



ECOWISE HOLDINGS LIMITED
(Company Registration No. 200209835C)

RESPONSE TO SGX QUERIES

The board of directors (the “**Board**” or the “**Directors**”) of ecoWise Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) sets out its responses to the queries raised by the Singapore Exchange Regulation on 10 May 2021 as follows:

SGX Query 1

We refer to the announcements by Ecowise Holdings Limited (the "Company") on 4 May and 9 May 2021, in relation to the resignations of 2 directors:

- (i) *Mr Hew Koon Chan ("Mr Hew"), Independent and Non-Executive Director; and*
- (ii) *Mr Tan Wei Shyan ("Mr Tan"), Independent and Non-Executive Director.*

In Mr Hew's resignation announcement, it was highlighted that two of the Group's investments in China are currently under legal proceedings.

- Please provide updates on the legal proceedings.

Company's Response

The Company would like to update the following:

i) Changyi Enersave Biomass to Energy Co., Ltd. (“CEBEC”)

CEBEC, an entity established in the PRC, is a wholly-owned subsidiary of the Group. In September 2016, CEBEC commenced arbitration proceedings in Weifang Arbitration Commission in Shandong, PRC, against its contractor, China Huadian Engineering Co., Ltd, (“**Hua Dian**”), for failure to perform the Engineering, Procurement and Construction Contract (“**EPC Contract**”) between the two parties in relation to a 24MW biomass co-generation power plant owned by the Group. Please refer to page 137, Note 39B of the Company's annual report for the financial year ended 31 December 2020 (“**AR2020**”) for further details on the aforesaid arbitration proceedings of CEBEC.

Following CEBEC's commencement of the second arbitration proceeding against Hua Dian in Weifang Arbitration Commission in 2017, the Weifang Arbitration Commission did not award in favour of either party and requested the Group to provide more supporting documents. The Company will update shareholders as and when there are further material developments.

ii) China-UK Carbon Enterprise Limited (“CULCEC”)

CULCEC, an entity established in the PRC, is a 20%-owned associate of the Group. As disclosed on page 114, Note 20 of AR2020, the Group has applied to the court in the PRC for the liquidation of CULCEC so that residual assets of CULCEC could be distributed to its shareholders. On 21 December 2020, the court in the PRC approved the liquidation of CULCEC. Please refer to page 114 of the AR2020 for further details on the liquidation of CULCEC.

The management of the Group is currently in touch with the court in the PRC to resolve the outstanding matter, following the approval of the liquidation of CULCEC on 21 December 2020. Barring any unforeseen circumstances, the Company expects the liquidation of CULCEC to be completed by end of 2021. The Company will update shareholders as and when there are further material developments.

SGX Query 2

The Company's current Board consists of 5 Directors. Upon the resignations of Mr Hew and Mr Tan, the Board is left with 3 directors.

- *Will the Company's board matters and operations be affected by the 2 recent resignations?*
- *Has the Company identified any new directors to replace Mr Hew and Mr Tan?*
- *The Company's current AC Board only consists of 1 director, which does not comply with Rule 704(7). Please be reminded of the Company's obligation and responsibility to comply with Rule 704(7) and appoint and reconstitute the board committees within two months (but not more than 3 months).*

Company's Response

The Company's board matters and operations will not be affected by the two (2) recent resignations of independent non-executive Directors. The Company is currently in the process of identifying and selecting candidates to reconstitute the Board and the Board Committees, and endeavors to complete such appointment of directors to ensure that the Company is in compliance with relevant rules and regulations in the Companies Act, the Catalist Rules and Code of Corporate Governance.

The Board is aware of the Company's obligations and responsibility to comply with Rule 704(7) of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") and will appoint requisite directors to the Audit Committee within two months, but not more than three months from the date of resignation of Mr Hew.

SGX Query 3

Are there any concerns which the directors would like to bring to attention of shareholders? Is the sponsor satisfied that there are no other reasons other than what was announced?

Company's Response

No, there are no concerns that the Directors would like to bring to the attention of shareholders of the Company. The Company will continue to update shareholders on material development, in compliance with the requirements of the Catalist Rules. The Sponsor of the Company is satisfied that there are no other reasons for the cessation of Mr Hew and Mr Tan as directors of the Company, other than what was announced in the cessation announcements on 4 May 2021 and 9 May 2021, respectively.

The Board would like to assure shareholders of the Company that the recent changes in the Board will not affect the Company's operations. The Board is hopeful that with the appointment of new directors to the Board, it will strengthen the entire Board's calibre and guide the Company towards a better future prospect. The Board will ensure that due process is conducted in the selection of directors on the Board.

By Order of the Board

LEE THIAM SENG
Executive Director
12 May 2021

This announcement has been prepared by ecoWise Holdings Limited ("**Company**") and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. ("**Sponsor**"), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("**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 Ms. Alice Ng, Director of Continuing Sponsorship, ZICO Capital Pte. Ltd., at 8 Robinson Road, #09-00 ASO Building, Singapore 048544, telephone (65) 6636 4201.