

Base on the management accounts of the Target Company for the 6-month financial period ended 30 June 2025 ("**1H2025**"), (a) the Target Company's NTL was S$94,008, of which approximately S$56,405 was attributed to the Sale Shares; and (b) the net loss before income tax was approximately S$154,518, of which S$92,711 was attributable to the Sale Shares.

Pursuant to the terms and conditions of the SPA, (a) at or prior to the completion of the Proposed Disposal, the Target Company shall utilise all of its cash in hand of about S$88,080 to settle intercompany balances to the Company or any member of the Group; (b) the Target Company shall make monthly instalment payments over a 24-month period to settle the remaining amounts owed to the Group, being an aggregate of S$165,000 (the "**Outstanding Payables**"); and (c) the Company shall, and shall procure that all relevant members of the Group, waive and release S$43,158 in intercompany balances, indebtedness, and claims, in the form of loans, amounts due, or otherwise, owed by the Target Company to the Company or any member of the Group (the "**Waiver**").

Based on the Group's audited financial statements for FY2024, the book value of the Sale Shares is nil. The Consideration represents an excess of S$1 over the book value of the Sale Shares. Taking into account the Consideration, the Waiver and the negative book value attributable to the Sale Shares, the Proposed Disposal will result in the Group recording a gain on disposal of approximately S$7,673. The net proceeds, if any, will be used by the Company for general working capital requirement of the Group.

There is no open market value as the Sale Shares are not publicly traded, and no valuation was commissioned on the Target Company in connection to the Proposed Disposal.

5. RATIONALE FOR THE PROPOSED DISPOSAL

The Target Company's business has not achieved the expected results for the past few financial years. In recent months, the Target Company has lost some of its customers from the bunkering

oil business due to macro economy challenges and intense competition. After cautious assessment, the Company believes that the outlook for the Target Company will remain stagnant. The Target Company has been in a net liability position in FY2023 and FY2024 and was also loss making in FY2023. Its net profit in FY2024 was mainly due to a reversal of provision made in earlier year. The Proposed Disposal would be considered as a strategic exit and an opportunity for the Group to remove an underperforming business and reclaim some cash. The Proposed Disposal can also prevent the Group from any possible future losses to be incurred by the Target Company and thereby is expected to improve the Group's liquidity and working capital position.

6. CONSIDERATION

The Consideration of S$1.00 is to be satisfied fully in cash. The Consideration was arrived at after arms' length negotiations between the Company and the Purchaser, on a 'willing-buyer and willing-seller' basis, and taking into account, *inter alia*, the negative book value of the Target Company, loss making position for 1H2025, the Waiver, the Outstanding Payables as well as the current operating status and future prospects of the Target Company.

7. RELATIVE FIGURES FOR THE PROPOSED DISPOSAL UNDER RULE 1006 OF THE CATALIST RULES

The relative figures for the Proposed Disposal as computed on the bases set out in Rule 1006 of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**"), the latest unaudited consolidated financial statements of the Group for 1H2025 and the latest management accounts of the Target Company for 1H2025 are as follows:

Rule 1006	Bases	Relative Figures
(a)	The net asset value of the assets to be disposed of, compared with the Company's net asset value	(0.3%)[(i)]
(b)	The net loss attributable to the assets acquired or disposed, compared with the Company's net loss	(22.4%)[(ii)]
(c)	The aggregate value of the consideration given or received, compared with the Company's market capitalization	0.9%[(iii)]
(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	Not applicable
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Company's proved and probable reserves	Not applicable

Notes:-

(i) Based on the 60% of net liability value of the Target Company as at 30 June 2025, adjusted for the Waiver in accordance with paragraph 3.2(a) of Practice Note 10A of the Catalist Rules, which amounted to approximately S$30,509, and the net asset value of the Company which amounted to approximately S$10.35 million, as at 30 June 2025.

(ii) Net profits/(losses) are defined to be profit or loss including discontinued operations that have not been disposed and before income tax and non-controlling interests. The Target Company recorded a net loss before income tax of approximately S$154,518 for 1H2025, of which approximately S$92,711 was attributable to the Sale Shares. The Group recorded a net loss before income tax of approximately S$414,000 for 1H2025.

(iii) Based on (a) the Consideration of approximately S$43,159 (after taking into consideration the Waiver); and (b) the Company's market capitalisation of approximately S$4.71 million. The market capitalisation of the Company is determined by multiplying the total issued number of shares of 204,777,526 by the volume weighted average price of S$0.023 per share on 4 November 2025 (being the last market day on which the Shares were traded prior to the date of the SPA).

As the Target Company is in a net liability position and is loss-making, the computation of the relative figures in Catalist Rules 1006(a) and 1006(b) above involve a negative figure. Under Rule 1007(1) of the Catalist Rules, if any of the relative figures computed pursuant to Rule 1006 of the Catalist Rules involves a negative figure, Chapter 10 of the Catalist Rules may still be applicable to the transaction in accordance with the applicable circumstances in Practice Note 10A of the Catalist Rules ("**Practice Note 10A**").

The transaction falls within the situations described in paragraph 4.4 of Practice Note 10A, in particular, paragraphs 4.4(c) and (e) which relate to the disposal of an asset where the asset has a negative net asset value and is also loss-making. Based on the relative figures set out above, the Proposed Disposal is classified as a "disclosable transaction" under Chapter 10 of the Catalist Rules and requires an immediate announcement.

8. FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL

The financial effects of the Proposed Disposal are presented for illustrative purposes only and are not intended to reflect the actual future financial performance and position of the Company or the Group after the completion of the Proposed Disposal (taking into account the Waiver).

The financial effects set out below have been computed based on the latest audited consolidated financial statements of the Group for the financial year ended 31 December 2024 ("**FY2024**") as well as based on the following bases and key assumptions:

(a) the financial effects of the Proposed Disposal on the net tangible assets ("**NTA**") per share of the Group are computed assuming that the Proposed Disposal was completed on 31 December 2024;

(b) the financial effects of the Proposed Disposal on the loss per share ("**LPS**") of the Group are computed assuming that the Proposed Disposal was completed on 1 January 2024; and

(c) expenses to be incurred in connection with the Proposed Disposal have been disregarded.

8.1 NTA per Share

	Before the Proposed Disposal	After the Proposed Disposal
NTA of the Group as at 31 December 2024 (S$'000)	10,816.9	10,824.6
Number of shares as at 31 December 2024	204,777,526	204,777,526
NTA per share (S$ cents)	5.28	5.29

8.2 LPS

	Before the Proposed Disposal	After the Proposed Disposal
Loss attributable to Shareholders (S$'000)	(935)	(927)
Weighted average number of Shares for FY2024	204,777,526	204,777,526
Loss per share (S$ cents)	(0.46)	(0.45)

9. INTERESTS OF THE DIRECTORS AND CONTROLLING SHAREHOLDERS IN THE PROPOSED DISPOSAL

None of the Directors or controlling shareholders of the Company have any interest, direct or indirect, in the Proposed Disposal (other than in their capacity as Directors or shareholders, where applicable).

10. SERVICE CONTRACTS

No person is proposed to be appointed as a director of the Company in connection with the Proposed Disposal. Accordingly, no service contract is to be entered into between the Company and any such person.

11. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the SPA will be made available for inspection during normal business hours at the registered office of the Company at 10 Tuas South Street 15, Singapore 637076 for three (3) months from the date of this announcement.

By Order of the Board of Directors of
Heatec Jietong Holdings Ltd.

Soon Jeffrey
Executive Director and Chief Executive Officer
5 November 2025

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*This announcement has been reviewed by the Company's sponsor, Novus Corporate Finance Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange 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.*

The contact person for the Sponsor is Mr. Pong Chen Yih, Chief Operating Officer, at 7 Temasek Boulevard, #04-02 Suntec Tower 1, Singapore 038987, telephone (65) 6950 2188.