

AEI CORPORATION LTD.
(Incorporated in the Republic of
Singapore) Co. Registration No.
198300506G

ANNOUNCEMENT

QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF THE LISTING MANUAL

AEI Corporation Ltd (the “**Company**” and together with its subsidiaries, the “**Group**”) was placed on the watch-list under the financial entry criteria pursuant to Rule 1311(1) of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 4 December 2019.

Pursuant to Rule 1313(2) of the Listing Manual, the Board of Directors (the “**Board**”) of the Company wishes to provide an update as follows:

(1) Financial position and financial position

On 7 August 2020, the Company announced its unaudited financial statements of the Group for the six months ended 30 June 2020.

The Group reported a net loss after tax of \$2.2 million, compared with a loss of \$2.4 million for the six months in 2019. The Group cash and cash equivalents as at 30 June 2020 were \$30.9M compared with \$36.9M as at 30 June 2019. Please refer to the announcement for further details.

The COVID-19 situation will continue to impact negatively the performance of the Group for the rest of 2020 and perhaps for some time due to the unpredictability of the disease spread.

(2) Proposed Sale of the Company’s property at 12 Penjuru Lane Singapore 609192

*Reference is made to the Company’s announcements dated 30 December 2019 in relation to the option agreement for sale of the above property and 15 June 2020 in relation to the supplemental deed to the option agreement (the “**Previous Announcements**”) and all capitalised terms herein have the meanings ascribed to them in the Previous Announcements.*

Following the Previous Announcements, the Company updated the shareholders as follows:

- (a) The Company announced on 28 August 2020 that it had agreed with the purchaser to extend the Target Date relating to the proposed sale of the property to 30 October 2020 pending various conditions precedent relating to the sale (including JTC approvals) that remain to be satisfied.
- (b) The Company announced on 31 August 2020 that it had submitted an application to SGX-ST for a waiver from complying with Rule 1014(2) of the Listing Manual to seek the approval of the Company’s shareholders in respect of the proposed sale and SGX-ST had informed the Company that it had no objection to the application for the waiver, subject to conditions. Please refer to the announcement on the justifications for the waiver.

The Board will update the shareholders on the development in relation to the proposed sale of the property as and when appropriate.

Update on future direction and other material development

The Company will continue efforts to drive our business diversification plans and seek potential profit generating businesses with the objective to achieve growth and profitability, which are indeed challenging given the changing economic landscape.

BY ORDER OF THE BOARD

Lum Soh Ping
Foo Soon Soo
Company Secretaries

1 October 2020