## ADVANCED HOLDINGS LTD.

(Incorporated in the Republic of Singapore) (Registration No. 200401856N)

## PROPOSED DISPOSAL OF THE PROPERTY LOCATED AT 30 WOODLANDS LOOP, SINGAPORE 738319 – GRANT OF WAIVER

The Board of Directors of Advanced Holdings Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") refers to its announcement dated 21 March 2022 (the "**Announcement**") in relation to the proposed sale of the property located at 30 Woodlands Loop, Singapore 738319 (the "**Property**") by the Company's wholly-owned subsidiary, Advanced CAE Pte. Ltd. (the "**Vendor**") (the "**Proposed Disposal**").

Unless otherwise defined, all capitalised terms used in this announcement shall have the same meaning ascribed to them in the Announcement.

Under Chapter 10 of the Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**") of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), where any of the relative figures under Rule 1006 exceeds 50%, the transaction will be considered a "major transaction" and must be made conditional upon approval by shareholders in a general meeting. As the relative figure under Rule 1006(c) exceeds 50%, the Proposed Disposal will trigger the requirement for shareholders' approval.

As announced previously, the Company had submitted an application to the SGX-ST to seek a waiver from the requirement under Rule 1014(2) of the Catalist Rules of having to obtain shareholders' approval for the Proposed Disposal (the "**Waiver**").

The Board wishes to announce that the Company has on 26 April 2022 received notice from the SGX-ST that the SGX-ST has no objections to granting the Waiver, subject to the following (the "**Waiver Conditions**"):

- the Company announcing the Waiver granted, the reasons for seeking the Waiver, the conditions as required under Catalist Rule 106 and if the Waiver's conditions have been satisfied. If the Waiver's 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;
- (ii) the Company disclosing the independent valuation obtained, as well as the Board's considerations in accepting the disposal consideration at a 2% discount to the valuation; and
- (iii) the Company's confirmation that it is not aware of any other information (including but not limited to financial information) with respect to the Group that may have a material bearing on investors' decisions which was not disclosed to investors.

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

(a) It is in the best interests of the Company to undertake and complete the Proposed Disposal as soon as possible. The Property has been and is currently under-utilised by the Group. The Group currently only uses or occupies approximately 54% of the Property and subletting approximately 30% of the Property. The continued under-utilisation of the Property has resulted in and will continue to result in substantially more costs incurred for the upkeep and maintenance of the Property, including compliance, utilities and security expenses, as compared to the benefits derived from the Property.

(b) As the Property is mortgaged to a financial institution, the Proposed Disposal will allow the Group to realise the value of the Property and use the proceeds from the Proposed Disposal towards repayment of the amounts under the mortgage, thereby reducing its liabilities and interests accrued thereunder.

The Board has obtained an independent valuation of the Property of S\$13.5 million based on the valuation report dated 24 March 2022 from SRE Global Pte Ltd. The Board has reviewed and deliberated on the offer from the Purchaser and in the best interest of the Group, entered into the OTP with the Purchaser. This is after having considered that the consideration of S\$13.2 million is the highest offer received by the Group after active marketing of the Property for two years, the cost to maintain and the cash tied to the Property and that the Board believes that the Group is unlikely to receive alternative offer of higher value in the near term. In addition, the offer price met the Group's target price which is above the net book value of the Property.

As required by the SGX-ST's Waiver Conditions, the Board confirms that it is not aware of any other information (including but not limited to financial information) with respect to the Group that may have a material bearing on investors' decisions which was not disclosed to investors.

The Company confirms that it 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.

Following this announcement, the Company confirms that the Waiver Conditions have been satisfied.

As the SGX-ST has granted the Waiver, the Company will not be convening an extraordinary general meeting to seek shareholders' approval for the Proposed Disposal.

## BY ORDER OF THE BOARD

Dr Wong Kar King Managing Director

26 April 2022

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, UOB Kay Hian Private Limited (the "**Sponsor**") for compliance with the relevant rules of 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 accuracy, completeness or correctness or any of the information, statements or opinions made, or reports contained in this announcement.

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