



# NTEGRATOR International Ltd.

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

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## Entry into a Non-Binding Letter of Intent relating to Watches.com

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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 19 January 2022 entered into an exclusive non-binding letter of intent (the “**Letter of Intent**”) till 30 June 2022 with Watchismo LLC (the “**Seller**”) in relation to, *inter alia*, the proposed acquisition (the “**Proposed Acquisition**”) of the following assets (collectively, the “**Target Assets**”) by the Company or a subsidiary nominated by the Company (the “**Purchaser**”):

- (a) The domain names “Watches.com”, “Watches.net”, “Watches.ca” and “Watches.co” (collectively, the “**Domain Names**”), the website content hosted at the Domain Names and the website content in connection with the Domain Names.
- (b) Intangible assets of the Seller, including but not limited to the Seller’s transferable accounts associated with the Domain Names such as social media accounts, and, to the extent reasonably feasible, eBay accounts, merchant accounts, Amazon accounts and Shopify accounts (collectively, the “**Accounts**”).
- (c) Agreements entered into by the Seller with its vendors, if any.
- (d) Inventory of various watches held by the Seller as at 30 June 2022, a list of which shall be mutually agreed in writing between the Purchaser and the Seller, which value shall not be less than US\$500,000 in aggregate (calculated on the basis of the actual cost paid by the Seller for such inventory) or such other amount as the Purchaser and the Seller may mutually agree in writing.
- (e) All traffic associated with the websites hosted at the Domain Names.

### Information on the Seller

*The information on the Seller provided below was provided to the Company by the Seller. 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.*

Watchismo LLC is principally in the business of trading of watches through the online platform known as Watches.com, which provides watches of various brands to customers globally, including the United States.

“Watches.com” is an independent (“**Indie**”) online watch store founded by two brothers, Andrew and Mitch Greenblatt, who are modern horological enthusiasts with a passion for unique timepieces. They have been scouring the globe since 1999 discovering unique and unusual watch brands and styles. The online watch store is a reliable source for unusual modern watches and unheard brands from around the world, curating up-and-coming, trendy brands. Watches.com retails more than 60 brands of watches ranging from recognised brands like Casio, G-Shock, Fossil and Timex to exciting top selling unique brands like California Watch Co., SISU and Xeric.

## **Principal Terms of the Letter of Intent**

### (a) Purchase Consideration

The Company and the Seller acknowledge and agree that the total amount payable by the Purchaser to the Seller for the purchase of the Target Assets (the “**Purchase Consideration**”) shall be US\$11,000,000.

The Purchase Consideration shall be payable in three tranches:

- (i) a sum of US\$330,000 to be paid in cash by electronic transfer of immediately available funds on 19 January 2022 (the “**First Tranche**”);
- (ii) a sum of US\$3,670,000 to be paid in cash by electronic transfer of immediately available funds on 30 June 2022 (the “**Second Tranche**”); and
- (iii) a sum of US\$7,000,000 to be paid in cash by electronic transfer of immediately available funds by way of 42 equal monthly instalments with the first instalment being payable on 31 July 2022 and the last of such monthly instalments being payable on 31 January 2026 (the “**Completion Date**”).

### (b) Conditions Precedent

The obligations of the Purchaser and the Seller under the asset purchase agreement shall be conditional upon the fulfilment or waiver (if capable of waiver) of conditions precedent to be specified in the asset purchase agreement, including the following:

- (i) The Company, the Purchaser and the Seller obtaining all necessary approvals from their respective board of directors and shareholders (if required) in connection with the Proposed Acquisition, the asset purchase agreement and the transactions contemplated under the asset purchase agreement and such approvals not having been amended or revoked.
- (ii) The results of the due diligence investigations (including legal, accounting, financial, tax, operational and business due diligence investigations) over the Target Assets (the “**Due Diligence Investigations**”) being reasonably satisfactory to the Purchaser.
- (iii) The Seller having procured the rectification of all material issues and/or irregularities uncovered during the Due Diligence Investigations to the reasonable satisfaction of the Purchaser.
- (iv) There being no material adverse change, or events, acts or omissions likely to lead to a material adverse change, in the business, operations, assets and liabilities, financial condition and/or prospects of the Target Assets.
- (v) The Company having fulfilled the requirements under the Catalist Rules.
- (vi) Such other conditions precedent that are usual and customary for transactions of this nature and other conditions precedent appropriate for a transaction of this nature as may be agreed between the Purchaser and the Seller.

(c) Transitional Arrangements

**Escrow**

The Seller's broker, NameExperts, shall initiate an Escrow.com transaction in accordance with the terms and conditions of the Letter of Intent. The Escrow.com transaction shall be a "Domain Name Holding Transaction" (as defined at <https://www.escrow.com/support/faqs/what-is-a-domain-name-holding-transaction>). The Escrow.com transaction shall be governed by an agreement to be entered into between the Purchaser and the Seller.

**Use of Target Assets**

During the "**Escrow Term**" (commencing on the asset escrow date and ending on the completion date or the date of termination of the asset purchase agreement), the Purchaser shall be entitled to exclusively use the Target Assets in accordance with the terms and conditions of the asset purchase agreement, including but not limited to the use of the Target Assets (and in particular, "Watches.com", "Watches.net", "Watches.ca" and "Watches.co") by the Company and/or its subsidiaries as domain names, brand names, corporation names or otherwise as well as the use of the Domain Names and their associated nameserver settings by the Company and/or its subsidiaries via the Escrow.com platform.

(d) Due Diligence Investigations

The Seller shall procure and ensure that, between the date of the Letter of Intent and the date falling 90 days after the date of the Letter of Intent:

- (i) The Company's representatives and professional advisers shall, upon reasonable notice, be given access to the Target Assets and the Seller shall, upon request, furnish the Company's representatives and professional advisers with all relevant books, records, correspondence, files, memoranda, documents and/or information relating, in whole or in part, to the Target Assets which they may reasonably require; and
- (ii) without prejudice to the generality of (i) above, the Seller shall, upon request, furnish the Company's representatives and professional advisers with copies of all relevant books, records, correspondence, files, memoranda, documents and/or information of the Target Assets which they may reasonably require for the purposes of the due diligence investigations (including legal, accounting, financial, tax, operational and business due diligence investigations) over the Target Assets.

(e) Interim Use of "Watches.com"

In consideration of the sum of US\$2.00 paid by the Company to the Seller (the receipt, adequacy and sufficiency of which is hereby expressly acknowledged by the Seller), the Seller hereby irrevocably licenses and permits the Company and/or its subsidiaries (the "**Licence**"), for a period commencing on the payment of the Deposit (as defined below) and ending on the date of termination of the Letter of Intent, to incorporate a new corporation unaffiliated with the Seller called "Watches.com Holdings Ltd." or such other name containing "Watches.com" to be mutually agreed between the Company and the Seller in writing, and to use "Watches.com" for:

- (i) the purpose of undertaking fundraising exercises to complete the acquisition of the Target Assets;
- (ii) the purpose of promoting and marketing the acquisition of the Target Assets;
- (iii) any regulatory and/or compliance matters; and

- (iv) any other purpose compatible with the foregoing and any other matters reasonably ancillary thereto.

The Company acknowledges and agrees that, subject to the Licence and other written agreements, the Seller shall retain full title and interest in "Watches.com" together with any and all rights and entitlements that attach to "Watches.com".

The Company shall not use the Licence for any unlawful purposes, shall represent that the nature of the relationship between the Company and the Seller is one of buyer and seller, shall take reasonable steps to immediately cease all use of "Watches.com" set out in sub-paragraphs (i) to (iv) above upon termination of the Letter of Intent, and shall take reasonable steps to change the names of any corporation which contain "Watches.com" as soon as practicable upon termination of the Letter of Intent.

(f) Deposit

In view of the exclusivity clauses agreed to by the Seller during the period commencing on the date of Letter of Intent and ending on the date of termination of the Letter of Intent, the Company shall pay a non-refundable deposit of US\$330,000 (the "**Deposit**") to the Seller on the date of the Letter of Intent. The Purchaser shall be entitled to use the Deposit to offset against the Purchase Consideration for the purchase of the Target Assets and the balance amount payable by the Purchaser to the Seller for the purchase of the Target Assets shall be the consideration less the Deposit paid by the Company.

(g) Termination

The Letter of Intent may be terminated:

- (i) at the election of the Company, if there is a material breach of the Seller's obligations under the Letter of Intent;
- (ii) at the election of the Seller, if there is a material breach of the Company's obligations under the Letter of Intent;
- (iii) if an asset purchase agreement is entered into between the Purchaser and the Seller;
- (iv) if an asset purchase agreement is not entered into between the Purchaser and the Seller by 30 June 2022; and
- (v) by mutual consent of the Company and the Seller.

(h) Governing Law

The Letter of Intent and the asset purchase agreement shall be governed by, and construed in accordance with, the laws of Singapore.

## **Rationale for the Proposed Acquisition**

The Proposed Acquisition is part of the Group's long-term growth strategy to diversify into the watch industry and secure a prime internet property with existing traffic and an existing search engine optimisation profile ("**SEO**") for the development of a world class top internet property for distributing branded watches globally. The Proposed Acquisition of Watches.com is inclusive of the Domain Names providing the Group with valuable prime internet addresses gaining instant access to high SEO and high internet traffic.

## The Letter of Intent

The Letter of Intent is non-binding and no binding agreement is intended, nor shall a binding agreement exist, until the execution of the asset purchase agreement, except for, *inter alia*, the following sections of the Letter of Intent, which are intended to be legally binding on the Company and the Seller:

- (a) “Due Diligence Investigations”;
- (b) “Interim Use of “Watches.com””;
- (c) “Deposit”;
- (d) “Termination”; and
- (e) “Governing Law and Jurisdiction”.

## Interests of Directors and Substantial Shareholders

None of the directors and substantial shareholders of the Company has any interest, direct or indirect, in the Proposed Acquisition, other than through their respective shareholdings, direct or deemed, in the Company.

## Cautionary Statement

**Shareholders and potential investors of the Company should note that the Proposed Acquisition is subject to an asset purchase agreement being entered into between the Purchaser and the Seller, and there is no certainty or assurance as at the date of this announcement that the Proposed Acquisition will be materialise.**

**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, accountants 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

19 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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