

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

MINUTES OF VIRTUAL INFORMATION SESSION

PLACE : By way of electronic means

DATE : Thursday, 31 March 2022

TIME : 11:00 a.m.

PRESENT (BY LIVE WEBCAST) : **Board of Directors**
Mr Lai Kuan Loong, Victor – Non-Executive Chairman and Independent Director
Mr Khong Chung Lun – Executive Director and Chief Executive Officer
Mr Lee Gee Aik – Non-Executive and Independent Director
Dato’ Sri Mohd Mokhtar Bin Mohd Shariff – Non-Executive and Independent Director

Shareholders
As per attendance record maintained by the Company.

IN ATTENDANCE/ BY INVITATION : As per attendance record maintained by the Company.

CHAIRMAN : Mr Lai Kuan Loong, Victor

INTRODUCTION

The Chairman welcomed shareholders for their attendance at the virtual information session (“**VIS**”) held via live webcast in connection with the proposed disposal of the property known as One Bukit Senyum, a parcel of freehold land held under H.S.(D) 571006, PTD 233330, Mukim of Plentong, District of Johor Bahru, State of Johor, Malaysia (the “**Land**”) by the subsidiary of the Company, Astaka Padu Sdn. Bhd. (the “**Proposed Disposal**”).

The Chairman called the VIS to order at 11:00 a.m. and introduced the Board of Directors of the Company (“**Board**”), management of the Company (“**Management**”) and professional parties who were present at the VIS via live webcast.

The Chairman informed that this VIS was to provide an opportunity for shareholders of the Company (“**Shareholders**”) to ask any questions pertaining to the resolution to be tabled at the upcoming extraordinary general meeting on the Proposed Disposal, and the Board and Management would address the relevant questions received at this session.

QUESTIONS AND ANSWERS

Before addressing the live questions at this VIS, the Chairman responded to the following questions received from Shareholders prior to the VIS:

Question 1

What's the purpose to sell the land to other company? In order to get more cash to survive or have any other ideas for the business? Is there any benefit for Astaka to sell the land?

Company's response

The rationale for the proposed disposal and benefits to the Company and its subsidiaries (collectively, the “**Group**”) are indicated on page 15 (item 3) of the Shareholders' circular dated 18 March 2022 (the “**Circular**”) released to the SGXNet on 18 March 2022.

In summary, the Land was initially acquired by the Company with the intention of being developed into a premium luxury mixed-used project which the Board considered that it would no longer be commercially viable for the Group to continue with its original plans. Accordingly, the Board, after evaluating the costs and benefits of pursuing alternative redevelopment strategies and the likelihood of any short-term changes in market conditions, is of the view that it would be in the best interests of the Group to undertake a sale of the Land and realise its cash value, which could then be deployed and/or invested by the Group into other development opportunities that are better aligned with emerging market trends, also provide the Group with the necessary working capital to better manage its payment obligations to its existing creditors, and to fund other new or potential project pipelines. Moreover, the Board had also considered that the Company will retain the right to develop the Land if the purchaser wishes to appoint/engage a party to develop the Land.

Question 2

When the trading could be recovered in SGX?

Company's response

The trading resumption is the priority which the Company is working hard on it. As announced by the Company on 30 December 2021, the proposal to resume trading was submitted to the SGX on 29 December 2021.

The Company has been liaising with the SGX, through its continuing sponsor, on the trading resumption application, and will make timely announcements to keep all Shareholders up to date when there are material developments.

Question 3

The business is getting worse under the bad environment since 2015. So far Astaka's net income is loss, I'm wondering whether there is any risks for shareholders.

Company's response

It has been a challenging period for most businesses, including the Group over the past 2 years. With the weak sentiment surrounding the Malaysian residential property sector, prolonged closures of international borders and the disruption caused by the Covid-19 pandemic, the sales of the Group's projects have been significantly affected.

During these periods, the Company did all possible corporate arrangements from time to time to shield the Company from risks as much as possible. With the easing of pandemic situation now, the Group is taking steps to expand and grow our businesses. As announced on the SGXNet, the Group had entered into a non-binding memorandum of understanding ("MOU") with Straits Perkasa Services Sdn. Bhd. for a potential collaboration for a mix-used development project in Johor, Malaysia, and also entered into an MOU with DMR Holdings Sdn. Bhd. for a potential collaboration to jointly undertake land development projects in Johor, Malaysia which comprises mixed commercial developments and a light industrial park development.

The Board and the Management will continue to work towards a positive development for the Group, any significant development and updates will be announced by the Company through SGXNet from time to time.

The Chairman invited Shareholders to raise any questions pertaining to the Proposed Disposal through the live chat box. After receiving the live questions, the Chairman then proceeded to respond the following questions received from the Shareholders at the VIS:

Question 4

Any new projects coming up?

Company's response

The question has been addressed in Question 3 above, as announced by the Company on 24 January 2022 and 27 January 2022, the Group had entered into an MOU with DMR Holdings Sdn. Bhd. and Straits Perkasa Services Sdn. Bhd. for potential collaboration for land development projects and a mix-used development project in Johor, Malaysia. These have been disclosed on the SGXNet and the Shareholders can access the SGXNet for these announcements and the details.

Question 5

How is the land valued?

Company's response

As stated in the page 9 of the Circular (item 2.5.2), the Group engaged Knight Frank Malaysia Sdn. Bhd., a prominent and international land valuer to perform the independent valuation of the Land. The valuation has complied to the requisite standards of valuation, including the relevant SGX Catalist Rules and rules by Singapore Institute of Surveyors and Valuers (SISV).

The valuation of the Land was carried out based on the "Comparison Approach" which considers the sales of similar or substitute properties and related market data, and establishes a value estimate by adjustments made for differences in factors that affect value. In general, a property being valued (i.e., the Land) is compared with sales of similar properties that have been transacted in the open market. Listings and offers may also be considered.

The valuation methodology in detail is set out in pages 4 and 5 of the summary letter of valuation for the Land dated 28 February 2022, and a copy of which is attached as Appendix 1 to the Circular, which had been announced to the SGXNet on 18 March 2022.

Question 6

How will the sales proceeds be used?

Company's response

The intention use of proceeds from the Proposed Disposal are indicated on page 16 of the Circular released to the SGXNet on 18 March 2022. The Company will set aside the proceeds required for our working capital, capital for the Group's new projects pipeline, and part of the proceeds will also be used for repayment of loans, if and when the Group's financial resources permit.

There being no further live questions raised by Shareholders, the Chairman declared the VIS of the Company closed at 11.13 a.m. and thanked everyone for their attendance.

Confirmed as True Record of Proceedings Held

Lai Kuan Loong, Victor
Chairman