

ECOWISE HOLDINGS LIMITED

(Company Registration No. 200209835C)

(Incorporated in the Republic of Singapore)

THE DISPOSAL OF ALL THE ISSUED AND PAID-UP CAPITAL OF:

- (A) (I) ECOWISE SOLUTIONS PTE. LTD. AND (II) ECOWISE RUBBERTECH PTE. LTD. BY THE COMPANY; AND
 - (B) HIVERN INVESTMENTS PTE LTD BY THE COMPANY'S WHOLLY OWNED SUBSIDIARY, ECOWISE NEW ENERGY PTE. LTD.
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1. INTRODUCTION

1.1 The Board of Directors (the “**Board**” or the “**Directors**”) of ecoWise Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) is pleased to announce that on 31 July 2024:

- (A) the Company (the “**Seller A**”) entered into a share sale and purchase agreement (hereinafter referred to as “**SPA-A**”) with Mr. Chhoa Kiat Lim, Thomas (the “**Buyer**”) for the disposal and sale of all the issued and paid-up share capital of (i) ecoWise Solutions Pte. Ltd. (hereinafter also referred to “**Target Company A**”), and (ii) ecoWise RubberTech Pte. Ltd. (hereinafter also referred to as “**Target Company B**”); and
- (B) ecoWise New Energy Pte. Ltd. (the “**Seller B**”), a wholly owned subsidiary of the Company, entered into a share sale and purchase agreement (hereinafter referred to as “**SPA-B**”) with the Buyer for the disposal and sale of all the issued and paid-up share capital of Hivern Investments Pte Ltd (hereinafter also referred to as the “**Target Company**”).

1.2 The shares disposed and sold under each of SPA-A and SPA-B are, collectively, hereinafter referred to as the “**Sale Shares**”, and respectively, the “**SPA-A Sale Shares**”, or the “**SPA-B Sale Shares**”, as the case may be. The transactions of the sale and purchase of SPA-A Sale Shares and SPA-B Sale Shares are, collectively, hereinafter also referred to as the “**Disposals**”, and, respectively, the “**SPA-A Disposal**” and the “**SPA-B Disposal**”, where appropriate and where the context allows.

1.3 In relation to SPA-A, Target Company A and Target Company B, together with their respective subsidiaries, Chongqing ecoWise Investment Management Co., Ltd (重庆绿科投资管理有限公司) (“**CQEIM**”) and Chongqing eco-CTIG Rubber Technology Co., Ltd (重庆绿科开投橡胶科技有限公司) (“**CECRT**”) are hereinafter also referred to as the “**Target Group**”, and each a “**Target Group Company**”.

1.4 In relation to SPA-B, the Target Company and its subsidiary, Changyi Enersave Biomass to Energy Co., Ltd (昌邑安利兴生物质发电有限公司) (“**CEBEC**”) are hereinafter also referred to as the “**Target Group**”, and each a “**Target Group Company**”.

2. SUMMARY PROFILE OF TARGET COMPANY A, TARGET COMPANY B, CQEIM AND CECRT UNDER SPA-A

Target Company A (ecoWise Solutions Pte. Ltd.)

- 2.1 Target Company A (previously known as Bee Joo Development Pte Ltd) is a private company limited by shares, incorporated under the laws of Singapore on 18 November 2002. Its stated primary business activities are process and industrial plant engineering design and consultancy services. It has an issued and paid-up share capital of S\$8,400,000, comprising 8,400,000 ordinary shares¹. Target Company A is a direct and wholly owned subsidiary of the Company.
- 2.2 As at the date of this announcement, Target Company A owns the following properties in Singapore which it rents out to third-party tenants and related corporations:
- (a) 1 Commonwealth Lane, #07-26, One Commonwealth, Singapore 149544;
 - (b) 1 Commonwealth Lane, #07-27, One Commonwealth, Singapore 149544;
 - (c) 1 Commonwealth Lane, #07-28, One Commonwealth, Singapore 149544;
 - (d) 1 Commonwealth Lane, #07-29, One Commonwealth, Singapore 149544; and
 - (e) 1 Commonwealth Lane, #07-30, One Commonwealth, Singapore 149544,
- (hereinafter also referred to as the “**Excluded Properties**”).
- 2.3 Target Company A is the immediate holding company of, and wholly owns, ecoWise Materials Pte. Ltd. (“**ecoWise Materials**”), a private company limited by shares incorporated under the laws of Singapore.
- 2.4 Target Company A also wholly owns all equity interest in the registered and invested capital of CQEIM.
- 2.5 Other than the Excluded Properties and income related to the rental of the Excluded Properties, Target Company A has not carried on any other business. As presented in the unaudited condensed financial statements of the Group for the financial year ended 30 April 2024 (the “**Unaudited FY2024 FS**”) and balance sheet of Target Company A for the same financial year ended, it had NIL net assets or liabilities. This is after adjusting for the net value of the Excluded Assets (as defined below) of S\$1,049,717 and waiver of inter-company balances of S\$4,436,182.

CQEIM (Chongqing ecoWise Investment Management Co., Ltd)

- 2.6 CQEIM is a wholly owned foreign enterprise, registered under laws of the Peoples’ Republic of China (the “**PRC**”) on 19 March 2010 with a registered and invested capital of United States Dollar (“**USD**”) 3,000,000. CQEIM’s stated business activities include property rental, tyre sales, the import and export of goods and technology, economic and trade consulting, low carbon project operation and management, engineering project operation and management consulting, market consulting, investment consulting and management, environmental protection engineering technology consulting and services, electrical products and

¹ According to an ACRA Bizfile search carried out on 13 July 2024.

equipment, procurement and sales of biomass energy raw materials, information consulting services.²

- 2.7 CQEIM owns thirty-five percent (35%) equity interest in the registered and invested capital of CECRT. The other sixty-five percent (65%) equity interest in CECRT is owned by Target Company B.
- 2.8 Prior to the SPA-A Disposal, CQEIM owned an office unit and a factory building in the PRC (the “**PRC Properties**”). In or around late 2021, CQEIM sold the PRC Properties to Hong Kong Chenbang Investments Limited. Following the sale, CQEIM has, to the best information and knowledge of the Company, ceased operations³.
- 2.9 Shareholders may refer to the Company’s annual report dated 29 September 2023 for the 18-month financial period ended 30 April 2023 (the “**FP2023 Annual Report**”) and the Executive Summary of the Internal Review dated 28 March 2024 issued by Messrs. Ernst & Young Advisory Pte. Ltd., which was performed pursuant to a notice of compliance (the “**NOC**”) issued by the Singapore Exchange Regulation Pte. Ltd. (the “**SGX Regulation**”) on 25 June 2021. Further information regarding the NOC and the Executive Summary is available in the various announcements made by the Company on the SGXNet.
- 2.10 As at 30 April 2024, CQEIM had net liabilities of S\$133,953.
- 2.11 As at 30 April 2024, the aggregate adjusted net liabilities of Target Company A and CQEIM in the Group’s books was S\$133,953.

Target Company B (ecoWise RubberTech Pte. Ltd.)

- 2.12 Target Company B (previously known as Sunrich Corporation Pte. Ltd.) is a private company limited by shares, incorporated under the laws of Singapore on 1 November 2012. Its stated business activities were investment holding, processing of rubber and related goods. It has an issued and paid-up share capital of S\$1,000,000, comprising 1,000,000 ordinary shares⁴. Target Company B is a direct and wholly owned subsidiary of the Company.
- 2.13 Target Company B ceased operations in mid-2021 after the relocation of its operations to the Group’s subsidiaries in Malaysia. Based on the Unaudited FY2024 FS, Target Company B had net liabilities of S\$1,355. This is after adjusting for the waiver of inter-company balances of S\$1,400,665 and assignment of accounts receivables with an aggregate amount of S\$1,414,865 recorded by Target Company B due from to the Group (“**Assigned Receivables**”) before the Disposals.

CECRT (Chongqing eco-CTIG Rubber Technology Co., Ltd)

- 2.14 CECRT is a wholly owned foreign enterprise, registered under laws of the PRC on 3 December 2012 with a registered and invested capital of RMB40,000,000. CECRT’s stated business activities include import and export of goods and technology, recycling, retreading, processing, and sales of tyres, waste tyres, and tyre technical services.²

² According to Tian Yan Cha corporate profile generated on 4 July 2024.

³ Owing to the Dispute (defined below), the Company does not have any control over the accounting books and bank accounts of CQEIM.

⁴ According to an ACRA Bizfile search carried out on 4 July 2024.

- 2.15 There are no substantial business activities in CECRT after the production lines were relocated to Malaysia, and after the Group acquired the remaining 35% equity interest of CECRT in May 2021. As at 30 April 2024, CECRT had net liabilities of S\$386,467.
- 2.16 As at 30 April 2024, the aggregate adjusted net liabilities of Target Company B and CECRT in the Group's books was S\$387,822.
- 2.17 Under the terms of the SPA-A Disposal, the Excluded Assets and the Assigned Receivables were not included in the sale.

3. SUMMARY PROFILE OF THE TARGET COMPANY AND CEBEC UNDER SPA-B

The Target Company (Hivern Investments Pte Ltd)

- 3.1 The Target Company is a private company limited by shares, incorporated under the laws of Singapore on 9 September 1999 and its primary business activity was operating as a holding company. The Target Company has an issued and paid-up share capital of S\$24,893,750 comprising 24,893,750 ordinary shares. The Target Company is a wholly owned subsidiary of the Seller B, which is a wholly owned subsidiary of the Company.
- 3.2 The Target Company was acquired by the Group in June 2013. At the time, the Target Company was under a court administered scheme of arrangement. The Group acquired the Target Company and CEBEC with the intention and plan of expanding its renewable energy portfolio in the PRC. CEBEC is wholly owned by the Target Company and owns a biomass co-generation power plant (the "**Power Plant**"), and holds land-use rights to land in the PRC.
- 3.3 As at 30 April 2024, the Target Company had net liabilities of S\$1,213. This is after adjusting for the waiver of inter-company balances of S\$3,073.

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

- 3.4 CEBEC is a wholly owned foreign enterprise, registered under laws of the PRC on 30 October 2006 with a registered and invested capital of S\$35,000,000. CEBEC's stated business activities included the production of renewable energy from crop straw, forestry waste and other biomass.⁵ As stated above, CEBEC owns the Power Plant and holds land use rights to the land in the PRC. CEBEC has never commenced operations since its acquisition in 2013.
- 3.5 On 19 September 2016 (after completion of its acquisition by the Group), CEBEC initiated arbitration proceedings against China Huadian Engineering Co., Ltd. ("**Hua Dian**"), the supplier of the Power Plant (the "**Arbitration**") in relation to claims by CEBEC for non-performance of contract by Hua Dian regarding the Power Plant. Following conclusion of the Arbitration on 23 December 2017, among others, CEBEC was awarded a sum of RMB18,800,000 against Hua Dian and Hua Dian's counter-claim against CEBEC for a sum of unpaid contract balance for the Power Plant is suspended until it delivers a power plant that meets the technical specifications stipulated in the contract. Hua Dian's counter-claim is estimated to be RMB39,670,000. Detailed information regarding the Arbitration (and further developments after the Arbitration) is available in the FP2023 Annual Report, the Executive Summary (issued by Messrs. Ernst & Young) and various announcements made by the Company on the SGXNet.
- 3.6 As at 30 April 2024, CEBEC had net liabilities of S\$681,886.

⁵ According to Tian Yan Cha corporate profile generated on 4 July 2024.

3.7 As at 30 April 2024, the aggregate adjusted net liabilities of the Target Company and CEBEC in the Group's books was S\$683,099.

3.8 As disclosed in the FP2023 Annual Report, CQEIM, CECRT, and CEBEC were presented as part of a disposal group held for sale.

4. KEY TERMS OF THE SHARE SALE AND PURCHASE AGREEMENTS

4.1 SPA-A

4.1.1 The key terms of SPA-A are as follows:

Purchase Price	Aggregate of S\$2.00, being S\$1.00 for each of all the issued and paid-up capital of Target Company A and Target Company B, payable in cash.
Excluded Assets	The Excluded Properties and the entire shareholding interest held by Target Company A in ecoWise Materials (collectively, the " Excluded Assets ") will be transferred by the Seller A to another subsidiary or subsidiaries of the Group and are excluded from the sale to the Buyer.
Assumption of all other liabilities and takeover of all other assets of the Target Group	Other than the Excluded Assets, on completion, the Buyer will assume all liabilities and take over all assets of Target Company A and Target Company B. These include the equity interest of the registered and invested capital, and all assets and liabilities of CQEIM and CECRT.
Waiver of inter-company balances	As of the date of SPA-A, the Target Group owed the Group an inter-company balance of S\$5,836,847. This balance has been waived in accordance with SPA-A.
Key conditions precedent to be satisfied by the Seller ("Conditions Precedent")	<ul style="list-style-type: none"> • the receipt of all corporate approvals (including shareholders' approvals, if necessary or required by applicable laws) by Seller A in respect of the sale and transfer of the SPA-A Sale Shares; • the receipt of all approvals or consents (if necessary or required by applicable laws) by the Buyer in respect of the purchase and transfer of the SPA-A Sale Shares; • the formal and proper resignation of the specified directors from the board of each Target Group Company that is incorporated in Singapore, and the formal and proper appointment of the Buyer's nominees to the board of each such Target Group Company, as requested in writing by the Buyer;

	<ul style="list-style-type: none"> • the due and proper completion of the transfer of the Excluded Assets out of the Target Group to an affiliate of Seller A; • all warranties given by each of Seller A and Buyer being true, accurate, and not misleading; and • no winding-up petition or any similar proceedings have been initiated against any Target Group Company and/or Seller A.
Completion	<p>Completion of the sale and purchase of the SPA-A Sale Shares is intended to take place simultaneously with the signing of SPA-A with the Buyer, provided all Conditions Precedent have been fulfilled or waived, as applicable.</p> <p>In view of the exclusion of the Excluded Assets from the sale under SPA-A, the Seller has the right to defer completion to a later day it shall determine (the “Extended Completion Date”) in order for it to complete the transfer of the Excluded Assets.</p>
Termination	<p>If all the Conditions Precedent are not satisfied by the Extended Completion Date, either party may give notice to the other to terminate SPA-A.</p>
Resignation of directors and other officers	<p>At completion, the directors of Target Company A and Target Company B shall resign, and nominees of the Buyer will be appointed directors to replace these directors.</p> <p>The Seller A will render all reasonable assistance to the Buyer to change the current legal representative of CQEIM and CECRT to a nominee of the Buyer’s choice after completion has taken place.</p>
Representations, warranties and indemnification	<p>SPA-A contains representations and warranties given by the Seller A and the Buyer, and indemnification given by the Seller A that are usual and customary in a sale and purchase of shares.</p>

4.1.2 **BASIS FOR THE PURCHASE PRICE UNDER SPA-A.** The purchase price of S\$2.00 was arrived at on the basis that (a) as of 30 April 2024, the net liabilities of the Target Group under SPA-A in the Group’s books was S\$521,775, and (b) the Target Group had ceased operations, other than rental income from the Excluded Properties, which were excluded together with the Excluded Assets from the SPA-A Disposal.

4.2 **SPA-B**

4.2.1 The key terms of SPA-B are as follows:

Initial Purchase Price	The initial purchase price for the SPA-B Sale Shares is S\$1.00, subject to the payment of the Additional Purchase Price, as defined below.
Additional Purchase Price	<p>In addition to the Initial Purchase Price of S\$1.00 to be paid at completion, if, within a period of twenty-four months from the completion date, the Buyer manages to recover any net value from the assets of the Target Group after accounting for all liabilities (the “Recoverable Net Value”), the Seller B shall receive an additional purchase price equal to twenty percent (20%) for every Singapore Dollar of the Recoverable Net Value received by the Buyer. Recoverable Net Value means that the Additional Price payable to Seller B, if applicable, will take into account all costs and expenses incurred by the Buyer in recovering any Recoverable Net Value.</p> <p>As at 30 April 2024, the Target Group has an adjusted net liability of S\$683,099.</p> <p>However, based on a valuation report, dated 26 September 2023, issued by an independent valuer for the purpose of preparing the FP2023 Annual Report (the “Valuation Report”) and a subsequent impairment assessment made by management, CEBEC’s net asset value was revalued at an estimated S\$2,269,275 (“RNAV”) as at the date of SPA-B. Please refer to paragraph 6 of this announcement for further details on the Valuation Report.</p>
Assumption of all liabilities and takeover of all assets of the Target Group	On completion, the Buyer will assume all liabilities and take over all assets of Target Company, and these include the equity interest of the registered and invested capital and all assets and liabilities of CEBEC.
Waiver of inter-company balances	As of the date of SPA-B, the Target Group owed the Group an inter-company balance of S\$3,073. This balance has been waived in accordance with SPA-B.
Key conditions precedent to be satisfied by the Seller (“Conditions Precedent”)	<ul style="list-style-type: none"> • the receipt of all corporate approvals (including shareholders’ approvals, if necessary or required by applicable laws) by the Seller B in respect of the sale and transfer of the SPA-B Sale Shares; • the receipt of all approvals or consents (if necessary or required by applicable laws) by the Buyer in

	<p>respect of the purchase and transfer of the SPA-B Sale Shares;</p> <ul style="list-style-type: none"> the formal and proper resignation of the specified directors from the board of each Target Group Company that is incorporated in Singapore, and the formal and proper appointment of the Buyer's nominees to the board of each such Target Group Company, as requested in writing by the Buyer; all warranties given by each of Seller B and Buyer being true, accurate, and not misleading; and no winding-up petition or any similar proceedings have been initiated against any Target Group Company and/or the Seller B.
Completion	Completion of the sale and purchase of the SPA-B Sale Shares is intended to take place simultaneously with the signing of SPA-B with the Buyer, provided all Conditions Precedent have been fulfilled or waived, as applicable.
Termination	If all the Conditions Precedent are not satisfied by the completion date, or such other day in accordance with the terms of SPA-B, either party may give notice to the other to terminate SPA-B.
Resignation of Directors and other officers	<p>At completion, the directors of the Target Company shall resign, and nominees of the Buyer will be appointed directors to replace these directors.</p> <p>The Seller B will render all reasonable assistance to the Buyer to change the current legal representative of CEBEC to a nominee of the Buyer's choice after completion has taken place.</p>
Representations, warranties and indemnification	<p>SPA-B contains representations and warranties given by the Seller B and the Buyer, and indemnification given by the Seller B that are usual and customary in a sale and purchase of shares.</p> <p>Under the Arbitration, arbitral rulings made in December 2017 awarded liquidated damages in the sum of RMB18,800,000 to CEBEC, which sum was to be offset against counter-claims made by Hua Dian in the estimated amount of RMB39,670,000, being the unpaid contract balance for the Power Plant.</p> <p>Under the terms of SPA-B, the Seller B agreed to indemnify the Buyer for (a) losses suffered in respect of the Arbitration. The indemnification is, however, limited to an amount of RMB6,450,000 (or approximately</p>

	<p>S\$1,357,000), being the net liquidated sum as calculated under Schedule 2 to SPA-B, and (b) losses suffered in respect of claims made against Target Group by a third-party creditor for payables totaling S\$732,000.</p> <p>The indemnifications are subject to the Buyer producing a non-appealable judgment given in favour of Hua Dian or the third-party creditor in respect of the circumstances for indemnification as described above, as the case may be.</p>
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- 4.2.2 **BASIS FOR THE PURCHASE PRICE UNDER SPA-B.** The purchase price of S\$1.00, being the Initial Purchase Price, was arrived at on the basis that (a) as at 30 April 2024, the adjusted carrying value of the Target Group under SPA-B in the Group’s books was negative S\$683,099, and (b) the Target Group had not operated since its acquisition in June 2013.

However, as explained above under paragraph 4.2.1 (under “Additional Purchase Price”), CEPEC was appraised to have a RNAV of S\$2,269,275, as at the date of SPA-B. Therefore, Seller B negotiated for the Additional Purchase Price to be paid by the Buyer, in accordance with the terms of SPA-B. The Additional Purchase Price, together with the Relevant Period (i.e., the recoverability period of twenty-four months), was carefully negotiated between Seller B and the Buyer, taking into account several critical considerations. These included the typical claw-back periods observed in similar disposal transactions, and the time and resources the Buyer would likely expend in recovering the Recoverable Net Value. Additionally, the probability of recovery given the various challenges was a significant factor in these negotiations.

- 4.2.3 Upon the completion of the disposal of the Sale Shares under each of SPA-A and SPA-B, ecoWise Solutions Pte. Ltd., ecoWise RubberTech Pte. Ltd., CQEIM, CECRT, Hivern Investments Pte Ltd, and CEPEC will no longer be entities within the Group.

5. GAIN ON DISPOSAL/SALE

The Disposals (under SPA-A and SPA-B) resulted in an aggregate gain of S\$782,053, arrived at as follows:

	SPA A	SPA B	Total
	S\$	S\$	S\$
Disposal of target groups at \$1 each	2	1	3
Net liabilities	521,775	683,099	1,204,874
Foreign currency translation reserve	78,095	(500,919)	(422,824)
Net accounting gain on disposal	599,872	182,181	782,053

6. VALUATION REPORT

- 6.1 The Company has commissioned an independent valuer to perform a valuation of the Power Plant held by CEBEC (including buildings, land use rights, and equipment assets related to the Power Plant) as at 30 April 2023 for the purpose of preparing FP2023 Annual Report. The fair value of the Power Plant as at 30 April 2023 was determined to be RMB24.04 million (or approximately S\$4.49 million).
- 6.2 As stated above, after taking into consideration the fair value of the Power Plant as appraised in the Valuation Report and management's subsequent impairment assessment, CEBEC is estimated to have a RNAV of S\$2,269,275 as at the date of SPA-B.

7. INFORMATION ABOUT THE BUYER

- 7.1 Mr. Chhoa Kiat Lim Thomas was introduced to Mr. Lee Thiam Seng, the Company's Executive Chairman and Chief Executive Officer, by an acquaintance of Mr. Lee. Mr. Lee then introduced Mr. Chhoa to the Company. Save as disclosed, the Company confirms that none of the Group, the Directors or substantial shareholders of the Company has, to the best of their knowledge, any connection (including business relationship) with Mr. Chhoa as at the date of this announcement.

8. RATIONALE FOR THE DISPOSALS

- 8.1 The Group has been taking various measures to stabilise and streamline its businesses since 2021, as a result of a dispute between members of the management team and certain members of the then Board (the "**Dispute**"), which culminated in the SGX Regulation issuing the NOC to the Company to carry out a special internal review.
- 8.2 The Target Group under SPA-A has never commenced operation since the acquisition by the Group in June 2013. The Target Group under SPA-B has been dormant since around 2021. The Group exited from all its businesses and operations in China since 2021. These companies are not essential to the Group's current operations and are not part of the Group's business current and future strategies and plans.
- 8.3 The Disposals will enable the management of the Group to focus on its operations in Singapore and Malaysia. Moreover, the Disposals will serve to mitigate against any further exposure to contingencies that may arise from the Arbitration.

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

- 9.1 The relative figures presented below are calculated in accordance with the bases outlined in Rule 1006 of the Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**") of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") as well as Rule 1005 of the Catalist Rules, under which separate transactions completed within the last 12 months may be required to be aggregated and treated as if they were one transaction. The aggregated relative figures based on the Unaudited FY2024 FS and the disposal of the property located at Lot 76A & 76B Senawang Industrial Estate, Seremban 70450, Negeri Sembilan, Malaysia (the "**Property**") as announced on 13 May 2024, as shown in paragraph 9.2 below.

9.2 In respect of the Target Group under SPA-A, since the Excluded Assets were not part of the sale, there was no profit or loss that could be attributed to the Target Group during FY2024. In respect of the Target Group under SPA-B, since they ceased operations since 2021 after the relocation of their operations to the Group's Malaysian subsidiaries, there was also no profit or loss that could be attributed to them during FY2024.

Rule 1006	Bases	Relative Figures for the disposal of the Property ⁽⁵⁾	Relative Figures for the Disposals	Aggregated Relative Figures
(a)	Aggregate net asset value of the disposal targets, compared with the Group's net asset value.	25.2%	(7.9)% ⁽¹⁾	15.9%
(b)	Aggregate net profits/loss attributable to the disposal targets, compared with the Group's net loss (before tax).	Not applicable	Not applicable ⁽²⁾	Not applicable
(c)	Aggregate value of the purchase consideration, compared to the Company's market capitalisation, based on the total number of issued shares excluding treasury shares. ⁽³⁾	5.3%	8.4% ⁽⁴⁾	13.7%
(d)	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	Not applicable	Not applicable
(e)	Aggregate volume or amount of proven and probable reserves to be disposed of, compared with the aggregate to the Group's proven and probable reserves	Not applicable	Not applicable	Not applicable

Notes:

- (1) Based on the aggregate net liabilities of the Target Groups under SPA-A and SPA-B of S\$1,204,874 (aggregating net liabilities of the Target Groups under SPA-A and SPA-B of S\$521,775 and S\$683,099, after taking into account the waiver of inter-company payables of S\$5,836,847 and S\$3,073 under SPA-A and SPA-B, respectively, pursuant to Practice Note 10A paragraph 3.2(a) of the Catalyst Rules) compared with the net asset value of the Group of approximately S\$15,164,000.
- (2) As explained above in paragraph 0, no profit or loss could be attributed to assets disposed of.
- (3) The market capitalisation of the Company of approximately S\$74.96 million was computed based on a total number of 948,845,729 shares of the Company in issue (excluding treasury shares) multiply by weighted average price of S\$0.079 per share on 14 June 2021, being the last full market day on which shares of the Company were traded prior to the signing of the SPA-A and SPA-B. The trading of the Company's shares has been halted and suspended on SGX-ST since 15 June 2021.
- (4) Based on the total purchase consideration of S\$5,839,923 (aggregating the purchase consideration of S\$3 under SPA-A and SPA-B and the waiver of inter-company payables of S\$5,836,847 and S\$3,073 under SPA-A and SPA-B, respectively) and assuming that the Additional Purchase Price that may be received by the Group under SPA-B of S\$453,855 (i.e., 20% of the RNAV of CEBEC of S\$2,269,275,

without taking into account any apportioned costs and expenses that would be incurred by the Buyer) compared with the Company's market capitalisation of S\$74.96 million.

(5) Extracted from the Company's announcement dated 13 May 2024.

- 9.3 For the purpose of assessing the relative figures calculated based on the Disposals alone, as the relative figure computed under Rule 1006(c) does not exceed 50%, and the Disposals will result in a gain on disposal, pursuant to Paragraph 4.4(c) of Practice Note 10A of the Catalist Rules, the Disposals alone, before aggregation with the disposal of the Property, constitute a "discloseable transaction".
- 9.4 Furthermore, as none of the aggregated relative figures computed pursuant to Rule 1006 of the Catalist Rules exceeds 50%, the Disposals constitute a "discloseable transaction" under Rule 1010 of the Catalist Rules and is not subject to shareholders' approval.

10. USE OF PROCEEDS

- 10.1 As the aggregate purchase consideration of the Disposals is only S\$3.00, it is not meaningful to discuss the use of proceeds received.
- 10.2 The Additional Purchase Price (if it should be payable under the terms of SPA-B), based on the best estimate by the management of the Company as at the date of this announcement, would be a total of S\$453,855 (based on 20% of the RNAV of CEBEC at S\$2,269,275) less a pro-rated share of the Buyer's costs and expenses in recovering the Recoverable Net Value (as described above). The remaining amount will be used to fund the working capital requirements of the Group.

11. FINANCIAL EFFECTS OF THE DISPOSALS

11.1 Bases and Assumptions

The proforma financial effects of the Disposals on the net tangible assets ("NTA") per share and loss per share ("LPS") of the Group have been prepared based on the Unaudited FY2024 FS.

The proforma financial effects of the Disposals as set out below are for illustrative purposes only and do not necessarily reflect the actual results and financial position of the Group and of the Company following the completion of the Disposals.

For the purpose of illustrating the financial effects of the Disposals, the following assumptions have been made:

- (a) The financial effects on the Group's earnings and EPS are computed assuming that the Disposals were completed on 1 May 2023;
- (b) The financial effects on the Group's NTA and gearing are computed assuming that the Disposals were completed on 30 April 2024; and
- (c) There were no expected material expenses incurred by the Company in respect of the Disposals.

11.2 NTA per share

(\$'000)	Before the Disposals	After the Disposals
NTA ⁽¹⁾ of the Group	15,201	15,201
Less: Effects of the Disposals	-	1,205
Resultant NTA	15,201	16,406
NTA per Share (cents)	1.60	1.73

Note: (1) NTA refers to total assets less the sum of total liabilities, non-controlling interests and intangible assets.

11.3 LPS

(\$'000)	Before the Disposals	After the Disposals
Loss ⁽¹⁾ attributable to owners of the Company	(1,295)	(1,295)
Less: Effects of the Disposals	-	782
Resultant Loss attributable to owners of the Company	(1,295)	(513)
Loss per Share (cents)	(0.14)	(0.05)

Note: (1) Loss refers to the loss after income tax attributable to owners of the Company.

11.4 Gearing

(\$'000)	Before the Disposals	After the Disposals
Total borrowings	8,319	8,319
Shareholders' equity	15,201	16,406
Gearing (times) ⁽¹⁾	0.55	0.51

Note: (1) Gearing is determined based on total borrowings divided by shareholders' equity.

12. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Altum Law Corporation was engaged as the legal adviser in relation to the Disposals. Mr. Tan Poh Chye Allan (“**Mr. Allan Tan**”), the Lead Independent Director of the Company, is a director of Altum Law Corporation and the engagement director for the Disposals. The aggregate fees paid in relation to the legal services provided by Altum Law Corporation (including the Disposals) is well below the threshold set out in the Practice Guide to the Code of Corporate Governance of Singapore, i.e. below S\$50,000. Due to Mr. Allan Tan’s familiarity with the Target Groups’ circumstances, the Board is of the view that it is best to engage Mr. Allan Tan. The Board (except for Mr. Allan Tan) is of the view that the abovementioned engagement does not affect Mr. Allan Tan’s independent judgement on the Disposals as the fee is one-off fixed fee which is not subject to the completion of the Disposals and in both his roles as legal adviser and as a Director, Mr. Allan Tan is required to act in the interest of the Company.

Save for their respective interests in the issued shares in the capital of the Company (as the case may be) and as disclosed in this section, none of the Directors or controlling shareholders of the Company has any interest, direct, or indirect in the Disposals.

13. DIRECTORS’ SERVICE CONTRACTS

No person will be appointed as a Director of the Company in connection with the Disposals. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

14. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of (a) SPA-A, (b) SPA-B, and (c) the Valuation Report will be available for inspection during normal business hours at the Company’s registered office at 1 Commonwealth Lane, #07-28 One Commonwealth, Singapore 149544 for a period of three (3) months from the date of this announcement.

15. DIRECTORS’ RESPONSIBILITY STATEMENT

The Directors 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 Disposals and the Group, and the Board is 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 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.

16. SUSPENSION OF TRADING OF SHARES

The shares of the Company have been suspended from trading since 15 June 2021.

BY ORDER OF THE BOARD

Lee Thiam Seng

Executive Chairman and Chief Executive Officer

1 August 2024

*This announcement has been reviewed by the Company's sponsor, SAC Capital Private Limited ("**Sponsor**"). This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited ("**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 Lee Khai Yinn (Tel: (65) 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.