

**MEDIA RELEASE
FOR IMMEDIATE RELEASE**

ACROMEC announces share swap with biomass-to-energy JV partner, Nutara Investment for joint ownership of Neo Tiew Power through Acropower

Singapore, 12 November 2021 – Catalyst-listed ACROMEC Limited (“ACROMEC”, or the “Company” and together with its subsidiaries, the “Group”), today announced that it has on 11 November 2021 implemented a share swap, in which Nutara Investment Pte Ltd (the “JV Partner”) would exchange its 30% direct shareholdings in Neo Tiew Power Pte Ltd (“Neo Tiew Power”), for 30% direct shareholdings in Acropower Pte Ltd (“Acropower”). For information, Acropower is the vehicle for the Group to carry out its strategic diversification plans into the renewable energy sector.

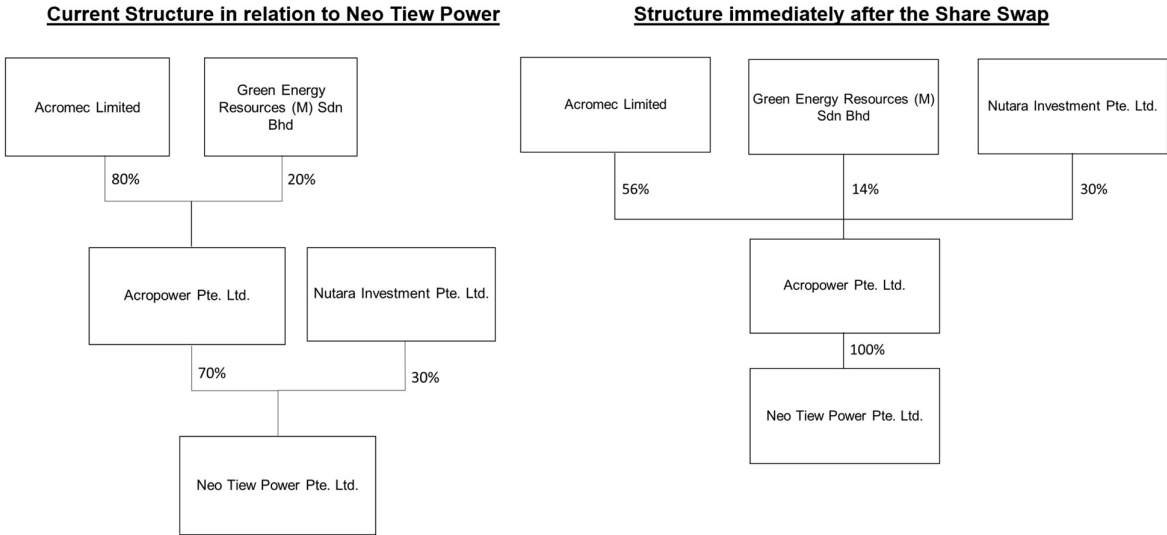
The share swap, on completion, effectively places Nutara Investment as a fellow shareholder of Acropower, joining ACROMEC and Green Energy Resources Sdn Bhd (the current shareholders of Acropower) whose interest in Acropower would then be 30%, 56% and 14% respectively.

It is to be noted that the effective interest of ACROMEC, the JV Partner, and Green Energy Resources in Neo Tiew Power (including through Acropower) remain unchanged before and after the Share Swap. See illustration below for structure before and after the share swap.

For information, Neo Tiew Power owns and is in the midst of commissioning the biomass-to-energy plant situated at Chew’s Agriculture poultry farm at Neo Tiew Road.

Said Mr. Lim Say Chin, Executive Chairman and Managing Director of ACROMEC, “*With this share swap restructuring, we look forward to closer collaboration with our strategic partner, Nutara Investment, in driving forward our renewable energy goals at our biomass-to-energy venture. Nutara Investment effectively moves away from being a mere investor in New Tiew Power, to a fellow valued strategic partner in Acropower. This development will allow the Group to further tap on the technical capabilities, expertise and commercial network of our strategic partner, and provide more opportunities for business development and growth.*”

Share Swap Illustration



The transactional documents executed to implement the share swap comprise, *inter alia*, a conditional share subscription agreement and a joint venture agreement.

Amongst the effect of the documents signed, the commitment letter, which earlier allows the JV Partner exit rights if Neo Tiew Power becomes insolvent, or is unable to meet certain agreed financial performance benchmarks for the financial year ending 30 September 2023, becomes invalidated.

None of the Directors or controlling shareholders of the Company or their respective associates has any interest, direct or indirect, in the Share Swap other than through their respective directorships and/or shareholding interests in the Company.

Background

Acropower had in May 2019 signed an agreement with Chew’s Agriculture Pte Ltd (“Chew’s”), one of Singapore’s leading fresh eggs producers, to build, own and operate a new biomass-to-energy plant (the “Plant”) at Chew’s new farm at Neo Tiew Road (“May 2019 Agreement”). The Plant will process and convert manure from the farm into biogas for use in generating electricity, which will then be supplied back to Chew’s at agreed prices.

Shareholders’ approval for the diversification of this new business was obtained in July 2019. Neo Tiew Power was incorporated in February 2020. Acropower’s obligation to carry out the May 2019 Agreement was novated to Neo Tiew Power.

On 26 November 2020, the Group further announced the completion of the joint venture between its subsidiary Acropower, and the JV Partner, with the subscription by both parties of new shares in the share capital of Neo Tiew Power.

The JV Partner is a Singapore-incorporated investment holdings company comprising private investors. It has other investments in companies with experience in providing turnkey solutions to its customers in the field of process plants and facilities, environmental technology systems as well as composite process equipment.

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This press release is to be read in conjunction with the Company's announcement posted on the SGX website on 12 November 2021.

About Acromec Limited (SGX Stock Code: 1CH1)

ACROMECC is an established specialist engineering services provider with more than 20 years of experience in the field of controlled environments. The Group has over the years acquired expertise in the design and construction of facilities requiring controlled environments such as laboratories, medical and sterile facilities and cleanrooms.

ACROMECC's business is divided into two main business segments: (i) Engineering, procurement and construction services, specialising in architectural, and mechanical, electrical and process works within controlled environments; and (ii) Maintenance and repair services of facilities and equipment of controlled environments and their supporting infrastructure.

The Group mainly serves the healthcare, biomedical, pharmaceutical, research and academia, and electronics sectors. ACROMECC counts amongst its customers, hospitals and medical centres, government agencies, research and development companies or agencies, research and development units of multinational corporations, tertiary educational institutions, pharmaceutical companies, semiconductor manufacturing companies, and multinational engineering companies.

This media release 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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