

ADVENTUS HOLDINGS LIMITED
(Company Registration No. 200301072R)

ENTRY INTO LOAN AGREEMENT WITH AN INTERESTED PERSON

1. INTRODUCTION

The Board of Directors (the “**Board**”) of Adventus Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) wishes to announce that the Group had on 20 September 2022 entered into a loan agreement (“**Loan Agreement**”) with Fiesta Development Pte Ltd (the “**Lender**”), pursuant to which the Lender has agreed to provide the Company a loan of US\$10,000,000 (“**Loan**” or “**Transaction**”) subject to the terms and conditions of the Loan Agreement.

2. THE LENDER

The beneficiary owner of the Lender, Mr Chin Bay Ching (the “**Controlling Shareholder**”), is a controlling shareholder of the Company. As at the date of this announcement, Mr Chin Bay Ching, has a direct and deemed interest in an aggregate of 756,605,131 ordinary shares in the capital of the Company representing 30.86% of the entire issued share capital of the Company.

3. SALIENT TERMS OF THE LOAN AGREEMENT

The salient terms of the Loan Agreement are as follows:

- Principal Amount: US\$10,000,000;
- Interest: 5% per annum;
- Maturity: The Loan is repayable in full at the end of 12 months from the loan disbursement date (the “**Original Maturity Date**”); and
- Extension Option: The Maturity Date may, by notice in writing to the Lender, be extended for another 12 months, or beyond, until such time refinancing is obtained from other financial institution(s), whichever is the later (the “**Extended Maturity Date**”).

4. USE OF PROCEEDS

The Company intends to use the proceeds from the Loan in the following estimated proportions:

Proposed Use of Net Proceeds	Allocation of Net Proceeds (US\$ million)	% of Net Proceeds
Development Cost of Regis Bay and Hoi An Pearl project	1.0 – 2.0	10% - 20%
Repayment of Bank Borrowings	6.0 – 7.0	60% - 70%
Working Capital	1.0 – 2.0	10% - 20%

5. RATIONALE FOR THE LOAN

The Group is closely monitoring and managing its cash resources, cashflow and working capital requirements and believes that the Loan will enhance the Group’s flexibility in its cash management strategy and provide additional cash for the Group to apply towards the proposed uses of the loan

proceeds as set out above. The terms of the Loan, including the applicable interest rate, are entered into after arm's length negotiations between the parties, taking into consideration, among others, the terms of the Group's existing loans with third party banks as well as the Extension Option.

6. VALUE OF LOAN AS AN INTERESTED PERSON TRANSACTION

The Lender, being an associate of a controlling shareholder, is an "interested person" within the meaning defined in Chapter 9 of the Listing Manual Section B: Rules of Catalist ("**Catalist Rules**"). Accordingly, the entry into the Loan Agreement is an interested person transaction within the meaning defined in Chapter 9 of the Catalist Rules.

Pursuant to Rule 909(3) of the Catalist Rules, in the case of borrowing of funds from an interested person, the aggregate value of the transaction is the interest payable on the borrowing. Based on the principal of US\$10 million and the Original Maturity Date, the total interest payable amounts to approximately US\$0.5 million or S\$675,850 (based on a closing exchange rate of 1 USD = 1.3517 SGD on 31 December 2021) (the "**Original IPT Value**"). The Original IPT Value represents 4.0% of the Group's latest audited net tangible assets value ("**NTA**") as at 31 December 2021, being S\$16.77 million. The Original IPT Value is less than 5% of the Group's NTA. Therefore, the Company is not required to seek shareholders' approval or to make an announcement pursuant to Rule 906 of the Catalist Rules.

In addition, pursuant to Rule 905 of the Catalist Rules, an issuer must make an immediate announcement of any interested person transaction of a value equal to, or more than, 3% of the group's latest audited net tangible assets. Based on the computed Original IPT Value, the value is more than 3% of the Group's latest audited net tangible assets. Therefore, the Company is required to make an announcement pursuant to Rule 905 of the Catalist Rules.

Save as disclosed above, there are no other interested person transactions entered into by the Company with the Controlling Shareholder and his associates for the current financial year ending 31 December 2022.

7. STATEMENT OF THE AUDIT COMMITTEE

The Audit Committee of the Company, having considered the terms of and the rationale for the Loan, and after taking steps to ensure that the terms of the Loan are commensurate to prevailing market interest rates, are of the opinion that the transaction was conducted on an arm's length basis and on normal commercial terms, and is not prejudicial to the interests of the Company and its minority shareholders.

8. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDER

Saved as disclosed herein, none of the other Directors or controlling shareholder(s) of the Company has any interest, direct or indirect (other than through their respective shareholdings in the Company), in the Transaction.

9. DOCUMENTS FOR INSPECTION

A copy of the Loan Agreement will be made available for inspection during normal business hours at the registered office of the Company located at 52 Telok Blangah Road #03-06 Telok Blangah House, Singapore 098829 for three (3) months from the date of this Announcement.

BY ORDER OF THE BOARD

Loh Eu Tse Derek
Non-Executive Independent Chairman
20 September 2022

*This announcement had been prepared by the Company and its contents have been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "**Sponsor**") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalyst.*

This announcement has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinion made or reports contained in this announcement.

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