



**SWISSCO**

**SWISSCO HOLDINGS LIMITED**

**(JUDICIAL MANAGERS APPOINTED BY COURT)**

Company Registration Number: 200404711D

(Incorporated in the Republic of Singapore)

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## **UPDATES ON THE PROPOSED TRANSACTION AND ENTRY INTO NON-BINDING MEMORANDUM OF UNDERSTANDING IN RELATION TO THE PROPOSED CORPORATE RESTRUCTURING**

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### **1. UPDATES ON THE PROPOSED TRANSFER OF LISTING STATUS ON SGX-ST**

- 1.1 The Judicial Managers (the "**JMs**") of Swissco Holdings Limited (Judicial Managers Appointed by Court) (the "**Company**") refer to the respective Company's announcements dated 28 November 2019, 14 January 2020 and 3 February 2020 (the "**Proposed Transaction Announcements**") in relation to, inter alia, the proposed transfer of the Company's listing status on the Main Board of SGX-ST to Tech Onshore MEP-Prefabricators Pte. Ltd. (the "**Transferee**") (the "**Proposed Transaction**") on the Catalist Board.

Unless otherwise defined, all capitalized terms used herein shall bear the same meanings ascribed to them in the Proposed Transaction Announcements.

- 1.2 Further to the Proposed Transaction Announcements, the JMs wish to announce that the Transferee would not be able to complete the Proposed Transaction in accordance with the previously agreed timelines and both parties have mutually agreed to terminate the implementation agreement dated 31 January 2020 (the "**Agreement**").

### **2. ENTRY INTO NEW NON-BINDING MEMORANDUM OF UNDERSTANDING IN RELATION TO THE PROPOSED CORPORATE RESTRUCTURING**

- 2.1 The JMs wish to announce that the Company has on 13 January 2021 entered into a memorandum of understanding ("**MOU**") with INITIA Group Pte. Ltd. ("**Target**") and Mr. Luke Sang Wook Yi (the "**Business Owner**", and together with the JMs and the Target, the "**Parties**") in relation to the proposed corporate restructuring involving the Company and the Target (the "**New Proposed Transaction**"). Tardis Capital (Singapore) Pte. Ltd. has been appointed as the corporate adviser to the Business Owner and the Target and introducer in relation to the New Proposed Transaction.

- 2.2 As at the date of this Announcement, the current structure for the New Proposed Transaction being considered is a transfer of the Company's listing status on the Main Board of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") (the "**Transfer of Listing**") to the New Target on the Catalist Board.

- 2.3 The Target is involved in providing hair salon, food and beverages and related services under the brands "Walking on Sunshine", "Leekaja" and "Cote & Minam" in Singapore and Malaysia (the "**Target Business**").

- 2.4 The MOU is not legally binding (save for certain provisions, including but not limited to those relating to confidentiality, exclusivity, governing law and third party rights) and the New Proposed Transaction is subject to the entry into definitive agreement(s).

### 3. SALIENT TERMS OF THE MOU

- 3.1 The MOU is intended to set out the basis for further discussion and finalisation of the transaction structure for New Proposed Transaction. Some of the salient terms of the MOU are set out below:

(a) Listing, Scheme and Statement of Proposal

The New Proposed Transaction, if effected by way of Transfer of Listing, is envisaged to result in the delisting of the Company and listing of the Target or a new Singapore company directly or indirectly holding the Target Business ("**New Listco**"). The Transfer of Listing is intended to be by means of a scheme of arrangement pursuant to Section 210 of the Companies Act (Chapter 50) of Singapore ("**CA**") to be entered into between the Company and the shareholders of the Company ("**Shareholders**"), and a statement of proposal of the JMs to be considered at a meeting of the creditors of the Company ("**Creditors**") to be held in accordance with Section 227M and Section 227N of the CA.

(b) Consideration Shares

In connection with the New Proposed Transaction, the Company shall procure the issuance of shares in the New Listco ("**Consideration Shares**") to the Shareholders and the Creditors subject to, *inter alia*, the settlement of an agreed portion of the debts owing from the Company to the Creditors and the release by the Creditors of its settled amounts against the assets of the Company. The aggregate number of Consideration Shares held by the Shareholders and the Creditors would represent approximately SGD 3,250,000 in value of the enlarged share capital of the New Listco, provided that the remaining shares in the New Listco will be held by the Business Owner and/or other existing shareholders of the Target. The New Listco will also undertake a compliance placement to satisfy SGX-ST listing requirements (where necessary).

(c) Conditions Precedent

Completion of the New Proposed Transaction will be subject to the satisfaction (or waiver) of various conditions precedent customary for a transaction of this nature, including but not limited to: (a) if required, the Company's application for an extension of time to submit a proposal required under Rule 1304(1) of the SGX-ST Listing Manual to resume trading of its shares; (b) the approval by the Shareholders of the New Proposed Transaction; (c) the approval by the Creditors of the New Proposed Transaction; (d) where required, the sanction and confirmation of the scheme of arrangement or equivalent restructuring in relation to the New Proposed Transaction by the Singapore courts; (e) where required, waiver from the Securities Industry Council in relation to the obligation by the Target to make a mandatory general offer; and (f) obtaining all necessary legal, regulatory, corporate and other approvals, waivers and consents for the New Proposed Transaction.

(d) Exclusivity

Subject to the duties of the Judicial Managers as officers of the Court, the Parties agree to negotiate in good faith on an exclusive basis for a period of 45 days, or such later date as the Parties may agree in writing, in order to seek agreement on the contents of a legally binding implementation agreement in respect of the New Proposed Transaction.

#### **4. FURTHER ANNOUNCEMENTS**

The Judicial Managers will make further announcements, in compliance with the requirements of the Listing Manual, when there are further developments on the matters contemplated by this Announcement.

#### **5. CAUTIONARY STATEMENT**

There is no certainty or assurance that definitive agreements in relation to the New Proposed Transaction will be entered into or that any of the transactions contemplated in the MOU will be completed. Accordingly, shareholders and potential investors of the Company are advised to exercise caution in dealings with the shares, and to consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

Ee Meng Yen Angela  
Joint and Several Judicial Manager  
14 January 2021