

UPDATE ON INTERNAL REVIEW OF WHOLLY-OWNED SUBSIDIARY

The Board of Directors ("**Board**") of Revez Corporation Ltd. ("**Company**" and together with its subsidiaries, "**Group**") refers to its announcements dated 23 August 2022, 10 November 2022 and 4 December 2022 in relation to its internal review (the "**Internal Review**") of the management, operations, and financial status of PGK Digital Networks Pte Ltd ("**PGK**"), and the letters of demand dated 18 August 2022 and 2 December 2022 from Braddell Brothers LLP, the solicitors acting for PGK's former Chief Executive Officer ("**CEO**"), Mr Giulio Dorrucchi ("**Mr Dorrucchi**").

The Board wishes to update the shareholders that Mr Dorrucchi had commenced an Originating Claim No. 453 of 2022 ("**HC/OC 453/2022**") in the High Court of Singapore, against PGK, the Company, and as well as the Company's nominated directors to PGK's board, Mr Neo Wee Han Victor and Mr Lim Kian Sing (the "**Nominated Directors**"). The Board has just been notified that the Originating Claim was served on PGK on 8 December 2022; whilst the Company is currently not aware if Mr Dorrucchi or his solicitors have attempted service on the Company; in any case, the Company's solicitors have confirmed to Mr Dorrucchi's solicitors that they have been instructed to accept service on behalf of the Company.

In his Statement of Claim filed in HC/OC 453/2022, Mr Dorrucchi alleges there was an alleged implied term in the term sheet dated 30 September 2020 between the Company and him (the "**Term Sheet**"), that the Company (whether by its officers, servants and/or agents, or otherwise) should not engage in any conduct which would (a) interfere with Mr Dorrucchi's management of PGK as its CEO and statutory director; (b) interfere with PGK achieving its net profit before tax ("**NPBT**") milestones for FY2021 to FY2023 and/or (c) otherwise hinder Mr Dorrucchi from being paid the remaining purchase price or reward under the Bonus Earn Out in the Term Sheet (the "**Alleged Implied Term**"). Mr Dorrucchi alleges that the Company had breached the Alleged Implied Term, relying on primarily the same factual allegations set out in his solicitors' letters of demand dated 18 August 2022 (see the Company's announcement dated 23 August 2022) and 2 December 2022 (see the Company's announcement dated 4 December 2022), and Mr Dorrucchi's letter to the Board dated 8 November 2022 (see the Company's announcement dated 10 November 2022). He contends that the Company had, through the Nominated Directors, interfered with his management of PGK, and systematically undermined Mr Dorrucchi's position as PGK's CEO and statutory director, making it impossible for him to fulfil his role and duties. In addition, he also contends that the Company had breached the Alleged Implied Term by (a) failing to provide PGK with an alleged agreed intercompany loan relating to its project with SMRT; and (b) allowing another of its subsidiaries, Revez Motion Pte Ltd, to enter into a memorandum of understanding with Stellar Lifestyle Pte Ltd (the latter allegation was raised for the first time *via* the letter from Mr Dorrucchi's solicitors dated 2 December 2022).

Mr Dorrucchi also contends that it was an implied term of his employment agreement with PGK that PGK and him owed mutual obligations of trust and confidence to one another. As a result of the allegations referred to in the paragraph above, he contends that PGK (through the Nominated Directors) acted to destroy and/or seriously damage the trust between PGK and himself, making it impossible for him to fulfil his role and duties as CEO. According to him, this also amounted to further breaches of the Alleged Implied Term, and the Company and/or the Nominated Directors had induced PGK to breach Mr Dorrucchi's employment agreement and further conspired to injure his interests.

As against PGK, Mr Dorrucchi alleges that PGK, through the Nominated Directors, had also failed, refused, and/or neglected to pay dividends owed to him, in the sum of S\$510,000.

Mr Dorrucchi alleges that as a result of the alleged conduct of the Company, PGK, and/or the Nominated Directors, he has suffered loss and damage, and is thus claiming for the following:

(a) Against PGK:

- (i) the sum of S\$206,500, being the aggregate amount of Mr Dorrucchi's alleged salaries and allowances payable by PGK which he claims he had lost due to him being allegedly constructively dismissed, or damages in such amounts to be assessed;
- (ii) the sum of S\$510,000, being the dividends which Mr Dorrucchi alleges are owed to him by PGK; and
- (iii) costs and interest.

(b) Against the Company and/or the Nominated Directors:

- (i) an order to be transferred such number of shares in the Company having the value of the remaining purchase price of S\$1,600,000 under the Term Sheet, or alternatively damages in the amount of S\$1,600,000, or damages in such amounts to be assessed;
- (ii) damages in respect of Mr Dorrucchi's loss of reward from the Bonus Earn Out that he was entitled to under the Term Sheet, to be assessed;
- (iii) damages for conspiracy, to be assessed;
- (iv) damages for inducing PGK to breach Mr Dorrucchi's employment agreement, in the amount of S\$206,500, or damages in such amounts to be assessed; and
- (v) costs and interest.

As mentioned in the announcements on 23 August 2022, 10 November 2022 and 4 December 2022, the Company and its Nominated Directors categorically deny Mr Dorrucchi's allegations. The Company has obtained legal advice from its solicitors and consider Mr Dorrucchi's allegations to be wholly without merit. The Company will vigorously defend against Mr Dorrucchi's claims in HC/OC 453/2022. The Company has also been advised that notwithstanding the commencement of HC/OC 453/2022, the Company and Mr Dorrucchi may still engage in mediation to mediate the disputes between him, the Company, and the relevant parties. The Company is seeking legal advice on the foregoing and considering its options.

The Company is of the view that the legal proceedings commenced by Mr Dorrucchi relating to this matter will not affect the continued business operations of the Group, and (if and) in the event any payment(s) are made by PGK and/or the Company pursuant to any court order or settlement relating to this matter, such payment(s) are not expected to materially impact the financial position of the Group. None of the other Group entities are liable to or are the subject of Mr Dorrucchi's allegations, and the Group's ability to continue as a going concern is also not affected by this matter.

The Company will update the shareholders via SGXNET on any further material development on the legal proceedings by way of further announcement(s) as and when necessary.

By Order of the Board
REVEZ CORPORATION LTD.

Neo Wee Han Victor
Executive Director, Chief Executive Officer and Deputy Board Chairman

Date: 11 December 2022

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

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