

CHASWOOD RESOURCES HOLDINGS LTD.
(Incorporated in the Republic of Singapore)
(Co. Reg. No. 200401894D)

APPLICATION FOR EXTENSION OF TIME TO SUBMIT A RESUMPTION PROPOSAL

*Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meanings as in the Company's announcement dated 14 June 2018, 20 June 2018, 13 June 2019, 3 July 2019, 16 June 2020, 19 June 2020, 13 September 2020 and 14 September 2020 ("**Previous Announcements**").*

The Board refer to the Previous Announcements and the Singapore Exchange Securities Trading Limited ("**SGX-ST**") letter dated 11 September 2020 to inform the Company that it has no objection to the Company's application for a 12-month time extension from 17 June 2020 to 15 June 2021 for the submission of a trading resumption proposal pursuant to Rule 1304(1) of the Catalist Rules. Despite the Company's best endeavour to meet the timeline for the submission of a trading resumption proposal by 15 June 2021, the Company would require more time to do so and thus, the Company has made an application to SGX-ST to seek for a further waiver from Rule 1304(1) of the Catalist Rules ("**Waiver**") and a further extension of time of up to six (6) months until 15 December 2021 to submit the resumption proposal ("**Extension of Time**").

The reasons for the Company seeking the Waiver and Extension of Time are as follows:

- (a) Due to the Covid-19 pandemic and the worsening situation with the spike in number of Covid-19 cases, the Malaysia Government has in various occasions in 2020 announced the tightening of the standard operating procedures ("**SOP**") pursuant to the enforcement of the movement control order ("**MCO**") to curb the spread of the COVID-19 infection in Malaysia. The SOP included a shutdown of business premises except for those providing essential services during the period when the infection rate was rising. During these periods, the Group's business which is in the operation of a restaurant in Malaysia was only permitted to operate via take away and delivery services. The limited operations during the period had a negative impact to the Group's revenue. Nevertheless, despite the lower revenue, the Group managed to cushion its FY2020 performance and recorded a net profit after tax of RM0.2 million mainly due to development fee income and various cost rationalization efforts.

For the first quarter of FY2021, the Group's performance was again affected in view of the tightened SOP enforced by the Malaysia government from 13 January 2021 to 9 February 2021 where the Group's restaurant was only permitted to operate via take away and delivery services. Thereafter, the Malaysia Government re-enforced the same SOP for the restaurant businesses from 6 May 2021 and is to end on 14 June 2021. In view of the situation, the Company will need more time to *inter-alia* evaluate and estimate the impact to the Group's financial results for the purpose of the submission of the trading resumption proposal. This includes the evaluation of the Group's expansion plans which were affected due to the MCO. The Group's plan for new opening of outlets including the new kiosk model had to be delayed due to the MCO and the constant enforcement of tightened SOP which created uncertainty to the viability of opening a new restaurant and disruption to any renovation process.

Notwithstanding the above-mentioned, as announced on 1 June 2021, the Company's wholly owned subsidiary, Bistro Italiana (TC) Sdn Bhd ("**BITC**") entered into a development agreement with a developer granting it the exclusive rights to develop and operate Italiannies restaurants in Shanghai. This is in addition to the entry of development agreements with various other parties as announced on 7 March 2021. These are part of the Group's plan to expand the existing business in Malaysia and internationally at a faster pace via a franchise business model. The Group targets for this business model to have a positive impact to the overall performance of the Group and to cushion the negative impact from the lower revenue of its existing business due to the

Covid-19 pandemic. Please refer to the Company's announcement on 4 June 2021 for the status of the various development agreements. Recurring revenue from these development agreements will be generated once the restaurants opened by the developers start operations where BITC will be receiving royalty and revenue from the sale of proprietary items to the developers, which BITC foresees will start towards fourth quarter of 2021, depending on the situation of the MCO.

- (b) In view of the uncertainty of the Covid-19 pandemic impact to the existing business and to strengthen the financial position of the Group, the Company is currently in advanced discussions with the vendor of a potential target company ("**Target Company**") to be acquired by the Company. The Target Company is in the data analytics and artificial intelligence space which is an industry with tremendous potential growth. The vendor is an award-winning system architect who has over 40 years of experience in system design, development and implementation and was listed as the top 50 Artificial Intelligence professors to work with Singapore universities. The Target Company has developed a patented data model which is one of the world's first self-organizing data model that is capable of automatically mapping the complexity of reality and mapping the relationships between data. The data model has been integrated with European stock exchanges and globally known financial, data and media companies to provide fast, real-time accessibility of data and corresponding analysis.

In view of this opportunity which will potentially strengthen the financial position and provides growth to the Group moving forward and thereby form part of the resumption proposal, the Company will need more time to *inter-alia* obtain all the necessary information to complete the necessary due diligence and evaluation for the purpose of the proposed acquisition. The Company is currently in the midst of completing the preliminary evaluation while obtaining more information of the Target Company and negotiating on the terms to the potential acquisition.

Further announcements will be made by the Company and the Board via SGXNET as and when there are material developments on the above matters in compliance with the Catalist Rules of the SGX-ST. The Company will make the relevant announcement to inform Shareholders once the application for the Waiver and Extension of Time has been submitted to the SGX-ST.

The Board confirms that to their best knowledge, all material disclosures, facts and information have been provided and announced and are not aware of any facts, information or disclosures, the omission of which would make any statement in this announcement or disclosures misleading.

BY ORDER OF THE BOARD

ANDREW ROACH REDDY
Managing Director
11 June 2021

*This announcement has been reviewed by the Company's Sponsor, Asian Corporate Advisors 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 announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

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