

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **December 13, 2023**

ALSET INC.

(Exact name of registrant as specified in its charter)

Texas (State or other jurisdiction of incorporation)	001-39732 (Commission File Number)	83-1079861 (IRS Employer Identification No.)
4800 Montgomery Lane Suite 210 Bethesda, Maryland 20814 (Address of principal executive offices)		20814 (Zip Code)

Registrant's telephone number, including area code: **(301) 971-3940**

Not Applicable

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Ticker symbol(s)	Name of each exchange on which registered
Common Stock, \$0.001 par value per share	AEI	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry into a Material Definitive Agreement.**Binding Term Sheet for Acquisition of New Energy Asia Pacific Inc.**

On December 13, 2023, Alset Inc. (the “Company”) entered into a term sheet (the “Term Sheet”), with Chan Heng Fai (the “Seller”), the Chairman of the Board of Directors, Chief Executive Officer and largest stockholder of the Company. Pursuant to the Term Sheet, the Company will purchase from the Seller all of the issued and outstanding shares of New Energy Asia Pacific Inc. (“NEAPI”), a corporation incorporated in the State of Nevada. NEAPI owns 41.5% of the issued and outstanding shares of New Energy Asia Pacific Limited (“New Energy”), a Hong Kong corporation.

Under the terms of the Term Sheet, the consideration for the acquisition of NEAPI will be \$103,750,000.00, to be paid in the form of a convertible promissory note (the “Note”) to be issued to the Seller. The Note shall have a term of five years and shall pay interest at a rate of 3% per annum. Either the Company or the Seller may convert all or any portion of the outstanding debt contemplated by the Note into shares of the Company’s common stock during the term of the Note. The conversion price for the Note has been set at \$12.00 per share (based on a calculation of the approximate adjusted NAV of the Company per share as at September 30, 2023) which is equivalent to approximately 16 times the last market trading price of AEI of \$0.75 as of December 12, 2023. The closing of this acquisition will be subject to certain standard closing conditions, including stockholder approval and no objection from Nasdaq.

New Energy focuses on distributing all-electric versions of special-purpose and transportation vehicles, charging stations and batteries. The Company intends for this to be a strategic move, in line with the Company’s commitment to advancing sustainable and eco-friendly solutions for the future. Currently, New Energy has a strong pipeline of demand, with signed collective sales secured via Memorandums of Understanding totaling up to \$42 million in value and continues to garner strong interest from local government departments and market demand. New Energy will seek to significantly increase revenues in the coming months relating to both electric chargers and electric vehicles. New Energy’s expertise extends across Asia, with established service and training centers in China and Hong Kong, and ongoing development planned in various parts of the world. The Seller is a member of the Board of Directors of New Energy.

The Term Sheet was approved by the Audit Committee of the Board of Directors and by the Board of Directors of the Company. The Company’s Board of Directors has received a fairness opinion reflecting that the transaction is fair to the Company’s stockholders from a financial point of view. The Seller and his son, who is also a member of the Company’s Board of Directors, recused themselves from all deliberation and voting regarding this acquisition and the Term Sheet.

The Company and the Seller anticipate entering into definitive documents for this acquisition in the immediate future.

The foregoing is a summary only and does not purport to be complete. It is qualified in its entirety by reference to the Term Sheet, a copy of which is filed as Exhibit 10.1 hereto and incorporated by reference herein.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of Registrant.

The information contained in Item 1.01 above is incorporated by reference into this Item 2.03.

8.01 Other Events.

On December 13, 2023, the Company issued a press release regarding the Term Sheet.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
10.1	Term Sheet, dated December 13, 2023, by and between Alset Inc. and Chan Heng Fai
99.1	Press Release dated December 13, 2023
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Form 8-K to be signed on its behalf by the undersigned hereunto duly authorized.

ALSET INC.

Dated: December 14, 2023

By: /s/ Lui Wai Leung Alan
Name: Lui Wai Leung Alan
Title: Co-Chief Financial Officer

TERM SHEET FOR THE ACQUISITION OF NEW ENERGY ASIA PACIFIC INC. BY ALSET INC.

This term sheet (“**Term Sheet**”) is intended to outline the terms and conditions for the purchase and sale of New Energy Asia Pacific Inc. by Alset Inc.

- PARTIES
1. **Alset Inc. (NASDAQ: AET)**, a Texas corporation, having its office at 4800 Montgomery Lane, Suite 210, Bethesda, MD 20814 (hereinafter referred to as the “**Buyer**”);
 2. **Mr. Chan Heng Fai**, an individual having his business address at 9 Temasek Boulevard #16-04, Suntec Tower Two, Singapore 038989 (hereinafter referred to as the “**Seller**”); and
 3. **New Energy Asia Pacific Inc.**, a Nevada corporation, having its office at 4800 Montgomery Lane, Suite 210, Bethesda, MD 20814 (hereinafter referred to as the “**Target**”).

(The Buyer and the Seller shall each be known as a “**Party**”, and collectively the “**Parties**”).

PURPOSE OF THE TERM SHEET

Subject to the terms and conditions as set forth herein, the Buyer intends to acquire from the Seller all of the issued and outstanding shares of the Target (the “**Acquisition**”) in consideration for a convertible note in the amount of US\$103,750,000.00 (the “**Consideration**”).

BACKGROUND INFORMATION

The Target owns approximately 41.5% of the issued and outstanding stock of New Energy Asia Pacific Limited, a Hong Kong operational entity. New Energy Asia Pacific Limited is engaged in business activities relating to electric vehicles and charging stations.

The Buyer has engaged Valuescope Inc., an independent third-party professional valuation firm (“**Valuescope**”), to conduct an independent valuation on the Target, and Valuescope has prepared a fairness opinion for the Acquisition (the “**Fairness Opinion**”).

CONVERTIBLE PROMISSORY NOTE

The Consideration will be satisfied through the issuance of a convertible promissory note (“**Convertible Promissory Note**”) by the Buyer. The terms and conditions of the Convertible Promissory Note shall be as follows:

Principal Amount: The Consideration.

Interest Rate: Three percent (3%).

Term: Five (5) years from the date of signing this Term Sheet (the “**Term**”).

Conversion Rate: US\$12.00 (based on the approximate value of Buyer’s adjusted net asset value (NAV) per share), subject to adjustment for any stock split.

Optional Conversion: The Parties hereby agree that either Party shall have the option, at any time during the Term, to convert the outstanding principal and interest, or any portion thereof, of the Convertible Promissory Note into shares of the Buyer’s common stock, at the Conversion Rate upon ten (10) days written notice.

Prepayment: At any time during the Term the Buyer shall have the right to prepay any or all of the principal and interest accrued on the Convertible Promissory Note upon ten (10) days written notice.

SEVERABILITY	Each provision of this Term Sheet is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the legality, validity, or enforceability of the remainder of this Term Sheet.
BINDING EFFECT	This Term Sheet shall be legally binding.
TERMINATION	This Term Sheet will automatically terminate and be of no further force and effect upon mutual written consent of the Parties.
CLOSING CONDITIONS	The closing of the Acquisition shall be subject to (i) no objection by the Nasdaq and (ii) the approval of the Company's stockholders.
DEFINITIVE AGREEMENT	The Parties will enter into a definitive agreement reflecting the terms set forth herein (the " Definitive Agreement ") for this Acquisition as soon as practicable and in any event, no later than six (6) months from date of the execution of this Term Sheet.
COSTS AND EXPENSES	Each Party shall be responsible for its respective costs and expenses in relation to the preparation of this Term Sheet and the Definitive Agreement.
COUNTERPARTS	This Term Sheet and any amendments, if any, may be executed in counterparts (including by facsimile), each of which shall be an original with the same effect as if the signatures thereto and hereto were part of the same instrument and shall become effective when one or more counterparts have been signed by each of the Parties and delivered (by telecopy or otherwise) to the other Parties.
GOVERNING LAW	This Term Sheet is governed by, and is to be interpreted and enforced in accordance with, the internal laws of the State of Nevada applicable to contracts entered into and performed entirely within the State of Nevada, without giving effect to any choice of law or conflict of laws rules or provisions (whether of the State of Nevada or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Nevada.

The undersigned hereby acknowledges and agrees to the terms and conditions set forth above:

Dated: December 13, 2023

ALSET INC.

MR CHAN HENG FAI

/s/ Lim Sheng Hon, Danny

/s/ Chan Heng Fai

Name: Lim Sheng Hon, Danny

Chan Heng Fai

Title: Director



Alset Inc. Announces Execution of Binding Term Sheet to Acquire 41.5% Interest in Company Engaged in Distribution of Electric Vehicles and Charging Stations

Bethesda, MD, December 13, 2023 (GLOBE NEWSWIRE) — Alset Inc. (NASDAQ:AEI) (“AEI” or the “Company”), a diversified holding company principally engaged through its subsidiaries in the development of smart and sustainable home communities and other property development, financial services, digital transformation technologies, biohealth activities and consumer products, is pleased to announce the signing of a binding term sheet to acquire 100% of New Energy Asia Pacific Inc. (“NEAPI”). NEAPI owns approximately 41.5% of New Energy Asia Pacific Limited, a Hong Kong company (“New Energy”). New Energy focuses on distributing all-electric versions of special-purpose and transportation vehicles, charging stations and batteries.

This is a strategic move for AEI which is in line with the Company’s commitment to advancing sustainable and eco-friendly solutions for the future.

NEAPI will be acquired from Mr. Heng Fai Chan, the Company’s Chairman, Chief Executive Officer and largest stockholder.

The consideration for the acquisition will consist of a convertible note in the amount of \$103.75 million U.S. Dollars to be issued by the Company to the seller. Such convertible note will have a five year term and an interest rate of three (3%) per year. The note may be converted into shares of the Company’s common stock by either party, at any time during the term of the note. The conversion price for such note has been set at **\$12.00** per share (based on a calculation of the approximate adjusted NAV of the Company per share as at September 30, 2023) which is equivalent to approximately **16 times** the last market trading price of AEI of \$0.75 as of December 12, 2023. The closing of this acquisition will be subject to certain standard closing conditions.

Currently, New Energy has a strong pipeline of demand, with signed collective sales secured via Memorandums of Understanding totalling up to **\$42 million** in value and continues to garner strong interest from local government departments and market demand. New Energy will seek to significantly increase revenues in the coming months relating to both electric chargers and electric vehicles.

New Energy’s expertise extends across Asia, with established service and training centers in China and Hong Kong, and ongoing development planned in various parts of the world.

The acquisition of NEAPI, and with it, this significant position in New Energy, reinforces Alset Inc.’s commitment to building a better world through sustainable practices. The holistic support offered by New Energy within the electric vehicle ecosystem perfectly aligns with Alset Inc.’s vision for sustainable living.

“We are excited to have NEAPI, and its significant position in New Energy, as part of our Company. This acquisition represents a crucial step forward in our commitment to delivering and developing a broader range of sustainable and environmentally friendly offerings” Danny Lim, Executive Director of the Company commented. “We aim to drive innovation and contribute to the global shift towards a more conscientious and eco-friendly future.”

About Alset Inc.

AEI is a diversified holding company executing on its vision to accelerate sustainable healthy living with a focus on the development of EHome communities and other property development, financial services, digital transformation technologies, biohealth activities and consumer products. Through its operating subsidiaries, AEI's mission is to provide a healthy living ecosystem that drives long-term exponential growth, building liquidity and value for shareholders. For more information, please visit: <https://www.asetinc.com/>

About New Energy Asia Pacific Inc.

NEAPI owns approximately 41.5% ownership in New Energy Asia Pacific Limited, the Hong Kong operational entity. New Energy focuses on distributing all-electric versions of special-purpose and transportation vehicles, charging stations and batteries. For more information about New Energy Asia Pacific Inc., please visit: <https://www.newenergyasiapacific.com/>.

Forward-Looking Statements

This press release includes statements that may constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, and are intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. Such statements are subject to risks and uncertainties that are often difficult to predict, are beyond our control, and which may cause results to differ materially from expectations. For a discussion of the most significant risks and uncertainties associated with the Company's business, please review our filings with the SEC. You are cautioned not to place undue reliance on these forward-looking statements, which are based on our expectations as of the date of this press release and speak only as of the date of this press release. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Contact Information

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