
PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 515,762,342 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY – UPDATE ON IRREVOCABLE UNDERTAKINGS AND ASSIGNMENTS

*Unless otherwise defined or where the context otherwise requires, all terms used herein shall have the same meanings as defined in the announcement dated 28 March 2024 (the "**Announcement**") issued by the Company.*

1. INTRODUCTION

Further to the Announcement, the board of directors of the Company (the "**Board**") wishes to announce that each of Dr Ong Hian Eng ("**OHE**") and Astute Ventures Pte. Ltd. ("**AV**") have:

- (i) executed an irrevocable undertaking dated 24 April 2024 (the "**Irrevocable Undertaking**") to demonstrate his or its support for the Rights Issue; and
- (ii) executed a deed of assignment dated 24 April 2024 with each of the respective OHE Connected Parties and AV Connected Parties ("**Deeds of Assignment**").

2. OHE IRREVOCABLE UNDERTAKINGS

OHE Irrevocable Undertaking

OHE is the Executive Director and Chief Executive Officer of the Company as well as a controlling Shareholder of the Company. As at the date of this announcement, OHE holds directly 9,024,394 Shares representing approximately 0.9% of the Existing Issued Share Capital. In addition, he is deemed interested in 230,653,636 Shares held by FICA (Pte.) Ltd. ("**FICA**") representing approximately 22.4% of the Existing Issued Share Capital. FICA's shareholders are OHE (80.0%), Ong Eng Keong (Wang Rongkang)(10.0%), and Ong Bee Pheng (Wang Meiping) (10.0%).

To demonstrate his support to the Rights Issue, OHE has executed an irrevocable deed of undertaking dated 24 April 2024 (the "**OHE Irrevocable Undertaking**") pursuant to which, and subject to Section 2.5 of the Announcement entitled "**Option to Scale Down Subscription**", he unconditionally and irrevocably undertake and confirm to the Company, *inter alia*:

- (a) He will ensure that the aggregate registered shareholding of OHE and OHE Connected Parties shall not be less than 278,135,912 Shares from the date of the OHE Irrevocable Undertaking until the close of the Rights Issue.
- (b) Where applicable, he shall vote and/or procure the voting of, all of his Shares (whether held directly or indirectly) or those of the OHE Connected Parties, in favour of the Rights Issue, including the allotment and issue of the Rights Shares, at any meeting of the Shareholders of the Company.
- (c) He will subscribe and pay for (and/or procure the subscription and payment for) his pro rata entitlement of 4,512,197 Rights Shares and the OHE Connected

Parties' aggregate pro rata entitlement of 134,555,758 Rights Shares pursuant to the Rights Issue for an aggregate subscription amount of S\$750,966.96 which will be set off against the right to receive repayments from the Company pursuant to the OHE Loan and the OHE Assignments (defined below).

OHE Assignments

As disclosed in the Announcement, OHE Connected Parties are FICA, Ong Eng Keong (Wang Rongkang) (the Executive Director of the Company), and Ong Bee Pheng (Wang Meiping). OHE, Ong Eng Keong (Wang Rongkang), and Ong Bee Pheng (Wang Meiping) are close relatives.

OHE has extended loans to the Company of an aggregate principal amount of SGD1,420,000 as at 31 December 2023. Together with interest accrued amounting to S\$292,172.31 as at 31 December 2023, the aggregate outstanding amount owed to OHE is S\$1,712,172.31 (the "**OHE Loan**"). The OHE Loan is unsecured, repayable on demand and bears interest at 11% per annum for the period commencing from 1 January 2023 (8% per annum before 1 January 2023).

On 24 April 2024, OHE has assigned to each of the OHE Connected Parties the right to receive such amount from the Company equivalent to the amount needed to subscribe for each of such OHE Connected Parties' pro rata entitlement to the Rights Shares as partial repayment of the OHE Loan pursuant to the Deeds of Assignment (the "**OHE Assignments**").

The existing direct shareholdings, number of Entitled Rights Shares, and amount payable for each of OHE and OHE Connected Parties for each of their Entitled Rights Shares (which will be set off against the right to receive repayments from the Company pursuant to the OHE Loan and the OHE Assignments) are presented in the table below:

OHE and OHE Connected Parties	Number of Shares held directly	Number of Entitled Rights Shares	Amount payable for subscription of Entitled Rights Shares (S\$)⁽¹⁾
OHE	9,024,394	4,512,197	24,365.86
FICA	230,653,636	115,326,818	622,764.82
Ong Eng Keong (Wang Rongkang)	5,373,841	2,686,920	14,509.37
Ong Bee Pheng (Wang Mei Ping)	33,084,041	16,542,020	89,326.91
TOTAL	278,135,912	139,067,955	750,966.96

Notes:

(1) The amount payable for subscription of the Entitled Rights Shares as shown for each of the OHE Connected Parties represents amounts which have been assigned pursuant to the OHE Assignments.

3. AV IRREVOCABLE UNDERTAKING

AV Irrevocable Undertaking

AV is the controlling Shareholder of the Company, which holds 270,025,455 Shares representing approximately 26.2% of the Existing Issued Share Capital. The shareholders of AV are Ong Kwee Eng (9.0%), Ng Siew Tin (9.0%), Ong Bee Kuan Melissa (40.0%), Ong Eng Hock Simon (18.0%), Ong Eng Siew Raymond (18.0%), and close relatives of Ong Eng Hock Simon and Ong Eng Siew Raymond (6.0% in aggregate).

To demonstrate its support to the Rights Issue, AV has executed an irrevocable deed of undertaking dated 24 April 2024 (the “**AV Irrevocable Undertaking**”) pursuant to which, and subject to Section 2.5 of the Announcement entitled “**Option to Scale Down Subscription**”, it unconditionally and irrevocably undertakes and confirms to the Company, *inter alia*:

- (a) It will ensure that the aggregate registered shareholding of AV and AV Connected Parties shall not be less than 283,020,212 Shares from the date of the AV Irrevocable Undertaking until the close of the Rights Issue.
- (b) Where applicable, it shall vote and/or procure the voting of, all of its Shares (whether held directly or indirectly) or those of the AV Connected Parties, in favour of the Rights Issue, including the allotment and issue of the Rights Shares, at any meeting of the Shareholders of the Company.
- (c) It will subscribe and pay for (and/or procure the subscription and payment for) its pro rata entitlement of 135,012,727 Rights Shares and the AV Connected Parties’ aggregate pro rata entitlement of 6,497,377 Rights Shares pursuant to the Rights Issue for an aggregate subscription amount of S\$764,154.56 which will be set off against the right to receive repayments from the Company pursuant to the AV Loan and the AV Assignments (defined below).

AV Assignments

As disclosed in the Announcement, AV Connected Parties are Ong Eng Hock Simon (the Non-Executive Director of the Company), Ong Eng Siew Raymond, Ong Bee Kuan Melissa, Ong Kwee Eng, Ng Siew Tin, and Linawati Alamsjah. Each of the AV Connected Parties is close relatives.

AV has extended loans to the Company of an aggregate principal amount of SGD1,027,870.32 as at 31 December 2023. Together with interest accrued of S\$93,356.70 as at 31 December 2023, the aggregate amount of outstanding owed to AV is S\$1,121,227.02 (the “**AV Loan**”). The AV Loan is unsecured, repayable on demand and bears interest at 11% per annum for the period commencing from 1 January 2023 (8% per annum before 1 January 2023).

On 24 April 2024, AV has assigned to each of the AV Connected Parties the right to receive such amount from the Company equivalent to the amount needed to subscribe for each of such AV Connected Parties’ pro rata entitlement to the Rights Shares as partial repayment of the AV Loan pursuant to the Deeds of Assignment (the “**AV Assignments**”).

The existing direct shareholdings, number of Entitled Rights Shares, and amount payable for each of AV and AV Connected Parties for each of their Entitled Rights Shares (which will be set off against the right to receive repayments from the Company pursuant to the AV Loan and the AV Assignments) are presented in the table below:

AV and AV Connected Parties	Number of Shares held directly	Number of Entitled Rights Shares	Amount payable for subscription of Entitled Rights Shares (S\$)⁽¹⁾
AV	270,025,455	135,012,727	729,068.73
Ong Eng Hock Simon	2,919,306	1,459,653	7,882.13
Ong Eng Siew Raymond	3,119,306	1,559,653	8,422.13
Ong Bee Kuan Melissa	5,369,190	2,684,595	14,496.81
Ong Kwee Eng	265	132	0.71
Ng Siew Tin	237,959	118,979	642.49
Linawati Alamsjah	1,348,731	674,365	3,641.57
TOTAL	283,020,212	141,510,104	764,154.56

Notes:

- (1) The amount payable for subscription of the Entitled Rights Shares as shown for each of the AV Connected Parties represents amounts which have been assigned pursuant to the AV Assignments.

4. MINIMUM SCENARIO AFTER SCALING DOWN

As disclosed in the Announcement, depending on the level of subscription for the Rights Shares, the Company will, if necessary, scale down the subscription for the Rights Shares and/or excess applications for the excess Rights Shares by any Shareholder (if such Shareholder chooses to subscribe for its pro rata Rights Shares entitlement and/or apply for excess Rights Shares) to avoid placing the relevant Shareholder and parties acting in concert with him in the position of incurring a mandatory general offer obligation under the Singapore Code on Take-overs and Mergers ("**Code**") as a result of other Shareholders not taking up their Rights Shares entitlement fully; or to avoid the transfer of a controlling interest in the Company, which is prohibited under Rule 803 of the Catalist Rules, unless prior approval of Shareholders is obtained in a general meeting.

Assuming that:

- (a) there is no change in the Existing Issued Share Capital on or prior to the Record Date;
- (b) none of the Entitled Shareholders subscribe for their pro rata entitlements of the Rights Shares other than the Undertaking Shareholders and their respective connected parties who shall subscribe and pay for (or procure the subscription and payment for) their Entitled Rights Shares in accordance with the OHE and AV Assignments as described in paragraphs 2 and 3 of this announcement,

(c) In order to avoid placing FICA and AV in the position of incurring a mandatory general offer obligation under the Code:

- FICA's subscription of its Entitled Rights Shares will be scaled down from 115,326,818 Rights Shares to 47,974,194 Rights Shares.
- AV's subscription of its Entitled Rights Shares will be scaled down from 135,012,727 Rights Shares to 60,333,654 Rights Shares.

138,546,362 Rights Shares will be issued, and the enlarged issued share capital of the Company will increase to 1,170,071,047 Shares upon the allotment and issuance of such number of Rights Shares at the completion of the Rights Issue (the "**Minimum Scenario After Scaling Down**"). In the Minimum Scenario After Scaling Down, the Rights Shares will represent approximately 13.4% and 11.8% of the Existing Issued Share Capital and the enlarged issued Share capital of the Company, respectively.

Under the Minimum Scenario After Scaling Down, no cash proceeds will be raised from the Rights Issue given the Offsetting Arrangements, and the Company will incur the estimated fees and expenses for the Rights Issue of approximately S\$200,000.

Interests of Directors and Substantial Shareholders under the Minimum Scenario After Scaling Down

	Number of Shares			Total Percentage Interest (%) ⁽¹⁾
	Direct	Deemed	Total	
OHE and OHE Connected Parties⁽²⁾	349,851,243	-	349,851,243	29.9
AV and AV Connected Parties⁽³⁾	349,851,243	-	349,851,243	29.9
Other Directors				
Lee Fook Wah Francis	200,000	-	200,000	0.0
Goh Yeow Tin	-	-	-	-
Substantial Shareholder (other than OHE, OHE Connected Parties, AV, and AV Connected Parties)				
Luo Yong	62,277,900	-	62,277,900	5.3
Other Shareholders⁽⁴⁾	407,890,661	-	407,890,661	34.9

Notes:

- (1) The percentage of shareholdings is computed based on the enlarged issued Share capital comprising 1,170,071,047 Shares.
- (2) Based on the Minimum Scenario After Scaling Down, these will include 13,536,591 Shares, 278,627,830 Shares, 8,060,761 Shares, and 49,626,061 Shares held directly by OHE, FICA, Ong Eng Keong (Wang Rongkang), and Ong Bee Pheng (Wang Meiping) respectively
- (3) Based on the Minimum Scenario After Scaling Down, these will include 330,359,109 Shares, 4,378,959 Shares, 4,678,959 Shares, 8,053,785 Shares, 397 Shares, 356,938 Shares and 2,023,096 Shares held directly by AV, Ong Eng Hock Simon, Ong Eng Siew Raymond, Ong Bee Kuan Melissa, Ong Kwee Eng, Ng Siew Tin, and Linawati Alamsjah respectively
- (4) Based on the Minimum Scenario After Scaling Down, Shareholders other than the Undertaking Shareholders and their respective connected parties, Directors, and substantial Shareholders, will have an aggregate interest of 407,890,661 Shares. These include 44,985,861 Shares held by Mr. Wang Xuebo, the General Manager of Mianzhu Norwest, through WYY Investment Holdings Pte Ltd (or approximately 3.8% of the enlarged issued Share capital under this Minimum Scenario After Scaling Down).

In addition, after taking into consideration the executed Irrevocable Undertakings and assignments as described in this announcement, *inter alia*, the Group's financial performance for FY2023 based on the audited financial statements for FY2023, the Group's cash and cash equivalents and financial position as at 31 December 2023 (continued financial support from the Undertaking Shareholders subject to aggregate shareholding of OHE, OHE Connected Parties, AV and AV Connected Parties in the

Company being not less than 50%) and assuming completion of the disposal of P4 plants and receipt of the remaining consideration thereof (please refer to the Company's announcements dated 29 January 2024, 30 January 2024, 7 February 2024, 8 February 2024, 21 March 2024 and 12 April 2024), in the reasonable opinion of the Directors, under normal business condition and without any contingencies, the minimum amount which must be raised from the Rights Issue to augment and strengthen the Group's equity base is approximately S\$748,150 (the "**Minimum Amount**"), which will be achieved via the Offsetting Arrangements with the Undertaking Shareholders under the Minimum Scenario After Scaling Down.

5. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS OF THE COMPANY

Save as disclosed in this announcement and the Announcement (including but not limited to the the OHE Undertaking and AV Undertaking, the OHE Assignments and AV Assignments), none of the Directors or substantial Shareholders of the Company have any interests, direct or indirect, in the Rights Issue (other than through their respective shareholdings in the Company).

6. 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 Rights Issue, the OHE Undertaking and the AV Undertaking, the OHE Assignments and the AV Assignments, the Minimum Scenario After Scaling Down, the Company and its subsidiaries, 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.

7. CAUTION IN TRADING AND FURTHER ANNOUNCEMENTS

Shareholders are advised to exercise caution in trading their Shares as there is no certainty or assurance as at the date of this announcement that the transactions announced herein will proceed to completion. Shareholders and potential investors are also advised to read this announcement and any further announcements by the Company carefully, and where in doubt as to the action that they should take, they should consult their financial, tax, legal or other professional adviser(s) immediately.

BY ORDER OF THE BOARD

Dr Ong Hian Eng
Executive Director
AsiaPhos Limited
24 April 2024

*This announcement has been reviewed by the Company's Sponsor, Asian Corporate Advisors 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. Liao H.K., at 160 Robinson Road, #21-05 SBF Center, Singapore 068914, Telephone number: 6221 0271