

ASCENT BRIDGE LIMITED
(the “**Company**”, together with its subsidiaries, the “**Group**”)
(Company Registration No.: 198300506G)
(Incorporated in the Republic of Singapore)

PROPOSED PLACEMENT OF 17,414,446 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY AT S\$0.14 PER SHARE

1. INTRODUCTION

- 1.1. The board of directors (the “**Board**” or the “**Directors**”) of Ascent Bridge Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) wishes to announce that the Company has on 26 September 2024 entered into separate placement agreements (each, a “**Placement Agreement**” and collectively, the “**Placement Agreements**”) with three (3) placees (each, a “**Placee**” and collectively, the “**Placees**”), details as set out in paragraph 1.3 below. The terms and conditions of the respective Placement Agreements are substantially the same.
- 1.2. Subject to and upon the terms of the Placement Agreements, the Company has agreed to allot and issue, and the Placees have agreed to subscribe and pay for, an aggregate of 17,414,446 new ordinary shares in the capital of the Company (“**Placement Shares**”) at S\$0.14 per Placement Share (“**Issue Price**”), amounting to an aggregate placement consideration of S\$2,438,022.44 (the “**Proposed Placement**”).
- 1.3. Details of the Placee’s respective subscription for the Placement Shares, as well as their respective shareholdings in the Company before and after the Proposed Placement, are set out below.

Name of Placee ⁽¹⁾	No. of Placement Shares subscribed for	Placement consideration payable (S\$)	% shareholding in the Company ⁽²⁾	
			As at date of Placement Agreements and before completion of the Proposed Placement ⁽³⁾	After completion of the Proposed Placement ⁽⁴⁾
Hu Yidong ⁽⁵⁾	10,448,668	1,462,813.52	0	13.00
Peng Yun	3,482,889	487,604.46	0	3.33
Eastern Billion Industries Limited	3,482,889	487,604.46	0	3.33

Notes:

- (1) Please refer to Section 2.5 of this announcement for further information on the Placees.
- (2) Including deemed interests (if any).
- (3) Based on Existing Share Capital (as defined herein) of 87,072,231 Shares (as defined herein).
- (4) Based on Enlarged Share Capital (as defined herein) of 104,486,677 Shares.

(5) Hu Yidong is the sole shareholder of Hoida International Limited which holds 90% shareholding in Eastern Billion Industries Limited. Therefore, Hu Yidong is deemed to have an interest in 90% of the Placement Shares placed to Eastern Billion Industries Limited.

- 1.4. The Placement Shares shall be issued as fully paid and free from all claims, mortgages, charges, liens and other encumbrances whatsoever and shall rank *pari passu* in all respects with the existing ordinary shares in the capital of the Company ("**Shares**"), save that the Placement Shares will not be entitled to any dividend, rights, allotments and/or other distributions, the record date of which falls on or before the date of allotment and issuance of the Placement Shares.
- 1.5. As at the date of this announcement, (i) the Company has an existing issued and paid-up share capital of 87,072,231 Shares (excluding treasury shares) ("**Existing Share Capital**"); (ii) the Company has 3,009,200 treasury shares; and (iii) the Company has no outstanding warrants or other convertibles. Upon completion of the Proposed Placement (and assuming no further allotment and issuance of new Shares by the Company), the Company's issued and paid-up share capital will increase to 104,486,677 Shares ("**Enlarged Share Capital**"). The Placement Shares represent approximately 20% of the Existing Share Capital, and approximately 16.67% of the Enlarged Share Capital.
- 1.6. The Company will be making an application to the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the listing and quotation for the Placement Shares on the Main Board of the SGX-ST ("**Main Board**"). The Company will make the necessary announcement when the approval-in-principle has been granted by the SGX-ST.
- 1.7. The Proposed Placement will be undertaken pursuant to the private placement exemption under Section 272B of the Securities and Futures Act 2001 of Singapore. As such, no prospectus or offer information statement will be lodged with the SGX-ST acting as agent on behalf of the Monetary Authority of Singapore in connection with the Proposed Placement.
- 1.8. The Placement Shares will not be issued to transfer a controlling interest in the Company pursuant to Rule 803 of the SGX-ST Listing Manual (the "**Listing Manual**") and none of the Placement Shares will be placed to any of the persons set out as restricted persons under Rule 812 of the Listing Manual.
- 1.9. No placement agent has been appointed in respect of the Proposed Placement.
- 1.10. There is no moratorium imposed on the Placement Shares, and no share borrowing arrangement has been entered into to facilitate the Proposed Placement.

2. PRINCIPAL TERMS OF THE PROPOSED PLACEMENT

2.1. Issue Price

The Issue Price of S\$0.14 represents the volume weighted average of S\$0.14 per Share on 26 September 2024, based on the trades done on the SGX on the same date, being the last full market day on which the Shares were traded prior to the signing of the Placement Agreements on 26 September 2024.

The Issue Price was commercially agreed between the Company and the Placees after arm's length negotiations and taking into account historical trading performance of the Company and prevailing market conditions.

2.2. **General Mandate**

The Placement Shares will be allotted and issued pursuant to the general share issue mandate approved by shareholders of the Company ("**Shareholders**") at the annual general meeting of the Company held on 27 July 2023 (the "**General Mandate**").

Pursuant to the General Mandate, the Directors are authorized to, *inter alia*, allot and issue new Shares not exceeding 50% of the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings) as at 27 July 2023, after adjusting for (a) new Shares arising from the conversion or exercise of any convertible securities; (b) new Shares arising from exercising share options or vesting of share awards provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual; and (c) any subsequent bonus issue, consolidation or subdivision of the Shares, of which the aggregate number of new Shares to be issued other than on a *pro-rata* basis to existing Shareholders shall not exceed 20% of the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings) as at 27 July 2023 after adjustment.

As at 27 July 2023, being the date the General Mandate was approved by Shareholders, the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings) was 87,072,231 Shares. Accordingly, the total number of new Shares that may be issued by the Company pursuant to the General Mandate is 43,536,115 new Shares, of which the maximum number of new Shares that may be issued by the Company other than on a *pro-rata* basis is 17,414,446 new Shares.

As at the date of this announcement, the Company has not issued any new Shares pursuant to the General Mandate and the Company has no existing warrants or other convertibles. Accordingly, (i) the maximum number of new Shares that is available to be issued by the Company other than on a *pro-rata* basis pursuant to the General Mandate is 17,414,446 new Shares; and (ii) the proposed allotment and issuance of the 17,414,446 Placement Shares pursuant to the Proposed Placement will fall within the maximum number of new Shares that may be issued by the Company pursuant to the General Mandate, and as such, prior approval of Shareholders is not required for the allotment and issuance of the Placement Shares under the Proposed Placement.

2.3. **Conditions Precedent**

Pursuant to the terms and conditions of the Placement Agreements, the Proposed Placement and the completion thereof are conditional upon the following being fulfilled on or before the date falling one (1) month from the date of the Placement Agreements (the "**Long-Stop Date**"):

- (a) the Placee being satisfied with its due diligence investigations into the Company;
- (b) approval-in-principle for the listing of and quotation of the Placement Shares on the Main Board having been obtained and such approval being in full force and effect within five (5) market days from the date on which the last Condition Precedent is satisfied ("**Issue Date**");

- (c) the General Mandate being in full force and effect as at the Issue Date;
- (d) the issue and subscription of the Placement Shares on the Issue Date not being prohibited by any statute, order, rule or regulation promulgated after the date of the Placement Agreement which is applicable to the Company;
- (e) all the representations and warranties of each of the parties being true and accurate in all material respects as of the date of the Placement Agreement and as at the Issue Date; and
- (f) the Company and the Placee not being in breach of any of the warranties in the Placement Agreement as at the Issue Date.

2.4. **Completion**

Pursuant to the terms and conditions of the Placement Agreements, completion of the Proposed Placement shall take place on the Issue Date, or on such other date as the relevant parties to the Placement Agreements may agree in writing.

2.5. **Appointment of Director**

Pursuant to the terms and conditions of the Placement Agreement with Hu Yidong, Hu Yidong is entitled to nominate one (1) person to be appointed as non-executive director of the Company, provided that such person is qualified to act as director of a company listed on the SGX-ST and has, at least five (5) market days prior to the Issue Date, provided to the Company and its professionals such requisite information and duly executed declaration forms for purposes of his/her appointment as director.

For the avoidance of doubt, Peng Yun and Eastern Billion Industries Limited are not entitled to nominate any person to be appointed as director of the Company under their respective Placement Agreements.

3. **Information on the Placees**

Shareholders should note that the information relating to the Placees and the Introducer (defined below) were provided by the respective Placees and the Introducer, respectively. The Company and the Directors have not independently verified the accuracy and correctness of such information.

- 3.1. The Placees are private investors who are subscribing for the Placement Shares for their respective investment purposes. None of the Placees will be holding the Placement Shares in trust or as a nominee.

Please refer to the table below for the background information on the Placees.

Name of Placee	Information on Placee
Hu Yidong	An experienced private investor.
Peng Yun	An experienced private investor. For the avoidance of doubt, he is not related to any of the other Placees.
Eastern Billion Industries Limited ("EBIL")	A corporation duly incorporated and validly existing under the laws of Hong Kong; it is an investment company. EBIL's

	shareholders are Tong Tung Kwan (10%), an experienced private investor and Hoida International Limited (90%), which is wholly owned by Hu Yidong. EBIL's sole director is Tong Tung Kwan.
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3.2. Each Placee has represented and warranted to the Company, *inter alia*, that:

- (a) where it is a corporation, it is duly constituted and validly existing under the laws of the jurisdiction where it is constituted;
- (b) the Placement Agreement constitutes valid, binding and enforceable obligations of it in accordance with its terms; and its execution of the Placement Agreement has been duly authorised by all necessary corporate actions;
- (c) the execution, delivery and performance of the Placement Agreement does not contravene any laws, regulations or authorisations binding on or applicable to the Placee;
- (d) it has the capacity to carry out the transactions contemplated herein and, if it is a corporation, the Placement Agreement constitutes legal, valid and binding obligations enforceable by the Placee in accordance with its terms;
- (e) it is not subscribing for the Placement Shares with a view to the Placement Shares or any part thereof being offered for sale to the public; and
- (f) it is not a director or substantial shareholder of the Company or any other person within the categories of persons set out in Rule 812(1) of the Listing Manual or as may otherwise be prescribed by SGX-ST from time to time to whom the Company is prohibited from making a Placement under the circumstances.

3.3. The Placees were introduced to the Company by Zhang Yun (the “**Introducer**”). The Introducer is a investment manager based in Hong Kong. The Introducer was engaged by the Company to introduce potential placees for the Proposed Placement. An introducer fee of 3% of the gross proceeds raised pursuant to the Proposed Placement shall be paid to the Introducer by the Company. The Introducer will be paid using treasury shares of the Company.

4. **RATIONALE FOR THE PROPOSED PLACEMENT AND USE OF PROCEEDS**

4.1. The Company has decided to undertake the Proposed Placement to strengthen the Group's financial position. The Proposed Placement will result in an injection of funds into the Company for general working capital purposes, including meeting general overheads and other operating expenses of the Group. As announced by the Company on 4 August 2024, the Company is currently facing some liquidity challenges. The existing cashflow may not be sufficient to cover the Group's current working capital requirements for the extended period until completion of the proposed rights issue. Please refer to the Company's announcement dated 4 August 2024 for more details.

4.2. The estimated net proceeds from the Proposed Placement, after deducting estimated fees and related expenses (including listing and application fees and professional fees) of approximately S\$60,000, will amount to approximately S\$2,378,022 (the “**Net Proceeds**”).

- 4.3. The Company intends to apply such Net Proceeds in the following estimated proportions:

Proposed use of Net Proceeds	% of Net Proceeds from the Proposed Placement
General working capital purposes (including meeting general overheads and other operating expenses of the Group)	100%
Total	100%

- 4.4. Pending deployment of the Net Proceeds, such Net Proceeds may be deposited with banks or financial institutions, invested in short-term money market instruments or marketable securities and/or used for any other purpose on a short-term basis, as the Company may, in its absolute discretion, deem fit from time to time.
- 4.5. The Company will make periodic announcement(s) as to the use of the Net Proceeds as and when such proceeds are materially disbursed and whether such use is in accordance with the stated use. The Company will also provide a status report on the use of the Net Proceeds in the Company's interim and full-year financial statements announcement(s) and the Company's annual report(s). Where the Net Proceeds have been used for working capital purposes, the Company will provide a breakdown with specific details on how the Net Proceeds have been applied in the announcements and status report. Where there is any material deviation from the stated use of the Net Proceeds, the Company will announce the reasons for such deviation.

5. FINANCIAL EFFECTS OF THE PROPOSED PLACEMENT

- 5.1. The *pro forma* financial effects of the Proposed Placement on the Group are set forth below and have been computed based on the unaudited consolidated financial statements of the Group for the financial year ended 31 March 2024 ("FY2024"). The financial effects of the Proposed Placement are based on the following assumptions:
- (a) the professional fees and related expenses incurred by the Company in connection with the Proposed Placement is approximately S\$60,000, which were capitalised;
 - (b) the financial effect on the net asset value("NAV") per Share is computed based on the assumption that the Proposed Placement was completed on 31 March 2024; and
 - (c) the financial effect on the loss per Share ("LPS") is computed based on the assumption that the Proposed Placement was completed on 1 April 2023.
- 5.2. The *pro forma* financial effects of the Proposed Placement are presented solely for illustrative purposes and are not intended to be indicative or reflective of the actual financial position of the Group after completion of the Proposed Placement.
- 5.3. **Share Capital and NAV per Share**

As at 31 March 2024	Before the Proposed Placement	After the Proposed Placement
NAV (S\$'000)	30,230	32,608
Number of issued Shares	87,072,231	104,486,677
Share capital (S\$'000)	68,600	70,978
NAV per Share (S\$ cents)	34.72	31.21

5.4. LPS

For FY2024	Before the Proposed Placement	After the Proposed Placement
Net loss attributable to Shareholders (S\$'000)	(4,671)	(4,671)
Weighted average number of Shares	87,072,231	104,486,677
LPS (S\$ cents)	(5.36)	(4.47)

6. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

- 6.1. None of the Directors or substantial shareholders or their respective associates has any interest, direct or indirect, in the Proposed Placement (other than through their respective direct and indirect shareholdings and/or directorships in the Company).
- 6.2. None of the Directors, and to the best of the knowledge of the Directors, none of the substantial shareholders, has any connections (including business relationships) with any Placee.

7. FURTHER ANNOUNCEMENTS

The Company will make further announcements to update Shareholders on the Proposed Placement as and when appropriate.

8. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement, and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Placement and the Group, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information has been extracted from published or otherwise publicly available sources or

obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from these sources and/or reproduced in this announcement in its proper form and context.

9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Placement Agreements are available for inspection at the registered office of the Company at 9 Temasek Boulevard, #28-05, Suntec Tower Two, Singapore 038989 during normal business hours for a period of three (3) months commencing from the date of this announcement.

10. CAUTIONARY STATEMENT

Shareholders are advised to exercise caution in trading their Shares. Completion of the Proposed Placement is subject to the fulfilment of the respective conditions set out in the Placement Agreement and there is no certainty or assurance as at the date of this announcement that the Proposed Placement will be completed or that no further changes will be made to the terms thereof. The Company will make the necessary announcements when there are further developments. Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully, and should seek advice from their stockbrokers, bank managers, solicitors, accountants or other professional advisers if they have any doubt about the actions they should take.

By Order of the Board

Qiu Peiyuan
Joint Executive Chairman & Joint CEO

Sun Quan
Joint Executive Chairman & Joint CEO

26 September 2024