

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

ANNOUNCEMENT

RESPONSE TO QUERIES BY SINGAPORE EXCHANGE REGULATION

The Board of Directors ("**Board**") of Ascent Bridge Limited ("**Company**") refers to the queries raised by the Singapore Exchange Regulation ("**SGX RegCo**") on 13 March 2023. The Company sets out below its response to the queries.

Query 1

We refer to the Company's SGXNet Announcement of 10 March 2023 titled, "Court Application against Chairman and CEO". The announcement disclosed that, "*... the application arose from Mr. Sun having guaranteed repayment of a loan extended by the applicant to one of Mr. Sun's wholly-owned companies, which is not a subsidiary of the Group*" (the "**Announcement**").

Listing Rule 720(1) of the Listing Manual, which provides that an issuer must also comply with Listing Rule 210(5) on a continuing basis, which requires among others, a consideration of the character and integrity of directors and management. Please provide the Nominating Committee's assessment and the bases for such assessment of whether Mr Sun Quan is suitable to continue as a director and/or executive officer of Ascent Bridge Limited.

Company's response

The Nominating Committee ("NC") has assessed that Mr Sun Quan is suitable to continue as a director and executive officer of Ascent Bridge Limited ("Company" or "ABL") on the following basis:

- (i) In relation to the bankruptcy application, Mr Sun has notified the Board he is in the process of settling the matter and will update the Board on its progress.
- (ii) Mr Sun has provided a negative confirmation to the allegation in Query 3.
- (iii) There are no other factors to the knowledge of the NC and the Board to doubt Mr Sun's integrity and non-suitability as a director and executive officer.

Query 2

Please advise as to whether (i) the Company will make further announcements of the progress of this matter; and (ii) the Board will continue to monitor the progress of this matter as informed by Sun Quan, in evaluating his continued suitability as a director and/or executive officers of the Company and compliance with the continuing listing rules.

Company's response

As mentioned in the Announcement, Mr Sun will inform the Board of the progress in settling the matter of the loan, the subject of the bankruptcy application. The Board will monitor the progress as informed by Mr Sun in evaluating his continued suitability as a director and executive officer of the Company and comply with the continuing listing rules.

Query 3

Did the Lender to the loan agreement exercise the Call Option to acquire 1,123,596 shares of Ascent Bridge Limited on 2 October 2022, and (ii) the Put Option to purchase 1,123,596 shares? Please also clarify as to whether the shares were transferred to the Lender and identify the transferor of such shares. If the transfer of the shares has taken place, please clarify as to whether (i) the Company has received any notification of the change of interests to the Company; and (ii) the Company has made disclosure of such change of interests. Please confirm what is the latest shareholding of the Mr Sun Quan (direct and indirect) in the Company.

Company's response

Mr Sun has confirmed to the NC that there is no transfer of shares by the Lender or the Borrower.

On or about 9 November 2021, MTBL Global Holdings Pte Ltd ("**Borrower**") as borrower, a shareholder of the Company ("**Lender**") as lender and Sun Quan ("**Sun**") as guarantor entered into a loan agreement for S\$1.0 million, which among other things provided for (a) the Borrower to use the S\$1.0 million to acquire 1,123,596 shares of Ascent Bridge Limited ("**ABL Shares**") and deposit the same with Insights Law LLC ("**Escrow Agent**") as escrow agent; (b) the Borrower to grant the Lender a call option over the ABL Shares; (c) the Lender to grant the Borrower a put option over the ABL Shares in the event the Borrower exercises the call option; and (d) Sun to personally guarantee the obligations of the Borrower ("**Loan Agreement**").

On 23 November 2022, the Lender filed an originating claim HC/OC 410/2022 against the Borrower and Sun alleging breach of their respective obligations under the Loan Agreement. On 12 January 2023, the parties entered into a settlement agreement on a "no admission of liability basis" to settle all disputes arising from the Loan Agreement, where the Borrower and Sun jointly and severally agreed to repay S\$1,460,000 in two equal tranches. The Borrower paid the first tranche upon entry into the settlement agreement. On 2 March 2023, the Lender filed a bankruptcy application against Sun on the basis that Sun did not pay the second tranche when due on 31 January 2023.

The Borrower did not use the loan to acquire the ABL Shares. Instead, Sun procured an independent third party unrelated to the Borrower and Sun, to deposit the ABL Shares with the Escrow Agent instead. The third party transferred the ABL Shares to the Escrow Agent via a CDP securities transfer. The ABL Shares has remained with the Escrow Agent's CDP account ever since and has not been transferred to any party.

As the ABL Shares do not belong to the borrower nor Sun had at any time acquired any interest in it, there is no obligation for Sun to make a disclosure of change of interest.

Mr Sun's latest shareholdings in the Company is as follows:

Deemed interest held through:

MTBL Global Fund - 34,462,956 shares

MTBL Global Holdings Pte Ltd - 10,250,000 shares

Mr Sun is deemed interested in the shares held by MTBL Global Fund ("Fund") and MTBL Global Holdings Pte Ltd by virtue of his controlling interest in the fund manager of the Fund and that MTBL Global Holdings Pte Ltd is wholly owned by him.

Query 4

In respect of the loan agreement, please disclose (i) the identity of the entity to which the loan was extended (and the relevant parties); and (ii) the relationship between the borrower, the Group, its directors, controlling shareholders and their associates.

Company's response

The Lender of the loan is a shareholder of the Company. The borrower is MTBL Global Holdings Pte Ltd ("MTBLGH").

As mentioned earlier, MTBLGH is a shareholder of the Company holding 10,250,000 shares of the Company. Mr Sun is deemed interested in the shares held by MTBLGH as it is wholly owned by him.

By Order of the Board

Foo Soon Soo Company
Secretary

16 March 2023