



BROADWAY INDUSTRIAL GROUP LIMITED
(Company Registration Number: 199405266K)
(Incorporated in Singapore)

UPDATE IN RELATION TO THE PROPOSED JOINT VENTURE IN THE REPUBLIC OF KOREA

The board of directors ("**Board**") of Broadway Industrial Group Limited ("**Company**") and together with its subsidiaries, the "**Group**") refers to the Company's announcements dated 11 November 2022 in relation to the proposed joint venture in the Republic of Korea (the "**Announcement**").

Unless defined otherwise, all capitalised terms used but not defined in this announcement shall have the meanings ascribed to them in the Announcement.

Further to discussions between the Parties, the Board wishes to inform the shareholders that the Parties have, on 2 December 2022, entered into a supplemental agreement to amend certain provisions of the SHA relating to the number of Shares each Party will subscribe in the JVCo and each Party's cash investment amount as the Parties have agreed to inject the joint venture amount into the JVCo in United States dollars ("**USD**") (instead of Korean Republic won ("**KRW**")) and to determine the number of Shares to be issued to the Parties based on the new exchange rate of USD1 : KRW1,303.69 (instead of the original exchange rate of USD1 : KRW1,400 which was used to derive the joint venture amount in Korean Republic won in the SHA).

In connection with the above, the Company wishes to advise that paragraphs 3.2(b) to 3.2(e) and 3.3 of the Announcement should be replaced with the following instead.

"3.2 Setting Up of the JVCo

- (b) On the date on which the JVCo is incorporated (the "**Incorporation Date**"), BIGL Asia and HSMJ shall subscribe for 430,218 Shares and 39,111 Shares of KRW10,000 each respectively, representing 91.67% and 8.33% of Shares respectively, against the Phase 1A Subscription Price (as defined below).
- (c) HSMJ shall, before 31 December 2022, subscribe for 13,037 new Shares of KRW10,000 each against the Phase 1B Subscription Price (as defined below). Upon the completion of such subscription of new Shares by HSMJ, the percentage shareholding of BIGL Asia and HSMJ in the JVCo shall be 89.19% and 10.81% respectively.
- (d) HSMJ shall, before 30 April 2023, subscribe for 78,221 new Shares of KRW10,000 each against the Phase 1C Subscription Price (as defined below). Upon the completion of such subscription of new Shares by HSMJ, the percentage shareholding of BIGL Asia and HSMJ in the JVCo shall be 76.74% and 23.26% respectively.
- (e) HSMJ shall, before 30 November 2023, subscribe for 221,627 new Shares of KRW10,000 each against the Phase 2 Subscription Price (as defined below). Upon the completion of such subscription of new Shares by HSMJ, the percentage shareholding of BIGL Asia and HSMJ in the JVCo shall be 55% and 45% respectively."



“3.3 Joint Venture Amount

The aggregate cash investment for the Proposed Joint Venture will be United States dollars (“USD”) 6,000,000 (which may be payable in Korean Republic won equivalent) in the form of capital contributions to the JVCo and shall be contributed by the Parties by way of cash in two (2) phases as follows:

(a) Phase 1A

On the Incorporation Date, the Parties shall collectively contribute the sum of USD3,600,000 and incorporate the JVCo, payable by BIGL Asia and HSMJ in the sums set out as follows (collectively, the “**Phase 1A Subscription Price**”):

- (i) BIGL Asia: USD3,300,000; and
- (ii) HSMJ: USD300,000.

(b) Phase 1B

HSMJ shall contribute the additional sum of USD100,000 on or before 31 December 2022 (“**Phase 1B Subscription Price**”).

(c) Phase 1C

HSMJ shall contribute the additional sum of USD600,000 on or before 30 April 2023 (“**Phase 1C Subscription Price**”).

(d) Phase 2

HSMJ shall contribute the additional sum of USD1,700,000 on or before 30 November 2023 (“**Phase 2 Subscription Price**”). For the avoidance of doubt, BIGL Asia shall not be required to make any contributions other than that provided under paragraph 3.3(a).

No Shareholder shall be required to provide any additional financing or any form of security or comfort unless it otherwise agrees.”

Save for the above, all the other provisions of the SHA remain unchanged.

The Company will make further announcement(s) as appropriate when there are material developments in relation to the above.

By Order of the Board

Broadway Industrial Group Limited

2 December 2022