

**PROVISION OF SHAREHOLDERS’ LOAN TO JOINT VENTURE COMPANY**

The board of directors (the “**Board**” or “**Directors**”) of Astaka Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) would like to announce that the Company’s 99.99%-owned indirect subsidiary, Astaka Padu Sdn. Bhd. (“**APSB**”), has with Saling Syabas Sdn. Bhd. (“**SSSB**” and together with APSB, collectively the “**JV Partners**”), entered into a shareholders’ loan agreement with the Company’s 50.99%-owned indirect subsidiary, Bukit Pelali Properties Sdn. Bhd. (“**BPPSB**” or the “**JV Co**”) on 20 May 2024 (the “**Shareholders’ Loan Agreement**”).

**1. BACKGROUND OF BPPSB**

As announced by the Company on 4 October 2016 (the “**JV Announcement**”), BPPSB is a joint venture company, incorporated by APSB and SSSB on 3 October 2016 to jointly undertake property development on certain parcels of land located in Kota Tinggi, Johor, Malaysia (the “**Joint Venture**”), with APSB and SSSB holding 51% and 49% shareholding interests in BPPSB respectively.

Pursuant to the joint venture agreement entered between APSB and SSSB on 3 October 2016, BPPSB may obtain financing for its business from its shareholders in proportion to their respective shareholding percentages in BPPSB should BPPSB be unable to secure external borrowings from third parties.

Kindly refer to the JV Announcement for more details of the Joint Venture.

**2. PROVISION OF THE SHAREHOLDERS’ LOAN**

Under the terms of the Shareholders’ Loan Agreement, the JV Partners have agreed to make available to the JV Co an interest-free loan facility in aggregate principal amount of up to RM20 million (the “**Shareholders’ Loan**”).

The Shareholders’ Loan is to be drawn by BPPSB from the JV Partners, in accordance with the JV Partners’ respective shareholding percentages in the JV Co as follows:

| <b>Party</b> | <b>Shareholding Interest in BPPSB</b> | <b>Shareholders’ Loan</b> |
|--------------|---------------------------------------|---------------------------|
| APSB         | 51%                                   | RM10,200,000.00           |
| SSSB         | 49%                                   | RM9,800,000.00            |
| <b>Total</b> | <b>100%</b>                           | <b>RM20,000,000.00</b>    |

**3. PRINCIPAL TERMS OF THE SHAREHOLDERS’ LOAN**

3.1 Subject to the terms and conditions contained in the Shareholders’ Loan Agreement, the JV Co may, during the tenure of the Shareholders’ Loan Agreement, call for a drawdown of the Shareholders’ Loan or any part thereof (the “**Drawdown Amount**”) by giving the JV Partners a notice in writing in the form set out in Schedule 1 of the Shareholders’ Loan Agreement (the “**Drawdown Request**”) within a minimum of three (3) business days prior to the intended date of funding (the “**Drawing Date**”).

- 3.2 The JV Co may give any number of Drawdown Requests to the JV Partners, provided always that the amount of each drawing when aggregated with all previous amounts of the Drawdown Amount under the Shareholders' Loan shall not exceed RM20 million.
- 3.3 No interest shall be chargeable and/or payable on any principal amount outstanding for the time being of the Shareholders' Loan.
- 3.4 The Shareholders' Loan shall be repaid by BPPSB to APSB and SSSB in cash and/or in kind as may be mutually agreed between BPPSB with APSB and SSSB respectively within one (1) year from the Drawing Date (the "**Repayment Term**"), with an automatic extension of additional one year period upon the expiry of the Repayment Term, and on each successive anniversary date thereafter. Following each such automatic extension pursuant to the Shareholders' Loan, references to the Repayment Term shall also be extended accordingly and the maturity date for the repayment of the Shareholders' Loan shall be construed as the last day of each relevant extension.

#### **4. RATIONALE AND BENEFITS OF THE SHAREHOLDERS' LOAN**

The rationale and benefits of the Shareholders' Loan is to provide funding to the JV Co in connection with the Joint Venture, including but not limited to the ongoing working capital requirements as well as the future developments in the Joint Venture.

#### **5. THE SHAREHOLDERS' LOAN AS AN INTERESTED PERSON TRANSACTION**

##### **5.1 Chapter 9 of the Catalist Rules**

Chapter 9 of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**") governs transactions by a listed company, as well as transactions by its subsidiaries and associated companies that are considered to be entities at risk, with the listed company's interested persons.

Under Chapter 9 of the Catalist Rules, where a listed company or any of its subsidiaries or any of its associated companies, which is an entity at risk, proposes to enter into transactions with the listed company's interested persons, the listed company is required to seek shareholders' approval if the value of the transaction (either in itself or aggregated with the value of other transactions with the same interested person during the same financial year) is equal to or exceeds 5% of the Group's latest audited net tangible assets ("**NTA**").

For the avoidance of doubt, the requirement for shareholders' approval does not apply to any transaction below S\$100,000.

However, Rule 916(3) of the Catalist Rules states that the shareholders' approval is not required in relation to the provision of a loan to a joint venture if:

- (i) the loan is extended by all joint venture partners in proportion to their equity and on the same terms;
- (ii) the interested person does not have an existing equity interest in the joint venture prior to the participation of the entity at risk in the joint venture; and
- (iii) the issuer confirms by an announcement that its audit committee is of the view that:
  - (a) the provision of the Shareholders' Loan is not prejudicial to the interest of the Company and its minority shareholders; and
  - (b) the risks and rewards for each JV Partner are in proportion to the equity of each JV Partner in the Joint Venture and that the terms and conditions relating to the

Shareholders' Loan are not prejudicial to the interests of the Company and its minority shareholders

(collectively, the “**Exception Conditions**”).

## 5.2 Details of the Interested Person

Dato’ Dr. Daing A Malek bin Daing A Rahaman (“**Dato’ Malek**”), being controlling shareholder of the Company, holds:

- (i) a deemed interest of 66.55% of shares in the Company by virtue of his 100% shareholding interest in Horizon Sea Limited, which holds 1,244,062,150 shares in the capital of the Company and a direct shareholding interest of 0.20% of shares in the Company by virtue of his holding of 3,665,000 shares in the capital of the Company, resulting in a total interest of approximately 66.75% of the share capital of the Company; and
- (ii) an indirect shareholding in BPPSB by virtue of his 100% shareholding interest in SSSB, which in turn holds 49% shareholding interest in BPPSB.

Accordingly, BPPSB is an associate of Dato’ Malek, and is deemed to be an interested person for the purposes of Chapter 9 of the Catalist Rules. Therefore, the provision of the Shareholders’ Loan constitutes as an “Interested Person Transaction” within the meaning of Chapter 9 of the Catalist Rules.

## 5.3 Total Value of Interested Person Transactions for the Current Financial Period

For the current financial period beginning 1 January 2024 and up to the date of this announcement, the aggregate value of transactions entered into with Dato’ Malek and his associates (excluding the Shareholders’ Loan) are as follows:

| Name of interested person | Nature of relationship      | Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) | Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) <sup>(1)</sup> |
|---------------------------|-----------------------------|--|---|
| Dato’ Malek               | Controlling Shareholder     | Not applicable   | RM Nil <sup>(2)</sup>   |
| BPPSB                     | An associate of Dato’ Malek | Not applicable   | RM Nil <sup>(3)</sup>   |

### Notes:

- (1) The Group had obtained the approval from its shareholders on 26 April 2024 for the renewal of general mandate for recurring interested person transactions with Dato’ Malek and his associates.
- (2) This comprises of the rental payable to Dato’ Malek for the renewal of land lease entered into in FY2024 by BPPSB for the period between 1 April 2024 and 31 March 2026, amounting to RM325,464 (approximately S\$93,535).

- (3) APSB had seconded certain employees who do not have any active roles or job responsibilities in APSB to BPPSB to meet BPPSB's operational requirements. The amount incurred for the current financial period beginning 1 January 2024 and up to the date of this announcement is RM170,250 (approximately S\$48,928).

#### 5.4 Value of Interested Person Transaction

The Shareholders' Loan, being transactions between APSB (being a 99.99% indirect subsidiary of the Company that is not listed on the SGX-ST or an approved exchange and thus an "Entity at Risk" under Chapter 9 of the Catalist Rules) and BPPSB (an "Associate" of Dato' Malek under Chapter 9 of the Catalist Rules), constitute an "Interested Person Transaction" under Chapter 9 of the Catalist Rules.

Under Rule 909(3) of the Catalist Rules, in the case of the lending of funds to an interested person, the value of the transaction is the interest payable on the loan and the value of the loan. The value of the interested person transaction in relation to the Shareholders' Loan, is approximately RM10.20 million (equivalent to approximately S\$2.93 million), and represents approximately 12.30% of the latest audited NTA of the Group as at 31 December 2023 of approximately RM82.92 million.

As the value of the Shareholders' Loan exceeds 5.0% of the latest audited net tangible assets of the Group, the Shareholders' Loan, pursuant to Rule 906 of the Catalist Rules, would be subject to approval by Shareholders who are deemed independent for the purposes of the Shareholders' Loan, unless it falls within the exception under Rule 916(3) of the Catalist Rules as elaborated in paragraph 5.1. As the Shareholders' Loan falls within the exception under Rule 916(3) of the Catalist Rules, no approval from shareholders is required.

As at the date of this announcement, the current total of all interested person transactions with Dato' Malek and his associates during the same financial year from 1 January 2024 (being the start of the current financial year ending 31 December 2024) to the date of this announcement is RM10.20 million (including the Shareholders' Loan but excluding transactions of a value less than S\$100,000), which represents approximately 12.30% of the latest audited NTA of the Group as at 31 December 2023 of approximately RM82.92 million.

Save for interested person transactions with Dato' Malek and his associates, the Company does not have any other interested person transactions.

## 6. AUDIT COMMITTEE STATEMENT

Based on the terms and conditions of the Shareholders' Loan Agreement and taking into account, amongst others, the loan is extended by all joint venture partners in proportion to their equity and on the same terms, including repayment terms and SSSB does not have an existing equity interest in the JV Co prior to the participation of APSB in the JV Co, the Audit Committee of the Company is of the view that:

- (a) the provision of the Shareholders' Loan is not prejudicial to the interest of the Company and its minority shareholders; and
- (b) the risks and rewards for the Joint Venture are in proportion to the equity of each JV Partner and that the terms and conditions relating to the Shareholders' Loan are not prejudicial to the interests of the Company and its minority shareholders.

With this and as disclosed in this announcement, the Audit Committee also confirms that the Exception Conditions have been met and accordingly, shareholders' approval is not required for the Shareholders' Loan.

## 7. FINANCIAL IMPACT

The contribution by the Company through APSB to the Shareholders' Loan will be funded from internal cash resources.

The Company's financing of Shareholders' Loan is not expected to have a material impact on the net tangible assets and earnings per share of the Company for FY2024.

## 8. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save as disclosed, none of the Directors nor the controlling shareholder(s) of the Company has any interest, direct or indirect, in the Shareholders' Loan, other than through their respective shareholdings (if any) in the Company.

## 9. DOCUMENTS AVAILABLE FOR INSPECTION

The Shareholders' Loan Agreement is available for inspection during normal business hours at the Company's registered office at 133 Cecil Street, #14-01, Keck Seng Tower, Singapore 069535 for three (3) months from the date of this announcement.

## 10. DIRECTORS' RESPONSIBILITY STATEMENT

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 Shareholders' Loan.

The Company and its subsidiaries, and the Directors 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 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.

### By Order of the Board

Khong Chung Lun  
Executive Director and Chief Executive Officer

20 May 2024

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This announcement has been reviewed by the Company's sponsor, SAC Capital Private Limited (the "Sponsor").

This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (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 Ms Audrey Mok (Telephone +65 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.

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