

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

PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE
(THE “**PROPOSED RIGHTS ISSUE**”)

1. INTRODUCTION

The board of directors (the “**Board**” or the “**Directors**”) of Ascent Bridge Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company is proposing a renounceable non-underwritten rights issue (the “**Proposed Rights Issue**”) of up to 87,072,231 new ordinary shares in the capital of the Company (the “**Rights Shares**”) at an issue price of S\$0.24 for each Rights Share (the “**Issue Price**”), on the basis of one (1) Rights Share for every one (1) ordinary share in the capital of the Company (“**Shares**”) held by each shareholder of the Company (“**Shareholder**”) as at a time and date to be determined by the Directors, at and on which the register of members of the Company and the transfer books of the Company will be closed to determine the provisional allotment of the Rights Shares to the Entitled Shareholders (as defined below) (the “**Record Date**”), fractional entitlements to be disregarded.

2. THE PROPOSED RIGHTS ISSUE

2.1. The Principal terms and conditions of the Proposed Rights Issue are set out below:

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|--------------------|---|--|
| Issue Price | : | Issue Price of S\$0.24 per Rights Share, payable in full upon acceptance and/or application. |
| Discount | : | The Issue Price represents: <ul style="list-style-type: none">(i) a discount of approximately 20% to the closing price of S\$0.30 on 5 December 2023, being the last trading day (“Last Trading Day”) on which trades were done on the Shares prior to this announcement;(ii) a discount of approximately 27% to the five (5) day VWAP of S\$0.33 preceding the Last Trading Day;(iii) a discount of approximately 35% to the ten day VWAP of S\$0.37 preceding the Last Trading Day; |

(iv) a discount of approximately 42% to the 60 day VWAP of S\$0.41 preceding the Last Trading Day; and

(v) a discount of approximately 11% to the theoretical ex- rights price of S\$0.27 per Share as calculated based on the last traded price of S\$0.30 on the Last Trading Day¹.

Allotment ratio	:	One (1) Rights Share for every one (1) Share held by Shareholders as at the Record Date, fractional entitlements to be disregarded.
Gross proceeds	:	Up to ~S\$20.9 million
Use of proceeds	:	Please refer to paragraph 3.2 below for further details
Purpose of Proposed Rights Issue	:	Please refer to paragraph 3.1 below for further details.
Rights Shares to be issued	:	87,072,231 Rights Shares.
Status of the Rights Shares	:	The Rights Shares will, upon allotment and issue, rank <i>pari passu</i> in all respects with the then existing Shares, except that they will not rank for any dividends, rights, allotments or other distributions the book Closure Date for which falls before the date of allotment and issue of the Rights Shares.
Previous equity fund raising	:	The Company did not undertake any equity fund raising in the past 12 months prior to the date of this announcement.

2.2. The Proposed Rights Issue will not be underwritten. The Directors are of the opinion that there is no minimum amount that must be raised from the Rights Issue. Accordingly, the Company has decided to undertake the Rights Issue on a non-underwritten basis in view of the savings in costs enjoyed by the Company as a result of not having to bear any underwriting fees and commission.

2.3. The terms and conditions of the Proposed Rights Issue are subject to such changes as the Directors may deem fit. The final terms and conditions of the Proposed Rights Issue including procedures, acceptances and renunciations of applications for the Rights Shares will be contained in the offer information statement (“**OIS**”) to be lodged with the Monetary Authority of Singapore (“**MAS**”) and to be despatched by the Company to Entitled Shareholders (as defined below) in due course.

¹ Such theoretical ex-rights price is the theoretical market price of each Share assuming the completion of the Rights Issue, and is calculated based on the closing price of the Shares on the Main Board of the SGX-ST of S\$0.30 of the Last Trading Day, and the number of Shares following the Completion of the Rights Issue.

3. RATIONALE FOR THE PROPOSED RIGHTS ISSUE AND THE USE OF NET PROCEEDS

3.1. Strengthening the Group's liquidity and balance sheet

The Company is undertaking the Proposed Rights Issue to raise funds to enhance and expand upon its existing business, operations and initiatives (via organic and inorganic growth), as well as strengthen the financial position and capital base of the Group.

The Group is optimistic that, with an effective expansion plan and a strong management team, the Group is poised to grow successfully and steadily. The Proposed Rights Issue will allow the Group to pursue its growth strategy of developing and expanding its business in the region, and go towards general working capital. The Proposed Rights Issue will also provide the Shareholders with an opportunity to further participate in equity of the Company.

3.2. Use of Proceeds

The Company intends to utilise the Net Proceeds for the following purposes:

- (a) expansion of business and potential acquisition(s) in the future to expand the business; and
- (b) general working capital requirements of the Group, including costs incurred in connection with the Proposed Rights Issue,

The Company intends to use the Net Proceeds in the following manner.

Use of Net Proceeds	Percentage of Net Proceeds
Business expansion and potential acquisition (s)	85%
Working capital	15%
Total	100%

Pending the deployment of the Net Proceeds for the abovementioned purposes, such proceeds may, subject to relevant laws and regulations, be deposited with banks and/or financial institutions, invested in short-term money markets instruments and/or marketable securities and/or used for any other purposes on a short-term basis as the Directors may, in their absolute discretion, deem appropriate in the interests of the Group.

The Company will make periodic announcements on the utilisation of the Net Proceeds as and when such proceeds are materially disbursed, and whether such use is in accordance with the stated use and in accordance with the percentage allocated. The Company will also provide a status report on the use of the Net Proceeds in the Company's interim and full year financial results announcement(s)

and in the Company's annual report(s), until such time the Net Proceeds have been fully utilised. Where there is any material deviation from the stated use of the Net Proceeds, the Company will announce the reasons for such deviation.

In the event that the Net Proceeds are to be used for working capital, the Company will disclose a breakdown with specific details on the use of the Net Proceeds for working capital in its announcements and annual report

4. UNDERTAKING TO SUBSCRIBE FOR THE RIGHTS SHARES

4.1. Rights Shares Undertaking

The Company has received a conditional letter of undertaking dated 1 December 2023 from Nitrile Pte. Ltd. ("**Nitrile**"). Nitrile has in its conditional letter of undertaking, provided a conditional undertaking to the Company that it will amongst others, subscribe and pay for (or procure subscription and payment for) the Rights Shares at the Rights Issue Price (defined herein), by way of acceptance and/or excess Rights Shares application of (as the case may be) up to 22,500,000 Rights Shares which are not subscribed or validly taken up by any other shareholder of the Company ("**Rights Shares Undertaking**").

No commission or fee will be paid to Nitrile in connection with the provision or execution of the Rights Shares Undertaking.

4.2. Conditions

The Rights Shares Undertaking is conditional upon, *inter alia*:

- (a) the approval in-principle having been granted by the SGX-ST having been obtained in respect of the listing and quotation of the Rights Shares on the Official List of the SGX-ST and, if such approval is granted subject to conditions, such conditions being acceptable to the Company and Nitrile;
- (b) the specific approval of the Shareholders at an extraordinary general meeting for the Company to undertake the Proposed Rights Issue, including the allotment and issue of the Rights Shares; and
- (c) the lodgement of the OIS, together with all other accompanying documents (if applicable), in respect of the Proposed Rights Issue on terms identical to those set out in this undertaking with Money Authority of Singapore and the relevant authorities.

5. CONDITIONS FOR THE PROPOSED RIGHTS ISSUE

5.1. Approvals

The Company will be making an application to the SGX-ST in respect of the listing of and quotation of the Rights Shares on SGX-ST following this announcement. An appropriate announcement will be made in due course when the Company receives the approval in-principle for listing and quotation of the Rights Shares from the SGX-ST.

5.2. Authority to issue the Rights Shares

The Company will be seeking specific approval of the Shareholders at an extraordinary general meeting (“**EGM**”) to undertake the Proposed Rights Issue, including the allotment and issue of the Rights Shares to be convened at a date to be determined.

6. ELIGIBILITY TO PARTICIPATE IN THE PROPOSED RIGHTS ISSUE

6.1. Eligibility to Participate

The Company proposes to provisionally allot the Rights Shares to the Entitled Shareholders, comprising Entitled Depositors and Entitled Scripholders (each as defined herein), on the basis of their shareholdings as at the Record Date. Entitled Shareholders will be entitled to participate in the Proposed Rights Issue and receive the OIS (through electronic dissemination, if applicable) together with the appropriate application forms and accompanying documents at their respective Singapore addresses as maintained with the records of The Central Depository (Pte) Ltd (“**CDP**”) or Boardroom Corporate & Advisory Services Pte. Ltd (the “**Share Registrar**”), as the case may be. Fractional entitlements to the Rights Shares will be disregarded and will, together with the provisional allotments which are not taken up or allotted for any reason, be aggregated and allotted to satisfy excess applications (if any), or disposed of or otherwise dealt with in such manner as the Board may, in its absolute discretion, deem fit.

6.2. Entitled Depositors

Entitled Depositors are Shareholders with Shares standing to the credit of their securities accounts (the “**Securities Account**”) with CDP and whose registered addresses with CDP are in Singapore as at the Record Date or who have provided CDP with addresses in Singapore for the service of notices and documents not later than 5 p.m. (Singapore time) on the date falling three (3) Market Days (a “**Market Day**” being a day on which the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) is open for trading in securities) prior to the Record Date (the “**Entitled Depositors**”).

Entitled Depositors will be provisionally allotted the Rights Shares on the basis of the number of Shares standing to the credit of their Securities Accounts as at 5 p.m. (Singapore time) on the Record Date.

6.3. Entitled Scripholders

Entitled Scripholders are Shareholders whose (i) share certificates are not deposited with CDP, (ii) Shares are registered in their own names, and (iii) registered addresses with the Share Registrar are in Singapore as at the Record Date or who have provided the Share Registrar with addresses in

Singapore for the service of notices and documents not later than 5 p.m. (Singapore time) on the date falling three (3) Market Days prior to the Record Date, and who have tendered to the Share Registrar valid transfers of their Shares and the certificates relating thereto for registration up to the Record Date (the "**Entitled Scripholders**"). Entitled Scripholders will have to submit duly completed and stamped transfers in respect of Shares not registered in the name of CDP, together with all relevant documents of title, so as to be received up to 5 p.m. (Singapore time) on the Record Date by the Share Registrar, in order to be registered to determine provisional allotments of Rights Shares.

6.4. **CPF Investment Scheme**

Shareholders who have previously purchased Shares using their Central Provident Fund ("**CPF**") account savings (the "**CPF Funds**") under the Central Provident Fund Investment Scheme ("**CPFIS**") may only use their CPF Funds for the payment of the Issue Price to subscribe for their provisional allotments of nil-paid Rights Shares and (if applicable) to apply for excess Rights Shares, subject to the applicable CPF rules and regulations. Such Shareholders who wish to accept provisional allotments of the Rights Shares and (if applicable) apply for excess Rights Shares using CPF Funds will need to instruct their respective approved CPF agent banks with whom they hold their CPF investment accounts, to accept the provisional allotments of the Rights Shares and (if applicable) apply for excess Rights Shares on their behalf in accordance with the terms and conditions in the OIS. CPF Funds may not be used to purchase provisional allotments of nil-paid Rights Shares directly from the market.

6.5. **Foreign Shareholders**

For practical reasons and in order to avoid any violation of securities legislation applicable in countries other than Singapore, the Rights Shares will NOT be offered to Shareholders whose registered addresses with the Company or CDP, as the case may be, are outside Singapore as at the Record Date and who have not, at least three (3) Market Days prior thereto, provided to the Company or CDP, as the case may be, with addresses in Singapore for the service of notices and documents (the "**Foreign Shareholders**"). If it is practicable to do so, arrangements may, at the discretion of the Company, be made for the provisional allotments of the Rights Shares which would otherwise have been provisionally allotted to Foreign Shareholders to be sold "nil paid" on the SGX-ST as soon as practicable after dealings in the provisional allotments of Rights Shares commence and the net proceeds arising therefrom will be dealt with in accordance with the terms set out in the OIS.

6.6. **Provisional Allotments and Excess Applications**

Entitled Shareholders will be at liberty to accept in full or in part, decline or otherwise renounce or, in the case of Entitled Depositors only, trade (during the "nil-paid" rights trading period prescribed by the SGX-ST) their provisional allotments of the Rights Shares and will also be eligible to apply for Rights Shares in excess of their provisional allotments under the Proposed Rights Issue.

Entitlements which are not allotted or taken up for any reason (including any fractions of a Rights Share) will be aggregated and issued to satisfy applications, if any, for excess Rights Shares or

otherwise disposed of or dealt with in such manner as the Board may, in its absolute discretion, deem fit in the interests of the Company.

Fractional entitlements to the Rights Shares, if any, will be disregarded in arriving at the Entitled Shareholders' entitlements and will, together with the provisional allotments of Rights Shares which are not taken up for any reason, be aggregated and allotted to satisfy excess applications for excess Rights Shares (if any) or be disposed of or otherwise dealt with in such manner as the Board may in its absolute discretion deem fit for the benefit of the Company subject to applicable laws and the Listing Manual.

In the allotment of excess Rights Shares, preference will be given to the rounding of odd lots, and the Directors and substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Proposed Rights Issue, or have representation (direct or through a nominee) on the Board will rank last in priority for the rounding of odd lots and allotment of excess Rights Shares.

The procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sales of the provisional allotments of the Rights Shares and for the applications for excess Rights Shares, including each different mode of acceptance or application and payment, will be contained in the Offer Information Statement and the relevant application forms.

7. SCALING DOWN OF SUBSCRIPTIONS

Depending on the level of subscription for the Rights Shares, the Company may, if necessary, scale down the subscription and/or excess applications for the Rights Shares by any of the Shareholders (if such Shareholder chooses to subscribe for his/her/its pro-rata Rights Share entitlements and/or apply for excess Rights Shares) to avoid placing the relevant Shareholder and parties acting in concert with him/her/it (as defined in the Singapore Code on Take-Overs and Mergers (the "**Code**")) in the position of incurring a mandatory general offer obligation under the Code, as a result of other Shareholders not taking up, whether partly or in full, their Rights Shares entitlements fully, and/or to avoid the transfer of a controlling interest in the Company, which is prohibited under Rule 803 of the Listing Manual, unless prior approval of the Shareholders is obtained in a general meeting.

8. OPINION OF DIRECTORS

The Directors are of the opinion that given (i) working capital required for maintenance expenditure; (ii) capital expenditure required for organic growth and potential inorganic acquisition opportunities; and (iii) the ongoing recovery process of the S\$5.0 million refundable deposit the Company paid in connection with the now-aborted acquisition of the Octopus Group, for prudence, the Directors are of the opinion that the Proposed Rights Issue should be undertaken for the reasons stated in paragraph 3 of this announcement.

The Proposed Rights Issue will also provide the Shareholders with an opportunity to maintain or even further their equity participation in the Company. For the reasons outlined above in paragraph 3 above, the Directors believe the Proposed Rights Issue is in the best interests of the Group.

9. NOTIFICATION UNDER SECTION 309B OF THE SECURITIES AND FUTURES ACT 2001

The provisional allotments of Rights Shares as well and the Rights Shares are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products Regulations 2018)) and Excluded Investment Products (as defined in the Authority's Notice on the Sale of Investment Products (Notice No.: SFA 04-N12) and the Authority's Notice on Recommendations on Investment Products (Notice No.: FAA-N16).

10. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save as disclosed in this announcement, none of the Directors and substantial Shareholders has any interests, direct or indirect, in the Proposed Rights Issue, other than through each of their respective shareholding interests, direct and/or indirect, in the Company.

11. 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 Rights Issue, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement 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 those sources and/or reproduced in this announcement in its proper form and context

12. CAUTIONARY STATEMENT

Shareholders and potential investors are advised to exercise caution when dealing or trading in the Shares. The completion of the Proposed Rights Issue is subject to certain conditions. As at the date of this announcement, there is no certainty or assurance that the Proposed Rights Issue will be completed or that no 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. Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors, accountants, tax advisers or other professional advisers if they have any doubt about the actions they should take.

13. FURTHER INFORMATION

The Company will make the necessary announcement(s) as and when required and/or material developments arise in respect of the Proposed Rights Issue. In the meantime, the Board wishes to advise Shareholders to exercise caution in their dealings in Shares and to refrain from taking any action in relation thereto, until they have sought their own financial and legal advice where appropriate.

The Proposed Rights Issue is subject to certain conditions. As at the date of this announcement, there is no certainty or assurance that the Proposed Rights Issue will materialise, be completed or that no changes will be made to the terms thereof

By Order of the Board

Sun Quan
Executive Chairman

8 December 2023