

ADVENTUS HOLDINGS LIMITED

(Company Registration No. 200301072R)

RESPONSE TO SGX-ST QUERIES

The Board of Directors (the “**Board**”) of Adventus Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to its announcements dated January 10, 2017, October 04, 2017, January 08, 2018, April 19, 2018 and September 19, 2018 in relation to the Vietnam development and the loan from controlling shareholder.

The Company wishes to announce the queries raised by the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on September 25, 2018 and September 28, 2018. The queries from SGX-ST along with the Company’s responses are as follows:

Query 1:

Noted from 1H2018 results that cash and cash equivalents of the Group has decreased from S\$9.9m in FY17 to S\$0.7m in 1H18 largely due to increase in Other Receivables of S\$6.9m and additional investment in land acquired for the Danang Hotel in Vietnam of S\$1.7m. What does the increase in Other Receivables of S\$6.9m pertain to?

Company’s Response:

The increase was attributable to a convertible loan of S\$3.38m, S\$3.04m and S\$0.47m with the Group’s projects in Hoi An Resort⁽¹⁾, Da Nang Condominium⁽²⁾ and sub-contractors’ advances for the development respectively.

(1) As previously announced on SGXNet on 8 January 2018.

(2) As previously announced on SGXNet on 19 April 2018.

Query 2:

Can the Company provide an update on its various property and hospitality projects as well as expected timelines of each project?

Company’s Response:

Currently, the Group has 3 ongoing development projects in Vietnam, Da Nang and Hoi An. As at August 31, 2018, the status of the Group’s development projects were as follows,

Development	Stage of Completion as at August 31, 2018	Estimated Completion Period	Remarks
5-Star Da Nang Hotel	20%	2Q – FY2020	On schedule
5-Star Hoi An Resort	7%	3Q – FY2020	On schedule
Da Nang Condominium	2%	1Q – FY2021	On schedule

Query 3:

When will the Company begin to generate revenue from its various projects?

Company’s Response:

The Group has estimated that its ongoing development projects will begin generating revenue as early as 4Q of FY2019 from its condominium project.

Current estimates are as follows,

Development	Estimated Completion Period	Estimated Period to Start Generating Revenue
5-Star Da Nang Hotel	2Q – FY2020	2Q – FY2020
5-Star Hoi An Resort	3Q – FY2020	3Q – FY2020
Da Nang Condominium	1Q – FY2021	4Q – FY2019 ⁽³⁾

(3) Unlike the hotel and resort developments, the condominium development will generate revenue once individual condominium units are marketed and sold before actual project completion.

Query 4:

Further to query 3 on the revenue schedule, given that the Company will only be generating revenues beginning 4Q19 onwards, can the Company please elaborate on what are their plans with regards to funding for (i) the three projects; and (ii) working capital of the Company in the next 12 months and beyond?

Company's Response:

(i) The 3 ongoing development projects will be funded as follows,

Developments	Funding plans
5-Star Da Nang Hotel	Singapore financial institution
5-Star Hoi An Resort	Vietnamese financial institution
Da Nang Condominium	Vietnamese financial institution

(ii) **Working capital of the Company in the next 12 months and beyond,**

The Group via announcement of September 2018, has secured an interest free shareholder's loan of S\$1,000,000 from its Chairman and Executive Director, Mr Chin Bay Ching ("**Mr Chin**").

Despite the estimated generation of revenue as mentioned under Query 4 and should there be a delay in completion of the ongoing development projects mentioned above, the Company has also secured assurances from Mr Chin to provide a further loan on the same terms.

BY ORDER OF THE BOARD

Chin Bay Ching

Chairman and Executive Director

October 01, 2018

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**").*

The Sponsor has not independently verified the contents of this announcement.

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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