



Alset International Limited

(Incorporated in the Republic of Singapore)
(Company Registration Number 200916763W)

CLARIFICATION ANNOUNCEMENT

The Board of Directors (the “**Board**”) of Alset International Limited (the “**Company**”) and together with its subsidiaries, the “**Group**”) refers to the announcement made by the Company on 16 September 2022 titled “Response to Queries Issued by the SGX-ST” (“**16 September 2022 Announcement**”) and the circular to shareholders dated 21 October 2022 (the “**Circular**”).

In the Company’s response to query 6(a) in the 16 September 2022 Announcement, the Company wishes to clarify that “*The common directors of the Company and ACAC will have also abstained from voting on the Directors resolution on the Proposed Disposal*”.

The common directors of the Company and ACAC will not be abstaining from voting at the Company’s upcoming Extraordinary General Meeting on 7 November 2022 because of the reasons as set out under Section 2.2 of the Circular which have been reproduced in italics below. All terms and expressions used in the extract below shall have the same meanings as those defined in the Circular.

“2.2 The Proposed Disposal is not an interested person transaction

2.2.1 *The details of the controlling shareholders, board and key management of the Company and of ACAC are as follows:*

	The Company	ACAC
Controlling shareholders	(1) <i>Alset Business Development Pte. Ltd.</i> (2) <i>Chan Heng Fai</i>	(1) <i>Alset EHome International, Inc.</i> (2) <i>Alset International Limited</i>
Board of directors	(1) <i>Chan Heng Fai (Executive Chairman, Executive Director and Chief Executive Officer)</i> (2) <i>Lam Lee G. (Independent Non-Executive Vice Chairman)</i> (3) <i>Chan Tung Moe (Executive Director and Co- Chief Executive Officer)</i> (4) <i>Lui Wai Leung, Alan (Executive Director and Chief Financial Officer)</i> (5) <i>Lim Sheng Hon, Danny (Executive Director)</i> (6) <i>Wong Shui Yeung (Independent Non-Executive Director)</i> (7) <i>Tao Yeoh Chi (Lead Independent Non-Executive Director)</i>	(1) <i>Chan Heng Fai (Director and Chief Executive Officer)</i> (2) <i>William Wu (Independent Director)</i> (3) <i>Wong Shui Yeung (Independent Director)</i> (4) <i>Wong Tat Keung (Independent Director)</i>

	(8) Wong Tat Keung (Independent Non-Executive Director) (9) Chan King Fai (Independent Non-Executive Director)	
Key management	(1) Chan Heng Fai (Executive Chairman, Executive Director and Chief Executive Officer) (2) Chan Tung Moe (Executive Director and Co-Chief Executive Officer) (3) Lui Wai Leung, Alan (Executive Director and Chief Financial Officer) (4) Lim Sheng Hon, Danny (Executive Director) ¹ (5) Wei Rongguo (6) Ang Hay Kim (7) Michael Gershon	(1) Chan Heng Fai (Director and Chief Executive Officer) (2) Chan Tung Moe (Co-Chief Executive Officer) (3) Wei Rongguo (Chief Financial Officer) ²

2.2.2 The respective management of the Company and ACAC will propose transactions to the respective board of directors and each director will have an equal vote on the proposed transaction. In the event any proposed transaction is deemed as an interested party transaction, the interested person and its associates will abstain from all decisions and deliberations on the proposed transaction.

2.2.3 Further, the board of directors of the Company and ACAC are independent and are not representatives of other companies. In addition, the Proposed Disposal is subject to ACAC obtaining approval from its shareholders for the initial business combination with the Target.

2.2.4 That said, the Proposed Disposal is not interested person transaction pursuant to Chapter 9 of Catalyst Rules as ACAC is not an associate of an interested person:

(a) Mr Chan Heng Fai, who is the Executive Chairman, an Executive Director, the Chief Executive Officer and a controlling shareholder of the Company, together with his associate and controlling shareholder of the Company, Alset EHome International Inc. ("AEI"), has a deemed interest of approximately 23.4% in ACAC as at the date of this Circular. Further, the company, Alset Acquisition Sponsor, LLC, that gives rise to Mr Chan Heng Fai's deemed interest of approximately 23.4% in ACAC does not have the option to redeem its shares. Accordingly, pursuant to Catalyst Rule 904(4), ACAC is not an associate of both Mr Chan Heng Fai and AEI, and the Proposed Disposal is not an interested person transaction.

(b) The Proposed Disposal is also subject to ACAC obtaining approval from its shareholders for the initial business combination with the Target. Further, common directors of the Company and ACAC, being Mr Chan Heng Fai, Mr Wong Shui Yeung and Mr Wong Tat Keung, have abstained from all internal deliberations and decisions in relation to the Proposed Disposal.

(c) In addition, Mr Chan Tung Moe, who is a Director of the Company, is part of the management of ACAC. Accordingly, Mr Chan Tung Moe has recused himself from all Board deliberations and decisions relating to the Proposed Disposal.

¹ Mr Chan Heng Fai, Mr Chan Tung Moe, Mr Lui Wai Leung, Alan and Mr Lim Sheng Hon, Danny are considered the key management of the Company by virtue of their executive directorship in the Company.

² ACAC is managed by Alset Management Group, Inc., the manager of ACAC. Accordingly, no official appointment of key management is made for ACAC except for Mr Rongguo Wei. Mr Chan Heng Fai and Mr Chan Tung Moe are considered key management personnel of Alset Management Group Inc. by virtue of their executive directorship/function in the aforesaid company.

(d) Save for Mr Chan Heng Fai, Mr Chan Tung Moe and AEI, none of the directors and/or substantial shareholders of the Company have any interest (direct or indirect) in ACAC other than through their respective shareholdings in the Company and AEI, if any.

2.2.5 Accordingly, after taking into consideration the above factors and having reviewed the Proposed Disposal, the Board and the Audit and Risk Management Committee are of the view that the Proposed Disposal is not interested person transaction pursuant to Chapter 9 of Catalist Rules as ACAC is not an associate of any interested person of the Company and was entered into on an arm's length basis, is on normal commercial terms and is not prejudicial to the interests of the Company and its minority shareholders.

2.2.6 No individual is in the capacity to dominate the decision making in the Company and in ACAC. The respective management of the Company and ACAC will propose transactions to the respective board of directors and each director will have equal vote on the proposed transaction.

2.2.7 In the event any proposed transaction is deemed as an interested party transaction, the interested person and its associates will abstain from all decisions and deliberations on the proposed transaction.

2.2.8 The board of directors of the Company and ACAC are independent and are not representatives of other companies.

2.2.9 Accordingly, taking into consideration of the above factors, the common directors of the Company and ACAC will not be abstaining from voting in the EGM. For the avoidance of doubt, none of the directors of the Company will be abstaining from voting at this EGM.”

By Order of the Board
Alset International Limited

Chan Tung Moe
Executive Director and Co-Chief Executive Officer

24 October 2022

This announcement has been reviewed by the Company's Sponsor, Hong Leong Finance Limited. It has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms Vera Leong, Vice President, Hong Leong Finance Limited, at 16 Raffles Quay, #01-05 Hong Leong Building, Singapore 048581, telephone (+65) 6415 9881