

## SGXNET Announcement



**AEM Holdings Ltd.**  
**(Registration No. 200006417D)**

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### ANNOUNCEMENT PURSUANT TO RULE 706A OF THE SGX-ST LISTING MANUAL

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Pursuant to Rule 706A of the Listing Manual of Singapore Exchange Securities Trading Limited (“**SGX-ST**”), the Board of Directors (the “**Board**”) of AEM Holdings Ltd. (the “**Company**”) wishes to announce the following in respect of the first quarter ended 31 March 2021:

#### **Acquisition of Associated Company**

AEM Singapore Pte. Ltd., a wholly-owned subsidiary of the Company, had on 18 March 2021, acquired 26.59% of the outstanding share capital of ATECO Inc., a South Korean company (“Acquired Shares”). The consideration for the acquisition is approximately US\$3.8 million (“Consideration”). As part of the investment, the Group has been granted the rights to acquire further shares of ATECO Inc., which together with the Acquired Shares, will constitute up to 65% of the total outstanding share capital of ATECO Inc. on a fully-diluted basis. Such rights granted include the right to subscribe for 369,231 convertible preferred shares (“Subscribed Shares”) for an aggregate subscription price of KRW2,600,002,856 (approximately US\$2,325,584<sup>1</sup>) (“Subscription Price”) and an option to purchase from the existing shareholders of ATECO Inc. 1,039,489 shares for an aggregate purchase price of US\$10,966,572 (“Option Purchase Price”).

The Consideration, Subscription Price and the Option Purchase Price were arrived at after negotiations on a willing-buyer and willing-seller basis taking into account, amongst others, the strategic merits of the partnership and the prevailing market conditions. The book value and net tangible asset value of ATECO Inc. as at 30 September 2020 were KRW2,242,964,000 (approximately US\$2,006,229<sup>1</sup>) and (KRW2,756,100,000) (approximately US\$2,465,206<sup>1</sup>) respectively.

The Consideration was satisfied in cash using the internal resources of the Group. The Subscription Price and the Option Purchase Price will also be satisfied in cash. This transaction is not expected to have any material impact on the net tangible assets per share and earnings per share of the Group for the financial year ending 31 December 2021.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the above transaction.

By Order of the Board

Chandran Nair  
Chief Executive Officer

3 May 2021

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<sup>1</sup> Based on an exchange rate of KRW1,118.00: US\$1 as at 21 April 2021