

ASIATIC GROUP (HOLDINGS) LIMITED

(Company Registration Number 200209290R)

(Incorporated in the Republic of Singapore)

SETTLEMENT OFFER FOR AMOUNT DUE TO FINANCIER OF MAJU INTAN BIOMASS ENERGY SDN BHD ("MJE") AND PROPOSED DISPOSAL OF SHAREHOLDING IN MJE

*Unless otherwise defined, capitalised terms in this announcement shall have the same meaning as the announcement of Asiatic Group (Holdings) Limited ("**Company**", and together with its subsidiaries, "**Group**") on 30 March 2023 in relation to the settlement offer for amount due to financier of Maju Intan Biomass Energy Sdn. Bhd. and on 31 March 2023 in relation to the Proposed Rights Issue (collectively, "**Previous Announcements**").*

1. INTRODUCTION

The Board refers to the Previous Announcements. Maybank has accepted the settlement proposal of RM 52.5 million (the "**Settlement Sum**"), subject to several terms and conditions as announced in the Previous Announcements.

The Board is pleased to announce that the Company, Colben Energy Holdings (Maju Intan) Ltd ("**CEH**"), a wholly owned subsidiary of the Company, MJE and Etagreen Management Sdn. Bhd. ("**EM**"), the white knight, have formalised the funding needs for MJE to repay the Settlement Sum.

The key terms of the above arrangement are as follows:

- (a) CEH will waive its rights to the pre-paid advance to MJE of RM 4 million ("**Advance**"). The Advance was deposited in the bank account of MJE in August 2022 to facilitate the negotiation with Maybank. As announced in the Previous Announcements, the RM 4 million will be applied as repayment to Maybank;
- (b) Out of the Balance amounting to RM 48.5 million, CEH will assist MJE to pay RM 14.5 million to Maybank ("**CEH's Share of the Settlement Sum**");
- (c) CEH will pay for 50% of the Costs ("**CEH's Share of the Costs**"), which is estimated by the Company to be RM 1,000,000;
- (d) Payment of RM 500,000 by the individual guarantors to Maybank by 30 April 2023, which has been completed ("**Individual Guarantors' Payment**");
- (e) EM will take over MJE for a nominal cash consideration of RM 10.00; and
- (f) EM will subscribe to new shares in the capital of MJE. The subscription sums will be applied as repayment to Maybank and working capital of MJE.

In view of the foregoing, CEH and EM have entered into a share purchase agreement ("**SPA**") dated 8 May 2023 where CEH will transfer all of its 30% shareholdings in MJE to EM for a nominal consideration of RM 10.00. Under the SPA, the convertible bond agreements previously entered into by CEH and other shareholders of MJE ("**Convertible Bond Agreements**") shall be terminated before or on Completion, and CEH shall not have any further rights, remedies and/or claims whatsoever pursuant to or under the aforesaid agreements insofar as the convertibility element of the bonds ("**Convertible Bonds**") under the Convertible Bond Agreements. Currently, the Convertible Bonds under the Convertible Bond Agreements have been fully impaired in the Group's financial accounts. The Convertible Bonds issued by Tekun Positif (M) Sdn Bhd and Wealthy Entity Holdings Sdn Bhd ("**Bond Issuers**"), two of the other shareholders of MJE, to CEH allows CEH to convert the sum due by the Bond Issuers to 45% interest in MJE. For the avoidance of doubt, the existing rights to the Convertible Bonds, which comprises 45% of conversion rights into MJE, will be excluded from the sale of 30%

shareholdings in MJE from CEH to EM, pursuant to the terms in the SPA. EM intends to acquire all the shareholdings of MJE held by other shareholders of MJE, and requires all encumbrances over their shareholdings in MJE to be cleared, in particular, the conversion rights under the Convertible Bond Agreements need to be terminated. While the Group has written off its investment in the Convertible Bonds, nothing in the SPA shall extinguish CEH's claim against the Bond Issuers for the underlying loan provided by CEH to them.

Under the SSA (as defined below), the amount due from MJE owed to Colben Energy (Singapore) Pte Ltd and CEH as at 31 October 2022 is RM 2,247,821.94 and RM 68,798,492.62 respectively ("**Related Parties Amount**"). The Company and the Group will be waiving all rights and claims in respect of the Related Parties Amount on completion of the SSA.

Under the SPA, CEH has also agreed to pay Maybank the CEH's Share of the Settlement Sum and the CEH's Share of the Costs. Concurrently, MJE will enter into a share subscription agreement ("**SSA**") with EM at a later date where EM will subscribe to a total of RM 65 million of new shares (ordinary and redeemable preference) in MJE ("**MJE Capital Injection**"). The balance owing to Maybank of an estimated sum of RM 32.5 million (after the repayment of the Advance, CEH's Share of the Settlement Sum and CEH's Share of the Costs) will be repaid by MJE using the proceeds from the MJE Capital Injection. Any excess from the MJE Capital Injection after settling with Maybank will be deployed at the absolute discretion of EM given that MJE will become wholly owned by EM then. For the avoidance of doubt, neither CEH, the Company nor the Group will be subscribing for any shareholdings in MJE.

As EM will be organising MJE's repayment of the Settlement Sum to Maybank, the parties have agreed that CEH will transfer the CEH's Share of the Settlement Sum and the CEH's Share of the Costs to EM. Under the SPA, CEH has irrevocably agreed and undertaken to pay EM the relevant amounts within six (6) months from Completion of the SPA. Maybank will not allow any transfer of issuance of MJE shares until full payment of the Settlement Sum by 30 June 2023. As such, the Company is protected since the amount will only be paid to EM after Completion of the SPA (which will occur after the Settlement).

The waiver of CEH's rights to the Advance, CEH's Share of the Settlement Sum and CEH's Share of the Costs are collectively referred to as the ("**Group's Co-Funding**"). The total amount of the Group's Co-Funding is RM 19.5 million, and it represents the total amount of financial assistance CEH is providing to MJE in its settlement with Maybank. The main purpose of CEH providing the Group's Co-Funding to MJE is to reduce the negative value of MJE so that it will be mutually amicable and viable for both CEH to exit MJE and EM to take over MJE. Further details can be found in section 3 of this announcement.

The Group's Co-Funding constitutes a major transaction under Rule 1014 of Section B of the Listing Manual of the SGX-ST: Rules of Catalist ("**Catalist Rules**") and is subject to, *inter alia*, the approval of shareholders of the Company at an extraordinary general meeting ("**EGM**") to be convened. Accordingly, a circular setting out information relating to the Proposed Transactions (as defined below) will be despatched in due course ("**Circular**").

2. INFORMATION OF THE PROPOSED TRANSACTIONS

2.1 The proposed key transactions that the Company, MJE, CEH and EM have agreed to undertake under the SPA and the SSA are:

- (a) the provision of financial assistance by CEH to MJE under the Group's Co-Funding; and
- (b) the disposal of CEH's entire 30% equity interest in MJE to EM for a nominal cash consideration of RM 10.00 ("**Proposed Disposal**"),

(collectively, the "**Proposed Transactions**").

2.2 Information on MJE

MJE owns a biomass power plant in Malaysia which uses waste material derived from the palm oil extraction process. The Company has provided a corporate guarantee ("**Corporate Guarantee**") in favour of Maybank for the borrowings of MJE and as announced on 13 July 2022, Maybank has served a letter of demand on 6 July 2022 requiring the payment of the outstanding amount of RM 122.2 million on the Corporate Guarantee ("**Letter of Demand**"). Thereafter, as announced on 14 July 2022, Maybank has appointed Receivers and put MJE under receivership.

At the date of this announcement, CEH holds 30% interest in MJE while Tekun Positif (M) Sdn Bhd holds 30%, Wealthy Entity Holdings Sdn Bhd holds 25% and Tan Guan Hua Sdn Bhd holds 15% interest in MJE. Under the Convertible Bonds Agreements, CEH may require Tekun Positif (M) Sdn Bhd to transfer 20% interest in MJE and Wealthy Entity Holdings Sdn Bhd to transfer 25% interest in MJE (amounting to a total of 45% interest in MJE) to CEH to settle the sum due by them under the Convertible Bonds Agreements.

2.3 Information on EM

The information herein is based on information provided by and / or representations made by EM. The Company and the Directors have not conducted an independent review or verification of the accuracy of the statements and information below.

EM is a company in the green environmental regeneration space which processes palm biomass to be used as fuel in fired generating plants to produce green electricity. Their primary focus is on environmental consciousness and exploring alternative sustainable energy sources to achieve sustainable and viable green environmental practices.

Currently, the Receivers have leased MJE's biomass power plant to EM.

The shareholders of EM are Etagreen Asset Sdn. Bhd., a company incorporated in Malaysia and Etagreen Corp Pte. Ltd., a company incorporated in Singapore. The ultimate beneficial shareholder of EM is Ms Teh Chooi Peng, who is the sole shareholder of both Etagreen Asset Sdn. Bhd. and Etagreen Corp Pte. Ltd.. She is not related (directly or indirectly) to the Company, any Director, substantial shareholder of the Company and their respective associates.

2.4 Principal terms of the SPA

Under the SPA, CEH shall sell and EM shall purchase the entire legal and beneficial ownership of 9,000,000 shares comprising 30% of the capital of MJE for a nominal consideration of RM10.00.

Under the SPA, CEH has also agreed to:

- (i) the application of the Advance to repay Maybank, and to waive its rights to the Advance;
- (ii) pay Maybank CEH's Share of the Settlement Sum and CEH's Share of the Costs;
- (iii) waive its conversion rights to the Convertible Bonds; and
- (iv) waive the Related Parties Amount.

The Company estimates CEH's Share of the Costs to be RM 1,000,000 in aggregate.

The SPA is subject to conditions precedent which include, *inter alia*:

- (a) EM having completed a due diligence review on MJE and the findings thereof are satisfactory to EM;
- (b) the execution of the SSA;

- (c) all the remaining shareholders of MJE shall have agreed to sell and transfer all their shares in MJE to EM on terms and conditions acceptable to EM;
- (d) Maybank shall have entered into a conditional settlement agreement with MJE and EM pursuant to the settlement proposal referred to in the Previous Announcements, on terms and conditions acceptable to EM;
- (e) Maybank, MJE and the Group having entered into a conditional deed of release to release, waive, disclaim and/or discharge all security interests which Maybank may hold as security for the indebtedness of MJE towards the Financiers;
- (f) CEH and the Company shall have obtained the approvals from its respective board of directors and shareholders in relation to the execution and performance of the SPA and the SSA;
- (g) no event having occurred after the date of the SPA which has or is likely to result in a material adverse change in the business, operations, assets, position (financial, trading or otherwise), profits or prospects of MJE; and
- (h) all other relevant approvals and consents having been obtained, including but not limited to any consent from the regulatory or governmental body for the transactions and related matters contemplated in the SPA.

If any condition precedent under the SPA is not satisfied on or before the cut-off date, being the date falling three (3) months following the date of the SPA, the SPA shall cease to be of any effect except the surviving provisions and no party shall have any claim against any other party under it, save as otherwise provided in the SPA and for any claim arising from antecedent breaches of the SPA.

2.5 Value of MJE and Consideration for the Proposed Disposal

All investment in MJE, including the Convertible Bonds, has been fully written off in the books of the Group. The investment into the Convertible Bonds has also been impaired. As at the date of this announcement, MJE is in a negative asset position. Accordingly, no value is recorded in the books for the 30% equity interest that CEH holds in MJE. All investments in MJE have been fully written off in the books of the Group.

The Receivers have commissioned a valuation of the biomass power plant of MJE on 20 December 2022 ("**Valuation Report**"). The Company understands from the Receivers that the valuer has estimated the market value in-situ ("**MVI**") of the biomass power plant to be at RM 30 million and the forced sale value ("**FSV**") to be at RM 21.7 million. The valuer is commissioned by the Receivers and not commissioned by the Group, and the valuer has not given its consent to the Company to rely on the Valuation Report for the purpose of this announcement. Neither the Receivers nor the valuer will be responsible for the accuracy of MVI and FSV, any reliance on the Valuation Report, and any other matters relating to the value of MJE. However, considering the book value of the land as at 31 March 2022 and making references to the valuer's assessment in the Valuation Report, the Board is agreeable to the valuer's assessment for the purposes of this settlement offer.

Notwithstanding that the Company is not able to rely on the Valuation Report, the Board is agreeable with the valuer's assessment of the MVI and FSV. Taking into account the Settlement Sum after deducting the Individual Guarantor's Payment of RM 500,000, MJE is in a negative asset position even if we assume that the biomass power plant is sold at MVI. Using the illustrative formula below to compute the value of MJE:

$$\text{Value of MJE} = \text{MVI} - (\text{Settlement Sum} + \text{Costs (estimated at RM 2,000,000)} - \text{Individual Guarantor's Payment})$$

the Company estimates the value of MJE to be negative RM 24 million. The Company will not incur further cost to engage a valuer to value an asset of negative value for the purpose of the Proposed Disposal.

Hence, the excess of the proceeds from the Proposed Disposal over the book value is RM 10.00. The net loss attributable to the assets being disposed of is S\$1.078 million. The amount of gain on the Proposed Disposal is RM 10.00 since all the investment and receivables relating to MJE has been fully impaired in CEH's books.

Taking into consideration that MJE has a negative value (even after adjustment to the waiver of the Related Parties Amount), the consideration is agreed to be nominal.

2.6 Value of financial assistance provided to MJE

The estimated amount of the Group's Co-Funding is RM 19.5 million (equivalent to S\$6.1 million). Upon completion of the Proposed Transactions, the Group's Co-Funding will be recorded as a one-time expense of the Group.

After the Group provides the Group's Co-Funding to assist MJE to repay Maybank, it is expected that MJE will still be in the negative asset position.

The amount of Group's Co-Funding was arrived at in good faith after negotiation by the Company, CEH, EM and MJE, to reduce the negative value of MJE to an extent acceptable by EM, and after considering the book value of the land as at 31 March 2022 which is approximately RM 7.8 million, the cost of construction and the value of the equipment, and upon making references to the Valuation Report.

2.7 Fund raising

The Group's Co-Funding, which is an estimated amount of RM 19.5 million (equivalent to S\$6.1 million), consists of the waiver of CEH's rights to the Advance, CEH's Share of the Settlement Sum and CEH's Share of the Costs. Given that the Advance of RM 4 million will be applied as repayment to Maybank, the remaining amount to be accounted for by the Company is RM 15.5 million (equivalent to S\$4.77 million).

As announced in the Company's announcement dated 31 March 2023 in relation to a proposed rights issue ("**Proposed Rights Issue**"), the maximum amount of proceeds to be raised in the Proposed Rights Issue is S\$6.1 million. The Company will apply the proceeds from the Proposed Rights Issue to fund the CEH's Share of the Settlement Sum and CEH's Share of the Costs, which amounts to RM 15.5 million (equivalent to S\$4.77 million) as explained above. In the event that the proceeds raised from the Proposed Rights Issue only amounts to S\$3.3 million in the Minimum Subscription Scenario, the Company will finance the shortfall payment of S\$1.47 million with its positive cash flow from operations and unutilised borrowings currently available to the Group.

2.8 Principal terms of the SSA

MJE, EM and the Company are parties to the SSA. Under the SSA, EM agrees to subscribe to new ordinary shares of MJE and redeemable preference shares of MJE at a total consideration of RM 65 million. The parties agree that part of the total consideration of RM 65 million received by MJE will be used to pay Maybank. Any excess will be deployed at the absolute discretion of EM since MJE will be wholly owned by EM then.

Under the SSA, MJE and the Company, on a joint and several basis, have provided the standard warranties on the accounts, taxation and corporate matters. Other than providing the joint warranties, the Company does not have an interest in the SSA.

The SSA is also subject to similar conditions precedent as in the SPA.

3. RATIONALE AND BENEFITS OF THE PROPOSED TRANSACTIONS

The Company is aiming for a full discharge of the Corporate Guarantee and a clean exit from MJE. Without the MJE Capital Injection, MJE will not have the funds required to pay Maybank the Settlement Sum and the Costs in full, and accordingly, the Company is not able to secure a full discharge of the Corporate Guarantee.

As a condition for EM's agreement to the MJE Capital Injection, the Group has to provide financial assistance to MJE in the form of the Group's Co-Funding so as to reduce the negative value of MJE to a level that is mutually amicable and viable for both CEH to exit MJE and EM to take over MJE.

In the event that MJE is unable to repay Maybank, there is a risk that Maybank will claim against the Company under the Corporate Guarantee for RM 122.2 million as set out in the Letter of Demand dated 6 July 2022.

Having considered the potential risk of enforcement of the Corporate Guarantee against the Company in the event that MJE is unable to repay Maybank the Settlement Sum and the Costs in full, and that there is no other feasible alternative for MJE to raise funds to pay Maybank, the Board is of the view that the Proposed Transactions represent the best option for MJE to repay Maybank the Settlement Sum and the Costs in full, and hence, to secure a full discharge of the Corporate Guarantee and a clean exit from MJE.

4. RELATIVE FIGURES COMPUTED ON THE BASES SET OUT IN RULE OF THE CATALIST RULES

4.1 Proposed Disposal

For the Proposed Disposal, the relative figures computed on the bases set out in Rule 1006 of the Catalist Rules are as follows:

Rule 1006	Bases	Relative Figures (%)
		Proposed Disposal
(a)	The aggregate value of the assets to be disposed of, compared with the Group's net asset value	-4.79 ⁽¹⁾
(b)	Net loss attributable to the assets disposed of, compared with the Group's net loss	9.43 ⁽²⁾
(c)	The aggregate value of the consideration "given", compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares	656.34 ⁽³⁾
(d)	Number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	Not applicable
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proven and probable reserves	Not applicable

Notes:

- (1) MJE's audited accounts as at 31 March 2022, have been used for the purpose of above computations as MJE was under receivership effective from 14 July 2022. The aggregate value of MJE is negative S\$997,000 (adjusted assuming the waiver of the Related Parties Amount has taken place) as at 31 March 2022 compared with the Group's net asset value of S\$20,837,000 as at 31 March 2022.
- (2) The net loss attributable to the assets disposed of as of 31 March 2022 was negative S\$1,078,000, compared with the Group's net loss as of 31 March 2022 of negative S\$11,435,000.
- (3) Taking into account the waiver of the Related Parties Amount, the consideration "given" for the Proposed Disposal is approximately S\$22.9 million. The foregoing computation and description are solely for the purpose of computation of the relative figures under Rule 1006(c) and it is not to be taken

legally as the Company will be giving consideration under the SPA. Legally, it remains that the Company will receive RM 10 consideration under the SPA. The Company's market capitalisation is approximately S\$5.2 million based on its total number of issued ordinary shares ("**Shares**") of 1,741,647,873 and the weighted average price of S\$0.002 per Share on 5 May 2023, being the last traded market day prior to the date of the SPA. The consideration received is RM 10.00.

As the relative figure under Rule 1006(c) of the Catalyst Rules exceeds 50%, the Proposed Disposal constitutes a "Major Transaction" as defined under Chapter 10 of the Catalyst Rules and will be subject to the approval of the shareholders at the EGM to be convened.

Catalist Rule 1014(5) provides that where a disposal of assets is one where any of the relative figures as computed on the bases set out in Rule 1006 exceeds 75%, the issue must appoint a competent and independent valuer to value the assets to be disposed. The Company noted that the relative figure computed on the basis of Rule 1006(c) exceeds 75%. The Company will apply through the Sponsor (as defined below) to the SGX-ST for a waiver prior to the despatch of the Circular.

4.2 Group's Co-Funding

For the Group's Co-Funding, the relative figures computed on the bases set out in Rule 1006 of the Catalyst Rules are as follows:

Rule 1006	Bases	Relative Figures (%)
(a)	The aggregate value of the financial assistance, compared with the Group's net asset value	27.06 ⁽¹⁾
(b)	Net profits attributable to the assets disposed of, compared with the Group's net profits	Not applicable
(c)	The aggregate value of the financial assistance, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares	174.94 ⁽²⁾
(d)	Number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	Not applicable
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proven and probable reserves	Not applicable

Notes:

- (1) Based on the table above, the computed value is based on the Group's Co-Funding, which is an estimated amount of RM 19.5 million (equivalent to S\$6.1 million) and the Group's latest announced unaudited net asset value of S\$22.5 million as at 31 December 2022.
- (2) Based on the table above, the Company's market capitalisation of approximately S\$5.2 million is based on its total number of Shares of 1,741,647,873 and the weighted average price of S\$0.002 per Share on 5 May 2023, being the last traded market day prior to the date of the SPA.

As the relative figure under Rule 1006(c) of the Catalyst Rules exceeds 50%, the Group's Co-Funding constitutes a "Major Transaction" as defined under Chapter 10 of the Catalyst Rules and will be subject to the approval of the shareholders at the EGM to be convened.

5. **FINANCIAL EFFECTS**

5.1 Bases and assumptions

As stated in Section 4, given that the investment in MJE was impaired under the Company's accounts in FY2019 and FY2020 and the Related Parties Amount was impaired under the Company's account in FY2022, the Proposed Disposal has no financial effects on the Group. As such, the following illustration is only limited to the Group's Co-Funding. The pro forma financial effects of the Group's Co-Funding are presented for illustration purposes only and do not reflect the actual future financial performance and position of the Group after completion. The financial effects of the Group's Co-Funding are based on the Group's latest audited financial statements for the financial year ended 31 March 2022 and adopt the following assumptions:

- (a) the financial effects on the Group's net tangible asset (the "NTA") attributable to the shareholders and the NTA per Share have been computed assuming that the provision of the Group's Co-Funding took place on 31 March 2022;
- (b) the financial effects on the Group's earnings attributable to the shareholders and the Loss per Share have been computed assuming that Completion took place on 1 April 2021; and
- (c) the expenses incurred in connection with the transactions (excluding the CEH's Share of the Costs) is approximately S\$30,000.

5.2 NTA per Share

	Before the provision of the Group's Co-Funding ⁽¹⁾			After the provision of the Group's Co-Funding
	As at 31 March 2022	Issuance of shares to Lecca	Completion of the Proposed Rights Issue ⁽²⁾	
NTA of the Group	16,212,000	16,712,000	22,825,000	16,731,000
Number of Shares	1,556,462,688	1,741,647,873	4,005,790,107	4,005,790,107
NTA per Share (S\$)	0.0104	0.0096	0.0057	0.0042

Notes:

- (1) Based on the table above, it is assumed that the settlement of the deposit of S\$500,000 by way of the issuance of 185,185,185 Company's shares has taken place.
- (2) Based on the table above, it is assumed that the maximum amount of proceeds in the Proposed Rights Issue of S\$6.1 million will be raised.

5.3 Earnings/Loss per Share

	Before the provision of the Group's Co-Funding⁽¹⁾			After the provision of the Group's Co-Funding
	As at 31 March 2022	Issuance of shares to Lecca	Completion of the Proposed Rights Issue⁽²⁾	
Net profit/(loss) of the Group	(8,198,000)	(8,198,000)	(8,198,000)	(14,292,000)
Number of Shares	1,556,462,688	1,741,647,873	4,005,790,107	4,005,790,107
Earnings/(loss) per Share (S\$)	(0.0053)	(0.0047)	(0.0020)	(0.0036)

Notes:

- (1) Based on the table above, it is assumed that the settlement of the deposit of S\$500,000 by way of the issuance of 185,185,185 Company's shares has taken place.
- (2) Based on the table above, it is assumed that the maximum amount of proceeds in the Proposed Rights Issue of S\$6.1 million will be raised.

6. **DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS**

None of the Directors or substantial shareholders or their respective associates have any interest, direct or indirect, in the Proposed Transactions.

7. **SERVICE CONTRACTS**

No service contracts with the Group will be entered into in connection with the Proposed Transactions.

8. **DOCUMENTS FOR INSPECTION**

A copy of the SPA and the SSA (after it has been executed) is available for inspection by the Shareholders at the registered office of the Company at 65 Joo Koon Circle, Singapore 629078 during normal office hours for three (3) months from each of its respective date of announcement.

9. **DIRECTOR'S 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 Transactions, and 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.

10. CAUTION IN TRADING

Shareholders are advised to exercise caution in trading their Shares as there is no certainty or assurance as at the date of this announcement that the Proposed Transactions will proceed to completion and/or the Corporate Guarantee will be discharged. Shareholders are advised to read this announcement, any further announcements and the Circular which will be circulated by the Company for the EGM carefully. Shareholders should consult their stockbrokers, solicitors or other professional advisors if they have any doubts about the action they should take.

By Order of the Board

Tan Boon Kheng
Managing Director
8 May 2023

*This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.*

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