

CHASWOOD RESOURCES HOLDINGS LTD.
(Incorporated in the Republic of Singapore)
(Co. Reg. No. 200401894D)

UPDATES ON APPLICATION FOR EXTENSION OF TIME TO SUBMIT A RESUMPTION PROPOSAL

*Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meanings as in the Company's announcement dated 14 June 2018, 20 June 2018 and 13 June 2019 ("**Previous Announcements**").*

Further to the Previous Announcements, the Board wishes to inform that Singapore Exchange Securities Trading Limited ("**SGX-ST**") has on 2 July 2019 informed the Company that it has no objection to the Company's application for a 12-month time extension from 17 June 2018 to 16 June 2020 for the submission of a trading resumption proposal pursuant to Rule 1304(1) of the Catalist Rules ("**Waiver**"). The Waiver is subject to the conditions as follows:

- (a) the Company announcing the Waiver granted, the reasons for seeking the Waiver, the conditions as required under Rule 106 of the Catalist Rules and if the Waiver conditions have been satisfied. If the Waiver conditions have not been met on the date of the announcement, the Company must make an update announcement when the conditions have all been met; and
- (b) regular updates via SGXNET on its progress on the Group's restructuring exercise to SGX-ST and investors.

The Waiver will not be effective if any of the conditions have not been fulfilled. The Company is required to make an immediate disclosure via SGXNET if it is or will be in contravention of any laws and regulations governing the Company and the constitution of the Company (or the equivalent in the Company's country of incorporation) arising from the Waiver. The SGX-ST reserves the right to amend and/or vary the above decision and such decision is subject to changes in the SGX-ST's policies.

The reasons for the Company seeking the Waiver are as follows:

- (a) The Company has directed its efforts and focus of its resources being made towards the ongoing restructuring exercise of the Group which is crucial to improve the financial position of the Company and provide better value to the shareholders with the completion of the restructuring exercise. While these efforts are still being made towards the Group's ongoing restructuring exercise, the management is also working on the preparation of the audited financial statements and annual report for FY2018 and holding of the Company's AGM. As announced on 17 April 2019 and 18 April 2019, SGX-ST and the Accounting and Corporate Regulatory Authority (ACRA) have granted an extension of time to hold the AGM by 30 June 2019 and 29 June 2019 respectively. The Company has on 25 June 2019 and 28 June 2019 further announced that SGX-ST and ACRA have granted a further extension of time until 26 July 2019 to enable the Company to hold its AGM. Thus, the Company's resources are currently maximized and can only be allocated for the preparation of the Resumption Proposal once the AGM has been convened.
- (b) The Group is in the midst of implementing the scheme of arrangement under section 366 of the Malaysia's Companies' Act 2016 which has been approved by the scheme creditors and sanctioned by the Malaysia Court. As part of the scheme, the Company has entered into a share sale agreement with Tremendous Asia Management Inc. for the sale of 100% equity in Chaswood Resources Sdn Bhd ("**CRSB**") ("**Proposed CRSB Disposal**") on 14 September 2018. The Proposed Disposal of CRSB will remove approximately negative RM61.2 million (based on FY2018) in shareholders' fund contributed by the CRSB group which is part of the restructuring exercise to

restore the financial position of the Company. Amongst the various conditions precedent to be complied with under the share sales agreement, the Company will be seeking the approval of the shareholders for the Proposed Disposal of CRSB of which a circular to shareholders is currently being finalized and shall be despatched in due course. Pursuant to the Proposed CRSB Disposal, the ownership of Bistro Italiana (TC) Sdn Bhd (“**Excluded Subsidiary**”) shall be retained by the Company. As the Proposed CRSB Disposal is a significant part of restructuring exercise and will be part of the Company’s resumption plan, much focus is placed to complete the Proposed CRSB Disposal and thereby more time is required for the Company to comply with Rule 1304(1) of the Catalist Rules.

- (c) The Company had on 26 April 2019 filed an application with the High Court of the Republic of Singapore (“**Court**”) to obtain an order, amongst other things, that no legal action or proceedings against the Company be commenced or continued against the Company for a period of 12 weeks from the date of the order to be granted (“**Moratorium**”), pursuant to section 210(10) of the Companies Act (Cap. 50) (“**Act**”) pending the Company filing an application under section 210(1) or section 211I of the Act, as the case may be, except by leave of the Court and subject to such terms as the Court imposes (“**Moratorium Application**”). The Court has fixed for the Moratorium Application to be heard on 17 June 2019 before a High Court Judicial Commissioner (“**Hearing**”) but the Hearing was subsequently postponed to 9 July 2019.

Further to the Moratorium Application, the Company proposes to implement a scheme of arrangement (“**Scheme**”) with the creditors of the Company pursuant to section 210(1) or section 211I of the Act, as the case may be. Details of the Scheme are targeted to be finalized during the 12-week period of the Moratorium if the Moratorium is granted at the Hearing. The Scheme is necessary to address the various debt obligations owed by the Company to its creditors and is a critical part of the Company’s restructuring process.

- (d) The Company had entered into a binding term sheet on 26 June 2018 with Advance Opportunities Fund group of funds (“**Subscriber**”) and Advance Capital Partners Asset Management Private Limited pursuant to which the Company proposes to issue to the Subscriber 1.0% equity-linked redeemable convertible notes due 2021 with an aggregate principal amount of up to S\$50,000,000 (“**Proposed Notes Issue**”). The term sheet has lapsed but the parties are currently renegotiating with the Subscriber on the same Proposed Notes Issue. The Proposed Notes Issue is for the purposes of the Company’s general working capital and for the expansion of the Italiannies restaurant business via the Excluded Subsidiary. The Proposed Notes Issue will be an important source of funding for the Company and thus, the Company will require more time to conclude the renegotiation with the Subscriber.
- (e) Pursuant to the Proposed CRSB Disposal which will provide a more palatable platform for potential injection of new business/asset into the Company, the Board and the Management are exploring, *inter alia*, new viable business, investment, and acquisition opportunities. Negotiations have been held with various parties for the proposed injection of a new business into the Company which may result in a reverse takeover and discussion is still currently on-going.

The Board confirms that the Company is not and will not be in contravention of any laws and regulations governing the Company and the constitution of the Company arising from the Waiver.

Further announcements will be made by the Company and the Board via SGXNET as and when there are material developments on the above matters in compliance with the Catalist Rules of the SGX-ST.

The Board confirms that to their best knowledge, all material disclosures, facts and information have been provided and announced and are not aware of any facts, information

or disclosures, the omission of which would make any statement in this announcement or disclosures misleading.

BY ORDER OF THE BOARD

ANDREW ROACH REDDY
Managing Director
3 July 2019

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("**Sponsor**"), Asian Corporate Advisors Pte Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**Exchange**"). The Company's Sponsor has not independently verified the contents of this announcement including the correctness of any of the figures used, statements or opinions made.*

This announcement has not been examined or approved by 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.

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