
RESPONSE TO PAYMENT CLAIM

1. INTRODUCTION

The board of directors (the “**Board**” or “**Directors**”) of Astaka Holdings Limited (the “**Company**”) refers to the Company’s announcement dated 27 November 2020 (the “**Announcement**”), in relation to a payment claim from Raja, Darryl & Loh (being lawyers representing China State Construction Engineering (M) Sdn Bhd (“**CSCE**”)) for amounts owing by the Company’s subsidiary, Astaka Padu Sdn Bhd (“**APSB**”) to CSCE (the “**Payment Claim**”).

Unless otherwise defined, all capitalised terms shall bear the same meanings as ascribed to them in the Announcement.

2. RESPONSE TO PAYMENT CLAIM

The Company wishes to announce that APSB had on 7 December 2020, through its Malaysian legal advisers, Sanjay Mohan, responded to CSCE in relation to the Payment Claim (the “**Payment Response**”).

APSB has, in the Payment Response, denied each and every claim set out in the Payment Claim (including setting out the merits of each defence in the Payment Response), and has taken the position that it has a valid counterclaim against CSCE for damages or liquidated damages for delay to the progress of works by CSCE, such that the amounts claimed by CSCE will be significantly reduced or negative.

3. NEXT STEPS

The Company will work with its Malaysian legal advisers to formulate the next course of action and will make further announcements to update its shareholders when there are material updates as may be necessary or appropriate.

By Order of the Board

Khong Chung Lun
Executive Director and Chief Executive Officer

7 December 2020

This announcement has been prepared by the Company and reviewed by the Company’s sponsor, Novus Corporate Finance Pte. Ltd. (the “**Sponsor**”), in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalist.

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 Mr Pong Chen Yih, Chief Operating Officer, at 9 Raffles Place, #17-05 Republic Plaza Tower 1, Singapore 048619, telephone (65) 6950 2188.
