



AF Global Limited

Company Registration No.197301118N
(Incorporated in the Republic of Singapore)

**CLARIFICATION ANNOUNCEMENT IN RELATION TO THE PROPOSED CAPITAL REDUCTION
AND THE CASH DISTRIBUTION**

1. INTRODUCTION

- 1.1 The board of directors (the “**Board**”) of AF Global Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to:
- (a) the announcement titled “The Proposed Capital Reduction and the Cash Distribution” dated 7 August 2024 in relation to proposed capital reduction exercise (the “**Capital Reduction**”) to return to the Company’s shareholders (the “**Shareholders**”) surplus capital of the Company in excess of its needs by way of a cash distribution (the “**Cash Distribution**”) by the Company to Shareholders of S\$0.035 for each ordinary share of the Company (a “**Share**”) held by the Shareholders on the record date to be determined (the “**Initial Announcement**”);
 - (b) the circular dated 10 September 2024 issued by the Company to seek Shareholders’ approval of (i) the ratification of the disposal of certain of the Group’s assets in Thailand to YTL Hotels & Properties Sdn. Bhd., YTL Hotels (Singapore) Pte. Ltd. and Niche Property (Rawai) Company Limited for an aggregate consideration of THB1,604,303,822 (the “**Disposal**”), and (ii) the proposed Capital Reduction and Cash Distribution (the “**Circular**”);
 - (c) the Notice of Extraordinary General Meeting dated 10 September 2024 to Shareholders convening the extraordinary general meeting held on 2 October 2024 (the “**EGM**”) to approve the ratification of the Disposal and the proposed Capital Reduction and Cash Distribution (the “**Notice of EGM**”, and together with the Announcement and the Circular, the “**Relevant Documents**”); and
 - (d) the announcement titled “Results of the Extraordinary General Meeting held on 2 October 2024” dated 2 October 2024 which announced that the ratification of the Disposal and the proposed Capital Reduction and Cash Distribution have been approved at the EGM.

2. CLARIFICATIONS

- 2.1 The Company would like to clarify a difference between the share capital of the Company for the purposes of financial reporting in its consolidated financial statements (the “**FS Share Capital**”) and of the issued share capital of the Company as filed with the Accounting and Corporate Regulatory Authority of Singapore (“**ACRA**”, and the issued share capital filed with ACRA, the “**ACRA Share Capital**”).

	<u>FS Share Capital</u>	<u>ACRA Share Capital</u>	<u>Difference</u>
	S\$	S\$	S\$
As of 2 October 2024, (date of Shareholders’ approval of the Capital Reduction and the Cash Distribution)	209,518,427.47	209,988,091.26	(469,663.79)
The proposed Capital Reduction and Cash Distribution	(36,947,381.24)	(36,947,381.24)	-
Upon completion of the Capital Reduction and the Cash Distribution	172,571,046.23	173,040,710.02	(469,663.79)

- 2.2 The Relevant Documents included information on the Company's share capital which is based on the FS Share capital. The difference of S\$469,663.79 between the FS Share Capital and the ACRA Share Capital represents transaction costs directly attributable to a rights issue transaction undertaken by the Company in 2010, which is deducted from the ACRA Share Capital amount for the purposes of financial reporting in accordance with applicable Singapore financial reporting standards. The deduction will continue to apply for the purposes of financial reporting in future consolidated financial statements to be announced by the Company.
- 2.3 For the purposes of filings of relevant documents with ACRA to effect the Capital Reduction, the ACRA Share Capital will be used, which will result in the reduction of the Company's share capital from S\$209,988,091.26 to S\$173,040,710.02.
- 2.4 For the avoidance of doubt, the Company would like to inform that:
- (a) **the Capital Reduction continues to be a proposed reduction of S\$36,947,381.24 of the Company's existing share capital; and**
 - (b) **the Cash Distribution continues to be on the basis of S\$0.035 for each Share held by the Shareholders on a record date to be determined.**

BY ORDER OF THE BOARD

Lim Swee Ann
Company Secretary

4 October 2024