



NTEGRATOR International Ltd.

(Incorporated in the Republic of Singapore)
(Company Registration Number 199904281D)

PROPOSED PLACEMENT EXERCISE – RESPONSE TO QUERIES ISSUED BY THE SGX-ST

The Board of Directors (the “**Board**”) of NTEGRATOR International Ltd. (the “**Company**”) refers to (a) the announcement made by the Company on 25 May 2021 titled “*Proposed Placement Exercise – Entry into Placement Agreement*” (the “**Placement Announcement**”).

The Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) had on 27 May 2021 issued queries on the Placement Announcement. The Company sets out below the queries issued by the SGX-ST and the Company’s responses to queries issued by the SGX-ST.

Queries issued by the SGX-ST

We refer to the announcement by NTEGRATOR International Ltd. (the “Company”) on 25 May 2021, in relation to a proposed placement with Ms Zhou Qilin (the “Proposed Placement”).

It is stated that the rationale for the Proposed Placement is to strengthen the financial position and cash position of the Group, and to provide additional general working capital to the Group. The Group intends to utilize 80% (approx. S\$1.6m) of the Net Proceeds to fund acquisitions and new business opportunities; and 20% (approx.. S\$400K) for general working capital requirements.

We have the following queries:

1. Has the Company identified any acquisition target? If no targets have been identified, pls elaborate on the Company’s rationale for the Proposed Placement at this juncture?
2. What internal controls do the Company have in place to safeguard the S\$1.6m Net Proceeds earmarked to fund acquisitions and new business opportunities?
3. In view of the Company’s recently constituted new Board, what are the new Board’s plans for the Company in terms of business direction and turning the Company around?
4. Please provide a breakdown of the intended use of the proceeds earmarked for general working capital purposes.

The Company and the Sponsor's Responses to Queries Issued by the SGX-ST

Query 1 – Has the Company identified any acquisition target? If no targets have been identified, pls elaborate on the Company's rationale for the Proposed Placement at this juncture?

Company's Response

As disclosed in the Placement Announcement, the Company intends to acquire a private limited company incorporated in Hong Kong for a consideration of HK\$1.00. In addition, the Company intends to use the net proceeds from the proposed placement exercise to fund acquisitions and new business opportunities. The Company will make the relevant announcements to update shareholders of the Company as and when there are any material updates.

As disclosed in the Placement Announcement, 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. Given that the Group recorded a net loss for FY2020, the Company believes the proposed placement exercise is a good opportunity to raise monies so that the Company would have sufficient reserves set aside to fund acquisitions and take advantage of new business opportunities which often have a short window, and for general working capital requirements.

Query 2 – What internal controls do the Company have in place to safeguard the S\$1.6m Net Proceeds earmarked to fund acquisitions and new business opportunities?

Company's Response

As disclosed in the Placement Announcement, 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.

The Company has in place internal controls to safeguard the net proceeds from the proposed placement exercise of S\$1.6 million earmarked to fund acquisitions and new business opportunities. In particular, the Management of the Company would have to obtain approval from the Board before utilising the net proceeds from the proposed placement exercise for acquisitions and new business opportunities.

As disclosed in the Company's annual report for FY2020, investments, funding and major capital investments are matters reserved to be approved by the Board and this has been clearly communicated to the Management of the Company in writing. In addition, the internal audit function of the Company is outsourced to an independent and professional service firm. The internal auditors have unfettered access to all the Company's documents, records, properties and personnel and reviews such documents and information in accordance with the internal control plan and reports its findings and recommendations to the Audit Committee of the Company.

Query 3 – In view of the Company’s recently constituted new Board, what are the new Board’s plans for the Company in terms of business direction and turning the Company around?

Company’s Response

Save as disclosed in the response to query 1, the Company intends to carry on its business in the ordinary and usual course as carried on prior to the appointment of the new Directors as Directors of the Company.

Given that the new Board has been recently constituted and the new Directors are familiarising with the business and operations of the Company, the new Board has not formulated a business strategy to turn the Company around and generate a net profit for FY2021.

Query 4 – Please provide a breakdown of the intended use of the proceeds earmarked for general working capital purposes.

Company’s Response

Breakdown of General Working Capital Requirements	(S\$)	(%)
Professional Fees	200,522.65	50
Others (including but not limited to administrative expenses such as salaries and wages of employees, operational expenses such as purchases of equipment and marketing expenses)	200,522.65	50
Total	<u>401,045.30</u>	<u>100</u>

Cautionary Statement

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
Ntegrator International Ltd.

Leung Kwok Kuen Jacob
Independent Non-Executive Chairman and Independent Non-Executive Director

28 May 2021

This announcement has been reviewed by the Company’s Sponsor, Asian Corporate Advisors 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.

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