

**ACROMETA GROUP LIMITED**  
(Incorporated in the Republic of Singapore)  
(Company Registration No. 201544003M)

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**DEMAND FOR PAYMENT OF WASTE HANDLING CHARGES AND NOTICE TO RECTIFY DEFAULTS**

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Introduction

The Board of Directors of AcroMeta Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company and its 56% owned subsidiary, Neo Tiew Power Pte. Ltd. (“**NTP**”) have both received a Letter of Demand dated 9 June 2023 (the “**Letter**”) from Chew’s Agriculture Pte Ltd (“**Chew’s**”) in relation to certain allegations pertaining to the Contract and the Guarantee (as elaborated below).

By an agreement dated 17 May 2019, Acropower Pte. Ltd. (“**Acropower**”) had entered into a contract (the “**Contract**”) with Chew’s for the construction and operation of a waste to energy plant located at 150 Neo Tiew Road, Singapore 719032 (the “**Plant**”). The Contract was subsequently novated from Acropower to NTP by way of a deed of novation dated 16 June 2020. The Company had also issued a corporate guarantee dated 26 May 2020 to Chew’s in connection with the Contract (the “**Guarantee**”).

Waste Handling Charges

The Letter, sent through Chew’s legal advisor, alleges that full operation of the Plant is delayed and NTP has failed to process the manure produced by Chew’s poultry farm and supply other services as required under the Contract in accordance with its terms and as a result, Chew’s allegedly has incurred costs to transport, treat and dispose such manure in the amount of S\$10,731,304.21 up to April 2023 (the “**Back-Charges**”). Chew’s is seeking to claim the Back-Charges from NTP.

A breakdown of the Back-Charges are as follows:

<b>Period</b>	<b>Back-Charges (Inclusive of GST) (S\$)</b>
25 July 2019 to April 2021	3,862,095.74
May 2021 to March 2022	757,932.13
April 2022 to April 2023	6,111,276.34
<b>Total</b>	<b>10,731,304.21</b>

In addition, Chew’s is also reserving its right to claim from NTP any costs incurred by Chew’s after April 2023 to transport, treat and dispose any manure produced by its poultry farm.

Notice to Rectify Defaults

The Letter also alleges that NTP is in default of the Contract on the basis that NTP has failed to supply the services as required under the Contract and pay the Back-Charges and otherwise has committed a material breach of its obligations under the Contract (“**Alleged Defaults**”). Chew’s has required NTP to rectify the Alleged Defaults within 45 days from the date of the Letter. i.e. before 24 July 2023, failing which Chew’s reserves the right to terminate the Contract.

Guarantee

In addition, pursuant to the Guarantee, the Letter gives notice to the Company of the Alleged Defaults of NTP and demands that if NTP fails to remedy the Alleged Defaults within 45 days from the date of the

Letter, the Company must make payment of the Back-Charges and take steps to provide the full scope of services as required under the Contract. The Company notes that the Guarantee expressly states that the aggregate liabilities of the Company under the Guarantee (when added to the aggregate liabilities of NTP under the Contract) shall not under any circumstances exceed S\$1,000,000.

### General

The Group does not agree with the alleged claims and defaults made by Chew's in the Letter. As stated in results announcement for the period ended 31 March 2023 dated 12 May 2023, Note 9, the Group was unable to commence its waste-to-energy operations due to the COVID-19 disruption and the introduction of new combustible dust regulation. The Group has reviewed its position under the Contract and determined that these factors beyond the Group's control does not constitute a material breach of the Contract. Accordingly, the Back-Charges, except for S\$757,932.13, were not recorded by the Group.

The Company and NTP are in the midst of engaging their legal advisors and intend to refute the Letter and defend their respective interest and position. The Letter invites the Company and NTP to engage with Chew's so that parties can take steps to achieve an amicable settlement, and without any admission of liability, this is also in line with the Group's position.

The Company will make the necessary announcements as and when there are material developments in relation to the above matter.

Shareholders and potential investors are advised to exercise caution when dealing with the Company's securities, and seek advice from their stockbrokers, bankers, solicitors, accountants, financial advisers or other professional advisers if they have any doubt about the action that they should take.

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

**Lim Say Chin**  
**Executive Director and Chief Executive Officer**  
**15 June 2023**

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*This announcement has been reviewed by the Company's sponsor, Evolve Capital Advisory Private Limited (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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