



DISA Limited
(Company Registration No. 197501110N)
(Incorporated in the Republic of Singapore)
("Company" and together with its subsidiaries, the "Group")

PROPOSED DISPOSAL OF THE COMPANY'S ENTIRE SHAREHOLDING INTEREST IN EQUATION ENERGY PTE. LTD. TO MR KHO WEE HONG GEORGE

1. INTRODUCTION

The Board of Directors (the "**Board**") of DISA Limited (the "**Company**" and together with its subsidiaries, the "**Group**") is pleased to announce that the Company had, on 10 June 2020, entered into a conditional sale and purchase agreement ("**SPA**") with Mr Kho Wee Hong George ("**Mr George Kho**", and together with the Company, the "**Parties**"), pursuant to which the Company has agreed to dispose of its entire shareholding interest of 700,000 shares in Equation Energy Pte. Ltd. ("**EEPL**") to Mr George Kho, (the "**Sale Shares**"), for an aggregate cash consideration of S\$203,100 (the "**Purchase Consideration**"), on the terms and subject to the conditions of the SPA (the "**Proposed Disposal**").

Upon the completion of the Proposed Disposal, EEPL will cease to be a subsidiary of the Company. The Group's core business has been that of the technology business, since the Group diversified into in 2010.

2. INFORMATION ON MR GEORGE KHO AND EEPL

2.1 MR GEORGE KHO

Mr George Kho is an acquaintance of Mr Chng Weng Wah (Managing Director and Chief Executive Officer of the Company), and was introduced to the Company by Mr Chng Weng Wah. The Company confirms that none of the Directors or substantial shareholders of the Company has any connection (including business relationship) with Mr George Kho.

2.2 EEPL

EEPL was incorporated in Singapore on 6 April 2009 as a private company limited by shares, and is primarily involved in the business of providing sustainable energy management solutions to the building industry in Singapore. As at the date of this announcement, the Company holds 70% of the equity interest in EEPL, and the total issued and paid-up share capital of EEPL is S\$1,000,000 comprising 1,000,000 ordinary shares. EEPL's book value and net tangible asset value as at 31 March 2020 were both at S\$154,854. There is no market value of EEPL as the shares of EEPL are not publicly traded and no valuation was undertaken on EEPL.

3. PURCHASE CONSIDERATION

Pursuant to the terms and subject to the conditions of the SPA, the Company shall sell to Mr George Kho and Mr George Kho shall purchase from the Company all the Sale Shares free from all encumbrances and together with all rights, benefits and entitlements attaching or accruing thereto, in exchange for a purchase consideration of S\$203,100.

The Purchase Consideration shall be paid by Mr George Kho in cash, in cleared and freely available funds by way of cashiers' order or telegraphic transfer to the credit of the Company's account as shall be notified by the Company to Mr George Kho in writing, for value on the date of completion of the sale and purchase of the Sale Shares ("**Closing Date**"), in the amount of S\$203,100.

The Purchase Consideration was arrived at after arm's length negotiation between Mr George Kho and the Company, and on a 'willing-buyer and willing-seller' basis after taking into consideration (a) the aggregate net assets attributable to the equity holders of EEPL of approximately S\$154,854 as at 31 March 2020; and (b) the nature and future prospect of EEPL's business.

4. RATIONALE FOR THE PROPOSED DISPOSAL

The Group believes that the Proposed Disposal will improve the future operational performance and financial prospects of the Group. The Proposed Disposal is intended to streamline the Group's businesses for better utilisation of available resources, as carried out through its subsidiary, Disa Digital Safety Pte Ltd.

5. RELATIVE FIGURES COMPUTED ON THE BASES SET OUT IN RULE 1006 OF THE CATALIST RULES

As the relative figures computed on the bases set out in Rule 1006 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") (the "**Catalist Rules**") in respect of the Proposed Disposal based on the latest announced unaudited consolidated financial statements of the Group for the period ended 31 March 2020 do not exceed 5%, the Proposed Disposal is considered a non-discloseable transaction under Rule 1008 of the Catalist Rules.

6. FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL

The Proposed Disposal is not expected to have a material impact on the Company's consolidated net tangible assets or earnings per share for the financial year ending 30 June 2020.

7. INTERESTS OF DIRECTORS, CONTROLLING SHAREHOLDERS AND SUBSTANTIAL SHAREHOLDERS

Save for their respective interests in the issued Shares in the capital of the Company (as the case may be), none of the Directors, controlling shareholders or substantial shareholders of the Company has any interest, direct, or indirect in the Proposed Disposal.

8. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the SPA will be available for inspection during normal business hours at the Company's registered office at 438A Alexandra Road, #08-12, Alexandra Technopark, Block A Lobby 3, Singapore 119967 for a period of three (3) months from the date of this announcement.

BY ORDER OF THE BOARD

CHNG WENG WAH

Managing Director and Chief Executive Officer

11 June 2020

*This announcement has been reviewed by the Company's sponsor, SAC Capital Private Limited (the "**Sponsor**"). This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (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. Ong Hwee Li (Registered Professional, SAC Capital Private Limited)
Address: 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.
Telephone number: +65 6232 3210*