

PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE

1. INTRODUCTION

The board of directors (the "**Board**" or the "**Directors**") of Amos Group Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Company is proposing to undertake a renounceable non-underwritten rights issue (the "**Rights Issue**") of up to 974,015,343 new ordinary shares in the capital of the Company (the "**Rights Shares**") at an issue price of S\$0.0135 (the "**Issue Price**") for each Rights Share, on the basis of three (3) Rights Shares for every eight (8) existing ordinary shares in the capital of the Company (the "**Shares**") held by Entitled Shareholders (as defined herein) as at a time and date to be determined by the Board for the purpose of determining the entitlements of the Entitled Shareholders (the "**Record Date**"), fractional entitlements to be disregarded.

2. THE PROPOSED RIGHTS ISSUE

The principal terms and conditions of the Rights Issue are set out below.

Principal terms of issue	Description
Issue Price	: S\$0.0135 for each Rights Share, payable in full upon acceptance and/or application.
Discount (specifying benchmarks and periods)	: The Issue Price of S\$0.0135 for each Rights Share represents: (a) a discount of approximately 29% to the closing price of S\$0.0190 per Share on the Singapore Exchange Securities Trading Limited (" SGX-ST ") on 22 March 2021 (being the last market day on which the Shares were traded on the SGX-ST immediately prior to the release of this announcement) (the " Last Traded Price "); and (b) a discount of approximately 23% to the theoretical ex-rights price (" TERP ") ¹ of approximately S\$0.0175 per Share based on the Last Traded Price.
Allotment ratio	: Three (3) Rights Shares for every eight (8) existing Shares held by Entitled Shareholders as at the Record Date, fractional entitlements to be disregarded.
Use of proceeds	: Please refer to paragraph 3 below on the use of the net proceeds arising from the allotment and issue of the Rights Shares (the " Net Proceeds ") from the Rights Issue.

¹ TERP of each Share is calculated based on the following formula, assuming completion of the Rights Issue based on the Maximum Scenario

$$\text{TERP} = \frac{\text{Market capitalisation of the Company based on the Last Traded Price} + \text{gross proceeds from the Rights Issue}}{\text{Number of Shares after completion of the Rights Issue}}$$

Purpose of Rights Issue : Please refer to paragraph 3 below for further details.

Such terms and conditions are subject to changes as the Board may, in its absolute discretion, deem fit. The final terms and conditions of the Rights Issue will be contained in the offer information statement (the "**Offer Information Statement**") in connection with the Rights Issue, to be lodged with the Monetary Authority of Singapore ("**Authority**") and to be despatched or, as the case may be, disseminated by the Company to the Entitled Shareholders in due course.

2.1 Basis of Provisional Allotment

The Rights Issue is proposed to be made on a renounceable non-underwritten basis to all shareholders of the Company ("**Shareholders**") who are eligible to participate in the Rights Issue (the "**Entitled Shareholders**"), on the basis of three (3) Rights Shares for every eight (8) existing Shares held by the Entitled Shareholders as at the Record Date, fractional entitlements to be disregarded.

2.2 Size of the Rights Issue

As at the date of this announcement, the Company has an issued and paid-up share capital of 2,597,374,250 Shares (the "**Existing Issued Share Capital**"). The Company does not have any treasury shares as at the date of this announcement.

Based on the Existing Issued Share Capital, assuming that the Rights Issue is fully subscribed, 974,015,343 Rights Shares will be issued pursuant to the Rights Issue (the "**Maximum Scenario**").

2.3 Ranking of the Rights Shares

The Rights Shares will be payable in full on acceptance and/or application and shall, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares for any dividends, rights, allotments or other distributions, the record date for which falls on or after the date of issue of the Rights Shares.

For this purpose, "record date" means, in relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time as may be notified by the Company) on which Shareholders must be registered with the Company, the Company's share registrar, RHT Corporate Advisory Pte. Ltd. (the "**Share Registrar**"), or The Central Depository (Pte) Limited ("**CDP**"), as the case may be, in order to participate in such dividends, rights, allotments or other distributions.

2.4 Non-Underwritten Rights Issue

The Rights Issue will not be underwritten. The Directors are of the opinion that there is no minimum amount that must be raised from the Rights Issue. Accordingly, the Company has decided to undertake the Rights Issue on a non-underwritten basis in view of the savings in costs enjoyed by the Company as a result of not having to bear any underwriting fees and commission.

2.5 Scaling Provision

Depending on the level of subscription for the Rights Shares, the Company may, if necessary, scale down the subscription and/or excess applications for the Rights Shares by any of the Shareholders (if such Shareholder chooses to subscribe for his/her/its pro-rata Rights Share entitlement and/or apply for excess Rights Shares) to avoid placing the relevant Shareholder and parties acting in concert with him/her/it (as defined in the Singapore Code on Take-overs and Mergers (the "**Code**")) in the position of incurring a mandatory general offer obligation under the Code, as a result of other Shareholders not taking up, whether partly or in full, their Rights Shares entitlements fully, and/or to avoid the transfer of a controlling interest in the Company, which is prohibited under Rule 803 of the Listing Manual of the SGX-ST ("**Listing**").

Manual”), unless prior approval of the Shareholders is obtained in a general meeting.

3. RATIONALE FOR THE RIGHTS ISSUE AND USE OF PROCEEDS

The Company is undertaking the Rights Issue to raise funds to enhance and expand upon its existing business, operations and initiatives, as well as strengthen the financial position and capital base of the Group. The Group is cautiously confident that, with an effective strategic plan and a strong management team to execute its plan, the Group is poised to grow successfully and steadily even during and after the current COVID-19 economic and financial market crisis. The Rights Issue will allow the Group to pursue its growth strategy of developing and expanding its business in the region. The Rights Issue will also provide the Shareholders with an opportunity to further participate in equity of the Company.

The Company intends to utilise the Net Proceeds for the following purposes:

- (a) developing and expanding the Group's “Alcona” proprietary product line for the marine and energy sectors (“**Alcona Product Line**”);
- (b) funding the Group's technology initiatives;
- (c) funding of the Group's expansion into new business sectors, including the renewables sector (“**Business Expansion**”); and
- (d) general working capital requirements of the Group, which includes funding the Group's procurement initiatives and vendor management processes and streamlining of the Group's operations.

The Net Proceeds, after deducting estimated costs and expenses of S\$120,000 relating to the Rights Issue, is expected to be approximately S\$13,029,207 in the Maximum Scenario. The Company intends to use the Net Proceeds in the following manner:

Use of Net Proceeds	Amount	Percentage of Net Proceeds
1. Development and expansion of Alcona Product Line	S\$3.1 million	24%
2. Technology initiatives	S\$2.6 million	20%
3. Business Expansion	S\$1.4 million	11%
4. General working capital requirements of the Group	S\$5.9 million	45%
Total	S\$13.0 million	100%

Pending the deployment of the Net Proceeds for the abovementioned purposes, such proceeds may, subject to relevant laws and regulations, be deposited with banks and/or financial institutions, invested in short-term money markets instruments and/or marketable securities and/or used for any other purposes on a short-term basis as the Directors may, in their absolute discretion, deem appropriate in the interests of the Group.

The Company will make periodic announcements on the utilisation of the Net Proceeds as and when such proceeds are materially disbursed, and whether such use is in accordance with the stated use and in accordance with the percentage allocated. The Company will also provide a status report on the use of the Net Proceeds in the Company's interim and full year financial results announcement(s) and in the Company's annual report(s), until such time the Net Proceeds have been fully utilised. Where there is any material deviation from the stated use of the Net

Proceeds, the Company will announce the reasons for such deviation.

In the event that the Net Proceeds are to be used for working capital, the Company will disclose a breakdown with specific details on the use of the Net Proceeds for working capital in its announcements and annual reports.

4. CONDITIONS FOR THE RIGHTS ISSUE

4.1 Approvals

The Rights Issue is subject to, *inter alia*, the following:

- (a) the in-principle approval of the SGX-ST for the listing of and quotation for the Rights Shares on the SGX-ST; and
- (b) the lodgment, by the Company, of the Offer Information Statement, together with all other accompanying documents (if applicable) in respect of the Rights Issue, with the Authority.

The Company will be applying to the SGX-ST to seek its in-principle approval for the listing of and quotation for the Rights Shares on the SGX-ST.

4.2 Authority to Issue the Rights Shares

The Rights Issue will be made pursuant to the authority under the general share issue mandate (the "**General Mandate**") granted by Shareholders at the annual general meeting of the Company held on 27 August 2020 ("**2020 AGM**"), pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore and Rule 806(2) of the Listing Manual.

The General Mandate, amongst other things, authorises the Directors to issue new Shares not exceeding 50 per cent. of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) of the Company as at the date of the 2020 AGM (the "**Base Figure**"), provided that the aggregate number of Shares to be issued other than on a pro-rata basis to existing Shareholders does not exceed 20 per cent. of the Base Figure.

As at the date of the 2020 AGM, the total number of issued Shares was 2,597,374,250. Accordingly, the Company could issue up to 1,298,687,125 new Shares on a pro-rata basis under the General Mandate. As at the date of this announcement, the Company has not issued any new Shares pursuant to the General Mandate. Accordingly, the proposed allotment and issue of the Rights Shares falls within the limit of the General Mandate.

5. ELIGIBILITY TO PARTICIPATE IN THE RIGHTS ISSUE

5.1 Eligibility to Participate

The Company proposes to provisionally allot the Rights Shares to the Entitled Shareholders, comprising Entitled Depositors and Entitled Scripholders (each as defined herein), on the basis of their shareholdings as at the Record Date. Entitled Shareholders will be entitled to participate in the Rights Issue and receive the Offer Information Statement (through electronic dissemination, if applicable) together with the appropriate application forms and accompanying documents at their respective Singapore addresses as maintained with the records of the CDP or the Share Registrar, as the case may be.

Fractional entitlements to the Rights Shares will be disregarded and will, together with the provisional allotments which are not taken up or allotted for any reason, be aggregated and allotted to satisfy excess applications (if any), or disposed of or otherwise dealt with in such manner as the Board may, in its absolute discretion, deem fit.

5.2 Entitled Depositors

Entitled Depositors are Shareholders with Shares standing to the credit of their securities accounts (the "**Securities Account**") with CDP and whose registered addresses with CDP are in Singapore as at the Record Date or who have provided CDP with addresses in Singapore for the service of notices and documents not later than 5.00 p.m. (Singapore time) on the date falling three (3) Market Days² prior to the Record Date (the "**Entitled Depositors**").

Entitled Depositors will be provisionally allotted the Rights Shares on the basis of the number of Shares standing to the credit of their Securities Accounts as at 5.00 p.m. (Singapore time) on the Record Date.

5.3 Entitled Scripholders

Entitled Scripholders are Shareholders whose (i) share certificates are not deposited with CDP, (ii) Shares are registered in their own names, and (iii) registered addresses with the Share Registrar are in Singapore as at the Record Date or who have provided the Share Registrar with addresses in Singapore for the service of notices and documents not later than 5.00 p.m. (Singapore time) on the date falling three (3) Market Days prior to the Record Date, and who have tendered to the Share Registrar valid transfers of their Shares and the certificates relating thereto for registration up to the Record Date (the "**Entitled Scripholders**").

Entitled Scripholders will have to submit duly completed and stamped transfers in respect of Shares not registered in the name of CDP, together with all relevant documents of title, so as to be received up to 5.00 p.m. (Singapore time) on the Record Date by the Share Registrar, in order to be registered to determine provisional allotments of Rights Shares.

5.4 CPF Investment Scheme

Shareholders who have previously purchased Shares using their Central Provident Fund ("**CPF**") account savings (the "**CPF Funds**") under the Central Provident Fund Investment Scheme ("**CPFIS**") may only use their CPF Funds for the payment of the Issue Price to subscribe for their provisional allotments of nil-paid Rights Shares and (if applicable) to apply for excess Rights Shares, subject to the applicable CPF rules and regulations. Such Shareholders who wish to accept provisional allotments of the Rights Shares and (if applicable) apply for excess Rights Shares using CPF Funds will need to instruct their respective approved CPF agent banks with whom they hold their CPF investment accounts, to accept the provisional allotments of the Rights Shares and (if applicable) apply for excess Rights Shares on their behalf in accordance with the terms and conditions in the Offer Information Statement. CPF Funds may not be used to purchase provisional allotments of nil-paid Rights Shares directly from the market.

5.5 Foreign Shareholders

The distribution of the Offer Information Statement and its accompanying documents may be prohibited or restricted (either absolutely or subject to various securities laws requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. For practical reasons and in order to avoid any violation of the securities legislation applicable in jurisdictions other than Singapore, the Offer Information Statement and its accompanying documents will NOT be despatched or, as the case may be, disseminated to Shareholders with registered addresses outside Singapore and who have not, at least three (3) Market Days prior to the Record Date, provided CDP or the Share Registrar, as the case may be, with addresses in Singapore for the service of notices and documents (the "**Foreign Shareholders**") and accordingly, the Rights Shares will NOT be offered to Foreign Shareholders.

² "**Market Day**" means a day on which the SGX-ST is open for trading in securities.

The Offer Information Statement and its accompanying documents will not be despatched (or, as the case may be, disseminated), lodged, registered or filed in any jurisdiction other than Singapore. Accordingly, Foreign Shareholders will not be entitled to participate in the Rights Issue. As Foreign Shareholders will not be entitled to participate in the Rights Issue, no provisional allotment of Rights Shares will be made to Foreign Shareholders and no purported acceptance thereof or application for any excess Rights Shares therefor by any Foreign Shareholder will be valid.

The Offer Information Statement and its accompanying documents will also NOT be despatched or, as the case may be, disseminated to persons purchasing entitlements to Rights Shares through the book-entry (scripless) settlement system if their registered addresses with CDP are outside Singapore (the "**Foreign Purchasers**"). Foreign Purchasers may not accept any "nil-paid" rights credited to their Securities Account unless the Company and its counsel are satisfied that such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.

Entitlements to Rights Shares which would otherwise have been provisionally allotted to Foreign Shareholders will, if practicable to do so and at the absolute discretion of the Company, be sold "nil-paid" on the SGX-ST, as soon as practicable, after dealings in the provisional allotments of Rights Shares commence. Such sales may, however, only be effected if the Company, in its absolute discretion, determines that a premium can be obtained from such sales, after taking into account expenses to be incurred in relation thereto. The net proceeds from all such sales, after deduction of all expenses therefrom, will be pooled and thereafter distributed to Foreign Shareholders in proportion to their respective shareholdings or, as the case may be, the number of Shares entered against their names in the depository register maintained by CDP as at the Record Date and sent to them at their own risk by ordinary post. If the amount of net proceeds to be distributed to any single Foreign Shareholder is less than S\$10.00, such amount shall be dealt with as the Board may, in its absolute discretion, deem fit in the interests of the Company and no Foreign Shareholder shall have any claim whatsoever against the Company and/or CDP in connection therewith.

Where the provisional allotments of Rights Shares are sold "nil-paid" on the SGX-ST, they will be sold at such price or prices as the Company may, in its absolute discretion, decide and no Foreign Shareholder shall have any claim whatsoever against the Company, CDP, the Share Registrar and/or their respective officers in connection therewith. If such provisional allotments of Rights Shares cannot be sold or are not sold on the SGX-ST as aforesaid for any reason by such time as the SGX-ST shall have declared to be the last day for trading in the provisional allotments of Rights Shares, the new Shares represented by such provisional allotments will be allotted and issued to satisfy applications for excess Rights Shares or disposed of or dealt with in such manner as the Board may, in its absolute discretion, deem fit in the interests of the Company and no Foreign Shareholder shall have any claim whatsoever against the Company, CDP, the Share Registrar and/or their respective officers in connection therewith.

SHAREHOLDERS WITH REGISTERED ADDRESSES OUTSIDE SINGAPORE WHO WISH TO PARTICIPATE IN THE RIGHTS ISSUE MAY PROVIDE AN ADDRESS IN SINGAPORE FOR THE SERVICE OF NOTICES AND DOCUMENTS BY NOTIFYING IN WRITING, AS THE CASE MAY BE, (I) THE CENTRAL DEPOSITORY (PTE) LIMITED AT 11 NORTH BUONA VISTA DRIVE, #06-07 THE METROPOLIS TOWER 2, SINGAPORE 138589 OR (II) RHT CORPORATE ADVISORY PTE. LTD. AT 30 CECIL STREET, #19-08 PRUDENTIAL TOWER, SINGAPORE 049712, IN EACH CASE, AT LEAST THREE (3) MARKET DAYS PRIOR TO THE RECORD DATE.

6.5 Provisional Allotments and Excess Applications

Entitled Shareholders will be at liberty to accept in full or in part, decline or otherwise renounce or, in the case of Entitled Depositors only, trade (during the "nil-paid" rights trading period prescribed by the SGX-ST) their provisional allotments of the Rights Shares and will also be eligible to apply for Rights Shares in excess of their provisional allotments under the Rights Issue.

Entitlements which are not allotted or taken up for any reason (including any fractions of a Rights Share) will be aggregated and issued to satisfy applications, if any, for excess Rights Shares or otherwise disposed of or dealt with in such manner as the Board may, in its absolute discretion, deem fit in the interests of the Company

Fractional entitlements to the Rights Shares, if any, will be disregarded in arriving at the Entitled Shareholders' entitlements and will, together with the provisional allotments of Rights Shares which are not taken up for any reason, be aggregated and allotted to satisfy excess applications for excess Rights Shares (if any) or be disposed of or otherwise dealt with in such manner as the Board may in its absolute discretion deem fit for the benefit of the Company subject to applicable laws and the Listing Manual.

In the allotment of excess Rights Shares, preference will be given to the rounding of odd lots, and the Directors and substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the Board will rank last in priority for the rounding of odd lots and allotment of excess Rights Shares.

The procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sales of the provisional allotments of the Rights Shares and for the applications for excess Rights Shares, including each different mode of acceptance or application and payment, will be contained in the Offer Information Statement and the relevant application forms.

6. OPINION OF DIRECTORS

The Directors are of the opinion that barring any unforeseen circumstances, after taking into account the Group's present bank facilities, the working capital available to the Group is sufficient to meet the Group's present requirements. Notwithstanding the present sufficiency of working capital, the Directors are of the opinion that the Rights Issue shall be undertaken for the reasons stated in paragraph 3 of this announcement.

The Rights Issue will also provide the Shareholders with an opportunity to further their equity participation in the Company. For the reasons outlined above in paragraph 3, the Directors believe the Rights Issue is in the interests of the Group.

7. NOTIFICATION UNDER SECTION 309B OF THE SECURITIES AND FUTURES ACT

The provisional allotments of Rights Shares as well and the Rights Shares are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products Regulations 2018)) and Excluded Investment Products (as defined in the Authority's Notice on the Sale of Investment Products (Notice No.: SFA 04-N12) and the Authority's Notice on Recommendations on Investment Products (Notice No.: FAA-N16)).

8. PRIOR EQUITY FUNDRAISING

The Company has not undertaken any equity fund raising in the past 12 months.

9. THE OFFER INFORMATION STATEMENT

The Offer Information Statement will be despatched or, as the case may be, disseminated by the Company, together with the application form for the Rights Shares and excess Rights Shares or the provisional allotment letter, as the case may be, to the Entitled Shareholders in due course.

10. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save as disclosed in this announcement and save for their interests arising by way of their respective shareholding interests in the Company and/or directorships in the Group, as the case may be, none of the Directors and substantial Shareholders has any interest, direct or indirect, in the Rights Issue.

11. 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 Rights Issue, 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.

12. CAUTIONARY STATEMENT

Shareholders and potential investors are advised to exercise caution when dealing or trading in the Shares as there is no certainty or assurance that the Rights Issue will be completed or that no changes will be made to the terms thereof. Shareholders and potential investors are also advised to read this announcement and any further announcements by the Company carefully, and where in doubt as to the action that they should take, they should consult their financial, tax, legal or other professional adviser(s) immediately.

13. FURTHER INFORMATION

The Company will make the necessary announcement(s) as and when required and/or material developments arise in respect of the Rights Issue.

In the meantime, the Board wishes to advise Shareholders to exercise caution in their dealings in Shares and to refrain from taking any action in relation thereto, until they have sought their own financial and legal advice where appropriate. The Rights Issue is subject to certain conditions. As at the date of this announcement, there is no certainty or assurance that the Rights Issue will materialise, be completed or that no changes will be made to the terms thereof.

BY ORDER OF THE BOARD AMOS GROUP LIMITED

Kyle Arnold Shaw, Jr.
Executive Chairman

23 March 2021

IMPORTANT NOTICE

This announcement is for information only and does not constitute or form part of any offer or invitation to sell or issue or subscribe for, or any solicitation of any offer to acquire, any Rights Shares or to take up any entitlements to Rights Shares in any jurisdiction in which such an offer or solicitation

is unlawful. No person should acquire any Rights Shares except on the basis of the information contained in an offer information statement to be lodged by the Company with the Authority. The information contained in this announcement is not for release, publication or distribution to persons in the United States and should not be distributed, forwarded to or transmitted in or into any jurisdiction where to do so might constitute a violation of applicable securities laws or regulations. The issue, exercise or sale of Rights Shares and the acquisition or purchase of the Rights Shares are subject to specific legal or regulatory restrictions in certain jurisdictions. The Company assumes no responsibility in the event there is a violation by any person of such restrictions.

The distribution of this announcement into jurisdictions other than Singapore may be restricted by law. Persons into whose possession this announcement and such other documents come should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this announcement.

This announcement is not an offer for sale of securities in the United States or elsewhere. The provisional allotments of Rights Shares, the Rights Shares, the provisional allotment letters and/or the application forms for the Rights Shares and excess Rights Shares have not been and will not be registered under the United States Securities Act of 1933 (the "Securities Act"), and may not be offered or sold in the United States unless registered under the Securities Act or pursuant to an exemption from, or in a transaction not subject to, registration under the Securities Act. There will be no public offering of securities in the United States.