

ASIA-PACIFIC STRATEGIC INVESTMENTS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 200609901H)

PROPOSED SUBSCRIPTION OF 3,143,773,000 NEW ORDINARY SHARES IN THE CAPITAL OF ASIA-PACIFIC STRATEGIC INVESTMENTS LIMITED AT AN ISSUE PRICE OF S\$0.002 FOR EACH SUBSCRIPTION SHARE

1. INTRODUCTION

- 1.1. The board of directors (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 has on 26 June 2024 entered into a subscription agreement (the “**Subscription Agreement**”) with IFH Technology Limited (the “**Subscriber**”) pursuant to which the Subscriber will subscribe for, and the Company will allot and issue to the Subscriber, 3,143,773,000 new ordinary shares (the “**Subscription Shares**”) in the capital of the Company (“**Shares**”) at an issue price of S\$0.002 for each Subscription Share (the “**Issue Price**”), amounting to an aggregate consideration of S\$6,287,546 (the “**Proposed Subscription**”).
- 1.2. The Subscription Shares shall be allotted and issued pursuant to the general share issue mandate (the “**Share Issue Mandate**”) approved by the Company’s shareholders (“**Shareholders**”) at the Company’s annual general meeting held on 31 October 2023 (the “**AGM**”).
- 1.3. The Proposed Subscription is not underwritten, and no placement agent will be appointed for the Proposed Subscription.
- 1.4. The Proposed Subscription will be undertaken pursuant to a private placement exemption under Section 272B of the Securities and Futures Act 2001 of Singapore (“**SFA**”). Hence, no prospectus or offer information statement will be issued by the Company in connection with the Proposed Subscription.

2. INFORMATION ON THE SUBSCRIBER

- 2.1. Details of the Subscriber, the number of Subscription Shares to be subscribed by the Subscriber and the consideration to be paid by the Subscriber are set out below:

Name of Subscriber	Number of Subscription Shares Subscribed	Aggregate Consideration (S\$)	Subscription Shares as a Percentage of Existing Issued Share Capital ⁽¹⁾	Subscription Shares as a Percentage of Enlarged Issued Share Capital ^{(2) (3)}
IFH Technology Limited	3,143,773,000	6,287,546	17.63%	14.99%

Notes:

- (1) Based on 3,143,773,000 Subscription Shares and the existing issued and paid-up share capital (excluding treasury shares and subsidiary holdings) of the Company of 17,828,696,279 Shares as at the date of this announcement (“**Existing Issued Share Capital**”).
- (2) Based on 3,143,773,000 Subscription Shares and the enlarged issued and paid-up share capital (excluding treasury shares and subsidiary holdings) of the Company of 20,972,469,279 Shares,

assuming no further allotment and issuance of new Shares prior to completion of the Proposed Subscription (“**Enlarged Issued Share Capital**”).

- (3) As at the date of this announcement, the Subscriber does not hold any Shares in the capital of the Company. Total shareholding of the Subscriber as a percentage of the Enlarged Issued Share Capital is 14.99%.
- 2.2. The Subscriber is a private limited company incorporated in Hong Kong and is 100% owned by Mr. Carson Wen (“**Mr. Wen**”). Mr. Wen is the founder of Bank of Asia (BVI) Limited and BOA International Financial Group Limited, and formerly a partner of Jones Day International Law Firm for more than 10 years. He was also Hong Kong’s Representative to the National People’s Congress of China for 15 years. The information of the Subscriber set out in this paragraph was provided by the Subscriber and/or extracted from publicly available sources. In respect of such information, the Company and the Directors have not independently verified the accuracy and correctness of the same and the Company’s responsibility is limited to the proper extraction and reproduction herein in the context that the information is being disclosed in this announcement.
- 2.3. The Subscriber is a business contact of the Chairman and Chief Executive Officer of the Company. No introducer fee/commission were paid or are payable for introducing the Subscriber to the Company. The Subscriber has entered into the Subscription Agreement for investment purposes and has represented to the Company that it is subscribing for the Subscription Shares for its own account and that the Subscriber is not holding the Subscription Shares in trust or as nominee for other persons.
- 2.4. Further, to the best of the Company’s knowledge and as the Subscriber has represented to the Company, the Subscriber is not currently a person whom the Company is prohibited from issuing shares to, as provided for by Rule 812(1) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalyst (the “**Catalist Rules**”). Accordingly, none of the Subscription Shares will be issued and allotted to any restricted person under Rule 812(1) of the Catalyst Rules.
- 2.5. To the best of the Company’s knowledge, as at the date of this announcement, the Subscriber does not have any existing interest (whether direct or indirect) in the shares of the Company and is not an interested person as defined under Chapter 9 of the Catalyst Rules. Except as disclosed in this announcement, there is also no connection (including business relationship) between the Subscriber and the Company, Directors or substantial shareholders of the Company.

3. THE PROPOSED SUBSCRIPTION

3.1. Issue Price and Consideration

The Subscriber proposes to subscribe for an aggregate of 3,143,773,000 Subscription Shares for an aggregate consideration of S\$6,287,546 (the “**Consideration**”) at an Issue Price of S\$0.002.

The Subscriber shall pay the Company the Consideration in cash within 3 business days of the signing of the Subscription Agreement.

The Issue Price of S\$0.002 represents a premium of 100% to the volume weighted average price of S\$0.001 for trade(s) done on the Shares on the SGX-ST on 25 June 2024 (being the last full market day preceding the date of the Subscription Agreement).

3.2. Status of the Subscription Shares

The Subscription Shares, when issued and delivered, shall be free from all claims, charges, liens and other encumbrances whatsoever and shall rank pari passu in all respects with and shall carry all rights similar to the existing Shares except that they will not rank for any dividend, right, allotment

or other distributions, the record date for which falls on or before the Completion (as defined in paragraph 3.4 below) of the Proposed Subscription.

The Proposed Subscription will not result in a change of controlling interest in the Company pursuant to Rule 803 of the Catalist Rules. The single largest shareholder in the Company will continue to be Mr. Oei Hong Leong, who currently holds 6,374,454,821 Shares, representing 35.75% of the Existing Issue Share Capital and which, following Completion, will represent 30.39% of the Enlarged Issue Share Capital.

There is no moratorium imposed on the Subscription Shares. There are also no share borrowing arrangements in relation to the Proposed Subscription.

3.3. Conditions Precedent

The Completion of the Proposed Subscription is conditional upon the following conditions (“**Conditions**”):

- (a) the receipt of the approval-in-principle from the SGX-ST for the listing and quotation of the Subscription Shares on the Catalist of the SGX-ST and where such approval is subject to conditions, such conditions being reasonably acceptable to the Subscriber;
- (b) the Share Issue Mandate being valid, subsisting and adequate for the purposes of the issue of the Subscription Shares as at the date of Completion;
- (c) the exemption under Section 272B of the SFA being applicable to the allotment and issue of Subscription Shares under the Subscription Agreement;
- (d) the issue and subscription of the Subscription Shares not being prohibited by any statute, order, rule or regulation promulgated after the date of the Subscription Agreement by any applicable legislative, executive or regulatory body or authority of Singapore;
- (e) there having been no occurrence of any event or discovery of any fact rendering any of the warranties stated in the Subscription Agreement untrue or incorrect in any material respect as at Completion as if they had been given again on Completion; and
- (f) the Company and the Subscriber not being in breach of any of the undertakings and the covenants in the Subscription Agreement as at the date of Completion.

The Subscriber and the Company may agree to waive compliance with the Conditions set out in paragraph 3.3(e) (in respect of any warranty given by the Subscriber or the Company, as the case may be) and paragraph 3.3(f) (in respect of any breach by the Subscriber or the Company, as the case may be) and any Condition so waived shall be deemed to have been satisfied by the Subscriber or the Company (as the case may be).

If the Conditions are not satisfied and/or waived within 1 month of the date of the Subscription Agreement (or such other date as may be mutually agreed between the parties) (the “**Long-Stop Date**”), the Subscription Agreement shall terminate upon which the obligations of the Company to issue the Subscription Shares and the Subscriber to subscribe for the Subscription Shares shall cease thereafter and the Company shall refund the Consideration (without interest) to the Subscriber within 7 business days of the date of termination.

3.4. Completion

Completion of the Proposed Subscription will occur on the date falling 5 business days after all of the Conditions referred to in paragraph 3.3 above have been satisfied and/or waived, or such other date as may be mutually agreed between the parties.

4. SHARE ISSUE MANDATE

The Subscription Shares will be allotted and issued pursuant to the Share Issue Mandate approved and granted by Shareholders at the AGM. Pursuant to the Share Issue Mandate, the Directors have the authority to allot and issue Shares whether by way of rights, bonus or otherwise and make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require shares to be issued, provided that the aggregate number of Shares to be issued (including Shares to be issued pursuant to the Instruments made or granted) does not exceed 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date the Share Issue Mandate was passed, of which the aggregate number of Shares (including Shares to be issued pursuant to the Instruments made or granted) to be issued other than on a pro rata basis to existing Shareholders shall not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date the Share Issue Mandate was passed, after adjusting for, amongst other things, new Shares arising from the exercising of share options or vesting of share awards outstanding or subsisting as at the date the Share Issue Mandate was passed.

As at the date the Share Issue Mandate was passed (i.e., the date of the AGM, being 31 October 2023), the total number of issued Shares (excluding treasury shares and subsidiary holdings) was 17,828,696,279. Accordingly, the total number of Shares that may be issued pursuant to the Share Issue Mandate is 17,828,696,279 Shares, of which the maximum number of Shares that can be issued other than on a pro rata basis is 8,914,348,139 Shares. As at the date of this announcement, no Shares have been issued pursuant to the Share Issue Mandate. As such, the 3,143,773,000 Subscription Shares that may be issued pursuant to the Subscription falls within the maximum number of Shares which may be issued on a non pro rata basis authorised under the Share Issue Mandate.

5. ADDITIONAL LISTING APPLICATION

The Company, through its sponsor, PrimePartners Corporate Finance Pte. Ltd., will be making an application to the SGX-ST for the listing of and quotation of the Subscription Shares on the Catalist of the SGX-ST. The Company will make the necessary announcements upon receipt of the listing and quotation notice from the SGX-ST.

6. RATIONALE AND USE OF PROCEEDS

6.1. Rationale

The Company has decided to undertake the Proposed Subscription to raise funds for the defray of the Company’s costs and expenses arising from the acquisition of Mobii Genius Co., Ltd which was announced by the Company on 8 April 2024 (the “**Proposed Acquisition**”), repayment of bank borrowings as well as to strengthen its financial and working capital position.

6.2. Use of Proceeds

Assuming Completion occurs, the estimated net proceeds from the Proposed Subscription (after deducting estimated expenses relating thereto) will be approximately S\$6,267,000 (the “**Net Proceeds**”).

The Company intends to utilise the Net Proceeds in the following manner and for the following purposes:

Proposed Use of Net Proceeds	Amount	% of Net Proceeds
To defray the costs and expenses arising from the Acquisition	S\$2,000,000	31.91%
Repayment of the Company's term loan	S\$1,300,000	20.75%
General working capital	S\$2,967,000	47.34%
Total	S\$6,267,000	100%

Taking into account the Company's working capital position, the Company intends to use 47.34% of the Net Proceeds as general working capital for the payment of the Group's creditors, day-to-day operating expenses such as staff costs, administrative/compliance expenses and other related expenses.

Pending the deployment of the Net Proceeds for the use(s) identified above, the Net Proceeds may be deposited with banks and/or financial institutions or invested in money market instruments and/or marketable securities, or used for any other purpose on a short-term basis, as the Directors may in their absolute discretion deem fit from time to time.

The Company will make periodic announcements of the utilisation of the Net Proceeds from the Proposed Subscription as and when the funds are materially disbursed and whether such use is in accordance with the stated use and percentage allocated.

The Company will also provide a status report on the use of the proceeds in the Company's interim and full year financial statements and the Company's annual report. The Company will disclose a breakdown with specific details on the use of proceeds for working capital in such announcements and annual reports. Where there is material deviation from the stated use of the Net Proceeds, the Company will announce the reasons for such deviation.

7. FINANCIAL EFFECTS OF THE PROPOSED SUBSCRIPTION

The financial effects of the Proposed Subscription set out below are for illustrative purposes only and do not purport to be indicative or a projection of the results and financial position of the Group after completion of the Proposed Subscription.

The financial effects of the Proposed Subscription on the Group have been computed based on the latest audited consolidated financial statements of the Group for the financial year ended 30 June 2023 ("**FY2023**"), the unaudited consolidated financial statements of the Group for the financial period ended 31 December 2023 ("**1HFY2024**") and subject to the following assumptions:

- (a) for purposes of computing the effect of the net tangible assets ("**NTA**") per Share and gearing of the Group for FY2023 and 1HFY2024, it is assumed that the Proposed Subscription had been completed on 30 June 2023 and 31 December 2023 respectively;
- (b) for purposes of computing the effect of the Proposed Subscription on the loss per Share ("**LPS**") of the Group for FY2023 and earning per share ("**EPS**") for 1HFY2024, it is assumed that the Proposed Subscription was completed on 1 July 2022 and 1 July 2023 respectively; and
- (c) the estimated transaction cost incurred for the Proposed Subscription of S\$20,546.

7.1. Share Capital

	Before the Proposed Subscription	After the Proposed Subscription
Issued share capital (S\$'000)	199,355 ⁽¹⁾	205,643
Number of Shares ('000)	17,828,696 ⁽²⁾	20,972,469

Notes:

(1) Excluded share issue expenses.

(2) Based on the issued share capital of the Company as at the date of this announcement.

7.2. LPS/EPS

	FY2023		1HFY2024	
	Before the Proposed Subscription	After the Proposed Subscription	Before the Proposed Subscription	After the Proposed Subscription
Net (loss)/profit after tax attributable to Shareholders (S\$'000)	(5,993)	(6,014)	90	69
Weighted average number of Shares ('000)	17,826,935	20,970,708	17,828,689	20,972,462
(LPS)/EPS (Singapore cents)	(0.03)	(0.03)	0.0005	0.0003

7.3. NTA per Share

	FY2023		1HFY2024	
	Before the Proposed Subscription	After the Proposed Subscription	Before the Proposed Subscription	After the Proposed Subscription
NTA (S\$'000)	19,773	26,040	19,766	26,033
Number of Shares ('000)	17,828,644	20,972,417	17,828,696	20,972,469
NTA per Share (Singapore cents)	0.11	0.12	0.11	0.12

7.4. Gearing

	FY2023		1HFY2024	
	Before the Proposed Subscription	After the Proposed Subscription	Before the Proposed Subscription	After the Proposed Subscription
Total debts (S\$'000)	2,637	1,337 ⁽¹⁾	1,983	683 ⁽¹⁾
Total equity (S\$'000)	19,773	26,040	19,766	26,033
Gearing ratio (times)	0.13	0.05	0.1	0.03

Notes:

(1) The reduction in total debts are due to use of Net Proceeds for repayment of term loan.

8. DIRECTORS' CONFIRMATION

As at the date of this announcement, the Directors are of the opinion that, after taking into consideration:

- (a) the Group's present bank facilities, the Group has sufficient working capital to meet its present requirements. Notwithstanding the foregoing, the Company has decided to undertake the Proposed Subscription for the reasons as set out in paragraph 6.1 above; and
- (b) the Group's present bank facilities and the Net Proceeds, the Group has sufficient working capital to meet its present requirements.

The Group's working capital as at the date of this announcement is further supported by financial support from a director and internal financial resources.

9. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors or substantial shareholders of the Company or their respective associates has any interest, direct or indirect, in the Proposed Subscription (other than through their respective shareholdings and/or directorships in the Company, if any).

For illustration, the interests of the Directors, substantial shareholders and the Subscriber in the share capital of the Company as at the date of this announcement and after the Proposed Subscription are set out below:

Shareholders	As at the date of announcement				After the Proposed Subscription			
	No. of Shares (direct)	(%) ⁽¹⁾	No. of Shares (deemed)	(%) ⁽¹⁾	No. of Shares (direct)	(%) ⁽²⁾	No. of Shares (deemed)	(%) ⁽²⁾
Directors								
Dato' Dr Choo Yeow Ming ^{(3) (4)}	824,969,332	4.63	352,479,500	1.98%	824,969,332	3.93	352,479,500	1.68
Chew Soo Lin	32,400,036	0.18	-	-	32,400,036	0.15	-	-
Lien Kait Long	34,501,500	0.19	-	-	34,501,500	0.16	-	-
Dr Lam Lee G	-	-	-	-	-	-	-	-
Lum Moy Foong	-	-	-	-	-	-	-	-
Substantial Shareholders (other than Directors)								
Oei Hong Leong	6,374,454,821	35.75	-	-	6,374,454,821	30.39	-	-
Toh Soon Huat	1,421,805,700	7.97	-	-	1,421,805,700	6.78	-	-
Hung Ying-Zhen @ Amy Ying-Fen Hung	954,300,000	5.35	-	-	954,300,000	4.55	-	-
Subscriber	-	-	-	-	3,143,773,000	14.99	-	-

Notes:

- (1) The percentage is computed based on the existing issued share capital (excluding treasury shares and subsidiary holdings) of the Company comprising 17,828,696,279 Shares as at the date of this announcement.
- (2) The percentage is computed based on enlarged issued share capital (excluding treasury shares and subsidiary holdings) of the Company comprising 20,972,469,279 Shares.
- (3) Dato' Dr Choo Yeow Ming's direct interest of 762,059,332 shares is held through nominees.
- (4) Dato' Dr Choo Yeow Ming is deemed interested in the shares held by his spouse. By virtue of section 7 of the Companies Act, he is also deemed to have an interest in shares held by Summers Overseas Limited and Orient Achieve Limited. These deemed interests are held through nominees.

10. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the Subscription Agreement is available for inspection at the Company's registered office at 77 Robinson Road, #06-03, Robinson 77, Singapore 068896 during normal business hours for a period of 3 months from the date of this announcement.

11. 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 Proposed Subscription, the Company and its subsidiaries, 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.

12. CAUTIONARY STATEMENT

Shareholders and potential investors of the Company are advised to exercise caution when trading in the Shares in relation to this announcement as there is no certainty that the Proposed Subscription will be completed as it is subject to the fulfilment of terms and conditions set out in the Subscription Agreement. When in doubt as to the action they should take, Shareholders and potential investors of the Company should consult their legal, financial, tax or other professional adviser immediately.

BY ORDER OF THE BOARD

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

29 June 2024

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.

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.