

**ASCENT BRIDGE LIMITED**  
(Incorporated in the Republic of Singapore)  
Co. Registration No. 198300506G

---

**ANNOUNCEMENT**

---

**RESPONSE TO SGX-ST QUERIES RELATING TO ENFORCEMENT ACTIONS BY MONETARY AUTHORITY OF SINGAPORE (“MAS”) AGAINST CHINA CAPITAL IMPETUS ASSET MANAGEMENT (“CCIAM”), ITS EXECUTIVE DIRECTOR AND FORMER CHIEF EXECUTIVE OFFICER (“CEO”)**

---

The Board of Directors (“**Board**”) of Ascent Bridge Limited (“**Company**” and together with its subsidiaries, “**Group**”) refers to the Company’s announcement dated 1 August 2024 on the enforcement actions by MAS against CCIAM, and CCIAM’s Executive Director and former CEO, Mr Sun Quan, who is also the Executive Chairman and CEO of the Company.

The Singapore Exchange Regulation (“**SGX**”) has raised queries on the enforcement actions by MAS and the Board would like to provide further information.

**Query from SGX**

We refer to the Monetary Authority of Singapore’s Enforcement Actions Media Release entitled “MAS Takes Enforcement Actions Against China Capital Impetus Asset Management, its Executive Director and Former CEO for Breaches of the Securities and Futures (Licensing and Conduct of Business) Regulations, dated 31 July 2024 (“**SFR**”) (“**Enforcement Announcement**”).

In the Enforcement Announcement, it is stated that:

- a. “MAS has also issued a 2-year PO against Mr Sun for his failure to take reasonable steps to secure compliance by CCIAM with the SFR. As the former CEO and the Executive Director of CCIAM, Mr Sun was principally responsible for ensuring that CCIAM complied with MAS’ regulatory requirements. However, MAS found that Mr Sun knew of CCIAM’s breaches, and failed to take adequate steps to ensure that CCIAM complied with MAS’ regulatory requirements.”
- b. “Under the PO, Mr Sun is prohibited from performing any regulated activities, and from taking part in the management, acting as a director, or becoming a substantial shareholder of any capital markets services firm under the Securities and Futures Act.”

Listing Rule 703 provides that an issuer must announce any information known to the issuer concerning it which: (a) is necessary to avoid the establishment of a false market in its securities; or (b) would be likely to materially affect the price or value of its securities.

Please provide the Board’s confirmation as to whether the Enforcement Announcement contains material information to be disclosed via SGXNet. Please also provide us with (i) the bases for the Company’s assessment if it is of the view that it is not material information; and a confirmation from the Board on its compliance with the listing rules and, in particular, Mainboard Rule 703.

### **Company's Response**

The Board considers the MAS' Enforcement Announcement contains material information which should be disclosed via SGXNet. The Company has accordingly disclosed and posted the MAS' Enforcement Announcement on SGXNet on 1 August 2024.

### **Query from SGX**

Listing Rule 720(1) of the Listing Manual provides that an issuer must also comply with Listing Rule 210(5) on a continuing bases, which requires among others, a consideration of the character and integrity of directors and management. Please disclose the Board and Nominating Committee's assessment and the bases for such assessment of whether Mr Sun Quan is suitable to remain as the Executive Chairman and CEO of the Company taking into consideration the PO and the facts and circumstances resulting in the PO.

### **Company's Response**

The Nominating Committee ("NC") has considered the enforcement actions against Mr Sun in relation to his suitability as Executive Chairman and CEO of the Company. The NC views that in the interest of the Group's business and the Company's rights issue that Mr Sun continues to remain as Executive Chairman and CEO for reasons as set out below. At the same time, the NC considers that it is important to assure stakeholders there are checks and balances to maintain the integrity and objectivity of the executive management under Mr Sun. In this regard, the NC recommends to the Board that effective from 1 August 2024, the appointment of Mr Qiu Peiyuan, currently Non-Executive and Non-Independent Director as Joint Chairman and Joint CEO. This will ensure a check and balance within the executive management and a safeguard against the concentration of power and authority in a single individual. Mr Sun will be re-designated as Joint Chairman and Joint CEO effective from 1 August 2024.

The Board has accepted the NC's recommendations and approved the appointment of Mr Qiu as Joint Chairman and Joint CEO and the re-designation of Mr Sun as Joint Chairman and Joint CEO.

The detailed template announcements on the appointment of Mr Qiu Peiyuan and re-designation of Mr Sun as Joint Chairman and Joint CEO pursuant to Rule 704(7) of the Listing Manual of the Singapore Exchange Securities Trading Limited will be released separately.

In the meantime, the Board is seeking the appointment of a new Independent Director to strengthen the competencies and independence of the Board in supervision of management.

Following the completion of the rights issue, the Board will further review the composition of the Board and the executive management team.

## Reasons for Mr Sun to continue as Joint Chairman and Joint CEO of the Company

### (a) In the interest of the Group's business

1. Under Mr Sun's leadership, the Group has penetrated up to 28 countries/cities, including 8 states in the USA, duty-free channels in 15 countries/markets, and collaborations with 16 international airlines.
2. He is instrumental in the Group's acquisition of the baijiu business in China with the entry of a joint venture agreement between the Group and Dong Ying Quan Li Quan Wai International Trading Co Ltd ("QLQW").
3. Mr Sun has wide network and contacts in the baijiu business and has the knowledge and expertise to see to the commercial success of the Group's expansion globally (including China through the joint venture with QLQW).
4. Recently, as announced on 24 July 2024, Mr Sun has secured a collaboration with Lotte to launch various Moutai Bulao gift packs at Terminals 1, 2, 3 and 4 of Changi Airport.

The Board's focus is for the Group to grow its distribution of baijiu in Singapore and globally (including China) to improve its financial performance.

### (b) In the interest of the Company's rights issue

As announced by the Company on 11 June 2024 and 21 June 2024, MTBL Global Holdings Pte Ltd ("MTBLGH") has provided conditional undertakings to the Company to subscribe for its full entitlement of the rights shares and excess rights shares up to an aggregate value of S\$11,000,000.

Mr Sun is the sole owner and director of MTBLGH. Mr Sun has demonstrated his commitment to the sustainability of the Company by providing the above undertakings. He has been directing the management team in the ongoing preparation for the rights issue for which the extraordinary general meeting to seek shareholders' approval is pending SGX's approval of the shareholder's circular on the rights issue.

The NC is of the view that Mr Sun remains the most suitable person to see the right issue to its completion.

## Appointment of Qiu Peiyuan as Joint Chairman and Joint CEO

Mr Qiu Peiyuan was a Non-Executive and Non-Independent Director of the Company prior to his appointment as Joint Chairman and Joint CEO.

Mr Qiu is knowledgeable about the baijiu industry and has invested in the Company, with current shareholdings of 1,189,600 shares in the Company. Mr. Qiu has over 20 years of investment and executive management experiences, and served as executive and non-executive director of a few listed and non-listed companies in Hong Kong since 2018. Since becoming a director of the Company, he has been constantly updated of the listing rules of the Singapore Exchange Securities Trading Limited.

The NC has considered Mr Qiu's experience and considered him suitable to be Joint Chairman and Joint CEO to play a key role in the executive management team of the Company and together with Mr Sun provide the necessary Company's governance structure within the executive management.

**By Order of the Board**

Foo Soon Soo  
Company Secretary

1 August 2024