

UPDATE ON APPLICATION FOR A MORATORIUM

1. INTRODUCTION

- 1.1 The board of directors (the “**Directors**” or the “**Board**”) of Alpha DX Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the Company’s announcement dated 10 March 2022 (“**Previous Announcement**”) in relation to, *inter alia*, its application in the General Division of the High Court of Singapore for the grant of a moratorium under Section 64 of the Insolvency Restructuring and Dissolution Act 2018 (“**IRDA**”).

2. OUTCOME OF MORATORIUM APPLICATION

- 2.1 On 8 April 2022, the General Division of the High Court of Singapore (“**Court**”) has granted the Company a 6-month moratorium (“**Moratorium**”) under IRDA, which is effective from 9 March 2022 to 9 September 2022 or until further order of the Court (“**Moratorium Period**”). Under the Moratorium, until the expiry of the Moratorium Period:

- (a) no resolution for the winding up of the Company shall be passed;
- (b) no proceedings (other than proceedings under sections 210 and 212 of the Companies Act (Cap. 50), and under sections 66, 69 or 70 of the Insolvency, Restructuring and Dissolution Act 2018 (No. 40 of 2018)) shall be commenced or continued against the Company, except with the leave of the Court and subject to such terms as the Court imposes;
- (c) no execution, distress or other legal process against any property of the Company be commenced, continued, or levied, except with the leave of the Court and subject to such terms as the Court imposes;
- (d) no enforcement of any security over any property of the Company, or the repossession of any goods held by the Company under any chattels leasing agreement, hire-purchase agreement or retention of title agreement, except with the leave of the Court and subject to such terms as the Court imposes; and
- (e) no enforcement of any right of re-entry or forfeiture under any lease in respect of any properties occupied by the Company (including any enforcement pursuant to section 18 or 18A of the Conveyancing and Law of Property Act (Cap. 61)), except with the leave of the Court and subject to such terms as the Court imposes.

- 2.2 During the Moratorium Period, the Company shall provide the Court (by way of an affidavit) and to each creditor meant to be bound by the intended or proposed compromise or arrangement and who is known to the Company (each, a “**Creditor**”) the following information within two (2) weeks from 8 April 2022:

- (a) the Company’s latest management accounts as at 8 April 2022;
- (b) the forecasted cash flow for Moratorium Period;
- (c) the amount of the Company’s liabilities and the security granted to secure such liabilities, be it security over the Company’s assets or personal security in the form of guarantees or other similar obligations from the Company; and

- (d) a report on the valuation of each of the significant assets owned by the Company.
- 2.3 The Company shall also provide to the Court and to each Creditor the following information within four (4) weeks of the affidavit referred to in paragraph 2.2 above and every four (4) weeks thereafter:
- (a) updated financial information of the Company as would be ordinarily provided in a Company's management accounts, including but not limited to the profit and loss statement, balance sheet and cash flow statement;
 - (b) updates to the forecasted cash flows for the Moratorium Period that was previously provided, including a comparison of actual cash flows versus projected cash flows as stated in the forecasted cash flows previously provided;
 - (c) an update on the Company's engagement with its creditors; and
 - (d) the Company's progress in recovering the refundable deposits and loans due from any of the Company's debtors.
- 2.4 If the Company acquires or disposes of any property or grants security over any property or makes payment to any of its creditors, the Company shall provide the information relating thereto to each Creditor no later than fourteen (14) days after the date of the acquisition, disposal, grant of security or payment.
- 2.5 So long as the Moratorium remains in force, the Company shall not without leave of court (a) dispose of any of its property (including shares for investment) other than in good faith and in the ordinary course of business; and (b) pay dividends.
- 2.6 In addition, the Company has been granted leave to attend and make submissions at any hearing of any application for the leave of the Court to take any steps prohibited by the Moratorium; and the Company, any Creditor and any person affected by the order made shall have the liberty to apply for such further or other directions as may be necessary or desirable.

3. CAUTIONARY STATEMENT

The Company will make further announcements to update shareholders on material developments, as and when necessary. Shareholders and potential investors of the Company are advised to read this announcement and any further announcements made by the Company carefully.

Shareholders and potential investors of the Company are advised to refrain from taking any action with respect to their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. Shareholders and potential investors of the Company 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
ALPHA DX GROUP LIMITED

Daiji Yamada
Executive Director and Chief Executive Officer
11 April 2022

This Announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore

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The contact person for the Sponsor is Ms Ng Shi Qing, 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, sponsorship@ppcf.com.sg.