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SINGASIA HOLDINGS LIMITED

星亞控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8293)

VOLUNTARY ANNOUNCEMENT MEMORANDUM OF UNDERSTANDING IN RESPECT OF POSSIBLE INVESTMENT

This announcement is made by SingAsia Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis to provide its shareholders (the “**Shareholders**”) and potential investors with updated information in relation to the latest business development of the Group.

MEMORANDUM OF UNDERSTANDING IN RESPECT OF POSSIBLE INVESTMENT

The board of directors (the “**Directors**”) of the Company (the “**Board**”) is pleased to announce that, on 25 August 2021 (after trading hours), the Company entered into a non-legally binding memorandum of understanding (“**MOU**”) with a potential seller (the “**Potential Seller**”), pursuant to which the Company intended to acquire and the Potential Seller intended to sell certain equity interests in Yesinspace Limited (悦思國際有限公司) (the “**Target Company**”) (the “**Possible Investment**”). The terms of the Possible Investment shall be agreed in formal agreement(s).

About the Target Company

The Target Company is a company incorporated in Hong Kong with limited liability. It is principally engaged in the provision of human resource outsourcing and hotel management for licensed hostels and hotels.

To the best knowledge, information and belief of the Directors, having made reasonable enquiries, each of the Potential Seller and the Target Company are third parties independent of and not connected with the Company and its connected persons (as defined in the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (“**GEM Listing Rules**”)).

Due diligence

Upon the signing of the MOU, the Company shall conduct due diligence on the assets, finances, taxes, liabilities, legal compliance, business and operation of the Target Company and its subsidiaries as it may consider appropriate.

REASONS FOR AND BENEFITS OF ENTERING INTO THE MOU

The Group is a Singapore-based workforce solutions provider. We provide manpower outsourcing services, manpower recruitment services and manpower training services.

However, as disclosed in the Annual Report 2020 released on October 30, 2020, there has been a decrease in the Group’s sales volume and profit due to the COVID-19 outbreak in Singapore. Hence, the Group is actively seeking new business opportunities to strengthen its income stream.

The Directors consider that the entering into the MOU is in the interest of the Group and its Shareholders as a whole as the transactions contemplated under the MOU, if materialised, are expected to expand the income stream of the Group by entering into human resource outsourcing and hotel management business in Hong Kong. Accordingly, the Board is of the view that the entering into of the MOU is in the interest of the Group and the Shareholders as a whole.

NATURE OF THE MOU

The MOU does not constitute any legally binding commitment in respect of the Possible Investment, save and except that each party agrees to be legally bound by certain confidentiality, exclusivity and termination clauses pursuant to the MOU. The Possible Investment is subject to the negotiation and execution of the formal agreement(s) between the relevant parties, if any.

GENERAL

Further announcement(s) in relation to the Possible Investment will be made by the Company as and when appropriate in compliance with the GEM Listing Rules.

The Board wishes to emphasise that the Possible Investment contemplated under the MOU may or may not proceed and that the parties have not entered into a legally binding agreement in relation to the transaction contemplated under the MOU as at the date of this announcement. In the event that any legally binding definitive agreement is agreed or signed, further announcement(s) will be made by the Company in compliance with the GEM Listing Rules as and when appropriate. As the Possible Investment may or may not proceed, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
SingAsia Holdings Limited
Sim Hak Chor
Chairman

Hong Kong, 25 August 2021

As at the date of this announcement, the executive Directors are Mr. Sim Hak Chor, Ms. Serene Tan and Mr. Tang Ho Lun Ronald; and the independent non-executive Directors are Mr. Lim Cheng Hock, Lawrence, Mr. Jong Voon Hoo and Mr. Lim Wee Pin.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Listed Company Information” page of the GEM website at www.hkgem.com for at least seven days from the day of its posting. This announcement will also be published on the Company’s website at www.singasia.com.sg.

* *For identification purposes only*