

COOLAN GROUP LIMITED
(formerly known as New Silkroutes Group Limited)
(Company Registration No. 199400571K)
(Incorporated in the Republic of Singapore)

UPDATE ANNOUNCEMENT

The board of directors (the “**Board**” or “**Directors**”) of Coolan Group Limited (the “**Company**” together with its subsidiaries, the “**Group**”) wishes to provide an update to shareholders on operation and financial status of the Group.

Update on Hequ Yuanyang Industrial Co., Ltd’s operations and future work plans

As a follow up to the queries raised by the Singapore Exchange Securities Trading Limited (“SGX-ST”) on 13 December 2024 and 18 December 2024 in relation to the Company’s announcements dated 12 December 2024 and 31 December 2024. The Board of Company wishes to provide an update on Hequ Yuanyang Industrial Co., Ltd’s operations and future work plans. The company is unable to access the China accounting data or report on China operation due to the unauthorised transaction announced on 7 April 2025, the current Management has engaged lawyers and other professionals to recover the affected assets. Additionally, the Chinese authorities have initiated an investigation into the matter.

Difficulties in transferring funds from the Group’s China entities back to the Company in Singapore

Despite various reminders from the Board, the Management, led by Mr. Han Binke, the former Chief Executive Officer and Executive Director (the “**former CEO**”) had advised that the China team has tried various efforts to transfer funds from the Group’s China entities to the Company but to no success. The current Management led by Mr Calvin Wong, the current interim CEO and Executive Director (the “**Interim CEO**”) has taken legal action in China against former CEO and former General Manager, Mr. Liu Zhihao (the “**former China GM**”) to regain control of the entities from the unauthorised transactions committed as announced on 7 April 2025 by the Company.

Update on the Scheme of Arrangement

Refer to the previous announcements made by the Company dated 9 September 2023, 20 October 2023, 24 October 2023, 25 October 2023, 30 October 2023, 1 November 2023, 1 December 2023, 17 February 2025, 28 February 2025 and 10 March 2025, the scheme of arrangement is currently put on hold due to the unauthorised transactions carried out by the former CEO and former China GM as announced by the Company on 7 April 2025. The current Management led by the Interim CEO is currently working with various professionals and local authorities in China to restore the Group’s legal entities structure which was altered by the former CEO and former China GM.

Cash crunch situation in the Company

Due to the situations faced by the Group as explained above, the Company in Singapore is facing a cash crunch situation with some salaries and wages, audit fees, other professional fees, office rental and related administration expenses remain outstanding to be paid. Ontario has been providing limited fundings progressively to help the Company to tide through this difficult period while legal action, as explained above, is ongoing.

Letters of demand

The Company has received the following letters of demand:

- (1) a letter of demand dated 24 March 2025 (“**LOD**”) from David Ong & Co, acting on behalf of Fragrance Regal Pte. Ltd. (the “**Office Landlord**”) in relation to the outstanding office rental fee for an alleged sum of S\$34,020.68 (inclusive of GST and legal costs), to be paid by 12.00 p.m., 26 March 2025;
- (2) a letter of demand dated 24 March 2025 (“**LOD**”) from 1A Cleaning Pte. Ltd. in relation to cleaning services fee for an alleged sum of S\$1,856.25, to be paid immediately.
- (3) letter of demand dated 30 April 2025 (“**LOD**”) from David Ong & Co, acting on behalf of Fragrance Regal Pte. Ltd. (the “**Office Landlord**”) in relation to the outstanding office rental fee for an alleged sum of S\$50,215.23 (inclusive of GST and legal costs), to be paid by 12.00 p.m., 2 May 2025; and
- (4) letter of demand dated 6 May 2025 (“**LOD**”) from Burton Chen Legal LLC, acting on behalf of Mdm Thong Soak Ying. (the “**Apartment Landlord**”) in relation to the outstanding apartment rental fee for an alleged sum of S\$31,000 plus 10% late payment interest, to be paid immediately.

Office lockdown

As mentioned above, due to the non-payment of the office rental, the office located at 456 Alexandra Rd, #24-01 Fragrance Empire Building, Singapore 119962 has been temporary lockdown by the landlord.

The Company will make further announcements as and when appropriate or necessary to update shareholders on the above matters.

BY ORDER OF THE BOARD

Mr. Darrell Lim
Chairman and Lead Independent Director
16 May 2025