NGSC LIMITED
(Company Registration No. 196400100R)

ENTRY INTO JOINT VENTURE BY NGSC LIMITED

The Directors of NGSC Limited (the "**Company**", together with its subsidiaries, the "**Group**") wish to announce that the Company has on 17 December 2019 entered into a joint venture agreement (the "**JVA**") with In Nany Sing Charlie (the "**JV Partner**"). The JV Partner is a businessman and has extensive experience in trading, business management, capital sourcing, consulting, marketing, mergers and acquisitions.

The JVA is conditional upon certain conditions precedent being fulfilled, including, *inter alia*, the grant by the SGX-ST of an extension of time or moratorium of one (1) year in respect of the delisting of the Company (as announced by the Company on 3 December 2019 in its announcement entitled "Notification of Delisting") (the "**Delisting Announcement**").

Upon the satisfaction of the conditions precedent and the JVA being effective, the parties will each subscribe for shares in the proposed joint venture company incorporated in Singapore, Bruce Ventures Pte. Ltd. (the "**JVC**"), and the JVC shall issue and allot such shares to the parties such that the Company holds an equity interest of 51% and the JV Partner holds an equity interest of 49% respectively in the JVC. The contribution of the 51% equity interest by the Company in the JVC will be funded through the Group's internal resources and entering into the JVA [is not expected to have a material impact on the consolidated net tangible assets per share and consolidated earnings per share of the Group for the current financial year].

The JVC will be engaged in the business of providing telecommunication related supply-chain management technical, operation and procurement services and the provision of other related products and services or such other business as the parties may agree upon from time to time (the "**JVC Business**").

As set out in the JVA, the JV Partner shall also use his best endeavours to promote and develop the JVC Business to generate the maximum achievable profits or benefit of the JVC, and in any event, for the first two (2) years from the date the Company becomes a shareholder of the JVC, to achieve an annual profit no less than an annual audited net profit after tax of S$10,000,000.

None of the directors or substantial shareholders of the Company has any interest, direct or indirect (other than through their shareholdings in the Company), in the above.

As mentioned in the Delisting Announcement, the Company intends to make an appeal to SGX-ST in relation to the Notification of Delisting and will make further announcement of any material development on this as and when appropriate.

Shareholders are advised to exercise caution when dealing in the Company's shares as there is no certainty or assurance as at the date of this announcement as to the outcome of the appeal to SGX-ST. Shareholders and other stakeholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders and other stakeholders should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD

Lye Meng Yiau
Managing Director

17 December 2019