ADVANCED HOLDINGS LTD.
(Incorporated in the Republic of Singapore)
(Registration No. 200401856N)

SIGNING OF SALE AND PURCHASE AGREEMENT AND SUPPLEMENTAL AGREEMENT IN RELATION TO THE PROPOSED DISPOSAL OF A WHOLLY-OWNED SUBSIDIARY OF THE COMPANY

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*Unless otherwise defined, all capitalised terms used in this announcement shall have the same meaning ascribed to them in the announcement dated 17 September 2024 (the "**Announcement**").*

1. INTRODUCTION

The Board of Directors of Advanced Holdings Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the announcement dated 17 September 2024 in relation to the proposed disposal of a wholly-owned subsidiary of the Group, Advanced CAE Saudi Arabia Company Ltd ("**CAEKSA**").

The Board wishes to announce that the Company's wholly-owned subsidiary, Advanced Engineering Holdings Pte. Ltd. (the "**Seller**"), had on 21 October 2024, entered into a sale and purchase agreement (the "**SPA**") with Advanced CAE Pte. Ltd. (the "**Buyer**") and a supplemental agreement (the "**SA**") pursuant to which the Seller has agreed to sell and the Buyer has agreed to purchase the entire issued and paid-up share capital of CAEKSA (the "**Proposed Disposal**"). The Board notes that both the SPA and SA were entered concurrently on 21 October 2024 as the SPA is entered into in accordance with the laws of the Kingdom of Saudi Arabia and the SA is entered into in accordance with the laws of Singapore.

2. SALIENT TERMS OF THE CAEKSA SPA AND SA

2.1 Consideration

The consideration for the proposed disposal of CAEKSA is S$1 (the "**CAEKSA Consideration**"). The CAEKSA Consideration was arrived at by agreement between the Buyer and the Seller at arm's length, on a "willing-buyer, willing-seller" basis after taking into consideration the net liability value of the CAEKSA Disposal Shares, the losses incurred by CAEKSA and the rationale for the Proposed Disposal as set out in Section 4 of the Announcement.

2.2 Conditions Precedent

The completion of the proposed disposal of CAEKSA (the "**Completion**") is conditional upon, *inter alia,* the following condition(s) having been fulfilled ("**Conditions Precedent**"):

(a) majority of the debts owing from CAEKSA to the Seller and its related companies, amounting to approximately S$334,600, will be novated to the Buyer; and

(b) the signing of the SPA and SA by the Seller and the Buyer.

2.3 Completion

The Completion shall take place on the date of filing of the SPA, share transfer and any other required documents with the Ministry of Investment of Saudi Arabia in the Kingdom of Saudi Arabia and before 31 October 2024.

2.4 Representations and Warranties

Pursuant to the SPA and the SA, the Seller and the Buyer have furnished representations and warranties including, inter alia, the following:

2.4.1 The Seller warrants to the Buyer:

(a) that 70% of the accounts receivables on projects that were contracted between Saudi Arabic Basic Industries Company ("**SABIC**") and Advanced CAE (ME) Control System LLC ("**CAEME**") ("**AR-CAEME Projects**") shall be recoverable;

(b) 70% of the product warranty cost, on a reimbursement basis, of up to US$45,000 on the basis that AR-CAEME Projects were collected by CAEKSA; and

(c) the payment of additional taxes, interest and penalty levied by the tax authority of KSA for any year preceding 2024.

Any payments arising from or in connection with the above warranties in Clauses 2.4.1(a) to Clause 2.4.1(c) must be communicated to the Seller as soon as practicable, upon receipt of any notification (or the event is known) and approval must be obtained from the Seller, prior to making such payments.

2.4.2 The Buyer represents, warrants and undertakes to the Seller, on the basis that AR-CAEME Projects were collected by CAEKSA, the Seller shall be entitled to 70% of the margin of the AR-CAEME Projects, which amounts to US$110,000.

2.4.3 The Buyer shall provide the Seller all financial and related information of CAEKSA until the AR-CAEME Projects are collected or until the payment of US$110,000 to the Seller. The Seller shall continue to provide the necessary support as and when required to resolve any issues relating to the AR-CAEME Projects.

3. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the SPA and SA will be available for inspection during normal business hours at the Company's registered office at 21 Woodlands Close #06-23 Primz Bizhub, Singapore 737854 for a period of three (3) months from the date of this announcement.

4. DIRECTORS' RESPONSIBILITY STATEMENT

4.1 The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Disposal and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading.

4.2 Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

5. FURTHER ANNOUNCEMENTS

The Company will make further announcements on the Proposed Disposal as appropriate or when there are further developments on the same.

6. CAUTION IN TRADING

Shareholders are advised to exercise caution in trading their Shares as there is no certainty or assurance as at the date of this announcement that the Proposed Disposal will proceed to completion, as the Completion is subject to, *inter alia*, fulfilment of all the conditions precedent in the SPA and SA. Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders should consult their stockbrokers, solicitors or other professional advisors if they have any doubts about the action they should take.

BY ORDER OF THE BOARD

Dr Wong Kar King
Managing Director

21 October 2024

*This announcement has been reviewed by the Company's sponsor, UOB Kay Hian Private Limited (the "**Sponsor**"). This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness or any of the statements or opinions made, or reports contained in this announcement. The contact person for the Sponsor is Mr Lance Tan, Senior Vice President, at 8 Anthony Road, #01-01, Singapore 229957, telephone (65) 6590 6881.*