

## ASIA-PACIFIC STRATEGIC INVESTMENTS LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No. 200609901H)

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### PROPOSED ACQUISITION OF 100% OF THE ISSUED AND PAID-UP SHARE CAPITAL OF MOBII GENIUS CO., LTD (莫比机器人股份有限公司)

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#### 1 INTRODUCTION

- 1.1. The board of directors of the Company (the “**Board**” or “**Directors**”) of Asia-Pacific Strategic Investments Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company had on 2 April 2024 entered into a conditional sale and purchase agreement (the “**SPA**”) with Mobii Green Energy Co., Ltd (莫比绿电股份有限公司) (the “**Vendor**”) in relation to the proposed acquisition by the Company of 100% of the issued and paid-up share capital of Mobii Genius Co., Ltd (莫比机器人股份有限公司) (the “**Target Company**”) from the Vendor on the terms and conditions of the SPA (the “**Proposed Acquisition**”). The Company and the Vendor are referred to herein each, as a “**Party**”, and collectively as the “**Parties**”.
- 1.2. The Proposed Acquisition, if undertaken and completed, will result in a reverse takeover of the Company as defined under Rule 1015 of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”) and is subject to, amongst other things, the approval of the SGX-ST and the shareholders of the Company (the “**Shareholders**”) at an extraordinary general meeting of the Company (“**EGM**”) to be convened.

#### 2 INFORMATION ON THE TARGET COMPANY AND THE VENDOR

*The information on the Target Company and the Vendor in this announcement was provided by the Vendor. In respect of such information, the Company and the Board have not independently verified the accuracy and correctness of the same. The responsibility of the Company and the Directors in this regard is limited to the proper extraction and reproduction herein in the context that the information is being disclosed in this announcement.*

##### 2.1 Information on the Target Company

- (a) The Target Company is a private company limited by shares incorporated in Taiwan on 9 May 2022. As at the date of this announcement, the directors of the Target Company are Mr Tseng, Kuan-Chih (曾冠智), 李传伟 and 戴丰树.
- (b) As of the date of this announcement, the issued and paid-up share capital of the Target Company is NT\$1,000,000, comprising 100,000 ordinary shares (“**Sale Shares**”), and the Vendor is the 100% legal and beneficial owners of the Sale Shares.
- (c) As of the date of this announcement, the Target Company does not have any subsidiaries.
- (d) The Target Company is a special purpose vehicle set up to conduct the business of providing efficient and low carbon emissions data processing and storage services, including the prospective development of green energy data centre businesses in Southeast Asia. The main assets of the Target Company will be the contracts to be entered into between an multinational graphic processing unit (“**GPU**”) company (“**GPU Company**”) and the Target Company in relation to the co-investment, construction and development of data centres across various countries in Southeast Asia utilizing the green proprietary technology of the Target Company and with the supply of chips secured and/or provided by the GPU Company (the “**GPU Contracts**”) as a condition precedent to the Proposed Acquisition. The negotiations and discussions of the GPU Contracts are currently in progress and are expected to be

entered into in June 2024. The Target Company has identified two locations in Malaysia for the development of the data centres, with an estimated aggregate size of 30,000 square metres, and is expected to derive revenue from the sale of servers, management of data centres and provision of data centre solutions in Southeast Asia.

## 2.2 Information on the Vendor

- (a) The Vendor is a limited liability company incorporated in the Republic of China (“**Taiwan**”) and carries out the business of providing of comprehensive economic, social and governance (“**ESG**”) and renewable energy transformation solutions. The shareholders of the Vendor and their respective shareholdings in the Vendor are set out below:

<b>Name of Shareholder</b>	<b>Number of Shares Held in the Vendor</b>	<b>Percentage of Shares Held in the Vendor’s Issued Share Capital</b>
萨摩亚商 BXB Entertainment Limited	18,500,000	91.58%
陈雨婕	100,000	0.50%
吕佳融	300,000	1.49%
郭妘葍	200,000	0.99%
陈晓嵩	400,000	1.98%
李自泓	300,000	1.49%
黄毓鹏	300,000	1.49%
曾冠智	100,000	0.50%
<b>Total</b>	<b>20,200,000</b>	<b>100%<sup>(1)</sup></b>

Note:

(1) Figures may not add up due to rounding.

BXB Entertainment Limited is an investment company owned by Mr Tseng, Kuan-Chih (曾冠智)(85%) and Mr. Wei Ying Jiao (魏应交) (15%).

- (b) Mr Tseng, Kuan-Chih (曾冠智) graduated with Bachelor of Psychology from Soochow University, Taiwan. He is a consultant to Tatung Group, founder of Global Digital Carbon Economy Development Alliance, executive director of Taiwan Renewable Energy Sales Industry Association, director of Chinese Industrial Development Joint Association, vice chairman of Taiwan Local Revitalization Association, deputy chairman of Smart City New Business Committee of Taipei City Commercial Association, co-convener of Cross-Strait Economic and Trade Affairs Committee of Taipei City Commercial Association and executive committee member of International Business Committee of Taipei City Commercial Association.
- (c) The Vendor and its shareholders are not related to any of the Directors, controlling shareholders, chief executive officer of the Company and/or their respective associates. As at the date of this announcement, the Vendor does not hold any of the issued and paid-up share capital in the Company (“**Shares**”).

## 2.3 Historical Financial Information of the Target Company and Pro-Forma Financial Information of the Enlarged Group

- (a) A summary of the unaudited consolidated profit and loss statement and balance sheet of the Target Company for the financial period from 9 May 2022 (date of incorporation) to 31 December 2022 and financial year ended 31 December 2023 is set out in **Appendix A** to this announcement.
- (b) The net liabilities value of the Target Company was NT\$7,095,000 (approximately S\$304,000 based on the exchange rate of NT\$100 = S\$4.291) as at 31 December

2023.

- (c) The Target Company recorded a net loss attributable to equity owners of NT\$8,096,000 (approximately S\$349,000 based on the average exchange rate of NT\$100 = S\$4.3098) for the financial year ended 31 December 2023.
- (d) For illustrative purposes only, the unaudited pro-forma financial information of the enlarged group comprising the Group and the Target Company (collectively, the “**Enlarged Group**”) has been prepared based on the audited consolidated financial statements of the Group for the financial year ended 30 June 2023 and the unaudited management accounts of the Target Company for the financial year ended 31 December 2023 (a summary of which is set out in Appendix A to this Announcement) is set out in **Appendix B** to this Announcement.
- (e) There is no open market value for the Sale Shares as they are not publicly traded. A valuation will be conducted on the Target Company as further described in paragraphs 4.1(b) and 4.1(d) below.

### **3 RATIONALE FOR THE PROPOSED ACQUISITION**

- 3.1 The Group’s real estate development business in China have been affected by the real estate crisis in China and resulted in operating losses. The Board has been looking to explore new investments and strategic acquisitions to improve the quality of its business operations and enhance its financial performance.
- 3.2 Given the worldwide shortage of computing power driven by the increase in artificial intelligence (“**AI**”) usages, the Group expects that there will be significant demand for data centres. The investment in data centres in Southeast Asia is expected to increase to USD14.19 billion by 2028<sup>1</sup>. The Group is of the view that the entering into the data centres investment, construction and development business will allow the Group to expand its revenue stream and presents an opportunity for the Company to acquire a business with potential for growth. The Group also has established business connections and know-how in Southeast Asia that will complement the business of the Target Company and its future development of data centres in Southeast Asia.
- 3.3 The Board believes that the Proposed Acquisition will enable the Company to enhance shareholder value by generating renewed investor interest in the Enlarged Group and ultimately, create the potential for the Company to grow its value with a wider investor base. Accordingly, the Board is of the view that the Proposed Acquisition is likely to enhance the long-term interests of the Company and its Shareholders.

### **4 KEY TERMS OF THE PROPOSED ACQUISITION**

#### **4.1 Consideration**

- (a) The consideration for the Sale Shares payable by the Company to the Vendor is approximately USD150,000,000 (equivalent to approximately S\$201,000,000 calculated on the basis of the agreed exchange rate of USD1.00 = S\$1.34), subject to the adjustment mechanism described in paragraph 4.1(d) below (“**Consideration**”).
- (b) The Consideration was arrived after negotiations which were conducted on an arm’s length basis. The Company took into consideration a preliminary assessment of the valuation of the Target Company and will also be commissioning a formal valuation of the Target Company by an independent valuer before completion of the Proposed Acquisition (“**Completion**”) as described in paragraph 4.1(d) below.
- (c) The Consideration shall be satisfied by the Company by way of the allotment and issuance of 41,600,291,317 Shares in the Company (“**Consideration Shares**”) to the

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<sup>1</sup> Information obtained from <<https://www.arizton.com/market-reports/southeast-asia-data-center-market>>

Vendor at an issue price of S\$0.00483<sup>2</sup> per Consideration Share (“**Issue Price**”), on a pre-Proposed Share Consolidation basis (as defined below), and subject to the adjustment mechanism described in paragraph 4.1(e) below. The number of Consideration Shares to be allotted and issued to the Vendor represents not less than 70% of the total enlarged issued share capital of the Company following the completion of the Proposed Share Consolidation (as defined below) and the issuance of the Consideration Shares.

- (d) For the purpose of assisting the Board in its analysis of the possible values of the Target Company and in accordance with Rule 1015(3)(a) of the Catalist Rules, the Company will be commissioning an independent valuer to conduct an independent valuation of the Target Company and to issue a valuation report (“**Valuation Report**”). The Consideration shall be adjusted in accordance with the circumstances set out below:
  - (i) if the value of the Target Company as set out in the Valuation Report (“**Appraised Value**”) is less than USD135 million, being an amount representing 90% of the Consideration, the Consideration shall be decreased by such amount equal to the shortfall of the Appraised Value below the Consideration;
  - (ii) if the Appraised Value exceeds USD165 million, being an amount representing 110% of the Consideration, the Consideration shall be increased by such amount equal to the excess of the Appraised Value above the Consideration; or
  - (iii) if the Appraised Value is between USD135 million to USD165 million, being a range of 90% to 110% of the Consideration, the Consideration shall not be adjusted.
- (e) The price per Consolidated Share shall be no less than S\$0.20 in order to comply with Rule 1015(3)(c) of the Catalist Rules. The parties agree that the Issue Price and the number of Consideration Shares to be issued in satisfaction of the Consideration shall be adjusted following the completion of the Share Consolidation. For illustrative purposes, based on the Share Consolidation Ratio (as defined below) of 50 and assuming that there is no adjustment to the Consideration pursuant to paragraph 4.1(d) above, the Issue Price will be adjusted from S\$0.00483 per Consideration Share to S\$0.2415 per Consideration Share and the number of Consideration Shares to be issued will be adjusted from 41,600,291,317 to 832,005,826.

## 4.2 Conditions

Completion is conditional upon, *inter alia*, the following conditions (the “**Conditions**”, each a “**Condition**”) being satisfied or waived in accordance with the terms of the SPA:

- (a) the satisfactory outcome of the legal, financial and commercial due diligence conducted by the Company in respect of the accounts, assets, personnel and businesses of the Target Company;
- (b) the receipt of the waiver from the Securities Industry Council (“**SIC**”) (and such waiver not having been withdrawn, suspended, amended or revoked by) in favour of the Vendor and parties acting in concert with the Vendor, in respect of their obligation to make a takeover offer of the Company under the Singapore Code on Take-overs and Mergers (the “**Take-over Code**”) arising from or in connection with all transactions contemplated under the SPA, and where such waiver is granted subject to any conditions, such conditions being acceptable to the Vendor and parties acting in concert with the Vendor (the “**Whitewash Waiver**”);

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<sup>2</sup> The Issue Price (pre-Proposed Share Consolidation) represents a premium of 383% over volume-weighted average market price on 1 April 2024 per Share (pre-Proposed Share Consolidation) of S\$0.001.

- (c) the approval of the shareholders of the Target Company being obtained at an extraordinary general meeting of such shareholders for the SPA and all transactions contemplated under the SPA;
- (d) the approval of the shareholders of the Company being obtained at an extraordinary general meeting of such shareholders:
  - (i) the Proposed Acquisition on the terms of the SPA;
  - (ii) the purchase of the Sale Shares on the terms set out in the SPA as a “Reverse Takeover” as defined under Chapter 10 of the Catalist Rules;
  - (iii) the Proposed Share Consolidation;
  - (iv) the allotment and issuance of the Consideration Shares;
  - (v) the allotment and issuance of such number of placement shares (“**Placement Shares**”) as may be agreed between the parties or as may be necessary in connection with the Proposed Compliance Placement (as defined below);
  - (vi) the waiver of the independent Shareholders of their rights to receive a mandatory general offer for all the shares held by such shareholders to be made by the Vendor and parties acting in concert with the Vendor pursuant to Rule 14 of the Take-over Code as a result of the allotment and issue of the Consideration Shares to the Vendor (the “**Whitewash Resolution**”);
  - (vii) the appointment of new directors as may be nominated by the Vendor;
  - (viii) the change of the Company’s core business to that of the Target Company’s business;
  - (ix) the change of name of the Company to such other name as the Vendor may direct (subject to prior approval for the new name being obtained from ACRA)
  - (x) the new share issue mandate for the Company to issue and allot shares and convertible securities pursuant to Section 161 of the Companies Act;
  - (xi) the change of auditors of the Company to such auditors as may be nominated by the Vendor, subject to SGX-ST having no objection to such change; and
  - (xii) any additional matters as may be required under applicable laws or the Catalist Rules or as may be required by the Sponsor or the SGX-ST.
- (e) the approval of the board of directors of the Vendor being obtained for the SPA and all transactions contemplated under the SPA;
- (f) the approval of the board of directors of the Target Company being obtained for the transfer of the Sale Shares to the Company;
- (g) the approval of the board of directors of the Company being obtained for the SPA and all transactions contemplated under the SPA, including for the allotment and issuance of the Consideration Shares and the Placement Shares (if any);
- (h) all necessary approvals, consents and waivers of the SGX-ST required to complete the SPA and all transactions contemplated under the SPA, including the in-principle approval of the SGX-ST for the listing and quotation of the Consideration Shares and Placement Shares (if any) and the approval of the SGX-ST (if necessary) in respect of the purchase of the Sale Shares by the Company pursuant to Rule 1015 of the Listing Manual, being obtained and if such approvals, consents and waivers are

obtained subject to any conditions and where such conditions affect any Party, such conditions being acceptable to the Party concerned and conditions which require to be fulfilled before Completion being fulfilled before Completion;

- (i) all other necessary consents, approvals and waivers being granted for all transactions contemplated under the SPA, not being withdrawn or revoked by third parties, and if such approvals, consents and waivers are obtained subject to any conditions and where such conditions affect any of the Parties, such conditions being acceptable to the Party concerned, and if such conditions are required to be fulfilled before Completion, such conditions being fulfilled before Completion;
- (j) the subscription for, allotment and issue, and offering of, the Consideration Shares and the Placement Shares (if any) not being prohibited by any statute, order, rule or regulation promulgated by any legislative, executive or regulatory body or authority in Singapore or in any other jurisdiction;
- (k) the Sale Shares constituting the entire issued and paid up share capital, including any convertible securities convertible into voting shares, of the Target Company and as at Completion, the Target Company being the legal and beneficial owner of any relevant subsidiaries;
- (l) each of the warranties and undertakings given by the Vendor remaining true and not misleading in any respect at Completion, as if repeated at Completion and at all times between the date of the SPA and Completion;
- (m) the Vendor's disclosure letter being satisfactory to the Company;
- (n) there being no material adverse change, or events, acts or omissions likely to lead to such a change, in the business, assets, prospects, performance, financial position or results of operations of the Target Company from the date of the SPA; and
- (o) the completion of the Proposed Share Consolidation; and
- (p) the Target Company having entered into the GPU Contracts (on terms satisfactory to the Company).

Other than the Proposed Acquisition, the SPA does not contain any provisions in relation to any put or call options to acquire or dispose any assets.

#### 4.3 **Completion**

- (a) Completion is expected to take place on the date no later than ten (10) business days after the date on which all the Conditions (other than Conditions to be fulfilled on the Completion Date) are satisfied or waived by the Company or the Vendor (as the case may be) in accordance with the terms of the SPA, or such other date as may be mutually agreed in writing by the parties ("**Completion Date**").
- (b) If the Conditions are not satisfied or waived by the Company or the Vendor (as the case may be) by the date falling six (6) months from the date of the SPA or such later date as may be mutually agreed between the parties ("**Long-Stop Date**"), the SPA shall cease to have effect automatically and no Party shall have any claim against the other Party for costs, damages, compensation or otherwise save in respect of any antecedent breach of the SPA.

#### 4.4 **Moratorium**

The Vendor shall, if required, undertake, or procure their relevant designated holders, to comply with the moratorium requirements as may be applicable on the Consideration Shares in accordance with Rule 422 of the Catalist Rules and the SPA for the relevant moratorium periods (or such period as may be required by the SGX-ST).

#### 4.5 Indemnity

The Vendor agrees and undertakes to fully indemnify and keep fully indemnified and hold harmless the Company, its successors and assigns from and against and in respect of any and all losses suffered or incurred by any indemnified party (include all costs and expenses payable in connection with any claim or liability referred to therein) in connection with any breach of any of the warranties provided by the Vendor in the SPA or any failure by the Vendor to perform duly and punctually any obligations, covenant, agreement or undertaking on the part of the Vendor under the SPA.

#### 4.6 Proposed Share Consolidation

- (a) The Company may, in connection with the Proposed Acquisition, propose the consolidation of 50 Shares of the Company into one (1) consolidated share (the “**Consolidated Share**”, and such ratio shall be defined as the “**Share Consolidation Ratio**”), to take effect on or before Completion (“**Proposed Share Consolidation**”), so as to satisfy Rule 1015(3)(c) of the Catalist Rules relating to the minimum issue price of the Consideration Shares.
- (b) The Proposed Share Consolidation will be subject to the approval of the Shareholders and will be effected prior to the issue and allotment of the Consideration Shares. In such an event, the Consideration Shares to be issued and allotted to the Vendor will comprise the Consolidated Shares and the number of Consideration Shares to be issued will be adjusted according to the Proposed Share Consolidation.

#### 4.7 Proposed Whitewash Resolution

- (a) Upon the issue of the Consideration Shares to the Vendor, the Vendor will own approximately 70% of the enlarged share capital of the Company upon Completion, subject to the assumptions set out in paragraph 7 and Appendix D below. The Vendor and parties acting or presumed to be acting in concert with the Vendor (“**Concert Group**”) will therefore be required under Rule 14 of the Take-over Code to make a general offer for the remaining Shares of the Company not owned or controlled by the Vendor and the Concert Group at the highest price paid or agreed to be paid by any of them for the Shares in the preceding six (6) months prior to the commencement of the general offer.
- (b) Accordingly, it is a condition precedent to the Proposed Acquisition that the SIC grants the Vendor and the Concert Group (and not having been withdrawn, suspended, amended or revoked such grant) the Whitewash Waiver and that independent Shareholders of the Company approve at the EGM to be convened, the waiver of their rights to receive a mandatory general offer from the Vendor and the Concert Group under Rule 14 of the Take-over Code from the Vendor and the Concert Group for all Shares not already owned by the Vendor and the Concert Group, in connection with the issue of the Consideration Shares to the Vendor at Completion (“**Whitewash Resolution**”).

#### 4.8 Proposed Compliance Placement

Under Rule 724 of the Catalist Rules, the SGX-ST may suspend trading of the Shares if less than the required 10.0% of the Shares is held in the hands of the public. The SGX-ST may allow the Company a period of three (3) months, or such longer period as the SGX-ST may agree, to raise the percentage of Shares in public hands to at least 10.0%.

In compliance with Rule 1015(3) and Rule 406(1) of the Catalist Rules, where at least 15.0% Shares of the Company must be held in the hands of at least 200 shareholders who are members of the public (“**Minimum Public Float Requirement**”).

Accordingly, to, *inter alia*, satisfy the Minimum Public Float Requirement, the Company may

undertake a compliance placement prior to Completion (the “**Proposed Compliance Placement**”). The details of the Proposed Compliance Placement will be set out in the Circular.

#### 4.9 **Costs and Expenses**

- (a) Save as described in paragraphs 4.9(b) to 4.9(e) below, the Company and the Vendor shall bear their own costs and expenses in connection with the Proposed Acquisition and all other transactions under the SPA (“**RTO and Compliance Costs and Expenses**”).
- (b) In the event the requisite approvals for the Proposed Acquisition (including the approval of the SGX-ST for the Proposed Acquisition, the grant of SIC of the Whitewash Waiver and the approval of the Shareholders of the Proposed Acquisition and the other transactions contemplated under the SPA including the Whitewash Waiver) are not obtained due to the fault of the Vendor (as the case may be) and the SPA is terminated by the Company, the Vendor shall bear the RTO and Compliance Costs and Expenses reasonably incurred by the Company.
- (c) In the event the requisite approvals for the Proposed Acquisition (including the approval of the SGX-ST for the Proposed Acquisition, the grant of SIC of the Whitewash Waiver and the approval of the Shareholders of the Proposed Acquisition and the other transactions contemplated under the SPA including the Whitewash Waiver) are not obtained due to the fault of the Company (as the case may be) and the SPA is terminated by the Vendor, the Company shall bear the RTO and Compliance Costs and Expenses reasonably incurred by the Vendor.
- (d) In the event the requisite approvals for the Proposed Acquisition (including the approval of the SGX-ST for the Proposed Acquisition, the grant of SIC of the Whitewash Waiver and the approval of the Shareholders of the Proposed Acquisition and the other transactions contemplated under the SPA including the Whitewash Waiver) are not obtained through no fault of either the Vendor or the Company (as the case may be) and the SPA is terminated, or the SPA is terminated by the mutual agreement of the Company and the Vendor, the RTO and Compliance Costs and Expenses shall be shared equally between the Vendor and the Company.
- (e) The Company shall bear the stamp duty payable on the transfer of the Sale Shares from the Vendor to the Company.

### 5 **THE PROPOSED ACQUISITION AS A REVERSE TAKEOVER**

- 5.1 The relative figures of the Proposed Acquisition computed on the bases set out in Catalyst Rules 1006(a) to 1006(e) are as follows:

<b>Catalist Rule</b>	<b>Basis of Calculation</b>	<b>Relative Figure (%)</b>
<b>1006(a)</b>	The net asset value of the assets to be disposed of, compared with the Group's net asset value. This basis is not applicable to an acquisition of assets.	Not applicable <sup>(1)</sup>
<b>1006(b)</b>	The net profits attributable to the assets acquired or disposed of, compared with the Group's net profits. <sup>(2)</sup>	-1,938% <sup>(3)</sup>
<b>1006(c)</b>	The aggregate value of the consideration given or received, compared with the Group's market capitalisation based on the total number of issued shares excluding treasury shares.	1,127% <sup>(4)</sup>
<b>1006(d)</b>	The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.	233% <sup>(5)</sup>



Catalist Rule	Basis of Calculation	Relative Figure (%)
1006(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.	Not applicable <sup>(6)</sup>

**Notes:**

- (1) Rule 1006(a) of the Catalist Rules is not applicable to an acquisition of assets.
  - (2) Under Rule 1002(3)(b) of the Catalist Rules, "net profits" is defined as profit or loss including discontinued operations that have not been disposed and before income tax and non-controlling interests.
  - (3) The net loss attributable to the Target Company based on the unaudited consolidated financial statements of the Target Company for the financial year ended 31 December 2023 prorated to 6-months was S\$174,000. The Group's net profit in the computation of the relative figure under Rule 1006(b) was based on the unaudited consolidated financial statements of the Group for the 6-months ended 31 December 2023, being S\$9,000.
  - (4) Under Rule 1003(3) of the Catalist Rules, where the consideration is in the form of shares, the value of the consideration shall be determined by reference either to the market value of such shares or the net asset value represented by such shares, whichever is higher. As such, for the purpose of Rule 1006(c) of the Catalist Rules, the consideration for the Proposed Acquisition is deemed to be approximately S\$201,000,000. The Company's market capitalisation of S\$17,828,696 is determined by multiplying the total Shares of 17,828,696,279 by the volume-weighted average price of S\$0.001 (*Source: Bloomberg L.P.*) of such Shares transacted on 1 April 2024 (being the market day preceding the date of the SPA).
  - (5) The number of Consideration Shares to be issued by the Company as consideration for the Proposed Acquisition are 41,600,291,317 Shares based on the Issue Price of S\$0.00483 per Consideration Share. The number of Shares in issue as at the date of this Announcement is 17,828,696,279 Shares.
  - (6) Rule 1006(e) is not applicable as the Company is not a mineral, oil and gas company.
- 5.2 Notwithstanding the negative relative figure computed under Rule 1006(b) of the Catalist Rules, the relative figures under Rules 1006(c) and 1006(d) of the Catalist Rules exceed 100% and the Proposed Acquisition will result in a change in control of the Company as the Vendor is envisaged to hold approximately 70% of the enlarged share capital of the Company upon Completion of the Proposed Share Consolidation and Proposed Acquisition. Accordingly, the Proposed Acquisition constitutes a reverse takeover transaction as defined under Chapter 10 of the Catalist Rules and will be subject to, *inter alia*, the approval of the Shareholders at an EGM to be convened as well as the approval of the SGX-ST.

## 6 PRO-FORMA FINANCIAL EFFECTS

The pro-forma financial effects of the Proposed Acquisition are set out in **Appendix C** to this announcement.

## 7 SHAREHOLDING EFFECTS

The shareholding effects of the Proposed Share Consolidation and Proposed Acquisition on the shareholding structure of the Company are set out in **Appendix D** to this announcement.

## 8 INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors, and to the best of the Directors' knowledge, none of the controlling Shareholders of the Company, and their respective associates, has any interest, direct or

indirect, in the Proposed Acquisition other than through their directorships, or direct or indirect shareholdings in the Company, if any.

## **9 ADDITIONAL LISTING APPLICATION**

The Company will be submitting an application for the additional listing of and quotation for the Consideration Shares and the Placement Shares (if any) on the Catalist Board of the SGX-ST. The Company will make the necessary announcement upon receipt of the approval in-principle for the listing and quotation of the same from the SGX-ST.

## **10 FINANCIAL ADVISER AND INDEPENDENT FINANCIAL ADVISER**

The Company will be appointing PrimePartners Corporate Finance Pte. Ltd., as its full sponsor and financial adviser to the Company.

Separately, the Company will appoint an independent financial adviser (“**IFA**”) to advise the Directors of the Company on the Proposed Whitewash Resolution. The Directors of the Company will form its view on the Proposed Whitewash Resolution after taking into account the opinion of the IFA which will be set out in the Circular (as defined below).

## **11 RECONSTITUTION OF THE BOARD AND SERVICE CONTRACTS**

As at the date of this announcement, the Company has not entered into any service contract with any person proposed to be appointed as a Director in connection with the Proposed Acquisition.

It is envisaged that the Company will, on or prior to Completion, enter into service contracts with certain directors and/or key executives of the Target Company to be appointed to the Board. It is also envisaged that the Company shall, upon Completion, effect changes to the composition of the Board and key management. The details of such appointments, service contracts (if any) and changes to the composition of the Board and key management will be set out in the Circular.

## **12 CIRCULAR AND DOCUMENTS AVAILABLE FOR INSPECTION**

12.1 A circular setting out amongst others, the details of the Proposed Acquisition, the issuance of the Consideration Shares, the Proposed Share Consolidation, Proposed Whitewash Resolution and the Proposed Compliance Placement (if required) (“**Circular**”), together with a notice of EGM, will be despatched by the Company to Shareholders in due course.

12.2 A copy of the SPA will be made available for inspection during normal business hours at the registered office of the Company at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896 for three (3) months from the date of this Announcement.

12.3 The Company will update Shareholders on any material developments and will make such announcements as and when appropriate.

## **13 DIRECTORS’ RESPONSIBILITY STATEMENT**

The Directors of the Company (including those who have been delegated supervision of this announcement) 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 Proposed Acquisition and the Proposed Share Consolidation, the Company and its subsidiaries (and such other transactions as contemplated in the SPA), and the Directors are 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.

#### **14 CAUTION IN TRADING**

Shareholders are advised to exercise caution in trading their Shares. The Proposed Acquisition and the Proposed Share Consolidation are subject to the Conditions. There is no certainty or assurance as at the date of this announcement that the Proposed Acquisition and/or the Proposed Consolidation will be completed, or that no changes will be made to the terms thereof. The Company will make the necessary announcements when there are further developments on the Proposed Acquisition and/or the Proposed Consolidation and other matters contemplated by this announcement. Accordingly, Shareholders are advised to exercise caution before making any decision in respect of their dealings in the shares of the Company. Shareholders should consult their stockbrokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

#### **BY ORDER OF THE BOARD**

Dato' Dr. Choo Yeow Ming  
Chairman and Chief Executive Officer  
8 April 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 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. Lim Hui Ling, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, [sponsorship@ppcf.com.sg](mailto:sponsorship@ppcf.com.sg).*

## APPENDIX A

### UNAUDITED FINANCIAL INFORMATION OF THE TARGET COMPANY

The unaudited management accounts of the Target Company for the financial period 9 May 2022 (date of incorporation) to 31 December 2022 and financial year ended 31 December 2023 are set out below.

#### Summary of the Unaudited Statement of Comprehensive Income of the Target Company for the financial period 9 May 2022 (date of incorporation) to 31 December 2022 and financial year ended 31 December 2023

(NT\$'000)	Financial Period from 9 May 2022 to 31 December 2022	Financial Year ended 31 December 2023
Revenue	545	952
Gross profit	83	962
Profit/(Loss) before income tax	6	(8,096)
Profit/(Loss) attributable to equity owners	6	(8,096)

#### Summary of the Unaudited Statement of Financial Position of the Target Company as at 31 December 2022 and 2023

(NT\$'000)	As at 31 December	
	2022 (Unaudited)	2023 (Unaudited)
Current assets	1,473	555
Non-current assets	5	5
Total assets	<u>1,478</u>	<u>560</u>
Current liabilities	472	7,655
Total liabilities	<u>472</u>	<u>7,655</u>
Net asset/(liabilities)	1,006	(7,095)
Total equity	1,006	(7,095)

## APPENDIX B

### PRO-FORMA FINANCIAL INFORMATION OF THE ENLARGED GROUP UPON COMPLETION

For illustrative purposes, the unaudited proforma financial information of the Enlarged Group has been prepared based on the audited consolidated financial statements of the Group for the financial year ended 30 June 2023 and the unaudited management accounts of the Target Company for the financial year ended 31 December 2023 (a summary of which is set out in Appendix A to this Announcement), without any adjustment to align the financial year end of the Group with that of the Target Company is set out below.

#### Summary of the Unaudited Combined Pro-Forma Statement of Comprehensive Income of the Enlarged Group

<u>(S\$'000)</u>	<u>Financial Year ended 30 June 2023 (Unaudited Pro-Forma)</u>
Revenue from continuing operations	41
Loss before income tax from continuing operations	(8,673)
Loss from discontinued operations	(400)
Net loss attributable to equity holders of the Company	(8,342)
Total comprehensive loss attributable to equity holders of the Company	(9,160)

#### Summary of the Unaudited Combined Pro-Forma Statement of Financial Position of the Enlarged Group

<u>(S\$'000)</u>	<u>As at 30 June 2023 (Unaudited Pro-Forma)</u>
Current assets	6,885
Non-current assets	224,834
Total assets	<u>231,719</u>
Current liabilities	13,005
Non-current liabilities	11
Total liabilities	<u>13,016</u>
Net assets	218,703
Total equity	218,703

## APPENDIX C

### ILLUSTRATIVE PRO-FORMA FINANCIAL EFFECTS OF THE PROPOSED SHARE CONSOLIDATION AND PROPOSED ACQUISITION

#### **BASES AND ASSUMPTIONS**

1. The pro-forma financial effects of the Proposed Share Consolidation and the Acquisition on the share capital, earnings, net tangible assets (“NTA”) and gearing of the Group as set out in this Appendix C have been prepared based on the audited consolidated financial statements of the Group for the financial year ended 30 June 2023 and the unaudited management accounts of the Target Company for the financial year ended 31 December 2023 (a summary of which is set out in Appendix A of this Announcement).
2. For the purposes of illustrating the financial effects of the Proposed Share Consolidation and the Proposed Acquisition, the financial effects have been prepared based on, *inter alia*, the following bases and assumptions:
  - (a) the financial effects on the Group’s loss and loss per Share (“LPS”) are computed assuming that the Proposed Acquisition was completed on 1 July 2022. The financial effects on the Group’s NTA and gearing are computed assuming that the Proposed Acquisition was completed on 30 June 2023;
  - (b) no adjustments have been made to align the financial year end and the accounting standards of the Group with that of the Target Company;
  - (c) the analysis does not take into account any other transaction(s) completed by the Company subsequent to 30 June 2023;
  - (d) the fair value adjustments on the net assets of the Group, goodwill and intangible asset(s) arising from the Proposed Acquisition, if any, have not been considered for the purpose of computing the financial effects of the Proposed Acquisition and will be determined on or after the Completion Date (as the case may be) when the Vendor have effectively obtained control of the Company, subject to purchase price allocation exercise to be performed pursuant to FRS103 Business Combinations. As the goodwill, intangible asset(s) and fair value adjustments on the net assets will have to be determined at Completion, the net assets of the Group could be materially different from the aforementioned assumption. Any goodwill, intangible asset(s) and fair value adjustments on the net assets arising thereon from the Proposed Acquisition will be accounted for in accordance with the accounting policies of the Group and the applicable Singapore Financial Reporting Standards;
  - (e) the Consideration Shares were issued at the post-Proposed Share Consolidation Issue Price of S\$0.2415 per share;
  - (f) the carrying value of the assets and liabilities of the Group approximates their fair value;
  - (g) the allotment and issuance of the Consideration Shares are assumed to have been carried out during FY2023;
  - (h) the analysis does not take into account the Proposed Compliance Placement; and
  - (i) transactional costs and expenses in connection with the Proposed Share Consolidation and the Proposed Acquisition of an estimated of S\$2.0 million has been taken into account; and
  - (j) exchange rate as at 31 December 2023 of NT\$100:S\$4.291 and the average exchange rate for year ended 31 December 2023 of NT\$100:S\$4.3098 was extracted from the website of the Monetary Authority of Singapore.

Shareholders should note that the pro-forma financial effects of the Proposed Share Consolidation and the Proposed Acquisition as prepared by management has not been reviewed by the external auditors of the Group and are purely for illustrative purposes only. The illustrative financial effects should not be construed to mean that the Group's actual results, performance or achievements will be as expected, expressed or implied in such financial effects.

## 1. Share Capital

	No. of Shares	Issued and paid-up share capital (S\$)
As at 30 June 2023	17,828,644,304	199,354,867 <sup>(2)</sup>
After the Proposed Share Consolidation	356,572,886	199,354,867
After the Proposed Share Consolidation and the Proposed Acquisition	1,188,578,712 <sup>(1)</sup>	400,284,274 <sup>(1)</sup>

### Note:

- (1) Additional issued and paid-up capital of the Company amounting to approximately S\$201,000,000 derived based on issuing 41,600,291,317 Consideration Shares at the Issue Price or 832,005,826 Shares post completion of the Proposed Share Consolidation.
- (2) Excluded share issue expenses.

## 2. LPS

	FY2023	
	Net Loss attributable to equity holders of the Company (S\$'000)	LPS (Singapore cents) <sup>(1)</sup>
Before the Proposed Share Consolidation and the Proposed Acquisition	(5,993)	(0.03)
After the Proposed Share Consolidation	(5,993)	(1.68)
After the Proposed Share Consolidation and the Proposed Acquisition	(8,342)	(0.70)

### Notes:

- (1) Based on weighted average number of 17,826,935,000 Shares before the Proposed Share Consolidation and Proposed Acquisition and weighted average number of 1,188,545,000 Shares after the Proposed Share Consolidation and Proposed Acquisition.
- (2) The LPS of the Group after the Proposed Share Consolidation and Proposed Acquisition is derived after including the net loss attributable to the Target Company of approximately S\$349,000 and adding an estimated S\$2 million of associated costs involved for the Proposed Share Consolidation and Proposed Acquisition.

### 3. NTA <sup>(1)</sup>

	As at 30 June 2023	
	NTA of the Group <sup>(1)</sup> (S\$'000)	NTA per Share <sup>(2)</sup> (Singapore cents)
Before the Proposed Share Consolidation and the Proposed Acquisition	19,773	0.11
After the Proposed Share Consolidation	19,773	5.55
After the Proposed Share Consolidation and the Proposed Acquisition	17,469	1.47

#### Notes:

- (1) The NTA is inclusive of non-controlling interest but excluding deferred income tax liabilities.
- (2) Based on 17,828,644,304 Shares as at 30 June 2023 before the Proposed Share Consolidation and Proposed Acquisition and 1,188,578,712 Shares after the Proposed Acquisition and the Proposed Share Consolidation.
- (3) The NTA of the Group after the Proposed Share Consolidation and Proposed Acquisition is derived after including (i) the net tangible liabilities of the Target Company which is approximately S\$304,000 as at 31 December 2023, (ii) the deduction of the estimated associated costs involved in the Proposed Share Consolidation and Proposed Acquisition amounting to approximately S\$2 million.

### 4. Gearing

	As at 30 June 2023		
	Total Debt (S\$'000)	Total Equity (S\$'000)	Gearing Ratio <sup>(1)</sup> (times)
Before the Proposed Share Consolidation and the Proposed Acquisition	2,637	19,773	0.13
After the Proposed Share Consolidation and the Proposed Acquisition	2,637	218,703 <sup>(2)</sup>	0.01

#### Notes:

- (1) The gearing ratio is derived by dividing total debt by total equity, including non-controlling interests.
- (2) The total equity of the Group after the Proposed Share Consolidation and Proposed Acquisition is derived after including the issue of Consideration Shares of the Consideration amounting to approximately S\$201,000,000 deducting the estimated associated costs involved in the Proposed Share Consolidation and Proposed Acquisition of S\$2 million.



**APPENDIX D**

**SHAREHOLDING EFFECTS**

For illustrative purposes only and based on the shareholding structure of the Company as at the date of this announcement, it is envisaged that upon Completion and based on the following assumptions:

- (a) the Share Consolidation Ratio shall be 50 and the price per Consolidated Share post completion of the Proposed Share Consolidation shall be S\$0.2415; and
- (b) the completion of the Proposed Share Consolidation and the Proposed Acquisition have taken place,

the shareholding structure of the Company before and after the completion of the Proposed Share Consolidation and Proposed Acquisition are as set out below.

Shareholders	Before the Proposed Share Consolidation and Proposed Acquisition				After the Proposed Share Consolidation and Proposed Acquisition			
	No. of Shares (direct)	(%) <sup>(1)</sup>	No. of Shares (deemed)	(%) <sup>(1)</sup>	No. of Consolidated Shares (direct)	(%) <sup>(2)</sup>	No. of Consolidated Shares (deemed)	(%) <sup>(2)</sup>
Vendor	-	-	-	-	832,005,826	70.0%	-	-
Oei Hong Leong	6,374,454,821	35.8%	-	-	127,489,096	10.7%	-	-
Toh Soon Huat	1,421,805,700	8.0%	-	-	28,436,114	2.4%	-	-
Dato' Dr Choo Yeow Ming ("Dato' Choo")	824,969,332	4.6%	352,479,500	2.0%	16,499,386	1.4%	7,049,590	0.6%
Dato' Choo's Spouse, Summers Overseas Limited and Orient Achieve Limited	352,479,500	2.0%	-	-	7,049,590	0.6%	-	-
Hung Ying-Zhen @ Amy Ying-Fen Hung	954,300,000	5.3%	-	-	19,086,000	1.6%	-	-
Chew Soo Lin	32,400,036	0.2%	-	-	648,000	0.05%	-	-
Lien Kait Long	34,501,500	0.2%	-	-	690,030	0.05%	-	-
Other Shareholders	7,833,785,390	43.9%	-	-	156,675,707	13.2%	-	-

<b>Total</b>	17,828,696,279	100.0%	352,479,500	2.0%	1,188,579,749	100.0%	7,049,590	0.6%
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**Notes:**

- (1) Percentage computed is based on 17,828,696,279 Shares in issue as at the date of this announcement and is rounded off to the nearest one (1) decimal place.
- (2) Percentage computed is based on 1,188,579,749 Consolidated Shares after the completion of the Proposed Share Consolidation and the Proposed Acquisition, and is rounded off to the nearest one (1) decimal place. For the avoidance of doubt, all the figures stated herein after the Proposed Share Consolidation and the Proposed Acquisition are computed on a consolidated basis.