



## NTEGRATOR International Ltd.

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

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### Proposed Subscription of Perpetual Bonds, Perpetual Convertible Bonds and Warrants – Entry into Subscription Agreement as an Interested Person Transaction

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#### Introduction

The Board of Directors (the “**Board**”) of NTEGRATOR International Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company has on 31 December 2021 entered into a subscription agreement (the “**Subscription Agreement**”) with Incredible Holdings Ltd. (the “**Issuer**”) in relation to, *inter alia*, a proposed subscription of:

- (a) 0% perpetual bonds of an aggregate principal amount of S\$6,900,000 (the “**Perpetual Bonds**”);
- (b) 0% perpetual convertible bonds of an aggregate principal amount of S\$2,100,000 (the “**Perpetual Convertible Bonds**”) which shall, at the option of the holder thereof, be convertible into new ordinary shares in the Issuer (the “**Conversion Shares**”) at a conversion price of S\$0.004 per Conversion Share (the “**Conversion Price**”); and
- (c) 1,000,000,000 free warrants (the “**Warrants**”), each Warrant shall grant the holder thereof the right to subscribe for one new ordinary share in the Issuer (the “**Exercised Share**”) at an exercise price of S\$0.0016 (the “**Exercise Price**”),

(the “**Proposed Subscription**”).

#### Information on the Issuer

The Issuer, Incredible Holdings Ltd. (Company Registration Number 199906220H), is a public company incorporated in Singapore on 12 October 1999 and has an issued and paid-up share capital of approximately S\$53.7 million comprising 2,993,532,545 ordinary shares as at the date of this announcement.

The Issuer’s market capitalisation was approximately S\$9.4 million on 30 December 2021, being the last full market day on which trades were done preceding the date of the Subscription Agreement. The Issuer’s market capitalisation was determined by multiplying the number of shares in issue (2,993,532,545 shares) by the weighted average price of such shares transacted on 30 December 2021 (S\$0.00314).

The Issuer is listed on the Catalist Board of the SGX-ST.

The principal activities of the Issuer comprise, *inter alia*, the following:

- (a) the distribution of specialty chemical products and consumable materials for the electronics industry;
- (b) the retail and trade of new and used luxury consumer goods;
- (c) the provision of management and accounting services; and
- (d) the provision of personal and business loans in Hong Kong.

The Issuer is an associate of Christian Kwok-Leun Yau Heilesen (“**Mr Heilesen**”), who is a director of the Company, and the Issuer is an “interested person” under Chapter 9 of the Catalist Rules. In addition, Mr Heilesen, who is a director and a controlling shareholder of the Issuer, has an aggregate interest of at least 10% in the Company. Therefore, specific shareholders’ approval from shareholders of the Issuer for the Proposed Subscription must be obtained, and Mr Heilesen, and his associates, must abstain from voting on the resolution approving the Proposed Subscription.

### **Rationale for the Proposed Subscription**

The rationale for the Proposed Subscription is for the Company to participate in the business growth and upside of the new and existing businesses of the Issuer. The Board believes that the Proposed Subscription will broaden and diversify the Group’s revenue streams and customer base.

As announced on 1 January 2022 titled “Proposed Issuance of Perpetual Convertible Bonds and Warrants - Entry into Subscription Agreement” (“**Proposed Issuance**”), the Company has on 31 December 2021 entered into a subscription agreement to issue perpetual convertible bonds and free warrants to the Issuer. The rationale for the Proposed Issuance and the Proposed Subscription is that the Company does not have to utilise its cash to subscribe for the Subscriber’s shares as a long-term investment. The Board is of the view that the Proposed Issuance and the Proposed Acquisition could foster closer cooperation between the Company and the Issuer without using cash resources and enjoying growth in each other’s existing businesses.

### **Representations from the Company**

The Company has represented that:

- (a) The Company is not acquiring the Perpetual Bonds, the Perpetual Convertible Bonds and the Warrants as trustee to beneficiaries of a trust nor is the Company acting on behalf of another person (whether as an agent or otherwise) in connection with its acquisition of the Perpetual Bonds, the Perpetual Convertible Bonds and the Warrants.
- (b) The Company is subscribing for the Perpetual Bonds and the Perpetual Convertible Bonds for investment purposes and not subscribing for the Perpetual Bonds and the Perpetual Convertible Bonds with a view to subsequently offer the Perpetual Bonds and the Perpetual Convertible Bonds for sale to another person.
- (c) The Company will do all acts and things as may be required in order to comply with Section 272B and Section 277 of the Securities and Futures Act, Chapter 289 of Singapore (the “**SFA**”).
- (d) The Company will not convert the Perpetual Convertible Bonds and exercise the Warrants to acquire shares which (taken together with shares held or acquired by persons acting in concert with it) carry 30% or more of the voting rights of the Issuer.
- (e) The Company will not convert the Perpetual Convertible Bonds and exercise the Warrants to acquire a controlling interest under the Catalist Rules without prior approval of shareholders of the Issuer in general meeting.
- (f) Save that the Company is a corporation in whose shares the Issuer’s directors and substantial shareholders have an aggregate interest of at least 10%, the Company is not

- (i) a substantial shareholder of the Issuer; (ii) a substantial shareholder, related company, associated company or sister company of a substantial shareholder of the Issuer; and (iii) to the best of its knowledge, information and belief, a person who, in the opinion of the SGX-ST, falls within (i) or (ii).
- (g) The Company will not (i) acquire the Perpetual Non-Convertible Bonds, the Perpetual Convertible Bonds and/or the Warrants and/or (ii) convert the Perpetual Convertible Bonds and/or exercise the Warrants to the extent that would result in a very substantial acquisition or a reverse takeover by the Company under the Catalist Rules.
- (h) The Company is not acting in accordance with the instructions or direction of any director or shareholder of the Issuer, nor is the Company under any obligation to act in accordance with the instructions or direction of any director or shareholder of the Issuer.

## **The Proposed Subscription**

### Principal Terms and Conditions of the Perpetual Bonds

The following is a summary of the principal terms and conditions of the Perpetual Bonds:

Issuer	: Incredible Holdings Ltd.
Size of Perpetual Bonds	: The Company will subscribe for S\$6,900,000 aggregate principal amount of Perpetual Bonds to be issued by the Issuer.
Issue Date of Perpetual Bonds	: On the Completion Date of the Subscription Agreement (as defined below).
Issue Price of Perpetual Bonds	: 100% of the principal amount of the Perpetual Bonds, or S\$1.00 for each S\$1.00 in principal amount of the Perpetual Bonds.
Form and Denomination	: The Perpetual Bonds will be issued in registered form and in the denomination of S\$1.00 each.
Status of the Perpetual Bonds	: The Perpetual Bonds constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and shall at all times rank <i>pari passu</i> , without any preference or priority among themselves and <i>pari passu</i> with all other present and future direct, unconditional, unsecured and unsubordinated obligations of the Issuer, save for such exceptions as may be provided by mandatory provisions under applicable laws and regulations.
Conversion Right	: The Perpetual Bonds shall have no conversion right and will not be convertible into new ordinary shares in the Issuer.
Listing and Trading of the Perpetual Bonds	: The Perpetual Bonds will not be listed and quoted on the Catalist of the SGX-ST.
Coupon	: Each Perpetual Bond shall bear interest from the date on which it is issued at a rate of 0% per annum, payable annually in arrears.
Maturity Date	: The Perpetual Bonds will be perpetual and will have no fixed maturity date.

Redemption : The Perpetual Bonds may be redeemed at the option of the Issuer in whole or in part by giving not less than 21 days' notice to the holders of the Perpetual Bonds at a redemption price equal to the principal amount of the Perpetual Bonds to be redeemed at any time after the date falling three years from the date of issue of the Perpetual Bonds.

The Perpetual Bonds may also be redeemed at the option of the Issuer in whole but not in part at any time at a redemption price equal to the principal amount of the Perpetual Bonds upon the occurrence of (a) certain changes in applicable laws or regulations of Singapore requiring the payment of additional amounts to gross up payments on account of withholding taxes; (b) a change in control of the Company; or (c) a suspension or delisting of the securities of the Company.

All interest accrued on the Perpetual Bonds to be redeemed shall be paid on the elected redemption date.

For the avoidance of doubt, the Perpetual Bonds are not redeemable at the option of the holders of the Perpetual Bonds.

Participation Rights in Distributions and/or Offer of Further Securities : The holders of the Perpetual Bonds have no participation rights in any distributions and/or offer of further securities made by the Issuer.

Transferability : Subject to applicable laws and regulations, the Perpetual Bonds may be transferred by a holder thereof with the prior written consent of the Issuer in accordance with the terms and conditions of the Perpetual Bonds.

Governing Law : The Perpetual Bonds will be governed by, and construed in accordance with, the laws of Singapore.

#### Principal Terms and Conditions of the Perpetual Convertible Bonds

The following is a summary of the principal terms and conditions of the Perpetual Convertible Bonds:

Issuer	: Incredible Holdings Ltd.
Size of Perpetual Convertible Bonds	: The Company will subscribe for S\$2,100,000 aggregate principal amount of Perpetual Convertible Bonds to be issued by the Issuer.
Issue Date of Perpetual Convertible Bonds	: On the Completion Date of the Subscription Agreement (as defined below).
Issue Price of Perpetual Convertible Bonds	: 100% of the principal amount of the Perpetual Convertible Bonds, or S\$1.00 for each S\$1.00 in principal amount of the Perpetual Convertible Bonds.

- Form and Denomination : The Perpetual Convertible Bonds will be issued in registered form and in the denomination of S\$1.00 each.
- Status of the Perpetual Convertible Bonds : The Perpetual Convertible Bonds constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and shall at all times rank *pari passu*, without any preference or priority among themselves and *pari passu* with all other present and future direct, unconditional, unsecured and unsubordinated obligations of the Issuer, save for such exceptions as may be provided by mandatory provisions under applicable laws and regulations.
- Conversion Right : The Perpetual Convertible Bonds shall, at the option of the holder thereof, be convertible into Conversion Shares at the Conversion Price. The conversion right may be exercised at any time after the date of issue of the Perpetual Convertible Bonds and if the Perpetual Convertible Bonds have been called for redemption by the Issuer, then before 5.00 p.m. on a date no later than ten days prior to the date fixed for redemption of such Perpetual Convertible Bonds.
- The number of Conversion Shares to be issued by the Issuer upon conversion of the Perpetual Convertible Bonds will be determined by dividing the principal amount of the Perpetual Convertible Bonds to be converted by the Conversion Price in effect at the conversion date.
- Fractions of a Conversion Share will not be issued upon conversion of the Perpetual Convertible Bonds and no cash adjustments will be made in respect of such fractions of Conversion Shares.
- Registration : As soon as practicable, and in any event not later than 15 market days after the conversion date, the Issuer will, in the case of Perpetual Convertible Bonds converted on exercise of the Conversion Right and in respect of which a duly completed conversion notice has been delivered and the relevant Certificate and amounts payable by the relevant Bondholder as required have been paid, procure that the relevant number of conversion shares to be issued on

conversion of the Perpetual Convertible Bonds are allotted to and registered in the name of CDP for credit to the securities account designated for the purpose in the conversion notice for so long as the Conversion Shares are listed on the Catalist Board of the SGX-ST, together with any other documents as may be required by law to effect the allotment thereof.

Number of Conversion Shares

: Assuming there are no adjustments to the Conversion Price subsequent to the issuance of the Perpetual Convertible Bonds, the Issuer will issue 525,000,000 Conversion Shares upon conversion of all of the Perpetual Convertible Bonds.

The 525,000,000 Conversion Shares represents:

- (a) approximately 17.54% of the existing total issued share capital of the Issuer (excluding treasury shares and subsidiary holdings) comprising 2,993,532,545 ordinary shares; and
- (b) approximately 14.92% of the enlarged total issued share capital of the Issuer (excluding treasury shares and subsidiary holdings) comprising 3,518,532,545 ordinary shares, assuming that 525,000,000 Conversion Shares were issued by the Issuer upon conversion of all of the Perpetual Convertible Bonds.

Status of Conversion Shares

: The Conversion Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing ordinary shares in the Issuer, except that they will not rank for any dividends, rights, allotments or other distributions the record date for which falls before the date of allotment and issue of the Conversion Shares.

Listing and Trading of the Perpetual Convertible Bonds and the Conversion Shares

: The Perpetual Convertible Bonds will not be listed and quoted on the Catalist of the SGX-ST.

The Issuer will be making an application to the SGX-ST through its sponsor, Hong Leong Finance Limited, for the listing and

quotation of the Conversion Shares on the Catalist Board of the SGX-ST.

Conversion Price : S\$0.004

The Conversion Price of S\$0.004 represents a premium of 27.39% to the weighted average price of S\$0.00314 for trades done on the SGX-ST for the full market day on 30 December 2021, being the last full market day on which the shares of the Issuer were traded prior to the signing of the Subscription Agreement on 31 December 2021.

Conversion Price (effective price) : S\$0.00243

The effective price of Conversion Price is calculated by assuming the full conversion of 525,000,000 Conversion Shares accompanied by the exercise of all 1,000,000,000 warrants.

The Conversion Price of S\$0.00243 was arrived at arm's length and on a willing buyer-willing-seller-basis, taking into consideration the Exercise Price of the Warrants, the weighted average price of the Issuer's shares on the last market day preceding the date of the Subscription Agreement, which represents a discount of 22.73% to the weighted average price of S\$0.00314 for trades done on the SGX-ST for the full market day on 30 December 2021, being the last full market day on which the shares of the Issuer were traded prior to the signing of the Subscription Agreement on 31 December 2021.

Adjustments : The Conversion Price is subject to adjustments under certain circumstances in accordance with the terms and conditions of the Perpetual Convertible Bonds.

The Company will make an announcement of any adjustments made to the Conversion Price via SGXNET.

Coupon : Zero coupon.

Maturity Date : The Perpetual Convertible Bonds will be perpetual convertible bonds and will have no fixed maturity date.

Redemption : The Perpetual Convertible Bonds may be redeemed at the option of the Issuer in whole or in part by giving not less than 21 days' notice to the holders of the Perpetual Convertible Bonds at a redemption price equal to the principal amount of the Perpetual Convertible Bonds to be redeemed at any time after the date falling three years from the date of issue of the Perpetual Convertible Bonds.

The Perpetual Convertible Bonds may also be redeemed at the option of the Issuer in whole but not in part at any time at a redemption price equal to the principal amount of the Perpetual Convertible Bonds upon the following events at the discretion of the Issuer's Board (except Mr Heilesen): the occurrence of (a) certain changes in applicable laws or regulations of Singapore requiring the payment of additional amounts to gross up payments on account of withholding taxes; (b) a change in control of the Company; or (c) a suspension or delisting of the securities of the Company.

For the avoidance of doubt, the Perpetual Convertible Bonds are not redeemable at the option of the holders of the Perpetual Convertible Bonds.

Participation Rights in Distributions and/or Offer of Further Securities : The holders of the Perpetual Convertible Bonds have no participation rights in any distributions and/or offer of further securities made by the Issuer.

Transferability : Subject to applicable laws and regulations, the Perpetual Convertible Bonds may be transferred by a holder thereof with the prior written consent of the Issuer in accordance with the terms and conditions of the Perpetual Convertible Bonds.

Governing Law : The Perpetual Convertible Bonds will be governed by, and construed in accordance with, the laws of Singapore.

#### Principal Terms and Conditions of the Warrants

The following is a summary of the principal terms and conditions of the Warrants:

Issuer : Incredible Holdings Ltd.



Number of Warrants : The Company will subscribe for 1,000,000,000 Warrants to be issued by the Issuer.

Form and Subscription Right : The Warrants will be constituted by a deed poll ("**Deed Poll**") and will be issued in registered form. Each Warrant shall grant the holder thereof the right to subscribe for one Exercised Shares at the Exercise Price at any time during the Exercise Period subject to the terms and conditions of the Warrants in the Deed Poll.

Number of Exercised Shares : Assuming there are no adjustments to the number of Warrants, the Issuer will issue 1,000,000,000 Exercised Shares upon exercise of all of the Warrants.

The 1,000,000,000 Exercised Shares represents:

(a) approximately 33.41% of the existing total issued share capital of the Issuer (excluding treasury shares and subsidiary holdings) comprising 2,993,532,545 ordinary shares; and

(b) approximately 25.04% of the enlarged total issued share capital of the Issuer (excluding treasury shares and subsidiary holdings) comprising 3,993,532,545 ordinary shares, assuming that 1,000,000,000 Exercised Shares were issued by the Issuer upon exercise of all of the Warrants.

The 525,000,000 Conversion Shares and the 1,000,000,000 Exercised Shares represent:

(a) approximately 50.94% of the existing total issued share capital of the Issuer (excluding treasury shares and subsidiary holdings) comprising 2,993,532,545 ordinary shares; and

(b) approximately 33.75% of the enlarged total issued share capital of the Issuer (excluding treasury shares and subsidiary holdings) comprising 4,518,532,545 ordinary shares, assuming that 525,000,000 Conversion Shares were issued by the Issuer upon conversion of all of the Perpetual Convertible Bonds and that 1,000,000,000 Exercised Shares were issued by the Issuer upon exercise of all of the Warrants.

Status of Exercised Shares : The Exercised Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing ordinary shares in the Issuer, except that they will not rank for any dividends, rights, allotments or other distributions the record date for which falls before the date of allotment and issue of the Exercised Shares.

Listing and Trading of the Warrants and the Exercised Shares : The Warrants are expected to be listed and quoted on the Catalist Board of the SGX-ST.

The Issuer will be making an application to the SGX-ST through its sponsor, Hong Leong Finance Limited, for the listing and quotation of the Warrants and the Exercised Shares on the Catalist Board of the SGX-ST.

It should be noted that the Warrants may not be listed and quoted on the Catalist Board of the SGX-ST in the event of an insufficient spread of holdings of the Warrants to provide for an orderly market in the Warrants. Accordingly, in such event, the holders will not be able to trade their Warrants on the Catalist Board of the SGX-ST. However, if the Warrants are exercised in accordance with its terms and conditions in the Deed Poll, the Exercised Shares will be listed and quoted on the Catalist Board of the SGX-ST. Please refer to the section entitled “Proposed Distribution by way of Proposed Capital Reduction” in this announcement.

Exercise Price : S\$0.0016

The Exercise Price of S\$0.0016, was arrived at arm’s length and on a willing buyer-willing-seller-basis, taking into consideration the VWAP of the last market day prior to the Subscription Agreement, represents a discount of 49.04% to the weighted average price of S\$0.00314 for trades done on the SGX-ST for the full market day on 30 December 2021, being the last full market day on which the shares of the Issuer were traded prior to the signing of the Subscription Agreement on 31 December 2021.

Exercise Period : The Warrants may be exercised during the period commencing on the date of issue of the Warrants and expiring at 5.00 p.m. on the date falling five years after the date of issue of the Warrants (the “**Exercise Period**”). At the expiry of the Exercise Period, any Warrants which have not been exercised shall lapse and cease to be valid for any purpose.

Adjustments : The number of Warrants and/or the Exercise Price are subject to adjustments under certain circumstances in accordance with the terms and conditions of the Warrants in the Deed Poll.

The Issuer will make an application to the SGX-ST through its sponsor, Hong Leong Finance Limited, for the listing and quotation of any additional Warrants and any additional Exercised Shares on the Catalist Board of the SGX-ST as and when there are any adjustments made to the number of Warrants and/or the Exercise Price.

Any additional Warrants issued pursuant to such adjustments shall rank *pari passu* in all respects with the then existing Warrants and without any preference or priority among themselves and among the then existing Warrants, save as may otherwise be provided in the terms and conditions of the Warrants in the Deed Poll.

The Issuer will make an announcement of any adjustments made to the number of Warrants and/or the Exercise Price via SGXNET.

Transferability : Subject to applicable laws and regulations and the terms and conditions of the Warrants in the Deed Poll, the Warrants shall be transferrable in lots entitling a holder thereof to subscribe for whole numbers of Exercised Shares and so that no person shall be recognised by the Company as having title to Warrants granting the relevant holder thereof the right to subscribe for a fractional part of an Exercised Share or otherwise than as the sole or joint holder of the entirety of such Exercised Share.

Governing Law : The Warrants will be governed by, and construed in accordance with, the laws of Singapore.

## Source of Funds

The aggregate maximum value to be paid by the Company in connection with the Proposed Subscription is approximately S\$10.6 million (comprising the aggregate principal amount of Perpetual Bonds of S\$6,900,000, the aggregate principal amount of Perpetual Convertible Bonds of S\$2,100,000 and the aggregate Exercise Price payable upon exercise of all of the Warrants of S\$1,600,000) and the estimated costs and expenses to be incurred in connection with the Proposed Subscription of S\$50,000 shall be funded through fund raising exercises such as an issue of additional equity securities by way of a rights issue, a private placement or otherwise including the proposed issuance of the perpetual convertible bonds and warrants to the Company to Incredible Holdings Limited as announced on 1 January 2022 (the “**Proposed Issuance**”). The Proposed Subscription is conditional upon the completion of the Proposed Issuance.

## Consideration

The consideration for the Proposed Subscription is approximately S\$10.6 million as detailed above.

The aggregate principal amount of Perpetual Bonds, Perpetual Convertible Bonds, Conversion Price Warrants and the Exercise Price were arrived at arm's length and on a willing-buyer-willing-seller basis after taking into account, *inter alia*, the following:

- (a) the market value of the Issuer;
- (b) the upside of the new and existing businesses for the Issuer; and
- (c) the prevailing economic conditions.

## **Principal Terms of the Subscription Agreement**

According to the Subscription Agreement:

(a) Completion Date

“**Completion Date**” means the date falling seven business days after the fulfilment or waiver (if capable of waiver) of all the conditions precedent below (other than conditions precedent to be fulfilled on the Completion Date), or such other date as the Issuer and the Company (collectively, the “**Parties**”) may agree in writing.

(b) Conditions Precedent

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

- (i) the Issuer having obtained such approvals from its board of directors and shareholders in connection with the Subscription Agreement and the transactions contemplated therein as may be necessary, including but not limited to (aa) the issue of the Perpetual Bonds to the Company; (bb) the issue of the Perpetual Convertible Bonds to the Company and the issue of the Conversion Shares upon conversion of the Perpetual Convertible Bonds; (cc) the issue of the Warrants to the Company and the issue of the Exercised Shares upon exercise of the Warrants; (dd) the issue of new share certificates in respect of the Conversion Shares and the Exercised Shares; and (ee) the lodgement of the required statutory returns with the Accounting and Regulatory Authority of Singapore, and such approvals not having been amended or revoked before the Completion Date;
- (ii) the Issuer having obtained shareholders' approval from its shareholders for the transfer of controlling interest to the Company in connection with the Proposed Subscription pursuant to Catalist Rule 803;
- (iii) the Company having obtained such approvals from its board of directors and shareholders (if applicable) in connection with the Subscription Agreement and the transactions contemplated therein as may be necessary;
- (iv) the Issuer having obtained the listing and quotation notice from the SGX-ST for the listing and quotation of the Warrants, the Conversion Shares and the Exercised 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 reasonably satisfactory to the Issuer and, to the extent that such conditions are required to be fulfilled on or before the Completion Date;
- (v) the Company 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 “Code”), the Catalist Rules and applicable laws (to the extent that such laws relates to or affects the subscription);
- (vi) there is no breach by the Company of its representations, warranties and undertakings contained in the Subscription Agreement;
  - (vii) 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
  - (viii) all necessary consents, approvals and waivers where required for the transactions contemplated under the Subscription 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.

(c) Long Stop Date

“**Long Stop Date**” means 12 months from the date of the Subscription Agreement, or such other later date as the Parties may agree in writing.

If any of the conditions precedent above is not fulfilled on or before 5.00 p.m. on the Long Stop Date and such non-fulfilment is not waived by the party who has the benefit of such condition precedent, the Subscription Agreement shall lapse and no party shall have any claim against the other party under the Subscription Agreement, save for any claim arising from antecedent breaches of the Subscription Agreement.

(d) Payment of the Issue Price for the Perpetual Bonds

The aggregate issue price for the Perpetual Bonds equal to 100% of the aggregate principal amount of the Perpetual Bonds of S\$6,900,000 shall be paid to the Issuer in cash by way of cashier’s order, cheque, telegraphic transfer or such other payment method as the Parties may agree in writing (i) free of any restriction or condition; (ii) free and clear and without any deduction or withholding for or on account of any tax; and (iii) without deduction or withholding on account of any other amount, whether by way of set-off, counterclaim or otherwise.

(e) Payment of the Issue Price for the Perpetual Convertible Bonds

The aggregate issue price for the Perpetual Convertible Bonds equal to 100% of the aggregate principal amount of the Perpetual Convertible Bonds of S\$2,100,000 shall be paid to the Issuer in cash by way of cashier’s order, cheque, telegraphic transfer or such other payment method as the Parties may agree in writing (i) free of any restriction or condition; (ii) free and clear and without any deduction or withholding for or on account of any tax; and (iii) without deduction or withholding on account of any other amount, whether by way of set-off, counterclaim or otherwise.

(f) Indemnity

The Company has agreed to indemnify, defend and hold harmless the Issuer (and its directors, officers, employees, agents, representatives, affiliates, successors and assigns) from and against any and all losses, liabilities, fines, penalties, costs (including legal or arbitral costs, advisors’, experts’ and consultants’ fees and costs of enforcement of any settlements, judgments or arbitral awards), charges, expenses, actions, proceedings, investigations, claims

and demands which the Issuer may at any time and from time to time sustain, incur or suffer by reason of:

- (i) any non-compliance by the Company with the applicable requirements under the Companies Act, the SFA, the Code, the Catalist Rules and applicable laws (to the extent that such laws relates to or affects the subscription); and
- (ii) any breach by the Company of its representations, warranties and undertakings contained in the Subscription Agreement.

(g) Costs and Expenses

Each party shall bear and be responsible for its respective costs and expenses incurred in relation to the negotiation, preparation, finalisation, execution and performance of the Subscription Agreement and the transactions contemplated therein.

(h) Governing Law and Jurisdiction

The Subscription Agreement shall be governed by, and construed in accordance with, the laws of Singapore.

In relation to any legal action or proceeding arising out of or in connection with the Subscription Agreement and the transactions contemplated therein, the Parties hereby irrevocably submit to the exclusive jurisdiction of the courts of Singapore.

## Shareholders' Approval for the Proposed Subscription

### Chapter 9 of the Catalist Rules

The Issuer is an associate of Mr Heilesen, who is a director of the Company. Therefore, the Issuer is an "interested person" under Chapter 9 of the Catalist Rules and the Proposed Subscription is an "interested person transaction" under Chapter 9 of the Catalist Rules.

Based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2020, the Group's latest audited net tangible assets ("NTA") amounts to approximately S\$9.0 million.

The current total of all transactions (excluding transactions less than S\$100,000) with Mr Heilesen, the Issuer and their associates for the period commencing on 1 January 2021 up to the date of this announcement is set out in the table below.

Description of Transaction	Before Completion of the Proposed Subscription		After Completion of the Proposed Subscription	
	Amount	% <sup>(1)</sup>	Amount	% <sup>(1)</sup>
Proposed Acquisition of Golden Ultra Limited from Mr Heilesen	S\$19.2 million <sup>(2)</sup>	213.33%	S\$19.2 million <sup>(2)</sup>	213.33%
Proposed Subscription of Perpetual Bonds, Perpetual Convertible Bonds and Warrants to be issued by the Issuer	-	-	S\$10.6 million	117.78%
<b>Total</b>	<b>S\$19.2 million</b>	<b>213.33%</b>	<b>S\$29.8 million</b>	<b>331.11%</b>

Notes:

- (1) As a percentage of the Group's latest audited NTA of approximately S\$9.0 million.  
(2) HK\$110 million equivalent to approximately S\$19.2 million.

The current total of all interested person transactions (excluding interested person transactions less than S\$100,000) for the period commencing on 1 January 2021 up to the date of this announcement is set out in the table below.

Description of Transaction	Before Completion of the Proposed Subscription		After Completion of the Proposed Subscription	
	Amount	% <sup>(1)</sup>	Amount	% <sup>(1)</sup>
Proposed Acquisition of Golden Ultra Limited from Mr Heilesen	S\$19.2 million <sup>(2)</sup>	213.33%	S\$19.2 million <sup>(2)</sup>	213.33%
Proposed Subscription of Perpetual Bonds, Perpetual Convertible Bonds and Warrants to be issued by the Issuer	-	-	S\$10.6 million	117.78%
<b>Total</b>	<b>S\$19.2 million</b>	<b>213.33%</b>	<b>S\$29.8 million</b>	<b>331.11%</b>

**Notes:**

- (1) As a percentage of the Group's latest audited NTA of approximately S\$9.0 million.  
(2) HK\$110 million equivalent to approximately S\$19.2 million.

Pursuant to:

- (a) Catalyst Rule 906(1), an issuer must obtain shareholder approval for any interested person transaction of a value equal to, or more than (a) 5% of the group's latest audited net tangible assets; or (b) 5% of the group's latest audited net tangible assets, when aggregated with other transactions entered into with the same interested person during the same financial year. However, a transaction which has been approved by shareholders, or is the subject of aggregation with another transaction that has been approved by shareholders, need not be included in any subsequent aggregation.
- (b) Catalyst Rule 919, in a meeting to obtain shareholder approval, the interested person and any associate of the interested person must not vote on the resolution, nor accept appointments as proxies unless specific instructions as to voting are given.

The Proposed Subscription is an "interested person transaction" under Chapter 9 of the Catalyst Rules of a value more than 5% of the Group's latest audited NTA.

Accordingly, the Company will be convening an extraordinary general meeting to seek shareholders' approval from independent shareholders of the Company for the Proposed Subscription. Mr Heilesen, the Issuer and their associates shall not vote on the resolution approving the Proposed Subscription, nor accept appointments as proxies unless specific instructions as to voting are given, in accordance with Catalyst Rule 919.

Chapter 10 of the Catalyst Rules

The relative figures computed on the bases set out in Catalyst Rule 1006 for the Proposed Subscription are as follows:

Catalist Rule 1006(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value. This basis	Not Applicable <sup>(2)</sup>
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	is not applicable to an acquisition of assets. <sup>(1)</sup>	
Catalist Rule 1006(b)	The net profits attributable to the assets acquired or disposed of, compared with the Group's net profits. <sup>(3)</sup>	Not Applicable <sup>(4)</sup>
Catalist Rule 1006(c)	The aggregate value of the consideration given or received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares.	98.72% <sup>(5)(6)</sup>
Catalist Rule 1006(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not Applicable <sup>(7)</sup>
Catalist Rule 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. If the reserves are not directly comparable, the SGX-ST may permit valuations to be used instead of volume or amount.	Not Applicable <sup>(8)</sup>

**Notes:**

- (1) "Net assets" means total assets less total liabilities.
- (2) The Proposed Subscription is an acquisition of assets not a disposal of assets.
- (3) "Net profits" means profit or loss including discontinued operations that have not been disposed and before income and non-controlling interests.
- (4) There are no net profits attributable to the Perpetual Bonds, the Perpetual Convertible Bonds and the Warrants.
- (5) The aggregate maximum value to be paid by the Company in connection with the Proposed Subscription is approximately S\$10.1 million (comprising the aggregate principal amount of Perpetual Bonds of S\$6,900,000, the aggregate principal amount of Perpetual Convertible Bonds of S\$2,100,000 and the aggregate Exercise Price payable upon exercise of all of the Warrants of S\$1,120,000 which represents approximately 98.72% of the Company's market capitalisation of approximately S\$0.007 on 30 December 2021, being the last full market day on which trades were done preceding the date of the Subscription Agreement. The Company's market capitalisation was determined by multiplying the number of shares in issue (1,464,458,714 shares) by the weighted average price of such shares transacted on 30 December 2021 (S\$0.007).
- (6) The Company intends to undertake a capital reduction pursuant to Section 78C of the Companies Act and return to Entitled Shareholders (as defined below) surplus capital of the Company in excess of its needs by way of a distribution in specie of 300,000,000 Warrants to Entitled Shareholders in proportion to their respective shareholdings in the Company.
- (7) No equity securities will be issued by the Company in connection with the Proposed Subscription.



- (8) The Company is not a mineral, oil and gas company. The Proposed Subscription is an acquisition of assets not a disposal of assets.

As one of the relative figures computed on the bases set out in Catalist Rule 1006 exceeds 75% but is less than 100%, the Proposed Subscription is classified as a “major transaction” under Catalist Rule 1014.

Catalist Rule 1014 requires, *inter alia*, that (a) the Company immediately announce the information required in Catalist Rules 1010, 1011, 1012 and 1013, where applicable; and (b) the Proposed Subscription must be made conditional upon approval by shareholders in general meeting. The required information has been disclosed accordingly and a circular containing the information required in Catalist Rules 1010, 1011, 1012 and 1013, where applicable, will be sent to all shareholders of the Company in due course.

### **Statement by the Special Committee**

The members of the Audit Committee comprise Mr Chay Yiowmin (who is considered independent for the purposes of the Proposed Subscription) and Mr Leung Kwok Kuen Jacob, Mr Leung Yu Tung Stanley and Ms Zhou Jia Lin (who are considered not independent for the purposes of the Proposed Subscription).

Accordingly, the Company has constituted a special committee (the “**Special Committee**”) comprising Mr Chay Yiowmin and Mr Han Meng Siew to form a view on the Proposed Subscription. An independent financial adviser will be appointed to advise the Special Committee in connection with the Proposed Subscription, which will be announced subsequently.

The Special Committee will obtain an opinion from the independent financial adviser before forming its view on the Proposed Subscription.

A circular containing the opinion of the independent financial adviser and the opinion of the Special Committee on whether the Proposed Subscription is on normal commercial terms and whether the Proposed Subscription is prejudicial to the interests of the Company and its minority shareholders will be sent to shareholders of the Company in due course.

### **Financial Effects**

The financial effects of the Proposed Subscription on the NTA per 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.

There are no net profits attributable to the assets being acquired in connection with the Proposed Subscription.

For the purpose of illustrating the financial effects, 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:
- (i) the following transactions (collectively, the “**Announced Transactions**”) were completed on 31 December 2020:

- (1) the placement of an aggregate of 187,863,480 placement shares to Ms Zhou Qilin at a subscription price of S\$0.01094 per placement share (the “**First Placement Exercise**”)<sup>1</sup>;
  - (2) the proposed acquisition of 85 shares in a private limited company to be incorporated in the British Virgin Islands (the “**Gadmobe**”), representing 85% of the issued share capital of Gadmobe, through Cyber Sail Global Limited, a wholly owned direct subsidiary of the Company (the “**Proposed Gadmobe Acquisition**”)<sup>2</sup>;
  - (3) the proposed acquisition of 550 shares in Golden Ultra Limited (“**Golden Ultra**”), representing 55% of the issued share capital of Golden Ultra (the “**Proposed Golden Ultra Acquisition**”)<sup>3</sup>; and
  - (4) the placement of an aggregate of 172,400,000 placement shares to Ms Zheng Ze Li and Industrial Electronics Pte Ltd at a subscription price of S\$0.0082 per placement share (the “**Second Placement Exercise**”)<sup>4</sup>;
- (ii) the Announced Transactions and the Proposed Subscription were completed on 31 December 2020 and no conversion of shares took place (“**Scenario A**”);
  - (iii) the Announced Transactions and the Proposed Subscription were completed on 31 December 2020 and 525,000,000 Conversion Shares were issued by the Issuer upon conversion of all of the Perpetual Convertible Bonds on 31 December 2020 (“**Scenario B**”); and
  - (iv) the Announced Transactions and the Proposed Subscription were completed on 31 December 2020, 525,000,000 Conversion Shares were issued by the Issuer upon conversion of all of the Perpetual Convertible Bonds on 31 December 2020 and 1,000,000,000 Exercised Shares were issued by the Issuer upon exercise of all of the Warrants on 31 December 2020 (“**Scenario C**”);
- (b) the financial effects on the LPS of the Group are computed assuming that:
- (i) the Announced Transactions were completed on 1 January 2020;
  - (ii) the Announced Transactions and the Proposed Subscription were completed on 1 January 2020 and no conversion of shares took place (“**Scenario D**”);
  - (iii) the Announced Transactions and the Proposed Subscription were completed on 1 January 2020 and 525,000,000 Conversion Shares were issued by the Issuer upon conversion of all of the Perpetual Convertible Bonds on 1 January 2020 (“**Scenario E**”); and
  - (iv) the Announced Transactions and the Proposed Subscription were completed on 1 January 2020, 525,000,000 Conversion Shares were issued by the Issuer upon conversion of all of the Perpetual Convertible Bonds on 1 January 2020 and 1,000,000,000 Exercised Shares were issued by the Issuer upon exercise of all of the Warrants on 1 January 2020 (“**Scenario F**”);

<sup>1</sup> Shareholders of the Company are advised to read the full text of the announcements made by the Company on 25 May 2021, 28 May 2021, 23 June 2021, 29 June 2021 and 30 June 2021, which are available on SGXNET, for further details on the First Placement Exercise.

<sup>2</sup> Shareholders of the Company are advised to read the full text of the announcements made by the Company on 12 October 2021, 14 October 2021 and 22 October 2021, which are available on SGXNET, for further details on the Proposed Gadmobe Acquisition.

<sup>3</sup> Shareholders of the Company are advised to read the full text of the announcements made by the Company on 12 October 2021, 14 October 2021 and 22 October 2021, which are available on SGXNET, for further details on the Proposed Golden Ultra Acquisition.

<sup>4</sup> Shareholders of the Company are advised to read the full text of the announcements made by the Company on 20 October 2021, 25 October 2021, 8 November 2021, 12 November 2021 and 29 November 2021, which are available on SGXNET, for further details on the Second Placement Exercise.

- (c) no adjustments have been made to the Conversion Price, the number of Warrants and the Exercise Price; and
- (d) the costs and expenses in connection with the Proposed Subscription shall be disregarded.

Financial Effects on NTA per Share of the Group

	<b>Before Completion of the Proposed Subscription</b>	<b>Scenario A</b>	<b>Scenario B</b>	<b>Scenario C</b>
NTA as at 31 December 2020 (S\$'000)	9,001	9,001	9,001	9,001
Number of shares in the Company, excluding treasury shares and subsidiary holdings	1,464,458,714	1,464,458,714	1,464,458,714	1,464,458,714
NTA per share of the Group (Singapore cents)	0.61	0.61	0.61	0.61

Financial Effects on LPS of the Group

	<b>Before Completion of the Proposed Subscription</b>	<b>Scenario D</b>	<b>Scenario E</b>	<b>Scenario F</b>
Net earnings for the financial year ended 31 December 2020 (S\$'000)	(2,765)	(2,815)	(2,815)	(2,815)
Weighted average number of shares in the Company, excluding treasury shares and subsidiary holdings	1,464,458,714	1,464,458,714	1,464,458,714	1,464,458,714
LPS of the Group (Singapore cents)	(0.19)	(0.19)	(0.19)	(0.19)

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 results and/or financial position of the Company and/or the Group.

**Proposed Distribution by way of Proposed Capital Reduction**

The Company intends to undertake a capital reduction (the “**Proposed Capital Reduction**”) pursuant to Section 78C of the Companies Act and return to Entitled Shareholders (as defined below) surplus capital of the Company in excess of its needs by way of a distribution *in specie* (the “**Proposed Distribution**”) of 300,000,000 Warrants to Entitled Shareholders in proportion to their respective shareholdings in the Company, on the basis of one (1) Warrants for every one (1) ordinary shares in the Company, as at a record date (the “**Record Date**”) to be determined by the directors of the Company

for the purposes of determining the entitlement of shareholders of the Company to the Proposed Distribution, fractional entitlements to be disregarded. Only shareholders of the Company with Singapore addresses as at the Record Date will be entitled to the Proposed Distribution (the “**Entitled Shareholders**”).

Entitled Shareholders will not be required to pay for any Warrants received from the Proposed Distribution. The Warrants will be distributed to Entitled Shareholders on the Proposed Distribution Completion Date (as defined below) free and clear from any encumbrances, together with all rights and entitlements that attach (or may in the future attach) to the Warrants on or after the Proposed Distribution Completion Date. The date of completion of the Proposed Distribution (the “**Proposed Distribution Completion Date**”) shall be determined by the director of the Company and announced by the Company via SGXNET.

The Company has insufficient retained profits to effect a distribution *in specie* of the Warrants to Entitled Shareholders by way of dividends. Accordingly, the Company is proposing to undertake the Proposed Distribution by way of the Proposed Capital Reduction which involves a reduction of the issued share capital of the Company. There will not be any cancellation of ordinary shares in the Company or any reduction in the number of issued ordinary shares in the Company, and the number of ordinary shares in the Company held by each shareholder of the Company will remain the same before and immediately after the Proposed Capital Reduction.

The completion of the Proposed Capital Reduction is conditional upon, *inter alia*, the following:

- (a) all the directors of the Company making a solvency statement in relation the reduction of share capital of the Company in compliance with Section 78C of the Companies Act;
- (b) the Company meeting the solvency requirements as prescribed by the Companies Act;
- (c) the Company meeting the publicity requirements as prescribed by the Companies Act;
- (d) shareholders’ approval from shareholders of the Company for the Proposed Capital Reduction by way of special resolution (the “**Proposed Capital Reduction Resolution**”) at an extraordinary general meeting to be convened;
- (e) no application for cancellation of the Proposed Capital Reduction Resolution being made by a creditor of the Company within the timeframe prescribed by the Companies Act or, if an application for cancellation of the Proposed Capital Reduction Resolution was made, the withdrawal or dismissal of such application by the Singapore Courts; and
- (f) the Company complying with any other requirements prescribed by the Companies Act.

Shareholders of the Company are advised to read future announcements made by the Company via SGXNET carefully for further details.

## **Service Contracts**

No person is proposed to be appointed as a director of the Company in connection with the Proposed Subscription and no service contracts in relation thereto is proposed to be entered into by the Company.

## **Interests of Directors and Substantial Shareholders**

Mr Heilesen, who is a director and controlling shareholder of the Company, is a director and a controlling shareholder of the Issuer.

Mr Leung Kwok Kuen Jacob, Mr Leung Yu Tung Stanley and Ms Zhou Jia Lin, who are directors of the Company, are directors of the Issuer.

Save as disclosed above, none of the directors and substantial shareholders of the Company has any interest, direct or indirect, in the Proposed Subscription, other than through their respective shareholdings in the Company, if any.

### **Documents Available for Inspection**

A copy of the Subscription Agreement may be inspected at the Company's registered address at 4 Leng Kee Road #06-04 SIS Building Singapore 159088 during normal business hours for three months from the date of this announcement.

### **Circular and Extraordinary General Meeting**

The Board will be convening an extraordinary general meeting to seek (a) shareholders' approval from independent shareholders of the Company for the Proposed Subscription as an "interested person transaction" under Chapter 9 of the Catalist Rules of a value more than 5% of the Group's latest audited NTA; and (b) shareholders' approval from shareholders of the Company for the Proposed Subscription as a "major transaction" under Catalist Rule 1014.

A circular to provide shareholders of the Company with, *inter alia*, (i) relevant information relating to the Proposed Subscription (including the information required in Chapter 9 of the Catalist Rules as well as Catalist Rules 1010, 1011, 1012 and 1013, where applicable); and (ii) the opinion of the independent financial adviser and the opinion of the Special Committee on whether the Proposed Subscription is on normal commercial terms and whether the Proposed Subscription is prejudicial to the interests of the Company and its minority shareholders, will be sent to all shareholders of the Company in due course.

### **Directors Responsibility Statement**

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 Subscription, 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.

### **Cautionary Statement**

**Shareholders and potential investors of the Company should note that the Proposed Subscription is subject to conditions precedent and there is no certainty or assurance as at the date of this announcement that the Proposed Subscription will be completed.**

**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

1 January 2022

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*This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.*

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