

ENTRY INTO A JOINT VENTURE AGREEMENT

The board of directors (the “**Board**” or the “**Directors**”) of CWX Global Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company had, on 5 February 2021, entered into a joint venture agreement (the “**JVA**”) with four unrelated third parties, namely (a) Zhu Chunxiao (“**ZCX**”); (b) Gan Jingjing (“**GJJ**”); (c) Zhang Jiahui (“**ZJH**”); and (d) Jolene Wong Ling Yu (“**WLY**”, together with the Company, ZCX, GJJ and ZJH, shall individually be known as a “**Party**” and collectively, the “**Parties**”).

The Parties have agreed to enter into the JVA for purpose of governing their relationship as shareholders of a joint venture company (“**Holding Company**”) as well as the management and the affairs of the Holding Company with effect from the date of the JVA.

The principal terms of the JVA are, among others, as follows:

Incorporation of the Holding Company : The Parties shall, within 10 business days from the date of the JVA, incorporate a private company limited by shares in Singapore, being the Holding Company.

The Holding Company shall have a paid-up share capital of S\$100,000, comprising 100,000 ordinary shares in the capital of the Holding Company (“**Shares**”).

Business of the Holding Company : The Holding Company shall invest in and/or manage the operation of a retail supermarket chain (the “**Business**”).

Directors of the Holding Company : There shall be five directors on the board of the Holding Company, comprising:

(i) two non-executive directors appointed by the Company; and

(ii) three executive directors appointed by ZCX, GJJ, ZJH and WLY collectively.

The executive directors will be responsible for the management of the Holding Company and its operations. ZCX, GJJ, ZJH and WLY shall be responsible to procure the necessary licences required for the operations of the Business and they shall also provide personnel with relevant expertise and know-how to run and operate the Business.

Shareholders of the Holding Company : The Company shall hold 40,000 Shares (representing 40% shareholding interest of the Holding Company and accordingly, contributes S\$40,000 as paid-up share capital of the Holding Company, to be funded through internal resources of the Group), while each of ZCX, GJJ, ZJH and WLY shall hold 15,000 Shares (representing 15% shareholding interest of the Holding Company and accordingly, each contributing S\$15,000 as paid-up share capital of the Holding Company).

Call Option on Shares : Each of ZCX, GJJ, ZJH and WLY (jointly and not severally) irrevocably and unconditionally grants a call option (“**Call Option**”) to the Company, whereby the Company shall have the right to require each of ZCX, GJJ, ZJH and WLY (jointly and not severally) to sell to the Company all Shares held by them for an aggregate consideration of S\$120,000.

The Call Option shall be exercisable any time and at the discretion of the Company.

Additional Financing : Any funding required by the Holding Company will be approved by its directors and will be funded in the following order of preference:

- (i) The Company to provide the additional funding if the amount and timing of such funding are agreed by the Parties (including the Company).
- (ii) Third-party loan.
- (iii) Shareholders’ loan.
- (iv) Subscription of new Shares by the Parties.

Reserved Matters : The JVA sets out certain customary matters which require (i) prior written consent of at least two shareholders holding more than two-thirds of the Shares present and voting at the general meeting; or (ii) prior written consent of at least three-quarter of the total number of directors on the board of directors of the Holding Company, prior to them being carried out by the Holding Company.

The Company’s entry into the JVA is not expected to have any material impact on the net tangible assets per share and earnings per share of the Company and the Group for the current financial year ending 30 June 2021.

None of the Directors and substantial shareholders of the Company or their respective associates has any interest, whether direct or indirect, in the JVA (other than through their respective direct and indirect shareholdings and/or directorships in the Company) or are related to ZCX, GJJ, ZJH and WLY.

By order of the Board
Jeffrey Pang
Chief Executive Officer and Executive Director
8 February 2021

*This announcement has been prepared by CWX Global Limited (the “**Company**”) and its contents have been reviewed by the Company’s sponsor (the “**Sponsor**”), ZICO Capital Pte. Ltd., in accordance with Rule 226(2)(b) 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 and the SGX-ST 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 Ms Alice Ng, Director of Continuing Sponsorship, ZICO Capital Pte. Ltd. at 8 Robinson Road #09-00 ASO Building, Singapore 048544, telephone (65) 6636 4201.