

ALPHA DX GROUP LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 200310813H)

SHARE CONSOLIDATION – ADJUSTMENTS TO CONVERTIBLE SECURITIES

Unless otherwise defined, all capitalised terms shall bear the same meanings as the announcements released by Alpha DX Group Limited (“**Company**”) dated 18 September 2020, 17 March 2021, 27 March 2021, and 28 December 2020 and the circular released by the Company on 24 September 2020 (the “**Project Coca Circular**”).

1. ADJUSTMENT TO CONVERTIBLE SECURITIES

1.1 Adjustment to the Alpha Energy Employee Share Option Scheme (“2016 ESOS”)

As at the date of this announcement, 5,280,000 Options were granted by the Company pursuant to the 2016 ESOS remains unexercised. In accordance with the rules of the 2016 ESOS, the Committee has determined that following the Proposed Share Consolidation, adjustments shall be made to the number of existing Options and Exercise Price per Option as follows:

| Date of Grant | Expiry Date | No. of Options | | Exercise Price per Option (\$) | |
|---------------|-------------|-------------------|------------------|--------------------------------|------------------|
| | | Before adjustment | After adjustment | Before adjustment | After adjustment |
| 02.03.2017 | 02.03.2027 | 4,800,000 | 120,000 | S\$0.067 | S\$2.68 |
| 05.05.2017 | 05.05.2027 | 480,000 | 12,000 | S\$0.078 | S\$3.12 |

The above adjustments have been reviewed by Nexia TS Public Accounting Corporation, the Company’s auditor. These adjustments have been confirmed in writing by the Company’s auditor to be fair and reasonable based on the terms of the 2016 ESOS, and is effective from 26 March 2021.

1.2 Adjustment to the S\$6,196,500 in aggregate principal amount of 1.35 per cent convertible perpetual securities

As at the date of this announcement, S\$6,196,500 in aggregate principal amount of 1.35 per cent convertible perpetual securities (“**Convertible Perps**”) remain outstanding. The terms and conditions of the Convertible Perps under a deed poll executed by the Company dated 14 February 2019 provide that if and where there shall be a consolidation in relation to ordinary shares of the Company (“**Shares**”), the conversion price shall be adjusted by multiplying the conversion price in force immediately prior to such consolidation by the following fraction:

$$\frac{A}{B}$$

where:

“**A**” is the aggregate number of Shares in issue before such consolidation; and

“**B**” is the aggregate number of Shares in issue immediately after, and as a result of such consolidation.

Such adjustment shall become effective on the date of issue of such Shares.

Pursuant to the terms and conditions of the Convertible Perps, the conversion price held by the holder of the Convertible Perps have been adjusted pursuant to the Proposed Share Consolidation as follows:

| Date of Issue | Conversion Price (S\$) | | No. of Shares | |
|---------------|------------------------|------------------|-------------------------|------------------|
| | Before adjustment | After adjustment | Before adjustment | After adjustment |
| 14.02.2019 | S\$0.212 [#] | S\$8.48 | 29,228,774 [#] | 730,719 |

[#]: Pursuant to the terms and conditions of the Deed Poll dated 14 February 2019, the rights issue, as announced by the Company on 26 June 2019, constitute an event giving rise to an adjustment to the conversion price of the Convertible Perps, with effect from 22 August 2019, the conversion price of the convertible perps had been adjusted from S\$0.41798203011 to S\$0.212, and accordingly convertible from 14,824,800 to 29,228,774 Shares.

The above adjustment is effective from 26 March 2021.

1.3 Adjustment to the the option agreement dated 24 September 2018 entered into between the Company and the Alaska Industrial Development and Export Authority

As at the date of this announcement, 40,651,900 options (“Options”) were granted by the Company pursuant to an option agreement dated 24 September 2018 between the Company and the Alaska Industrial Development and Export Authority (“Option Agreement”).

The terms and conditions of the Options under the Option Agreement provide that if and wherever consolidation occurs, the exercise price shall be adjusted in the following manner:

$$\text{New Exercise Price} = \frac{Q}{R} \times P$$

and the number of Options shall be adjusted in the following manner:

$$\text{Adjusted number of Options} = \frac{R}{Q} \times W$$

where:

“Q” = the aggregate number of Shares immediately before consolidation;

“R” = the total Shares outstanding post consolidation

“P” = the existing exercise price of the Options; and

“W” = the existing number of Options held.

Such adjustment shall become effective from the close of the market day immediately preceding the date on which the consolidation becomes effective.

Pursuant to the terms and conditions of the Options, the number of options and the exercise price for the options shall be adjusted pursuant to the Proposed Share Consolidation as follows:

| Date of Grant | Expiry Date | No. of Options | | Exercise Price per Option (S\$) | |
|---------------|-------------|-------------------|------------------|---------------------------------|------------------|
| | | Before adjustment | After adjustment | Before adjustment | After adjustment |
| 24.09.2018 | 23.09.2023 | 40,651,900 | 1,016,293 | S\$0.20 | S\$8.00 |

The above adjustment is effective from 25 March 2021.

2. ADJUSTMENT TO TO THE PRICE AND NUMBER OF SHARES / OPTIONS TO BE ISSUED UNDER THE PROPOSED TRANSACTIONS

As stated in paragraph 9.6 of the Project Coca Circular, the number and prices of Shares and/or Options to be issued pursuant to the Proposed Transactions will be adjusted in accordance with the following formula:

$$\text{Adjusted Price} = 40 \times \text{Price}$$

$$\text{Adjusted number of Shares/Options} = \frac{1}{40} \times \text{Number of Shares/Options}$$

where:

“Price” means (a) the issue price for the Consideration Shares; (b) the Conversion Price for the Convertible Loan; (c) the Exercise Price for the Options; and (d) the issue price for the Introducer Shares.

The adjusted Prices and /or the number of Share/Options issued pursuant to the Proposed Transactions are accordingly set out below:

(a) Proposed Acquisition

| | Before adjustment | After adjustment |
|-------------------------------------------------|--------------------------|-------------------------|
| Issue Price for each Consideration Share | S\$0.005 | S\$0.200 |
| Number of Consideration Shares | 400,000,000 | 10,000,000 |

(b) Proposed Convertible Loan

| | Pre-adjustment | Post-adjustment |
|--------------------------------------------|-----------------------|------------------------|
| Conversion Price | S\$0.0035 | S\$0.140 |
| Maximum Number of Conversion Shares | 6,857,142,857 | 171,428,571 |

(c) Proposed Grant of Options

| | Pre-adjustment | Post-adjustment |
|------------------------------------------------------------|-----------------------|------------------------|
| Exercise Price | S\$0.005 | S\$0.200 |
| Number of Options / Maximum Number of Option Shares | 3,428,571,428 | 85,714,285 |

(d) Proposed Introducer Shares Issue

| | Pre-adjustment | Post-adjustment |
|----------------------------------------------------------------------------------------------------|-----------------------|------------------------|
| Issue price of each Introducer Share to Introducer Fees in relation to the Convertible Loan | S\$0.0035 | S\$0.140 |
| Number of Introducer Shares | 205,714,285 | 5,142,857 |

3. REVIEW OF ADJUSTMENTS

The above adjustments have been reviewed by Nexia TS Public Accounting Corporation, the Company's auditor, whom has performed a review of the adjustments based on the procedures agreed with the Company for paragraph 1.2 set out in accordance to the deed poll executed by the Company dated 14 February 2019, paragraph 1.3 set out in accordance an option agreement dated 24 September 2018 and paragraph 2 set out in accordance to the formula stated in paragraph 2 of this announcement (collectively the "**Review**"). Based on the Review performed, the adjustments are in accordance with the formula.

BY ORDER OF THE BOARD
ALPHA DX GROUP LIMITED

Tan Wee Sin
Company Secretary
5 May 2021

*This Announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.*

The contact person for the Sponsor is Ms Ng Shi Qing, 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, sponsorship@ppcf.com.sg.