



Huatong Global Limited
Company Registration Number: 201422395Z
(Incorporated in the Republic of Singapore on
1 August 2014) Address: 9 Benoi Crescent,
Singapore 629972 Website:
<http://www.huatong-global.com>

Proposed Placement Exercise Entry into Placement Agreement and Share Lending Deed

1. Introduction

1.1 The Board of Directors (the “**Board**”) of Huatong Global Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that:

- (a) the Company has, on 28 October 2021 entered into a conditional placement agreement (the “**Placement Agreement**”) with the persons, names of which are set out in the table in **paragraph 2** below (each a “**Placee**” and collectively, the “**Placees**”), in relation to, *inter alia*, a proposed sale of an aggregate of 25,000,000 new ordinary shares in the share capital of the Company (the “**Placement Shares**”) to the Placees at a price of S\$0.09621 per Placement Share (the “**Proposed Placement Exercise**”); and
- (b) in connection with the Proposed Placement Exercise and to facilitate the delivery of the Placement Shares to the Placees, the Company had, on 28 October 2021, entered into a share lending deed (the “**Share Lending Deed**”) with Dandelion Capital Pte. Ltd. (the “**Lender**”), pursuant to which the Lender has agreed to lend to the Company, and the Company has agreed to borrow from the Lender, an aggregate of 25,000,000 ordinary shares in the capital share capital of the Company (equivalent to the number of Placement Shares) (the “**Loan Shares**”), subject to the terms and conditions of the Share Lending Deed, for the purpose of delivering such Loan Shares to the Placees under the Placement Agreement.

2. Information on the Proposed Placement Exercise

The information on the Placees provided below were provided to the Company by each of the Placees. In respect of such information, the Board has not conducted an independent review or verification of the accuracy and correctness of the statements and information below. The Board’s responsibility is limited to the proper extraction and reproduction herein in the context that is being disclosed in this announcement.

Pursuant to the Placement Agreement, the Company will sell an aggregate of 25,000,000 Placement Shares to the Placees in the proportions set out in the table below:

Name	Number of Placement Shares	% ⁽¹⁾	Placement Price
Cheong Weixiong (Zhang Weixiong)	9,000,000	5.1025	S\$865,890

Jin Xin Wealth Management Pte. Ltd.	9,000,000	5.1025	S\$865,890
Sim Siew Tin, Carol (Shen Xiuzhen, Carol)	4,000,000	2.2678	S\$384,840
Tan Kok Keng (Chen Guoqing)	1,000,000	0.5669	S\$96,210
Lee Chee Seng	2,000,000	1.1339	S\$192,420
Total	25,000,000	14.1736	S\$2,405,250

Note:

- (1) Based on the total issued share capital of the Company comprising 176,384,600 ordinary shares on the assumption that all of the 25,000,000 Placement Shares were allotted and issued as at the date of this announcement.

2.1 Information on the Placees

(a) Cheong Weixiong (Zhang Weixiong) (“**Mr Cheong**”)

Mr Cheong is a private investor.

Mr Cheong is proposing to purchase 9,000,000 Placement Shares for investment purposes. To the best of its knowledge, information and belief, the Company is not aware of any material fact or matter or circumstance in connection with the Proposed Placement of 9,000,000 Placement Shares to Mr Cheong which would give rise to a material conflict of interest. For the avoidance of doubt, Mr Cheong will not be appointed as a director of the Company or be involved in the day-to-day operations of the Company and the Group. Mr Cheong will not be entitled to any benefit(s) other than by the placement of the Placement Shares on Mr Cheong.

As at the date of this announcement, Mr Cheong does not hold any ordinary shares in the Company.

(b) Jin Xin Wealth Management Pte. Ltd. (“**JXWM**”)

Jin Xin Wealth Management Pte. Ltd. (Company Registration Number 201215395D) is an exempt private company limited by shares incorporated in Singapore on 21 June 2012 and has an issued and paid-up share capital of S\$100,000 comprising 100,000 ordinary shares as at the date of this announcement. According to JXWM and the Introducer (as defined below), Jin Xin Wealth Management Pte. Ltd. is an investment holding company and does not manage any third-party funds.

Jin Xin Wealth Management Pte. Ltd. is proposing to purchase 9,000,000 Placement Shares for investment purposes. To the best of its knowledge, information and belief, the Company is not aware of any material fact or matter or circumstance in connection with the Proposed Placement of 9,000,000 Placement Shares to Jin Xin Wealth Management Pte. Ltd. which would give rise to a material conflict of interest. For the avoidance of doubt, Jin Xin Wealth Management Pte. Ltd. will not be appointing any nominee as a director of the Company or be involved in the day-to-day operations of the Company and the Group. JXWM will not be entitled to any benefit(s) other than by the placement of the Placement Shares on JXWM.

As at the date of this announcement, Jin Xin Wealth Management Pte. Ltd. does not hold any ordinary shares in the Company.

(c) Sim Siew Tin, Carol (Shen Xiuzhen, Carol) ("**Ms Sim**")

Ms Sim is a private investor.

Ms Sim is proposing to purchase 4,000,000 Placement Shares for investment purposes. To the best of its knowledge, information and belief, the Company is not aware of any material fact or matter or circumstance in connection with the Proposed Placement of 4,000,000 Placement Shares to Ms Sim which would give rise to a material conflict of interest. For the avoidance of doubt, Ms Sim will not be appointed as a director of the Company or be involved in the day-to-day operations of the Company and the Group. Ms Sim will not be entitled to any benefit(s) other than by the placement of the Placement Shares on Ms Sim.

As at the date of this announcement, Ms Sim does not hold any ordinary shares in the Company.

(d) Tan Kok Keng (Chen Guoqing) ("**Mr Tan**")

Mr Tan is a private investor.

Mr Tan is proposing to purchase 1,000,000 Placement Shares for investment purposes. To the best of its knowledge, information and belief, the Company is not aware of any material fact or matter or circumstance in connection with the Proposed Placement of 1,000,000 Placement Shares to Mr Tan which would give rise to a material conflict of interest. For the avoidance of doubt, Mr Tan will not be appointed as a director of the Company or be involved in the day-to-day operations of the Company and the Group.

As at the date of this announcement, Mr Tan does not hold any ordinary shares in the Company. Mr Tan will not be entitled to any benefit(s) other than by the placement of the Placement Shares on Mr Tan.

(e) Lee Chee Seng ("**Mr Lee**")

Mr Lee is a private investor.

Mr Lee is proposing to purchase 2,000,000 Placement Shares for investment purposes. To the best of its knowledge, information and belief, the Company is not aware of any material fact or matter or circumstance in connection with the Proposed Placement of 2,000,000 Placement Shares to Mr Lee which would give rise to a material conflict of interest. For the avoidance of doubt, Mr Lee will not be appointed as a director of the Company or be involved in the day-to-day operations of the Company and the Group. Mr Lee will not be entitled to any benefit(s) other than by the placement of the Placement Shares on Mr Lee.

As at the date of this announcement, Mr Lee does not hold any ordinary shares in the Company.

2.2 Representations from the Placees

The Placees have individually represented that:

- (a) Each of the Placees is not purchasing the Placement Shares as trustee to beneficiaries of a trust nor is each of the Placees acting on behalf of another person (whether as an agent or otherwise) in connection with its purchase of the Placement Shares.

- (b) Each of the Placees is purchasing the Placement Shares for investment purposes and not purchasing the Placement Shares with a view to subsequently offer the Placement Shares for sale to another person, other than in reliance on an exemption under the Securities and Futures Act, Cap. 289 of Singapore (the “SFA”).
- (c) Each of the Placees will do all acts and things as may be required in order to comply with Section 272B of the SFA.
- (d) Each of the Placees, together with persons acting in concert with each of the Placees, do not hold any shares which carry voting rights of the Company.
- (e) Each of the Placees will not, as a result of the sale of the Placement Shares to the Placees, acquire shares which (taken together with shares held or acquired by persons acting in concert with him) carry 30% or more of the voting rights of the Company.
- (f) Each of the Placees will not, as a result of the purchase of the Placement Shares to the respective Placees, acquire controlling interest under the Catalist Rules.
- (g) Each of the Placees is not (i) a director or substantial shareholder of the Company; (ii) an immediate family member of the directors or substantial shareholders of the Company; (iii) a substantial shareholder, related companies (as defined in Section 6 of the Companies Act, Cap. 50 of Singapore), associated companies and sister companies of the Company’s substantial shareholders; (iv) corporations in whose shares the Company’s directors and substantial shareholders have an aggregate interest of at least 10%; and (v) any person who, in the opinion of the Singapore Exchange Securities Trading Limited (the “SGX-ST”), falls within (i) to (iv).
- (h) Each of the Placees has no connections (including business relationships) with the Company, its directors and substantial shareholders.

JXWM has additionally represented that:

- (a) it is not formed primarily for the purpose of acquiring the Placee Shares; and
- (b) that it is not a corporation in whose shares the Company’s directors and substantial shareholders have an aggregate interest of at least 10%.

3. Information on the Introducer

- 3.1 No placement agent has been appointed in respect of the Proposed Placement Exercise. The Placees were introduced to the Company by iCapital Holdings (SG) Pte. Ltd. (the “**Introducer**”). The Introducer is an exempt private company limited by shares incorporated in Singapore and is principally engaged in the business of providing corporate finance advisory services to accredited or institutional investors, and is exempted from licensing and business conduct requirements under the Securities and Futures Act and the relevant regulations.
- 3.2 In consideration of the services provided to the Company, an introducer fee of approximately S\$72,157.50 representing 3% of the total Placement Price of the Placement Shares (“**Introducer Fee**”) will be paid to the Introducer in cash. The Introducer Fee will not be shared with any of the Placees.

4. Information on the Lender

- 4.1 Dandelion Capital Pte. Ltd., the Lender, (Company Registration Number 201426506K) is an exempt private company limited by shares incorporated in Singapore on 8 September 2014 and has an issued and paid-up share capital of S\$100 comprising 100 ordinary shares as at the date of this announcement. The Lender is the immediate and ultimate holding company of the Company.
- 4.2 The Lender holds 121,759,600 ordinary shares in the Company, representing approximately 80.43% of the issued share capital of the Company as at the date of this announcement.
- 4.3 The Lender has confirmed that:
- (a) the Company is not required to pay the Lender any interest or consideration or fee in connection with the Loan (as defined below);
 - (b) no collateral (cash or otherwise) shall be provided by the Company to the Lender in connection with the Loan; and
 - (c) all proceeds from the Placement which, in aggregate, amount to S\$2,405,250 shall belong to the Company and shall be paid to the Company in accordance with the terms and conditions of the Placement Agreement.
- 4.4 Accordingly, the Lender will not receive any financial benefit (directly or indirectly) from the Loan in compliance with Rule 813 of the Catalist Rules.

5. Rationale for the Proposed Placement Exercise

- 5.1 The Company is undertaking the Proposed Placement Exercise to strengthen the financial position and cash position of the Group, and to provide additional general working capital to the Group. In addition, the Group intends to utilise the Net Proceeds (as defined below) from the Proposed Placement Exercise to explore opportunities in mergers and acquisitions, joint ventures and strategic alliances as disclosed in **Paragraph 6.3** below and for general working capital purposes.

6. The Proposed Placement Exercise

6.1 Overview

The Proposed Placement Exercise is undertaken pursuant to Section 272B of the SFA. Accordingly, no prospectus or offer information statement will be issued by the Company in connection with the Proposed Placement Exercise.

No lead manager, co-manager, placement agent or underwriter has been appointed and no commission is payable to any lead manager, co-manager, placement agent or underwriter in connection with the Proposed Placement Exercise.

The Proposed Placement Exercise will not result in a transfer of controlling interest in the Company.

The Placement Shares will not be placed to (a) any person who is a director or a substantial shareholder of the Company; and (b) any other person in the categories set out in Catalist Rule 812(1) or interested persons as defined under Chapter 9 of the Catalist Rule and to one or more specified person, unless the placement of Placement Shares to such person is otherwise agreed to by the SGX-ST.

6.2 Key Terms of the Proposed Placement Exercise

Number of Placement Shares : 25,000,000 Shares

25,000,000 Placement Shares represents:

- (d) approximately 16.5142% of existing total issued and paid-up share capital of the Company (excluding treasury shares and subsidiary holdings) comprising 151,384,600 ordinary shares; and
- (e) approximately 14.1736% of the enlarged total issued and paid-up share capital of the Company (excluding treasury shares and subsidiary holdings) comprising 176,384,600 ordinary shares after completion of the Proposed Placement Exercise.

Placement Price : S\$2,405,250

The price of S\$0.09621 per Placement Share represents a discount of 10% to the weighted average price of S\$0.1069 for trades done on the SGX-ST on the preceding full market day up to the time on which the Placement Agreement was signed on 28 October 2021.

The aggregate total amount of the placement price to be paid by the Placees for the 25,000,000 Placement Shares is S\$2,405,250. The aggregate placement price for the 25,000,000 Placement Shares was arrived at arm's length and on a willing-buyer-willing-seller basis, after taking into account, *inter alia*, the weighted average price of S\$0.1069 for trades done on the SGX-ST on the preceding full market day up to the time on which the Placement Agreement was signed on 28 October 2021.

Authority to Allot and Issue the Placement Shares

- : The Placement Shares will be allotted and issued under the general mandate granted by shareholders of the Company at the annual general meeting of the Company held on 29 April 2021 (the "**General Mandate**") authorising directors of the Company to, *inter alia*, allot and issue new ordinary shares in the share capital of the Company (other than on a *pro rata* basis) not exceeding 50% of the total number of issued and paid-up ordinary shares in the share capital of the Company (excluding treasury shares and subsidiary holdings) at the time the resolution relating to the General Mandate was passed.

The total number of issued and paid-up ordinary shares in the share capital of the Company (excluding treasury shares and subsidiary holdings) on 29 April 2021 was 151,384,600 ordinary shares. Accordingly, the Board is authorised to allot and issue up to 75,692,300 new ordinary shares in the share capital of the Company.

The Company has not allotted and issued any new ordinary shares in the share capital of the Company under the General Mandate as at the date of this announcement. Therefore, the Proposed Placement Exercise is within the limits of the General Mandate, and the Board will be allotting and issuing the Placement Shares under the General Mandate and not seeking approval of shareholders of the Company in a special general meeting for the allotment and issue of the Placement Shares.

6.3 Intended Use of Net Proceeds

The gross proceeds from the Proposed Placement Exercise of S\$2,405,250 less the cost and expenses incurred or to be incurred in connection with the Proposed Placement Exercise of approximately S\$125,000 amounts to approximately S\$2,280,250 (the “**Net Proceeds**”). The Company intends to use the Net Proceeds to be raised by the Company from the Proposed Placement Exercise as follows:

Intended Use of Net Proceeds	Allocation of Net Proceeds	
	(S\$'000)	(%)
To explore opportunities in mergers and acquisitions, joint ventures and strategic alliances	1,000	43.9
General working capital purposes	1,280	56.1
Total	2,280	100%

Shareholders should note that the table above represents reasonable estimates of the allocation of the Net Proceeds to be raised by the Company from the Proposed Placement Exercise based on its current plans and reasonable estimates regarding its anticipated expenditures. Actual expenditures may vary from these estimates and the Company may find it necessary or advisable to reallocate the Net Proceeds within the intended uses described above or to use portions of the Net Proceeds for other purposes. In the event that any part of the Company's intended uses described above does not materialise or proceed, and the Net Proceeds allocated is not used, directors of the Company will carefully evaluate the situation and may reallocate such funds to other purposes and/or hold such funds on short-term deposits for so long as directors of the Company deem it to be in the interests of the Company and its shareholders, taken as a whole. Where there is any material deviation of the Net Proceeds from the Company's intended uses described above, the Company will announce the reasons for such deviation on the SGX-ST's website at <http://www.sgx.com>.

The Company will make immediate announcements on the use of the Net Proceeds from the Proposed Placement Exercise as and when the funds are materially disbursed and whether such use is in accordance with the Company's intended uses described above and in accordance with the Company's estimated allocation described above. Where Net Proceeds from the Proposed Placement Exercise are used for general working capital purposes, the Company will disclose a breakdown with specific details on the use of the Net Proceeds from the Proposed Placement Exercise for general working capital purposes. The Company will provide a status report on the use of the Net Proceeds from the Proposed Placement Exercise in the Company's interim and full year financial statements and annual reports. Pending the deployment of the Net Proceeds from the Proposed Placement Exercise, the funds will be placed in short-term deposits and/or used to invest in short-term money market instruments as directors of the Company may, in their absolute discretion, deem appropriate.

No monies were raised by the Company from issues of securities in the past 2 years preceding the date of this announcement.

6.4 Listing and Quotation Notice

The Proposed Placement Exercise is conditional upon, *inter alia*, the Company obtaining the listing and quotation notice from the SGX-ST for the listing and quotation of the Placement Shares.

The Company will be making an application to the SGX-ST through its sponsor, PrimePartners Corporate Finance Pte. Ltd., for the listing and quotation of the 25,000,000 Placement Shares on the Catalist Board of the SGX-ST and will make the necessary announcement upon receipt of the listing and quotation notice in respect of the 25,000,000 Placement Shares from the SGX-ST.

7. **Principal Terms of the Placement Agreements**

7.1 Status of the Placement Shares

The Placement Shares when allotted and issued (a) will be free from encumbrances, and (b) shall rank *pari passu* in all respects with all other existing ordinary shares in the share capital of the Company, save for any dividends, rights and other distributions the record date for which falls on or before the date of the allotment and issue of the Placement Shares.

7.2 Completion Date

“**Completion Date**” means the date falling 14 business days after the fulfilment or waiver (if capable of waiver) of all the conditions precedent set out in **paragraph 7.3** below (other than conditions precedent to be fulfilled on the completion date), or such other date as the parties may agree in writing.

7.3 Conditions Precedent

The obligations of the parties under the Placement Agreement are conditional upon, and completion shall not take place until, all the following conditions precedent have been fulfilled (save for conditions precedent to be fulfilled or waived (if capable of waiver) on the Completion Date):

- (a) the Company obtaining such approval(s) from its board of directors in connection with the Placement Agreement and the transactions contemplated therein as may be necessary, including but not limited to:
 - (i) the allotment and issue of the Placement Shares to the Placees;
 - (ii) the issue of new share certificate(s) in respect of the Placement Shares to be allotted and issued to the Placees; and
 - (iii) the lodgement of the required statutory returns with the relevant regulatory authority,and such approval(s) not having been amended or revoked before the Completion Date;
- (b) the General Mandate remaining in force and not having been amended or revoked before the Completion Date;
- (c) the Company obtaining the listing and quotation notice from the SGX-ST for the listing and quotation of the Placement Shares, and the listing and quotation notice not having been amended or revoked before the Completion Date, and if the listing and quotation notice is subject to conditions, such conditions being fulfilled on or before the Completion Date;

- (d) each of the Placees complying with the applicable requirements under the Companies Act, Chapter 50 of Singapore (the “**Companies Act**”), the SFA, the Singapore Code on Take-overs and Mergers, the Catalist Rules and applicable laws (to the extent that such laws relates to or affects the purchase);
- (e) there is no breach by each of the Placees of his representations, warranties and undertakings contained in the Placement Agreement;
- (f) each of the representations, warranties and undertakings remaining true and accurate in all material respects as at the Completion Date (by reference to the facts and circumstances then subsisting) with the same force and effect as if repeated on the Completion Date; and
- (g) all necessary consents, approvals and waivers where required for the transactions contemplated under the Placement Agreement (including third party, governmental and regulatory consents, approvals and waivers) having been obtained by the parties, and such consents, approvals and waivers not having been amended or revoked before the Completion Date, and if any such consents, approvals or waivers are subject to conditions, such conditions being fulfilled on or before the Completion Date.

7.4 Long Stop Date

If any of the conditions precedent set out in **paragraph 7.3** above is not fulfilled within 3 months from the date of the Placement Agreement and such non-fulfilment is not waived by the other party, the Placement Agreement shall *ipso facto* cease and determine.

7.5 Indemnity

Each of the Placees has agreed to indemnify, defend and hold harmless the Company (and its directors, officers, employees, agents, representatives, affiliates, successors and assigns) from and against all losses, liabilities, damages, deficiencies, demands, claims, actions, judgments or causes of action, assessments, costs or expenses (including, without limitation, interest, penalties and surcharges, whether arising out of taxation or otherwise, and reasonable legal fees and disbursements) based upon, arising out of or otherwise in respect of:

- (a) any non-compliance by each of the Placees with the applicable requirements under the Companies Act, the SFA, the Singapore Code on Take-overs and Mergers, the Catalist Rules and applicable laws (to the extent that such laws relates to or affects the purchase); and
- (b) any breach by each of the Placees of his representations, warranties and undertakings contained in the Placement Agreement.

8. **The Share Lending Deed**

8.1 Loan of the Loan Shares

Subject to the execution of the Placement Agreement and the terms and conditions of the Share Lending Deed, the Lender shall lend to the Company, and the Company shall borrow from the Lender, the Loan Shares for the purpose of delivering such Loan Shares to the Placees under the Placement Agreement (the “**Loan**”). The Loan shall commence after the Loan Shares are delivered by the Lender to the Placees in accordance with **paragraph 8.3 below**.

8.2 Completion Date

“Completion Date” means the date falling 14 business days after the fulfilment or waiver (if capable of waiver) of all the conditions precedent in the Placement Agreement set out in **paragraph 7.3** above (other than conditions precedent to be fulfilled on the completion date), or such other date as the parties may agree in writing.

8.3 Delivery of the Loan Shares

On the Completion Date, the Lender shall deliver the Loan Shares to the Placees in accordance with the terms and conditions as set out in the Share Lending Deed.

The Lender shall deliver the Loan Shares to the Placees with full title, free and clear from any Encumbrances, together with all rights that attach (or may in the future attach) to the Loan Shares, including the right to receive all dividends and other distributions the record date for which falls after the Completion Date and execute all necessary documents and do such acts and things as may be necessary to vest full title to the Loan Shares in the Placees.

8.4 Termination

The Loan may be terminated by the Company at any time by giving the Lender prior written notice of at least one business day.

If the Loan is not terminated by the Company, the Loan shall automatically terminate on the earlier of (a) the date falling 30 business days after the submission of the additional listing application for the listing and quotation of the Placement Shares on the Catalist Board of the SGX-ST; or (b) the date of receipt of the listing and quotation notice of the Loan Shares.

Upon termination of the Loan where the Loan is automatically terminated on the date falling 30 business days after the submission of the additional listing application for the listing and quotation for the Placement Shares on the Catalist Board of the SGX-ST, the Company shall pay to the Lender the proceeds of the Placement of S\$2,405,250 (the **“Placement Proceeds”**) by way of cheque (or such other method of payment as the parties may agree in writing) within 14 business days after the date of termination of the Loan (or such other period as the parties may agree in writing) as full and final settlement of the Loan.

In the event of a termination on the date of receipt of the listing and quotation notice of the Loan Shares, the Company shall deliver the Loan Shares to the Lender in accordance with the Share Lending Deed within 14 business days after the date of termination of the Loan (or such other period as the parties may agree in writing) as full and final settlement of the Loan.

9. Financial Effects

9.1 The financial effects of the Proposed Placement Exercise on the net tangible assets (“NTA”) per ordinary share in the share capital of the Company (“Share”) and the loss per Share (“LPS”) of the Group have been prepared based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2020 (“FY2020”).

9.2 For the purpose of illustrating the financial effects of the Proposed Placement Exercise, the financial effects have been prepared based on, *inter alia*, the following assumptions:

- (a) the financial effects on the NTA per Share of the Group are computed assuming that the Proposed Placement Exercise was completed on 31 December 2020;
- (b) the financial effects on the LPS of the Group are computed assuming that the Proposed Placement Exercise was completed on 1 January 2020; and
- (c) the cost and expenses incurred or to be incurred in connection with the Proposed Placement Exercise of approximately S\$125,000.

9.3 Financial Effects on the NTA per Share of the Group

	Before Completion of the Proposed Placement Exercise	After completion of the Proposed Placement Exercise
NTA (S\$'000)	63,936 ⁽¹⁾	7,523 ⁽¹⁾
Number of Shares in the issued and paid-up share capital of the Company, excluding treasury shares and subsidiary holdings (‘000)	151,384,600	176,384,600
NTA per Share (Singapore cents)	42.23	37.61

Note:

(1) Based on the audited consolidated financial statements of the Group for FY2020.

9.4 Financial Effects on the LPS of the Group

	Before Completion of the Proposed Placement Exercise	After completion of the Proposed Placement Exercise
Net Loss for FY2020 (S\$'000)	7,398 ⁽¹⁾	7,523 ⁽¹⁾
Weighted average number of Shares in the issued and paid-up share capital of the Company, excluding treasury shares and subsidiary holdings (‘000)	151,384,600	176,384,600

	Before Completion of the Proposed Placement Exercise	After completion of the Proposed Placement Exercise
LPS (Singapore cents)	4.89	4.27

Note:

(1) Based on the audited consolidated financial statements of the Group for FY2020.

9.5 The financial effects presented above are for illustrative purposes only and are not intended to reflect the actual future results and/or financial position of the Company and/or the Group. No representation is made as to the actual future results and/or financial position of the Company and/or the Group.

10. Interests of Directors and Controlling Shareholders

10.1 Save for the Share Lending Deed, none of the directors and controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Placement Exercise, other than through their respective shareholdings in the Company, if any.

11. Confirmation by the Board

11.1 The Board confirms that:

- (a) After taking into consideration the Group's present bank facilities, the working capital available to the Group is sufficient to meet its present requirements. Notwithstanding the foregoing, the Company has decided to undertake the Proposed Placement Exercise for the reasons set out in **Section 3** of this announcement; and
- (b) After taking into consideration the Group's present bank facilities and the Net Proceeds, the working capital available to the Group is sufficient to meet its present requirements.

12. Directors Responsibility Statement

12.1 The directors of the Company 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 Placement Exercise and Share Lending Deed, the Company and its subsidiaries, and the directors of the Company 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 of the Company 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.

13. Documents Available for Inspection

13.1 Copies of the Placement Agreement and Share Lending Deed may be inspected at the Company's correspondence address in Singapore at 9 Benoi Crescent Singapore 629972 during normal business hours for 3 months from the date of this announcement.

14. Cautionary Statement

14.1 Shareholders and potential investors of the Company should note that there is no certainty or assurance as at the date of this announcement that the Proposed Placement Exercise will be completed.

14.2 Shareholders and potential investors of the Company are advised to read this announcement and any further announcements made by the Company carefully. Shareholders and potential investors of the Company are advised to refrain from taking any action with respect to their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. Shareholders and potential investors of the Company should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

By Order of the Board
Huatong Global Limited

Ng Kian Ann Patrick
Executive Director and Chief Executive Officer

2nd November 2021

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 Mr. Joseph Au, 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, sponsorship@ppcf.com.sg.