

## ASIA-PACIFIC STRATEGIC INVESTMENTS LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration No. 200609901H)

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### THE PROPOSED DISPOSAL OF 100% OF THE ISSUED SHARES IN ZHEJIANG ZHONGFANG YASHE HOTEL MANAGEMENT CO., LTD AND THE HOTEL PROPERTY AND RELATED ASSETS OWNED BY ZHONGFANG LIANHE GRAND CANAL CULTURE TOURISM GROUP CO., LTD

#### - ENTRY INTO A SUPPLEMENTARY AGREEMENT

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*Unless otherwise defined, all capitalised terms have the same meanings ascribed to them in the Company's announcement dated 4 January 2023 and the circular to shareholders dated 20 January 2023.*

#### 1. INTRODUCTION

The board of directors ("**Board**" or the "**Directors**") of Asia-Pacific Strategic Investments Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers to its announcement dated 4 January 2023 (the "**Announcement**") and circular to shareholders dated 20 January 2023 (the "**Circular**") in relation to the proposed disposal of the Sale Shares and the Hotel Assets for an aggregate consideration of RMB80 million (approximately S\$15.616 million, the "**Consideration**") (the "**Proposed Disposal**").

As at the date of the Supplementary Agreement (as defined below), the Group received RMB57 million of the Consideration from the Purchaser. Pursuant to the terms and conditions of the Acquisition Agreement, the outstanding balance of RMB23 million (the "**Outstanding Consideration**") is due and payable by 15 February 2024.

#### 2. SUPPLEMENTARY AGREEMENT

The Board wishes to announce that the Company's subsidiary, Grand Canal, has on 6 February 2024, entered into a supplementary agreement (the "**Supplementary Agreement**") with the Purchaser and Yashe.

The salient terms of the Supplementary Agreement are as follow:

- (a) The Purchaser shall pay RMB5 million of the Outstanding Consideration not later than 15 February 2024. The remaining balance of RMB18 million shall be paid by 15 May 2024.

The RMB5 million was paid by the Purchaser on 7 February 2024;

- (b) The penalty interest of the outstanding consideration, i.e. the outstanding balance of RMB18 million as at the date of this announcement, shall increase from an annual rate of 8% to an annual rate of 12% for the period from 16 February 2024 to 15 May 2024; and
- (c) In the event that the Purchaser failed to settle the remaining balance of RMB18 million by 15 May 2024, the Purchaser will return the legal ownership of the Sale Shares and Hotel Assets to Grand Canal and Grand Canal will be entitled to (i) deduct from the Consideration to be refunded (in addition to the deductions under the terms and conditions of the Acquisition Agreement), a depreciation expenses of the Hotel Assets, calculating at 10% per annum based on the Consideration of RMB80

million from the date of Acquisition Agreement which was 15 December 2022; and (ii) the reinstatement costs of the Hotel to its original form prior to the transfer of its legal ownership to the Purchaser shall be borne by the Purchaser.

Save as set out above, the other terms and conditions in the Acquisition Agreement shall remain unchanged and in full force and effect. The Supplementary Agreement constitutes a valid part of the Acquisition Agreement, which has the same legal effect. In the event of any inconsistency between the provisions of the Acquisition Agreement and this Supplementary Agreement, the provisions of this Supplementary Agreement shall prevail to the extent of such inconsistency.

The Company will make further announcements as and when there are material developments in relation to the Proposed Disposal.

**By Order of the Board**

Dato' Dr. Choo Yeow Ming  
Chairman and Chief Executive Officer

7 February 2024

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*This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance 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 document, including the correctness of any of the statements or opinions made or reports contained in this document.*

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