
RECEIPT OF SECOND NOTICE OF ADJUDICATION AND UPDATE ON ADJUDICATION PROCEEDINGS

1. INTRODUCTION

The board of directors (the “**Board**” or “**Directors**”) of Astaka Holdings Limited (the “**Company**”) refers to the Company’s announcements dated 19 December 2019, 23 December 2019, 17 March 2020 and 28 July 2020 (collectively, the “**Announcements**”), in relation to (i) the Payment Claim from Aliran Asia Sdn Bhd (“**Aliran**”) dated 12 December 2019; and (ii) the Notice of Adjudication dated 11 March 2020 from Messrs Gan Partnership (“**GP**”) (being the lawyers representing Aliran) (“**First Notice of Adjudication**”); and (iii) the Additional Claim from Aliran dated 22 July 2020.

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

2. RECEIPT OF SECOND NOTICE OF ADJUDICATION

The Board wishes to announce that, further to the Additional Claim received by APSB on 26 July 2020, APSB had on 15 December 2020, received a notice of adjudication dated 2 December 2020 from GP in respect of the Additional Claim (the “**Second Notice of Adjudication**”).

Under the Second Notice of Adjudication, Aliran is claiming against APSB for (a) the sum of RM129,717.50, being the retention sum owed by APSB after the issuance of the certificate of practical completion dated 19 June 2019 plus finance charges calculated at 10% per annum from the due date for payment until payment in full; and (b) costs of the adjudication proceedings, which comprise of the adjudicator’s fees, AIAC’s fees and legal fees. In addition, Aliran reserves its rights against APSB to submit further documents, if necessary, at a later stage of adjudication proceedings. Aliran also proposes for an adjudicator to be appointed by the Director of AIAC to determine the dispute.

3. STATUS OF ADJUDICATION

In respect of the First Notice of Adjudication, the Company understands that a new request to appoint an adjudicator dated 2 December 2020 was submitted by GP on behalf of Aliran to the AIAC on 7 December 2020, after confirmation from the AIAC that the Director of AIAC had taken office.

On 15 December 2020, APSB was informed by Mah-Kamariyah & Philip Koh (“**MKP**”) (being the lawyers representing APSB) that Ms. Janice Tay Hwee Hoon of Messrs Wong & Partners has been appointed as the adjudicator in respect of the First Notice of Adjudication with effect from 8 December 2020.

The Company understands that the First Notice of Adjudication and Second Notice of Adjudication (collectively known as the “**Notices of Adjudication**”) may be consolidated and heard together.

4. GENERAL

The total sum claimed by Aliran from APSB of RM3,796,257.25 (comprising the claimed sums under both Notices of Adjudication) (the “**Total Claimed Sums**”) constitutes approximately 4.1% of the Group’s latest announced unaudited consolidated net assets attributable to owners of the Company of RM92.9 million as at 30 September 2020 (“**Net Assets**”). For the avoidance of doubt, the Net Assets as at 30 September 2020 had taken into account the Total Claimed Sums.

The Board is of the view that the Total Claimed Sums (and the ancillary claims under the Notices of Adjudication), if enforced in full, will not have a material impact on the financial position of the Group for the financial year ending 30 June 2021.

The Company intends to resist the Notices of Adjudication and will work with its Malaysian legal advisers to serve a written adjudication response upon receipt of the adjudication claim from Aliran. The matter is now a subject of an adjudication process. The Company 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

17 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.

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