



## Alset International Limited

(Incorporated in the Republic of Singapore)  
(Company Registration Number 200916763W)

---

### ENTRY INTO AN ASSIGNMENT AND ASSUMPTION AGREEMENT

---

#### 1. Introduction

- 1.1 The Board of Directors (the “**Board**”) of Alset International Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the Company’s announcement dated 1 November 2021 in relation to a proposed subscription of convertible promissory note to be issued by American Medical REIT Inc. (“**AMRE**”) (the “**Subscription Agreement**” and “**Subscription of AMRE Promissory Note Announcement**”). AMRE had, on 29 October 2021, issued the convertible promissory note at a principal amount of US\$8,350,000 to the Company (“**AMRE Convertible Promissory Note**”) (the Subscription Agreement and the AMRE Convertible Promissory Note, collectively referred to as the “**Loan**”).
- 1.2 Further to the Subscription of AMRE Promissory Note Announcement, the Board wishes to announce that the Company has on 25 February 2022 entered into an assignment and assumption agreement (the “**Assignment and Assumption Agreement**”) with DSS Inc. (“**DSS**”) in relation to, *inter alia*, a proposed sale, assignment and transfer to DSS all of the Company’s right, title and interest in and to the Loan subject to the terms and conditions in the Assignment and Assumption Agreement (the “**Proposed Assignment**”).
- 1.3 The relative figures computed on the bases set out in Catalyst Rule 1006(a) amounts to more than 5%. Accordingly, the Assignment is classified as a “discloseable transaction” under Chapter 10 of the Catalyst Rules.
- 1.4 The Proposed Assignment is expected to be completed by 15 May 2022 subject to the satisfaction of the terms and conditions set out in the Assignment and Assumption Agreement (“**Closing Date**”). As at the date of this announcement, the Proposed Assignment has not been completed and will be completed pending satisfaction of the terms and conditions of the Assignment and Assumption Agreement.

#### 2. Information on DSS Inc.

##### 2.1 Corporate Information

DSS Inc., is a company incorporated in New York, the United States of America on 30 May 1984 and as at the date of this announcement, has:

- (a) an issued and paid-up share capital of US\$296,276,000 comprising 79,745,886 shares; and
- (b) an authorised capital of 200,000,000 shares, each with a par value of US\$0.02.

DSS is listed on the New York Stock Exchange and is a multinational company with operating business segments in blockchain security, direct marketing, healthcare, consumer packaging, real estate, renewable energy, securitized digital assets, securities trading and fund management, and banking, lending, and finance.

As at the date of this announcement, DSS is an independent third party and holds 3.64% comprising 127,179,311 ordinary shares in the Company.

Alset EHome International Inc., and its subsidiaries, being the indirect controlling shareholder of the Company, holds 19,888,262 shares or approximately 24.94% of DSS.

Mr Chan Heng Fai is Chairman and Director of DSS. Mr Chan Heng Fai, together with his associates, is deemed to be interested in 22,191,755 shares or approximately 27.83% of DSS.

Except for Mr Chan Heng Fai and Mr Chan Tung Moe<sup>1</sup>, none of the directors of the Company has any interest (direct or indirect) in DSS.

## 2.2 Financial Information

Based on the closing price of DSS's shares on the New York Stock Exchange of US\$0.3753 on 24 February 2022, being the last full market day on which trades were done preceding the date of the Assignment and Assumption Agreement, the open market value represented by the 79,745,886 shares in the share capital of DSS is approximately US\$29,928,631.

## 3. **Rationale**

- 3.1 The Proposed Assignment was entered into with DSS with the objective of strengthening the Company's shareholding position in DSS to facilitate future partnership or collaboration in potential projects or businesses.

## 4. **Principal Terms of the Assignment and Assumption Agreement**

- 4.1 The Company shall sell, assign and transfer to DSS all of the Company's right, title and interest in and to the Loan in exchange for payment by DSS to the Company of 21,366,177 shares of DSS (the "**DSS Shares**") calculated by dividing the aggregate amount of the Loan including principal and accrued but unpaid interest through (i) 15 May 2022, which equals US\$8,717,400, by US\$0.408 per share of DSS' common stock; or (ii) such other date to which the parties agree upon which the closing shall occur, in which case the interest shall be calculated through such date and number of DSS Shares shall be adjusted accordingly.
- 4.2 DSS assumes the obligations, and agrees to observe and perform all the covenants, applicable to the holder of the Loan under the Subscription Agreement and the AMRE Convertible Promissory Note (the "**Loan Documents**") upon execution of the Assignment and Assumption Agreement. DSS makes the representations and warranties contained in the Loan Documents.
- 4.3 Except as explicitly set forth in the Assignment and Assumption Agreement, the Company makes no representation or warranty in connection with, and shall have no responsibility with respect to, the solvency, financial condition, or financial or other statements of AMRE, or the validity or enforceability of the obligations of AMRE in respect of the AMRE Convertible Promissory Note or any other Loan Document. DSS acknowledges that it has, independently and without reliance on the Company, except as provided in the Assignment and Assumption Agreement, made its own decision to enter into the Assignment and Assumption Agreement and will continue to be responsible for making its own independent appraisal of the business, affairs and financial condition of AMRE.
- 4.4 DSS shall have received authorisation from the New York Stock Exchange ("**NYSE**") for the issuance of the DSS Shares; and the shareholders of DSS shall have approved the Assignment

---

<sup>1</sup> Mr Chan Tung Moe is the son of Mr Chan Heng Fai. Accordingly, Mr Chan Tung Moe is an associate of Mr Chan Heng Fai

and Assumption Agreement, and the consummation of the transactions contemplated in the Assignment and Assumption Agreement, including the issuance of the DSS Shares, as and to the extent required by applicable laws, the rules and regulations of the NYSE or by the provisions of any governing instruments.

- 4.5 The Assignment and Assumption Agreement shall be governed by and construed in accordance with the internal laws of the State of New York, without regard to conflict of law principles.

## 5. Intended Use of Proceeds

- 5.1 Assuming the consideration in relation to the Proposed Assignment is 21,366,177 DSS Shares (which is derived based on the principal amount of the AMRE Convertible Promissory Note of US\$8,350,000 (equivalent to approximately S\$11,285,860) plus accrued interest income of US\$367,400 (equivalent to approximately S\$496,578))). The Proposed Assignment will not result in any gain or loss upon the completion of the Proposed Assignment.
- 5.2 The costs and expenses incurred or to be incurred in connection with the Proposed Assignment are not material and shall be funded through the Group's internal resources.
- 5.3 The consideration for the Proposed Assignment will be satisfied by way of an allotment and issue of 21,366,177 DSS Shares. Accordingly, the net proceeds from the Proposed Assignment shall be utilised by the Company to subscribe for the aforementioned shares in the share capital of DSS.

## 6. Relative Figures computed on the bases set out in Catalyst Rule 1006

- 6.1 The relative figures computed on the bases set out in Catalyst Rule 1006 for the Proposed Assignment are as follows:

Catalist Rule 1006(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value. This basis is not applicable to an acquisition of assets. <sup>(1)</sup>	9.69% <sup>(2)</sup>
Catalist Rule 1006(b)	The net profits attributable to the assets acquired or disposed of, compared with the Group's net profits.	(1.18%) <sup>(3)</sup>
Catalist Rule 1006(c)	The aggregate value of the consideration given or received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares. <sup>(4)</sup>	6.63% <sup>(4)</sup>
Catalist Rule 1006(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not Applicable <sup>(5)</sup>
Catalist Rule 1006(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. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets. If the reserves are not directly comparable, the SGX-ST may permit valuations to be used instead of volume or amount.	Not Applicable <sup>(6)</sup>

### Notes:

- (1) "Net assets" means total assets less total liabilities.

- (2) Based on the unaudited consolidated financial statements of the Group for the financial period ended 30 June 2021, the net tangible asset value represented by the Loan is US\$8,717,400 (equivalent to approximate S\$11,782,438) which represents approximately 9.69% of the Group's net asset value of approximately S\$121,564,000 as at 30 June 2021.
- (3) Based on the unaudited consolidated financial statements of the Group for the financial period ended 30 June 2021, the net profits attributable to Proposed Assignment which is represented by the accrued interest income of the Loan was approximately US\$367,400 (equivalent to approximate S\$496,578) which represents approximately (1.18)% of the Group's net loss of approximately S\$42,046,000.
- (4) Assuming the aggregate value of the consideration received for the Proposed Assignment is US\$8,717,400 (equivalent to approximate S\$11,782,438) which represents approximately 6.63% of the Company's market capitalisation of approximately S\$177,779,110 on 24 February 2022, being the last full market day on which trades were done preceding the date of the Assignment and Assumption Agreement. The Company's market capitalisation was determined by multiplying the number of shares in issue (3,492,713,362 shares) by the weighted average price of such shares transacted on 24 February 2022 (S\$0.0509).
- (5) No equity securities will be issued by the Company in connection with the Proposed Assignment.
- (6) The Company is not a mineral, oil and gas company.

## 7. Financial Effects

- 7.1 The financial effects of the Proposed Assignment on the NTA per ordinary share in the share capital of the Company ("**Share**") and the earnings per Share ("**EPS**") of the Group have been prepared based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2020 ("**FY2020**").
- 7.2 For the purpose of illustrating the financial effects of the Proposed Assignment, the financial effects have been prepared based on, *inter alia*, the following assumptions:
  - (a) the total value of the Proposed Assignment shall be US\$8,717,400 (which comprise of the principal amount of the AMRE Convertible Promissory Note of US\$8,350,000 (equivalent to approximately S\$11,285,860) plus accrued interest income of US\$367,400 (equivalent to approximately S\$496,578);
  - (b) the financial effects on the NTA per Share of the Group are computed assuming that the Proposed Assignment was completed on 31 December 2020;
  - (c) the financial effects on the EPS of the Group are computed assuming that the Proposed Assignment was completed on 1 January 2020; and
  - (d) the costs and expenses incurred or to be incurred in connection with the Proposed Assignment shall be disregarded.

### 7.3 Financial Effects on the NTA per Share of the Group

	<b>Before Completion of the Proposed Assignment</b>	<b>After Completion of the Proposed Assignment</b>
NTA as at 31 December 2020 (S\$'000)	110,844	126,774
Number of Shares in the issued and paid-up share capital of the Company, excluding treasury shares and subsidiary holdings ( '000)	1,769,910	1,769,910
NTA per Share (Singapore cents)	6.26	7.16

#### 7.4 Financial Effects on the EPS of the Group

	<b>Before Completion of the Proposed Assignment</b>	<b>After Completion of the Proposed Assignment</b>
Net (Loss) / Profit attributable to owners of the company for FY2020 (S\$'000)	56,293	57,567
Weighted average number of Shares in the issued and paid-up share capital of the Company, excluding treasury shares and subsidiary holdings ('000)	1,356,239	1,356,239
EPS (Singapore cents)	4.15	4.24

- 7.5 The financial effects presented above are for illustrative purposes only and are not intended to reflect the actual future results and/or financial position of the Company and/or the Group. No representation is made as to the actual future results and/or financial position of the Company and/or the Group.

#### **8. Service Contracts**

- 8.1 No person is proposed to be appointed as a director of the Company in connection with the Proposed Assignment and no service contracts in relation thereto is proposed to be entered into by the Company.

#### **9. Interests of Directors and Substantial Shareholders**

- 9.1 Save as disclosed in under section 2.1 of this announcement, none of the directors and/or the substantial shareholders of the Company have any interest, direct or indirect, in the Proposed Assignment, other than through their respective shareholdings in the Company, if any.

#### **10. Documents Available for Inspection**

- 10.1 A copy of the Assignment and Assumption Agreement may be inspected at the registered office of the Company located at 7 Temasek Boulevard #29-01B Suntec Tower One Singapore 038987 during normal business hours for three months from the date of this announcement.

#### **11. Directors Responsibility Statement**

- 11.1 The directors of the Company 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 Proposed Assignment, the Company and the Group, and the directors of the Company 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 of the Company has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

## 12. Cautionary Statement

- 12.1 Shareholders and potential investors of the Company should note that there is no certainty or assurance as at the date of this announcement that the Proposed Assignment will be completed. In particular, the Assignment and Assumption Agreement is subject to conditions which may or may not be fulfilled.
- 12.2 Shareholders and potential investors of the Company are advised to read this announcement and any further announcements made by the Company carefully. Shareholders and potential investors of the Company are advised to refrain from taking any action with respect to their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. Shareholders and potential investors of the Company should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

By Order of the Board  
**Aiset International Limited**

Chan Tung Moe  
Executive Director and Co-Chief Executive Officer

27 February 2021

---

*This announcement has been reviewed by the Company's Sponsor, Hong Leong Finance Limited. It has not been examined or approved by the Exchange and the Exchange 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 Ms Vera Leong, Vice President, Hong Leong Finance Limited, at 16 Raffles Quay, #01-05 Hong Leong Building, Singapore 048581, telephone (+65) 6415 9881.*