

## ARION ENTERTAINMENT SINGAPORE LIMITED

(Incorporated in Singapore)

(Company Registration Number 199407135Z)

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## PROPOSED SALE OF SHARES IN THE CAPITAL OF THE COMPANY BY SUBSTANTIAL SHAREHOLDER AND DIRECTOR

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### 1. INTRODUCTION

The board of directors (the "**Board**" or the "**Directors**") of Arion Entertainment Singapore Limited (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to inform shareholders of the Company ("**Shareholders**") that it has been notified by Mr Ng Kai Man (Executive Director of the Company) (the "**Vendor**") that he had on 21 March 2023 entered into a share purchase agreement ("**SPA**") with Dong Ling Electrical Group Co Ltd (the "**Purchaser**") for the sale of his shareholding interests of 193,799,000 ordinary shares (the "**Sale Shares**") in the share capital of the Company, representing approximately 20.75% of the entire issued and paid-up capital of the Company, to the Purchaser for a consideration of S\$2,894,947 (the "**Proposed Sale**").

The Sale Shares represent the entire shareholding interests of the Vendor in the Company as at the date of this announcement.

### 2. SOME OF THE PRINCIPAL TERMS OF THE SPA

The Company has been informed that pursuant to the SPA:

- (a) the Vendor and/or the Purchaser will provide the necessary financial assistance to the Group for its working capital needs on the terms and subject to the conditions of the SPA (and subject to compliance with the requirements of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") (the "**Catalist Rules**");
- (b) in the event that the Company contemplates a disposal of its existing subsidiaries, the Vendor, being familiar with the businesses of the Company's subsidiaries, will use reasonable endeavours to procure potential third party purchasers for the same;
- (c) the obligations of the parties to the SPA are conditional upon, *among others*:
  - (i) the appointment of a person nominated by the Purchaser to the Board with effect from the completion date of the Proposed Sale (the "**Completion Date**") (subject to compliance with the requirements of the Catalist Rules) and his/her inclusion as co-signatories to all bank accounts of the Company;
  - (ii) all representations, undertakings and warranties of the Vendor provided under the SPA being complied with, true, complete, accurate and correct in all material respects;
  - (iii) all necessary consents, approvals, confirmations and waivers of the relevant authorities having been obtained by the Vendor, and such regulatory approvals not having been amended or revoked before the Completion Date, and to the extent that such regulatory approvals are subject to any conditions required to be

fulfilled before the Completion Date, all such conditions having been duly so fulfilled;

- (iv) none of the following events having occurred in relation to the Company, *among others*:
  - (a) the liquidation, bankruptcy or insolvency of the Company;
  - (b) the appointment of any assignee, receiver or liquidator for substantially all or part of the assets or business of the Company; and
  - (c) the SGX-ST removing the Company from the Catalist board of the SGX-ST or suspending the trading of the shares of the Company on the Catalist board for a period longer than three market days (excluding any voluntary trading halts); and
- (d) subject to all the aforesaid conditions precedent being satisfied, fulfilled or waived (as the case may be) by no later than three months after the date of the SPA, the Vendor shall sell, and the Purchaser shall acquire, the Sale Shares in accordance with the terms of the SPA within seven business days after the satisfaction or waiver of the last condition precedent, or such other date as the parties to the SPA may agree in writing.

The Proposed Sale would result in the Vendor ceasing to be a Shareholder, while, to the best of the knowledge of the Company, the Purchaser will become the single largest controlling Shareholder of the Company immediately upon the completion of the Proposed Sale. The Vendor will remain as an Executive Director of the Company immediately after the completion of the Proposed Sale.

### **3. INFORMATION ON THE PURCHASER**

*The information herein is based on information provided by and/or representations made by the Purchaser. The Company and the Directors have not conducted an independent review or verification of the accuracy of the statements and information below.*

- (a) The Purchaser is a company incorporated in the Hong Kong Special Administrative Region ("**Hong Kong**"). The Purchaser is an investment holding company and 100% owned by Hong Kong-incorporated Ever Sino Industrial Ltd, which is in turn 100% owned by Guangdong Donlim Kitchen Group Co. Ltd which is incorporated in the People's Republic of China ("**PRC**"). The shareholders of Guangdong Donlim Kitchen Group Co. Ltd are as follows: Guo Jiangang (60%), Guo Jianqiang (30%) and Guo Zhizhao (10%), who are citizens of the PRC. The said individuals are accordingly also the ultimate beneficial owners of the Purchaser;
- (b) Guo Jiangang is a businessman in the PRC and Hong Kong, and is engaged in the manufacturing and distribution of household appliances in the PRC and overseas. Guo Jianqiang and Guo Zhizhao are his family members. Each of Guo Jiangang, Guo Jianqiang and Guo Zhizhao are independent and unrelated to the Vendor and the Company. As at the date of this announcement, the Purchaser and its shareholders do not hold, directly or indirectly, any shares in the Company;
- (c) the Purchaser is a financial investor and have made the acquisition and investment in the Company for long term capital return. As at the date of this announcement, the

Vendor and the Company are not aware of any plans the Purchaser may have for the Group, other than as disclosed in this announcement;

- (d) the sale consideration was arrived at based on a willing-buyer willing-seller basis and taking into consideration that the Purchaser will be the single largest controlling Shareholder of the Company after completion of the Proposed Sale; and
- (e) The Purchaser was introduced to the Vendor through an independent licensed securities dealer in Singapore.

To the best of the knowledge of the Company, the Directors and substantial Shareholders of the Company, and their respective associates, are not related to and have no connections (including business relationships) with the Purchaser and its shareholders as mentioned above.

#### **4. DISCLOSURE OF INTEREST**

Save for Mr Ng Kai Man (Executive Director of the Company), each of the Directors confirms that he does not have any interest, direct or indirect, in the Proposed Sale other than through his shareholding and/or directorship (as applicable) in the Company.

#### **5. TRADING CAUTION**

Shareholders and potential investors are advised to exercise caution in dealing in the shares of the Company and to refrain from taking any action which may be prejudicial to their interests. There is no certainty or assurance as at the date of this announcement that no changes will be made to the terms of the SPA or that all the conditions in the SPA will be satisfied. The Company will make the necessary announcements at the appropriate time in compliance with the applicable rules and regulations as and when there are material developments. Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt as to the action that they should take.

#### **BY ORDER OF THE BOARD**

Chou Kong Seng  
Independent Non-Executive Director  
21 March 2023

*This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.*

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