

THE PROPOSED CAPITAL REDUCTION – UPDATE OF SHARE CAPITAL

*Unless otherwise defined, all capitalised terms and references used herein shall bear the same meaning ascribed to them in the Company's circular ("**Circular**") dated 6 April 2021.*

1. INTRODUCTION

The Board of Directors (the "**Board**" or "**Directors**") of AEI Corporation Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the Circular and the Company's announcements dated 31 December 2020, 11 January 2021, 28 April 2021, 18 May 2021 and 20 May 2021 in relation to the proposed capital reduction exercise ("**Proposed Capital Reduction**") ("**Previous Announcements**") to be carried out by the Company pursuant to Section 78G, read with Section 78I, of the Companies Act (Cap. 50) of Singapore (the "**Companies Act**") to return to shareholders of the Company ("**Shareholders**") surplus capital of the Company in excess of its needs by way of a cash distribution ("**Cash Distribution**") by the Company to Shareholders of S\$0.36 for each ordinary share ("**Share**") held by the Shareholders.

The actual aggregate amount of the capital to be returned to the Shareholders pursuant to the Proposed Capital Reduction will be based on the total number of issued and paid-up Shares (excluding treasury shares) of the Company as at the Record Date of 30 June 2021.

2. UPDATE OF TOTAL NUMBER OF ISSUED AND PAID-UP SHARES

Following the Company's Previous Announcements:

On 27 May 2021, the Company announced the issue of 10,000,000 new shares on the exercise of the Option (as defined in the announcement therein) by MTBL Global Holdings Pte Ltd and related 300,000 Option Introducer Shares.

On 28 May 2021, the Company announced the expiry of the subscription rights to the Company's Warrants on 27 May 2021 and the issue of a total number of 12,805,022 new shares upon the exercise of the Warrants prior to the expiry.

Based on the foregoing, the issued share capital of the Company as at the date of this announcement comprises 78,471,731 Shares (excluding treasury shares).

By Order of the Board
AEI CORPORATION LTD.

Lum Soh Ping
Foo Soon Soo
Company Secretaries

31 May 2021