



## **SYMA HOLDINGS LIMITED**

Company Registration No: 201207614H  
(Incorporated in the Republic of Singapore on 28 March 2012)  
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### **ENTRY INTO SHARE SUBSCRIPTION AGREEMENT WITH BLUE PLANET ENVIRONMENTAL SOLUTIONS PTE. LTD.**

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#### **1. INTRODUCTION**

- 1.1 The Board of Directors (the “**Board**”) of Sysma Holdings Limited (the “**Company**”) wishes to announce that the Company will be investing US\$10.0 million for 2,287,111 ordinary shares (the “**Subscription Shares**”) to be issued by a company known as Blue Planet Environmental Solutions Pte. Ltd (“**BP**”), representing 7.3 per cent of the enlarged share capital of BP pursuant to a share subscription agreement entered into between the Company and BP (the “**Share Subscription**”) on 13 October 2020 (the “**Proposed Investment**”).
- 1.2 The Share Subscription is in the ordinary course of business of the Company.
- 1.3 Upon the completion of the Share Subscription, the investment in BP will be considered as an investment in unquoted security.
- 1.4 The Subscription Shares to be allotted and issued shall rank *pari passu* in all respects with the existing Shares in the capital of the Company.

#### **2. INFORMATION ON BP**

- 2.1 BP is an investment holding company incorporated in Singapore with company registration number 201717468D. The principal activities of BP and its subsidiaries and associates comprise that of providing end to end solutions for waste management (the “**Business**”).
- 2.2 BP has an issued and paid-up share capital of US\$27,441,496 consisting of 26,956,210 ordinary shares.

### 3. RATIONALE FOR ENTRY INTO SHARE SUBSCRIPTION AGREEMENT

The Board is of the view that the Proposed Investment presents an opportunity to complement the Group's main revenue stream against a challenging economic situation and is intended to provide returns that can be another source of funds for the Group's key businesses.

### 4. DISCLOSURE IN RELATION TO CATALIST RULE 1010(3), 1010(5), AND 1010(13) AS REQUIRED BY PRACTICE NOTE 10A CATALIST RULES

#### 4.1 Catalist Rule 1010(3)

The aggregate consideration for the Subscription Shares is US\$10,000,000 (equivalent to approximately S\$13,593,000<sup>1</sup> ("**Consideration**") which will be paid by the Company in the form of capital contribution payable upon the completion of the Share Subscription.

The Consideration was arrived at taking into consideration, amongst other things, the valuation of BP at US\$127.0 million arrived at by taking the FY2021 forecasted EBITDA of US\$23.5 million and applying a multiple factor and negotiated to the agreed value. The Consideration will be fully funded by the Group's internal resources and/or external borrowings.

#### 4.2 Catalist Rule 1010(5)

Based on the unaudited financial statements of BP for the three months financial period ended 30 June 2020 ("**BP Financial Statements**"), the net asset value and the net tangible asset value attributable to BP as at 30 June 2020 is approximately US\$39.6 million (equivalent to approximately S\$55.2 million<sup>2</sup>) and US\$14.7 million (equivalent to approximately S\$20.5 million<sup>2</sup>).

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<sup>1</sup> Based on the Monetary Authority of Singapore's exchange rate of US\$1: S\$1.3593 as at 13 October 2020.

<sup>2</sup> Based on the Monetary Authority of Singapore's exchange rate of US\$1: S\$1.3932 as at 30 June 2020.

4.3 Catalist Rule 1010(13)

<b>Rule 1006</b>	<b>Bases</b>	<b>Proposed Transaction Aggregated with similar transactions over the past 12 months</b>	<b>Group FY2020</b>	<b>Relative Figures (%)</b>
(a)	The net asset value of the asset to be disposed of, compared with the net asset value of the Group	Not Applicable	56,217,348	Not Applicable <sup>(1)</sup>
(b)	The net profit / (loss) attributable to BP, compared with the Group's net profit / (loss) <sup>(2)</sup>	(98,999)	2,224,000	-4.45%
(c)	The aggregate value of the Consideration given, compared with the Company's market capitalisation	23,573,000	34,067,061	69.20% <sup>(4)</sup>
(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not Applicable	252,348,600	Not Applicable
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves. (Only applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets)	Not Applicable	Not Applicable	Not Applicable

(1) Not applicable as the Share Subscription is not a sale.

(2) Net profit / loss is defined as profit or loss before income tax, minority interests and extraordinary items.

(3) Based on S\$(98,999) being the pro-rated full year net loss attributable to BP (based on the three months financial period ended 30 June 2020 and the April to June 2020 average exchange rate of US\$1: SGD1.4115 for the period), compared with the Group's net profit of S\$2.2 million for the financial year ended 31 July 2020.

(4) Based on the sum of S\$9.98 million and approximately S\$13.6 million paid/payable as consideration for the investment into Elite Logistics Fund and Blue Planet respectively, against the Group's market capitalisation of S\$34,067,061 being 252,348,600 shares in the capital of the Company ("Shares")(excluding treasury shares) multiplied by the volume weighted average price of S\$0.1350 per Share on 12 October 2020, being the weighted average price for the Shares transacted preceding the date of the execution of the Share Subscription.

This announcement is made pursuant to paragraph 4.4(a) of Practice Note 10A of the Singapore Exchange Securities Trading Limited Manual Section B: Rules of Catalist (the “**Catalist Rules**”) where it is stated, *inter alia*, that in a case of an acquisition of a loss-making asset by an issuer (whether profitable or loss-making), the issuer must, in relation to the transaction, immediately announce the information required in Rule 1010, Rule 1011, Rule 1012 and Rule 1013 of the Catalist Rules, where applicable.

## **5. FINANCIAL EFFECTS**

Assuming the Share Subscription was effected at the end of the most recently completed financial year ended 31 July 2020, the Share Subscription would not have had any material impact on the net tangible assets per share of the Group for the financial year ended 31 July 2020.

Assuming the Share Subscription was effected at the beginning of the most recently completed financial year ended 31 July 2020, the Share Subscription would not have had any material impact on the earnings per share of the Group for the financial year ended 31 July 2020.

## **6. SERVICE CONTRACTS**

There are no service contracts of any directors proposed to be appointed to the Company in connection with the Share Subscription to be entered into.

## **7. APPROVALS**

The Proposed Investment is subject to all applicable requirements as prescribed under the Catalist Listing Manual and if necessary, obtaining approval from the SGX-ST and/or shareholders.

## **8. COMPLETION**

The Proposed Subscription will complete on the date falling three (3) Business Days after the date on which the Company and BP fulfill their obligations under the Subscription Agreements (or such other date as the Parties may agree in writing).

## **9. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS**

None of the Directors or (so far as they are aware) the controlling shareholders of the Company has any interest, direct or indirect (other than through their respective directorships and shareholders in the Company), in the Share Subscription.

## 10. DOCUMENTS FOR INSPECTION

A copy of the Share Subscription will be made available for inspection during normal business hours at the Company's registered office at 2 Balestier Road #03-669 Balestier Hill Shopping Centre, Singapore 320002, for a period of three (3) months from the date of this announcement.

By the Order of the Board

**Sysma Holdings Limited**

Sin Soon Teng

Executive Chairman and Group Chief Executive Officer

Date: 13 October 2020

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*This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.*

*The contact person for the Sponsor is Ms. Gillian Goh, 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, sponsorship@ppcf.com.sg.*