



GREEN BUILD TECHNOLOGY

GREEN BUILD TECHNOLOGY LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No.: 200401338W)

RESPONSE ANNOUNCEMENT TO SGX-ST QUERIES

The Board of Directors (the “**Board**”) of Green Build Technology Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) would like to set out its responses to the queries raised by the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 19 November 2024 with reference to the Company’s announcement dated 30 September 2024 titled “Financial Statements and Related Announcement: Third Quarter Results” (“**3QFY24**”) and its responses to the SGX-ST’s queries dated 17 September 2024 (the “**Responses**”). Unless otherwise defined, all capitalised terms used herein shall bear the same meaning ascribed to it in the Announcement. The queries from the SGX-ST and the Company’s responses are as follows:

- 1) It is disclosed on page 14 of the unaudited financial statements that, “The Company is in the process of negotiating repayment plans with the customers on the collection of receivables as there have been delays in the payment of the trade receivables. Barring unforeseen circumstances, the Company is of the opinion that remaining trade receivables are recoverable and will be fully collected by the first quarter of 2025 in accordance with any repayment plans that may be agreed with the customer.”

It is further disclosed in the Responses that, the Company expects to collect the outstanding receivables by November 2024.

Please disclose:

- (a) the ageing profile of the outstanding receivables in bands of 3 months as at 30 September 2024 and the amount collected to date;
- (b) the percentage of trade receivables attributed to the customers who delayed payment;
- (c) whether these customers are still in operation;
- (d) whether they are major customer(s) and whether the Company continues to transact with these customer(s);
- (e) whether these outstanding amounts are owing to related parties. If yes, to provide details and quantify;
- (f) the Board’s assessment of the recoverability of the remaining trade and other receivables, including its basis of assessment; and
- (g) how the Company intends to fulfil its significant payment obligations in the next 12 months, given the delay in collections from customers.

Company's Response:

- (a) As at 30 September 2024, the ageing of outstanding trade receivables by ageing bracket are as follows:

	Group	Ageing of trade receivables				Amount collected as of date of this announcement RMB'000
	30.09.2024	<90 days	91 to 180 days	181days to 270 days	211 to 360 days	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
Trade debtor	2,808	925	925	925	33	-

- (b) The Company currently only has one trade debtor, Heilongjiang Hengyang Wuye Service Co. Ltd.
- (c) The customer is still in operation.
- (d) The trade debtor is a major customer of the Company. The Company is currently in the process of negotiating a repayment plan with the trade debtor and anticipates that it will be able to reach a resolution on this matter by 30 November 2024. If the Company is not able to agree on a repayment plan with the trade debtor, it will consider the following action, including but not limited to taking the necessary steps to suspend services to the trade debtor and commencing a claim for the recovery of the outstanding receivables. At this juncture and given the Company's existing business relationship with the trade debtor, management is hopeful that the Company will be able to reach an agreement with the trade debtor on a repayment plan.
- (e) The outstanding amounts are not amounts due to related parties.
- (f) The Board is of the opinion that the remaining trade receivable and other receivables are recoverable. The trade debtor has been similarly affected by the downturn in the Chinese real estate market and as such has been slow in payment. As disclosed in paragraph 1(d) above, negotiations with the trade debtor on a repayment plan have been progressing and the Company hopes to finalise the plan by 30 November 2024. Barring unforeseen circumstances, the Company expects to receive the full settlement of the amount by end of the first quarter of 2025 based on the repayment plan currently under negotiation.
- (g) The Company intends to fulfil its significant payment obligations in the next 12 months to the relevant third parties using the cash balances and cashflows from its Continuing Operations and through borrowings from directors. Further, as disclosed at pages 6 and 7 of the 3QFY24, the Company has taken the following efforts to improve its cashflow and financial position:
- (i) The Company has been successful in increasing its existing business revenue through the securing of additional management, consultancy and maintenance projects as a result of its earlier business development efforts. The Company will continue to source and procure new business and projects similar to the Group's existing business to increase revenue stream.
 - (ii) Following the completion of the sale of the Disposal Group, the Company currently has no ongoing banking facilities. This coupled with the fact that the Company in increasing its existing business revenue also means that the Group will be cashflow positive from its Continuing Operations.
 - (iii) The Company has also been successful in procuring new business opportunities to diversify its revenue stream and strengthen shareholders' value. As announced in the Company's announcement dated 11 July 2024, the Company has entered into a sale and purchase agreement with Hotel Nuve Elements Pte. Ltd. to purchase 44,000

ordinary shares of the issued share capital of Hotel Nuve Elements Plus Pte. Ltd. (collectively the **“Proposed Acquisition”**). In connection with the Proposed Acquisition, subject to the approval of the Company’s shareholders, the Company intends to diversify into the new business of:

- provision of management and consultancy for hotels;
- management of operations of hospitality and lodging related business; and
- acquisition and investment of hospitality or lodging related assets,

(the **“New Business”**).

The Company will be convening an extraordinary general meeting on 29 November 2024 to seek shareholders’ approval for the proposed diversification into the New Business. Please refer to the Company’s circular dated 7 November 2024 for more information on the proposed diversification.

- (iv) In addition to the Proposed Acquisition, the Company will continue to explore new business opportunities to diversify its revenue stream and strengthen shareholders’ value.
- (v) The Company is also looking to capital markets to explore fundraising opportunities to strengthen its cash and financial position, and in this regard have been in discussions with potential investors who have shown keen interest in investing into the Company.

2) Please provide a breakdown of the advances and deposits amounting to RMB251k as at 30 Sep 2024 and identify the nature of each of the material advances to suppliers/vendors.

Company’s Response:

As at 30 September 2024, advances and deposits of RMB251,000 comprised of the following:

- (a) deposits to suppliers of RMB16,000;
- (b) advances to employees for work-related payments and business expenses of RMB175,000. Such advances will be returned to the Company if unutilised; and
- (c) prepaid office rental of RMB60,000.

3) It is noted that the Group has recognized loans from directors and a former director and non-trade amount due a director controlled company amounting to roughly RMB2.4m and RMB1.5m respectively. Please disclose the terms of transaction, including interest rates and repayment terms, and whether the directors have agreed not to recall these amounts for a period of time.

Company’s Response:

The Company is in discussions with the relevant third parties on the repayment of its trade and other payables. The relevant third parties are aware of the Company’s present financial position and as of date, there has been no immediate push or demand by such third parties for the Company to repay its outstanding liabilities.

As at 30 September 2024, loans from directors and a former director of RMB2.4 million comprised of loans from current executive directors of RMB1.9 million and loans from a former director of RMB 0.5 million. These loans are unsecured, interest free and repayable on demand. The executive

directors have agreed for the Company to pay their outstanding loans due to them when the Company is in a better financial and cash position.

As at 30 September 2024, the non-trade amount due to a director controlled company of RMB1.5 million is unsecured, interest free and repayable on demand. The company controlled by the director has agreed for the Company to pay their outstanding loans due to them when the Company is in a better financial and cash position.

By Order of the Board
Li Mingyang
Chairman and Executive Director of the Board
26 November 2024