

**ASTAKA HOLDINGS LIMITED**  
(Company Registration No.: 200814792H)  
(Incorporated In the Republic of Singapore)

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**RESPONSE TO SGX-ST QUERIES IN RELATION TO THE COMPANY'S ANNOUNCEMENT  
DATED 19 DECEMBER 2019**

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The board of directors (the “**Board**” or “**Directors**”) of Astaka Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the Company’s announcement dated 19 December 2019 (the “**Claim Announcement**”) in relation to the Payment Claim. The Company sets out below its responses to the queries received from the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 20 December 2019 in relation to the Claim Announcement.

*Unless otherwise defined, all capitalised terms shall bear the same meanings as ascribed to them in the Claim Announcement.*

**SGX-ST Query 1**

The Payment Claim was dated 12 December 2019 but was received on 15 December 2019, and announcement was only made on 19 December 2019. Why was there a delay in releasing the announcement? When did the sponsor become aware of the Payment Claim?

**Company’s Response**

The delay in releasing the Claim Announcement can be attributed to the following reasons:

- (a) notwithstanding that the Payment Claim was dated 12 December 2019 and sent to our office thereafter, it was only stamped as received by our office reception on 15 December 2019;
- (b) the Payment Claim was only read by our Chief Executive Officer and Executive Director, Dato Zamani bin Kasim on 18 December 2019 when he came back to office after couple of days at the development sites and being on leave; and
- (c) the Sponsor was only made aware of the Payment Claim on 18 December 2019.

**SGX-ST Query 2**

How material is the claim to the Group?

**Company’s Response**

The Outstanding Sums claimed from APSB by Aliran under the Payment Claim comprise of the following:

- (a) RM3,198,138.57 being the sums certified and unpaid;
- (b) RM468,401.18 being the late payment interest that has accrued on the invoices pursuant to the Payment Claim;
- (c) late payment interest on the sums due under each of the invoices pursuant to the Payment Claim at the rate of 10% per annum from 13 December 2019 until settlement in full; and

(d) costs.

In relation to (a), the principal amount claimed of approximately RM3.198 million constitutes approximately 2.91% of the Group's latest unaudited net assets of RM109.915 million for the financial year ended 30 June 2019 ("FY2019"), as announced by the Company on 29 August 2019. This amount has already been accounted for as part of our trade payables in the Group's unaudited financial results for FY2019.

In relation to (b), (c) and (d), and as mentioned in the Claim Announcement, the Group is currently in discussions with Aliran to clarify the Outstanding Sums under the Payment Claim, and as of the date of this Announcement, does not foresee the Outstanding Sums to be material to the Group.

The Claim Announcement was made to keep shareholders apprised of the Group's developments in light of recent events, regardless of materiality.

### **SGX-ST Query 3**

Can the Board please confirm that the Group has adequate working capital and that going concern is not an issue, and the basis for such views.

#### **Company's Response**

The working capital of the Group was approximately RM109.50 million as at 30 June 2019 (based on the latest unaudited financial results of the Group for FY2019, as announced on 29 August 2019) of which development properties (comprising completed properties held for sale, unsold units in the course of development, and future phases for development) amounted to approximately RM478.51 million and trade and other payables amounted to approximately RM393.89 million. The Group's ability to settle its debts in a timely manner is largely dependent on the rate of sales of the development properties (in particular, the completed units and units undergoing development), which the Group is currently focusing its marketing efforts on. In addition, the Group is also sourcing for other financing avenues for general working capital.

The assessment of any going concern issue should be taken holistically with matters arising from, *inter alia*, the previous letters of demand ("**Letters of Demand**") received from China State Construction Engineering (M) Sdn Bhd ("**CSCE**") as previously announced on 5 September 2019 and the subsequent entering into the settlement agreement with CSCE as previously announced on 2 October 2019. As mentioned in the announcement dated 5 September 2019, the Company is currently reviewing whether there will be any going concern issues arising from the matters which have been disclosed to shareholders, and will make further announcements when it has material updates. As at the date of this announcement, the going concern of the Group is currently under review by the Group's statutory auditor in connection with the finalisation of the Group's financial results for FY2019.

### **SGX-ST Query 4**

The variation order for works by Aliran (RM6.45m) exceeded the contract amount (RM4.895m). What led to the need for such significant variation orders?

#### **Company's Response**

The initial contract amount of RM4.895 million was only for the scope of work covering the exterior façade building of The Astaka Towers. Variation orders were subsequently made to extend the scope of work to include the design and supply for building landscape lighting for The Astaka Towers, which includes level 1, level 6, the covered walkway, sky gardens, the boulevard walkway and for the front entrance water feature.

### **SGX-ST Query 5**

Of the total sum accrued under the Letter of Award (RM11.345m), how much is considered “sum certified” and how much has been paid? What is the total outstanding amount?

#### **Company’s Response**

The “sum certified” is RM11.654 million (inclusive of goods and services tax) of which RM8.456 million has been paid. Accordingly, the total outstanding amount of the sums certified as at 19 December 2019 is RM3.198 million.

### **SGX-ST Query 6**

Aliran is seeking to claim, sums certified and unpaid of RM3.198m, and late payment interest. What does “sums certified and unpaid” mean?

#### **Company’s Response**

“Sums certified and unpaid” refer to the consideration for work done under the Letter of Award and the variation orders which has been certified by a third party project quantity surveyor and that remains unpaid. As set out in the response to Query 5 above, the total outstanding amount of the sums certified as at 19 December 2019 is RM3.198 million.

### **SGX-ST Query 7**

Are there any other claims, letters of demand or statutory demands received by the Group?

#### **Company’s Response**

Other than (a) the Letters of Demand; and (b) the Payment Claim as announced in the Claim Announcement, the Group has not received any other claims, letter of demand or statutory demands as at the date of this announcement.

### **ON BEHALF OF THE BOARD**

Dato Zamani Bin Kasim  
Executive Director and Chief Executive Officer  
23 December 2019

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*This announcement has been prepared by the Company and reviewed by the sponsor, Novus Corporate Finance Pte. Ltd. (the “Sponsor”), in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) Listing Manual Section B: Rules of Catalist.*

*This announcement has not been examined or approved by the SGX-ST and the SGX-ST 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.*

*The contact person for the Sponsor is Mr Pong Chen Yih, Chief Operating Officer, 9 Raffles Place, #17-05 Republic Plaza Tower 1, Singapore 048619, telephone (65) 6950 2188.*

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