
**SUPPLEMENTAL AGREEMENT BETWEEN
ASTAKA PADU SDN. BHD. AND JBB KIMLUN SDN. BHD.**

1. INTRODUCTION

- 1.1. The board of directors (the “**Board**” or “**Directors**”) of Astaka Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to its announcements dated 8 May 2017 and 2 January 2020 in relation to the (a) construction contract (the “**Contract**”) granted to JBB Kimlun Sdn. Bhd. (“**JBB Kimlun**”) to construct the 15-storey Grade A office tower Menara MBBJ, the headquarters of the Johor Bahru City Council (the “**MBJB Project**”); and (b) handover of Menara MBBJ to the Mayor of Johor Bahru (collectively, the “**Announcements**”).
- 1.2. Further to the Announcements, the Board wishes to inform shareholders that the 99.99% owned indirect subsidiary of the Company, Astaka Padu Sdn. Bhd. (“**APSB**”), had on 17 March 2022, entered into a supplemental agreement to the Contract with JBB Kimlun (collectively, the “**Parties**”) for the full and final settlement of the outstanding amount of RM24,761,348.35 (the “**Outstanding Contract Sum**”) payable from APSB to JBB Kimlun in respect of work done for the MBBJ Project (the “**Supplemental Agreement**”), pursuant to which, *inter alia*:
- (a) the Parties shall enter into a contra agreement with Bukit Pelali Properties Sdn. Bhd. (“**BPP**”) and Saling Syabas Sdn. Bhd. (“**SSSB**”), both being related companies of APSB (the “**Contra Agreement**”) for the transfer of eleven (11) properties (comprising seven (7) properties in the Bukit Pelali Project (as defined below) and four (4) properties in the Astaka Project) (as defined below)) as prescribed in the Supplemental Agreement (the “**Contra Properties**”) to JBB Kimlun’s nominee(s), namely Kimlun Sdn. Bhd. (“**Kimlun**”), being a related company of JBB Kimlun, or other third parties as identified by Kimlun at a total net price of RM12,867,695; and
 - (b) APSB shall grant JBB Kimlun (whether through Kimlun and/or its nominated third party) with the option to acquire six (6) separate options to acquire the unsold units in the Astaka Project as prescribed in the Supplemental Agreement (the “**Optional Properties**”), at a total net price of up to RM12,659,122 by way of contra and set off against the Outstanding Contract Sum at any time prior to 31 August 2021 (no later than 6 pm) or such other date to be mutually agreed upon between the Parties (“**Option Period**”) (the Contra Properties and the Optional Properties are collectively referred to as the “**Properties**”),
- subject to the terms of the Supplemental Agreement (the “**Transfer of Properties**”).
- 1.3. The Transfer of Properties constitutes a disclosable transaction under Chapter 10 of the listing manual of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”).
- 1.4. Shareholders should note that (a) the transfer of the Contra Properties is subject to the Contra Agreement being entered into between the Parties, BPP and SSSB, and the Contra Properties being transferred to JBB Kimlun’s nominee(s), namely Kimlun or other third parties as identified by Kimlun; and (b) the potential transfer of the Optional Properties is subject to separate Relevant

SPAs (as defined below) being entered into between APSB, Kimlun or its nominated third party (being persons nominated by JBB Kimlun). Please refer to paragraphs 3.2 and 4 of this announcement for more information on the Properties and the salient terms of the Supplemental Agreement respectively.

- 1.5. Unless otherwise stated, the exchange rate between S\$ and RM as set out in this announcement is S\$1: RM3.0809, based on the exchange rate between S\$ and RM as at 15 March 2022.

2. INFORMATION ON JBB KIMLUN, KIMLUN AND THEIR NOMINEES

JBB Kimlun is a joint venture between JBB Builders (M) Sdn. Bhd. ("**JBB Builders**") and Kimlun. JBB Kimlun was appointed by APSB on 8 May 2017 to be APSB's main contractor to undertake the construction of the MBBJ Project for the contract sum of RM263,000,000 ("**Contract Sum**") (subject to applicable adjustments under the final statement of account for the MBBJ Project (the "**Final Account**")) upon the terms and subject to the conditions contained in the Contract.

As at the date of this announcement, JBB Builders is a civil engineering company with more than 20 years in infrastructure projects in Johor and is an indirect wholly owned Malaysian subsidiary of JBB Builders International Limited, a company listed on the Stock Exchange of Hong Kong.

Kimlun is a wholly owned subsidiary of Kimlun Corporation Berhad, a company which is listed on the Main Market of Bursa Malaysia Securities Berhad, and is an engineering and construction services provider with more than 40 years of track record.

Save for Kimlun (being the appointed nominee of JBB Kimlun under the terms of the Supplemental Agreement), the remaining nominees of JBB Kimlun have not been identified by JBB Kimlun at this juncture, given that the Transfer of Properties is subject to separate agreement(s) to be entered into between the respective parties.

3. INFORMATION ON THE PROPERTIES

3.1 Background on the Astaka Project and the Bukit Pelali Project

The Astaka @ One Bukit Senyum (the "**Astaka Project**") is developed by the Company's subsidiary, APSB, and is a mixed development comprising twin towers of service apartments and the Johor Bahru City Council's headquarters (Menara MBBJ), where the remaining phase of One Bukit Senyum will comprise of a shopping mall, Grade A office tower, five-star hotel, serviced apartments and residences. The entire property development project has an estimated gross development value of RM5.3 billion with an allowable gross floor area of 6.2 million square feet.

Bukit Pelali @ Pengerang (the "**Bukit Pelali Project**") is developed by the Company's 51% indirectly owned joint venture, BPP, of which the remaining 49% stake is held by SSSB. SSSB is the proprietor of the lands on which the Bukit Pelali Project is developed and had appointed BPP as the developer for the Bukit Pelali Project. JBB Builders was appointed by BPP as the main contractor to undertake certain works for the Bukit Pelali Project. The Bukit Pelali Project is a 363-acre strata township comprising of residential units, shop offices, a clubhouse, hotel, private hospital, mart, school, mosque, food and beverage hub and petrol station. With an estimated gross development value of RM2.3 billion, the project is located five kilometres away from the Pengerang Integrated Petroleum Complex in southern Johor.

3.2 The Properties

(a) Contra Properties

Subject to the execution of the Contra Agreement, JBB Kimlun has agreed to accept the Contra Properties at a total net price of RM12,867,695 as part settlement of the Balance Certified Amount (as defined below) on a “Ringgit for Ringgit” basis, subject to the arrangement that the Contra Properties are to be transferred to JBB Kimlun’s nominee(s), namely Kimlun or third parties as identified by Kimlun at the same net price.

The Contra Properties consist of eleven (11) properties, being seven (7) properties in the Bukit Pelali Project and four (4) properties in the Astaka Project, for a net price range of between RM600,000 to RM2,500,000.

(b) Optional Properties

Pursuant to the terms of the Supplemental Agreement, notwithstanding the payment arrangement stipulated in paragraph 4.1(b) of this announcement and subject to the provisions in paragraph 4.2(h) of this announcement, APSB shall grant JBB Kimlun six (6) separate options to acquire (whether through Kimlun or its nominated third party) the Optional Properties at a total net price of up to RM12,659,122 by way of contra and set off against the Outstanding Contract Sum within the Option Period (collectively, the **“Options”** and singly the **“Option”**).

The Optional Properties consists of six (6) unsold properties in the Astaka Project (collectively, the **“Astaka Units”** and each the **“Relevant Astaka Unit”**), for a net price range of between RM1,800,000 to RM2,500,000.

(c) Value of the Properties

Based on the unaudited condensed interim consolidated financial statements of the Group for the financial year ended 31 December 2021 (**“FY2021”**) (the **“FY2021 Results”**), the net tangible asset value (**“NTA”**) (or book value) of the Properties is approximately RM20,291,146 (equivalent to approximately S\$6,586,110) as at 31 December 2021.

The excess of the aggregate value of the Properties, being the sum of up to RM25,526,817 (comprising RM12,867,695 of the Contra Properties and up to RM12,659,122 of the Optional Properties) (the **“Transfer Sum”**), over the book value is RM5,235,671 (equivalent to approximately S\$1,699,397). For the avoidance of doubt, where the price payable for the Optional Properties shall exceed the balance of the Outstanding Contract Sum payable by APSB under the provisions of the Supplemental Agreement, JBB Kimlun shall repay such excess amounts to APSB in accordance with paragraph 4.2(e) of this announcement (the **“Potential Excess Sum”**).

The Properties are currently held for sale and do not have any net profit attributable to it. Assuming that the Transfer of Properties had been fully effected as at the date of this announcement, the Group would recognise a gain of RM5,235,671 (equivalent to approximately S\$1,699,397). No independent valuation on the Properties was performed for the purpose of the Transfer of Properties. The net price for each of the Properties is based on the current market selling prices of the balance units of the Astaka Project and the Bukit Pelali Project (as the case may be).

The Transfer Sum was arrived at pursuant to arm's length negotiations between APSB and JBB Kimlun on a willing buyer willing seller basis, after taking into account the net prices for the Properties which are based on current market selling prices, the prevailing market conditions, the value of the Properties as disclosed above and the rationale for the Transfer of Properties as disclosed in paragraph 5 of this announcement.

4. SALIENT TERMS OF THE SUPPLEMENTAL AGREEMENT

4.1 Manner of Payment of Outstanding Contract Sum

- (a) The Parties acknowledge and confirm that based on the Final Account and after excluding the amounts payable to the nominated sub-contractors of JBB Kimlun under the Supplemental Agreement, the remaining Contract Sum payable by APSB to JBB Kimlun for undertaking the MBBJ Project is RM24,761,348.35 (i.e. the Outstanding Contract Sum), comprising:
 - (i) RM6,028,493.38 being the balance retention sum ("**Balance Retention Sum**"); and
 - (ii) RM18,732,854.97 being the balance certified amount ("**Balance Certified Amount**").
- (b) In consideration of JBB Kimlun agreeing to revise, amend and vary the payment and settlement arrangement of the Outstanding Contract Sum, APSB agrees, covenants and undertakes to settle the remaining Outstanding Contract Sum in the following manner:
 - (i) a sum of RM12,867,695.00, being part of the Balance Certified Sum, is to be settled by way of transferring the Contra Properties in accordance with the terms of the Contra Agreement;
 - (ii) a sum of RM5,865,159.97, being the remaining of the Balance Certified Amount (i.e. the Balance Certified Amount of RM18,732,854.97 less RM12,867,695.00 to be settled under paragraph 4.1(b)(i) above)) shall be paid to JBB Kimlun by way of monthly instalments in the following manner:
 - (A) for the first 6 months commencing from 31 March 2022, a fixed sum of RM150,000.00 in cash for each month;
 - (B) for the 7th month to 18th month, a fixed sum of RM200,000.00 in cash for each month;
 - (C) for the 19th month to 23rd month, a fixed sum of RM400,000.00 in cash for each month; and
 - (D) for the 24th month, a final payment of RM565,159.97; and
 - (iii) RM6,028,493.38, being the Balance Retention Sum, shall be paid to JBB Kimlun after the issuance of the certificate of making good defects ("**CMGD**") by the superintending officer and within fourteen (14) days from the date on which APSB is in receipt of the retention sum under the MBBJ Project from the Mayor of Johor Bahru.

(c) In the event:

- (i) of three (3) consecutive defaults in the payments of the instalments under paragraph 4.1(b)(ii) of this announcement after the same shall have become due (whether demanded or not);
- (ii) of any failure by APSB to observe or perform any of or any part of the payment terms in respect of the settlement of the Outstanding Contract Sum;
- (iii) any step is taken or an order is made or a resolution is passed for the winding up (whether voluntary or otherwise), dissolution, liquidation, restructuring, amalgamation or otherwise of APSB or any winding up petition is presented or threatened against APSB;
- (iv) a receiver, manager or liquidator is appointed over APSB's assets (or any part thereof);
- (v) APSB enters into any composition, arrangement or compromise with any of its creditors;
- (vi) any legal proceedings, suit or action of any kind (whether criminal or civil) whatsoever is instituted against APSB or any judgment entered against APSB remains unsatisfied for a period of fourteen (14) days;
- (vii) APSB commits an act of default on other bank borrowings which gives the bank/financial institution of the obligation concerned the right to accelerate repayment or to withdraw the advance granted;
- (viii) any distress, execution or attachment proceedings is instituted against APSB's assets and such distress, execution or attachment proceedings is not satisfied within seven (7) days from the date thereof;

then, without any prior notice to APSB:

- (A) JBB Kimlun shall be at absolute liberty to terminate the repayment arrangement under the Supplemental Agreement;
- (B) the Outstanding Contract Sum after deducting the Balance Retention Sum shall become immediately due and payable, while the Balance Retention Sum shall remain payable to JBB Kimlun after the issuance of the CMGD by the superintending officer and within fourteen (14) days from the date on which APSB is in receipt of the retention sum under the MBBJ Project from the Mayor of Johor Bahru; and
- (C) JBB Kimlun shall be entitled to exercise all its rights and remedies for recovery of the Outstanding Contract Sum or any part thereof.

4.2 Potential Transfer of Optional Properties

Pursuant to the terms of the Supplemental Agreement, notwithstanding the payment arrangements in paragraph 4.1(b) of this announcement, the Parties agree, *inter alia*, that:

- (a) each Option, if left unexercised shall terminate on the expiry of the Option Period or the date of settlement of the entire Outstanding Contract Sum, whichever is earlier. Following the termination or expiry of the Option Period, neither Party shall have any further obligation in respect of the Relevant Astaka Unit under such Option and APSB shall be entitled to deal with the Relevant Astaka Unit at its sole and absolute discretion;
- (b) in the event of any discrepancy between any provision of the Supplemental Agreement and any provision of the Options or the relevant sale and purchase agreement(s) to be entered into between APSB and Kimlun or its nominated third party (being persons nominated by JBB Kimlun) in respect of the Astaka Units ("**Relevant SPA**"), the terms of the Supplemental Agreement shall prevail;
- (c) the Relevant Astaka Unit is contra and set off on a "free from all encumbrances" basis, with vacant possession and complete with the certificate of completion and compliance;
- (d) the nominee(s) of JBB Kimlun, namely Kimlun or any of its nominated third party to be identified later, is allowed to accept the Relevant Astaka Unit (regardless of whether such third party is a related or independent party) ("**Relevant Purchaser**");
- (e) in the event the net price of the Relevant Astaka Unit opt to be acquired by JBB Kimlun (whether through Kimlun or any of its nominated third party) shall exceed the balance of the Outstanding Contract Sum payable by APSB under the provisions of paragraph 4.1 of this announcement, JBB Kimlun undertakes to pay or procure payment of the difference in cash between the net price of the Relevant Astaka Unit and such balance of the Outstanding Contract Sum to APSB within the completion period as provided under the Relevant SPA;
- (f) the contra and set off of the Relevant Astaka Unit at the respective net price ("**Relevant Net Price**") shall for all intents and purposes be effected on the date of the Relevant SPA whereupon:
 - (i) the Outstanding Contract Sum shall be reduced by a sum equivalent to the Relevant Net Price and APSB shall be regarded to have paid JBB Kimlun a sum equivalent to the Relevant Net Price towards part settlement of the Outstanding Contract Sum; and
 - (ii) the Relevant Purchaser shall be regarded to have paid APSB in full the purchase price as set out in the Relevant SPA and APSB shall not make any claim against the Relevant Purchaser for such purchase price;
- (g) any contra and set off or any payment received by JBB Kimlun and/or its nominee(s) under this paragraph shall not in any manner affect APSB's obligation to pay the instalments and the Balance Certified Amount and/or the Balance Retention Sum in accordance with the payment arrangements in paragraph 4.1(b) of this announcement until and unless the total amount arising from such contra and set off and payment received is sufficient to settle the entire Outstanding Contract Sum. All proceeds from any contra and set off or any payment arising from the sale and purchase of Astaka Units shall be applied in the inverse order of maturity;
- (h) at any time prior to the exercise of the Option by JBB Kimlun (whether through Kimlun or any of its nominated third party), APSB is entitled to, from time to time, request JBB Kimlun

to consent to the cancellation or termination of any of the Options ("**Subject Option**") and JBB Kimlun shall agree to such cancellation or termination so long as the cumulative monthly instalment payments paid to JBB Kimlun under paragraph 4.1(b)(ii) of this announcement as at the date of request by APSB ("**Request Date**") and the Balance Retention Sum paid to JBB Kimlun under paragraph 4.1(b)(iii) of this announcement exceed the aggregate of:

- (i) the Relevant Net Price of the Relevant Astaka Unit comprised in the Subject Option; and
- (ii) the total net price of all the Relevant Astaka Unit comprised in each and every Option that has been cancelled or terminated by APSB with the consent of JBB Kimlun under this sub-paragraph prior to the Request Date,

provided always that if the total of the cumulative monthly instalment payments paid to JBB Kimlun pursuant to paragraph 4.1(b)(ii) of this announcement as at the Request Date and the Balance Retention Sum paid to JBB Kimlun under paragraph 4.1(b)(iii) of this announcement is less than the aggregate amounts under paragraphs 4.2(h)(i) and 4.2(h)(ii) above, APSB is entitled to top up such shortfall within fourteen (14) days from the Request Date and upon such top up, JBB Kimlun shall consent to APSB's request for the cancellation or termination of the Subject Option; and

- (i) APSB shall bear all nominal stamp duties, administrative expenses, disbursements and service tax on the Relevant SPA whereas the requisite ad valorem stamp duties and registration fees payable for the transfer and registration of the Relevant Astaka Unit shall be borne by the Relevant Purchaser.

4.3 Full and Final Settlement of Outstanding Contract Sum

- (a) The Parties agree that the Supplemental Agreement is in compromise and full and final settlement between the Parties of all claims of whatever nature, howsoever arising, for or in connection with any complaint(s), claim(s) and/or proceeding(s) in connection with the Outstanding Contract Sum. Upon the fulfillment of the payment obligation of APSB set out in paragraph 4.1(b) of this announcement, all claims made or which could be made of whatsoever kind or character which the Parties or their respective solicitors have or had against each other in relation to any breach of contract, claim for compensation or on any other grounds whatsoever, from the beginning of time until the date of the Supplemental Agreement shall be deemed to have been fully and finally settled.
- (b) Without limitation to the foregoing, JBB Kimlun agrees, acknowledges and undertakes that upon the fulfillment of the payment obligation of APSB set out in paragraph 4.1(b) of this announcement having occurred, JBB Kimlun will have no claim of any nature whatsoever against ASPB.
- (c) Each Party has entered into the Supplemental Agreement in good faith and shall give all such assistance and information to the other Party and execute and do and procure all other necessary persons or companies, if any, to execute and do all such further acts, deeds, assurance and things as may be reasonably required so that full effect may be given to the terms and conditions of the Supplemental Agreement.

5. RATIONALE FOR THE TRANSFER OF PROPERTIES

The Transfer of Properties was negotiated between APSB and JBB Kimlun to settle the Outstanding Contract Sum so as to maximise the efficiency of cash utilisation by the Group, and to improve the Group's financial position. In addition, in arriving at the decision to enter into the Supplementary Agreement, the Board and management of the Company had considered, *inter alia*, that the Transfer Sum (i) is above the aggregate book value of the Properties, (ii) corresponds with the current market selling prices and (iii) is reflective of the prevailing market conditions.

6. CHAPTER 10 OF THE CATALIST RULES

6.1 Relative figures

The relative figures for the Transfer of Properties, based on the Transfer Sum, are computed on the bases set out in Rule 1006 of the Catalist Rules and based on the Group's latest announced consolidated condensed interim financial statement for FY2021¹, are set out below:

Rule 1006	Bases	Relative Figures (%) ⁽¹⁾⁽²⁾
(a)	Net asset value of the assets to be disposed of, compared with the Group's net asset value.	28.2% ⁽³⁾
(b)	Net profit attributable to the assets acquired or disposed of, compared with the Group's net profits	Not applicable ⁽⁴⁾
(c)	Aggregate value of the Transfer Sum given compared with the Company's market capitalisation ⁽⁵⁾ of approximately S\$162,640,784 based on the total number of issued shares in the Company, excluding treasury shares	5.1% ⁽⁵⁾
(d)	Number of equity securities issued by the Company as consideration for the Transfer of Properties, compared with the number of equity securities previously in issue	Not applicable ⁽⁶⁾
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves	Not applicable ⁽⁷⁾

Notes:

- (1) Percentage figures are rounded to the nearest one (1) decimal place.
- (2) The relative figures are calculated on the basis that the separate agreement(s) in relation to the Transfer of Properties are entered into on the date of this announcement.
- (3) Based on the net asset value of the Properties to be disposed and potentially disposed, being approximately RM20,291,146 (equivalent to approximately S\$6,586,110) based on the FY2021 Results, compared with the Group's net asset value of RM71,936,711 (equivalent to approximately S\$23,349,252).
- (4) Not applicable, as there is no net profit attributable to the Properties as they are being held for sale.
- (5) Based on the Transfer Sum of up to RM25,526,817 (equivalent to approximately S\$8,285,507) and the Company's market capitalisation of approximately S\$162,640,784. The Company's market capitalisation is determined by

¹ On 13 July 2021, the Company announced that its financial year end has changed from 30 June to 31 December (the "Change of FYE"). As a result of the Change of FYE, the last financial year of the Company ended on 31 December 2021 (being the first financial year affected by the Change of FYE) covered an 18-month period from 1 July 2020 to 31 December 2021. Thereafter, the financial year of the Company would commence on 1 January each year, and end on 31 December each year.

multiplying the number of shares in issue of 1,869,434,303 (excluding treasury shares) by the volume weighted average price of approximately S\$0.087 per share on 24 June 2019, being the full market day immediately preceding the signing of the Supplemental Agreement and prior to the suspension of the Company's trading.

- (6) Not applicable, as the Company will not be issuing equity securities in connection with the Transfer of Properties.
- (7) Not applicable, as the Company is not a mineral, oil and gas company.

6.2 Shareholders' approval not required

As the relative figures computed on the applicable bases set out in Rule 1006 of Catalist Rules for the Transfer of Properties exceeds 5% but not 50%, the Transfer of Properties would constitute a "disclosable transaction" under Chapter 10 of the Catalist Rules. Accordingly, the approval of shareholders is not required in respect of the Transfer of Properties.

7. FINANCIAL EFFECTS OF THE TRANSFER OF PROPERTIES

7.1 Illustrative Nature of Financial Effects

The financial effects of the Transfer of Properties on the NTA per share and losses per share ("LPS") of the Group have been prepared based on the FY2021 Results. The financial effects set out below are purely for illustrative purposes only and do not necessarily reflect the actual results and financial performance and position of the Group after the Transfer of Properties. No representation is made as to the financial position and/or results of the Company after the completion of the Transfer of Properties.

7.2 NTA

Assuming that the Transfer of Properties had been effected on 31 December 2021 (being the end of the most recently completed financial year ended 31 December 2021), the effects on the NTA per share of the Group would be as follows:

	Before the Transfer of Properties	After the transfer of the Contra Properties ⁽¹⁾	After the transfer of the Contra Properties and the Optional Properties (assuming all six (6) Optional Properties are transferred) ⁽¹⁾
NTA (RM)	71,936,000	74,457,000	76,872,000
Number of shares	1,869,434,303	1,869,434,303	1,869,434,303
NTA per ordinary share (RM cents)	3.85	3.98	4.11

7.3 LPS

Assuming that the Transfer of Properties had been effected on 1 July 2020 (being the beginning of the most recently completed financial year ended 31 December 2021), the effects of the Transfer of Properties on the LPS of the Group would be as follows:

	Before the Transfer of Properties	After the transfer of the Contra Properties⁽¹⁾	After the transfer of the Contra Properties and the Optional Properties (assuming all six (6) Optional Properties are transferred)⁽¹⁾
Net loss attributable to shareholders (RM)	22,877,000	20,356,000	17,941,000
Weighted average no. of ordinary shares – Basic	1,869,434,303	1,869,434,303	1,869,434,303
LPS (RM cents) - Basic	1.22	1.09	0.96

Note:

- (1) Taking into account the estimated expenses relating to the Transfer of the Contra Properties and/or the Optional Properties.

7.4 Net gain from the Transfer of Properties

Based on the FY2021 Results, the book value and NTA value of the Properties attributable to the Company amounted to approximately RM20,291,146 (or equivalent to approximately S\$6,586,110).

Accordingly, it is expected that the Transfer of Properties will result in an estimated gain of approximately S\$1,699,397, being the excess over the book value of the Properties as at 31 December 2021. After taking into account the estimated expenses relating to the Transfer of Properties (including professional fees) of approximately S\$97,375, the estimated net gain from the Transfer of Properties is approximately S\$1,602,022.

8. USE OF PROCEEDS

Save for the Potential Excess Sum, there will be no cash received by the Group as the proceeds from the Transfer of Properties, being the Transfer Sum, will be used to settle the Outstanding Contract Sum under the terms of the Supplemental Agreement.

9. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or the controlling shareholders (as defined in the Catalist Rules) of the Company has any interest, direct or indirect, in the Supplemental Agreement, otherwise than through their respective shareholdings (if any) in the Company.

10. DIRECTORS' SERVICE CONTRACTS

No person is proposed to be appointed as a director of the Company in connection with the Transfer of Properties. Accordingly, no service contract is proposed to be entered into between the Company and any such person in connection with the Transfer of Properties.

11. DOCUMENT AVAILABLE FOR INSPECTION

Copies of the Supplemental Agreement are available for inspection at the registered office of the Company at 133 Cecil Street, #14-01 Keck Seng Tower, Singapore 069535, during normal business hours on any weekday for three (3) months from the date of this announcement.

In light of the prevailing safe distancing measures due to the COVID-19 situation, please contact the Company at robin.yoo@a8ile.com prior to making any visits to arrange for a suitable time slot for the inspection.

12. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Supplemental Agreement, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/ or reproduced in the announcement in its proper form and context.

By Order of the Board

Khong Chung Lun
Executive Director and Chief Executive Officer

17 March 2022

This announcement has been prepared by the Company and reviewed by the Company's sponsor, Novus Corporate Finance Pte. Ltd. (the "**Sponsor**"), in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.

The contact person for the Sponsor is Mr Andrew Leo, Chief Executive Officer, at 7 Temasek Boulevard, #18-03B Suntec Tower 1, Singapore 038987, telephone (65) 6950 2188.
