

VALUEMAX GROUP LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 200307530N)

PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS CUM WARRANTS ISSUE

- NET PROCEEDS OF UP TO S\$23.5 MILLION (IN RESPECT OF RIGHTS SHARES, IF FULLY SUBSCRIBED) AND S\$52.7 MILLION (IN RESPECT OF WARRANTS, IF FULLY EXERCISED)

1. Introduction

- 1.1. The board of directors (the “**Board**”) of ValueMax Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company is proposing to undertake a renounceable non-underwritten rights cum warrants issue of up to 73,158,897 new ordinary shares in the capital of the Company (the “**Rights Shares**”) at an issue price of S\$0.325 for each Rights Share (the “**Issue Price**”), with up to 146,317,794 free detachable warrants (the “**Warrants**”), each Warrant carrying the right to subscribe for one (1) new ordinary share in the capital of the Company (the “**Warrant Share**”) at the exercise price of S\$0.36 for each Warrant Share (“**Exercise Price**”), on the basis of one (1) Rights Share for every ten (10) existing ordinary shares in the capital of the Company (“**Shares**”) held by the shareholders of the Company (“**Shareholders**”) (the “**Rights Issue**”) and two (2) Warrants for every one (1) Rights Share validly subscribed (the “**Warrants Issue**”) as at a record date to be determined by the Board, at and on which the register of members of the Company and the transfer books will be closed to determine the provisional allotment of the Rights Shares with Warrants of the Entitled Shareholders (as defined below) (the “**Record Date**”), fractional entitlements to be disregarded. In accordance with Rule 821 of the listing manual of the Mainboard (“**Listing Manual**”) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), the Record Date shall only be determined after the Rights cum Warrants Issue (as defined below) has been approved by the SGX-ST.
- 1.2. The Rights Issue and the Warrants Issue shall be referred to as the “**Rights cum Warrants Issue**”.
- 1.3. The Rights Shares, Warrants and Warrant Shares are intended to be issued and allotted pursuant to and within the limits of the general share issue mandate (the “**General Mandate**”) to allot and issue Shares whether by way of rights, bonus or otherwise, and make or grant offers, agreements or options that might or would require Shares to be issued, approved by Shareholders’ at the annual general meeting of the Company held on 25 April 2023 (the “**AGM**”).

2. Proposed Principal Terms of the Rights cum Warrants Issue

Proposed Principal Terms of the Issue	Description
Price	Issue Price of S\$0.325 per Rights Share Exercise Price of S\$0.36 per Warrant Share
Discount/Premium (specifying	The Issue Price of S\$0.325 per Rights Share represents a discount of approximately:

benchmarks and periods)	<p>(a) 0% to the volume weighted average price (“VWAP”) of S\$0.325 per Share for Shares traded on the Mainboard of the SGX-ST on 28 June 2023, being the full market day on which the Shares were traded immediately preceding this announcement; and</p> <p>(b) 0% to the theoretical ex-rights price⁽¹⁾ of S\$0.325 per Share.</p> <p>The Exercise Price of S\$0.36 per Warrant Share represents a premium of approximately:</p> <p>(a) 10.8% to the VWAP of S\$0.325 per Share for Shares traded on the Mainboard of the SGX-ST on 28 June 2023, being the full market day on which the Shares were traded immediately preceding this announcement; and</p> <p>(b) 10.8% to the theoretical ex-rights price⁽¹⁾ of S\$0.325 per Share.</p> <p>Note:</p> <p>(1) The theoretical ex-rights trading price is the theoretical market price of each Share assuming the completion of the Rights cum Warrants Issue, and is computed based on the VWAP of S\$0.325 per Share for Shares traded on the Mainboard of the SGX-ST on 28 June 2023, being the last full market day on which the Shares were traded immediately preceding this announcement. For the avoidance of doubt, the theoretical ex-rights price computation does not include the Warrant Shares to be issued from the exercise of the Warrants.</p>
Allotment Ratio	<p>One (1) Rights Share for every ten (10) existing Shares held by Shareholders as at the Record Date, fractional entitlements to be disregarded.</p> <p>Two (2) Warrants for every one (1) Rights Share subscribed, fractional entitlements to be disregarded.</p>
Use of Proceeds	Please refer to paragraph 4 of this announcement for details on the use of proceeds arising from the Rights cum Warrants Issue.
Purpose of Issue	Please refer to paragraph 3 of this announcement for details on the purpose of the Rights cum Warrants Issue.

The terms and conditions of the Rights cum Warrants Issue are subject to such changes as the Directors may deem fit. The final terms and conditions of the Rights cum Warrants Issue will be contained in the offer information statement (the “**Offer Information Statement**”), to be lodged with the Monetary Authority of Singapore (“**MAS**”), and its accompanying documents to be despatched or disseminated by the Company to Entitled Shareholders (as defined below) in due course. A further announcement on the lodgement and despatch or dissemination of the Offer Information Statement will be made by the Company at the appropriate time.

Further details on the principal terms and conditions of the Rights cum Warrants Issue are set

out below.

2.1. **Basis of Provisional Allotment**

The Rights cum Warrants Issue will be made on a pro rata, renounceable and non-underwritten basis of one (1) Rights Share for every ten (10) Shares held by the Shareholders as at the Record Date, with two (2) Warrants for every one (1) Rights Share subscribed, fractional entitlements to be disregarded.

2.2. **Size of the Rights cum Warrants Issue**

Based on the Company's issued and paid-up share capital comprising 731,588,979 ("**Existing Share Capital**") Shares (excluding treasury shares) as at the date of this announcement, and assuming no new Shares are issued on or prior to the Record Date and all Entitled Shareholders (as defined below) subscribe in full and pay for their *pro rata* entitlements of Rights Shares with Warrants, the Company will issue up to 73,158,897 Rights Shares with 146,317,794 Warrants (exercisable into 146,317,794 Warrant Shares) under the Rights cum Warrants Issue.

The Rights cum Warrants Issue cannot be withdrawn after the commencement of ex-rights trading. The Company has no existing warrants or other convertible securities as at the date of this announcement.

2.3. **Authority to issue the Rights Shares, Warrants and Warrant Shares**

The Rights Shares, Warrants and Warrant Shares are intended to be issued and allotted pursuant to and within the limits of the General Mandate.

The General Mandate authorises the Directors to allot and issue Shares, whether by way of rights, bonus or otherwise, and make or grant offers, agreements or options (collectively, the "**Instruments**") that might or would require Shares to be issued, provided that the aggregate number of Shares (including Shares to be issued pursuant to the Instruments) does not exceed 50% of the total number of issued Shares (excluding treasury shares) as at the date of the AGM, of which the aggregate number of Shares (including Shares to be issued pursuant to the Instruments) that may be issued other than on a pro-rata basis to Shareholders does not exceed 20% of the total number of issued Shares (excluding treasury shares) as at the date of the AGM.

As at the date of the AGM, the total number of issued Shares (excluding treasury shares) of the Company is 731,588,979. In addition, as at the AGM, the Company had no existing warrants or other convertible securities. Accordingly, the total number of Shares that may be issued pursuant to the General Mandate is 365,794,489 Shares, of which the maximum number of Shares that can be issued on a pro rata basis is 365,794,489 Shares and the maximum number of Shares that can be issued other than on a pro rata basis is 146,317,795 Shares. Given that no Shares have been issued pursuant to the General Mandate since the AGM, and assuming that no further Shares are issued following the AGM, the issuance of Rights Shares, Warrants and Warrant Shares will be within the limit of the General Mandate.

2.4. **The Rights Issue**

Entitled Shareholders (as defined below) will be at liberty to accept (in full or in part), decline, renounce or (in the case of Entitled Depositors (as defined below)) trade their provisional allotments of Rights Shares with Warrants on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) during the provisional allotment trading period prescribed by the SGX-ST and will be eligible to apply for additional Rights Shares with Warrants in excess of their provisional allotments under the Rights cum Warrants Issue.

Fractional entitlements to the Rights Shares with Warrants will be disregarded in arriving at the Entitled Shareholders’ provisional allotments of Rights Shares with Warrants and will, together with the provisional allotments of Rights Shares with Warrants which are not taken up or allotted for any reason, be aggregated and allotted to satisfy excess applications for Rights Shares with Warrants (if any), or otherwise dealt with in such manner as the directors of the Company (“**Directors**”) may, in their absolute discretion, deem fit in the best interests of the Company, subject to applicable laws and the Listing Manual.

In the allotment of excess Rights Shares with Warrants not subscribed for in the Rights cum Warrants Issue (“**Excess Rights Shares with Warrants**”), preference will be given to Shareholders for the rounding of odd lots, whereas Directors and substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company, or the terms of the Rights cum Warrants Issue, or have a representation (direct or through a nominee) on the Board, will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares with Warrants. The Company will not make any allotment and issue of any Excess Rights Shares with Warrants that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in general meeting.

2.5. **The Warrants Issue**

The Company also proposes to issue two (2) Warrants free for every one (1) Rights Share validly subscribed for no consideration receivable by the Company.

The terms and conditions governing the Warrants will be set out in an instrument by way of a deed poll (“**Deed Poll**”).

Each Warrant will entitle the holder to subscribe for a Warrant Share at the Exercise Price at any time during the period commencing on and including the date of issue of the Warrants and expiring at 5.00 p.m. on the day immediately preceding the third (3rd) anniversary of such date of issue (“**Exercise Period**”), unless such date is a date on which the register of members and/or register of warrant holders of the Company is/are closed or is not a market day, in which event the Warrants shall expire on the date prior to the closure of the register of members and/or register of warrant holders of the Company or on the immediately preceding market day, as the case may be (but excluding such period(s) during which the register of members and/or the register of warrant holders of the Company may be closed), and Warrants that remain unexercised at the expiry of the Exercise Period shall lapse and cease to be valid for any and all purposes, subject to the terms and conditions of the Warrants as set out in the Deed Poll.

An announcement on the expiry of the Warrants will be made and a notice will be sent to all holders of the Warrants at least one (1) month before the expiry of the relevant Exercise Period.

The Exercise Prices and/or the number of Warrants to be held by each holder of the Warrants

will, after their issue, be subject to adjustments under certain circumstances (such circumstances will be set out in the Deed Poll) and appropriate announcements on the adjustments will be made by the Company. After the issue of the Warrants, in the event of any material alteration to the terms of Warrants to the advantage of the holders of the Warrants, approval by Shareholders for such alteration(s), except where the alterations are made pursuant to the terms of the issue of the Warrants, shall be sought.

The Warrants are immediately detachable from the Rights Shares upon issue, and will be issued in registered form, subject to the terms and conditions to be set forth in the Deed Poll. The Warrants will be listed and traded separately on the SGX-ST under the book entry (scripless) settlement system. The listing of and quotation for the Warrants on the Main Board of the SGX-ST, if approved, is expected to be subject to there being a sufficient spread of holdings for the Warrants to provide an orderly market for the Warrants. Each board lot of the Warrants will consist of 100 Warrants or such other board lot size which the SGX-ST may require and as may be notified by the Company.

2.6. **Scaling Down of Subscriptions**

Depending on the level of subscription for the Rights cum Warrants Issue, the Company may, if necessary and upon the approval of the SGX-ST, scale down the Rights Shares with Warrants subscribed by any Shareholder to:

- (a) avoid placing such Shareholder and/or parties acting in concert with it (as defined in the Singapore Code on Take-overs and mergers (the “**Takeover Code**”)) in the position of incurring an obligation to make a mandatory general offer under the Takeover Code as a result of other Entitled Shareholders (as defined below) not taking up, whether partly or in full, their provisional allotments of the Rights Shares with Warrants; and/or
- (b) to avoid the transfer of a controlling interest in the Company, which is prohibited under Rule 803 of the Listing Manual, unless prior approval of Shareholders is obtained in a general meeting.

2.7. **Ranking**

The Rights Shares with Warrants will be payable in full upon acceptance and/or application. The Rights Shares, when allotted and issued, will rank *pari passu* in all respects with the then existing Shares, except that they will not rank for any dividends, rights, allotments or other distributions that may be declared or paid, the record date for which falls before the date of issue of the Rights Shares with Warrants.

The Warrant Shares arising from the exercise of the Warrants will, upon allotment and issue, rank *pari passu* in all respects with the then existing issued Shares for any dividends, rights, allotments or other distributions, the record date of which falls on or after the date of issue of the Warrant Shares, save as may be otherwise provided in the Deed Poll.

For this purpose, a “**record date**” means, in relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time as may have been notified by the Company) on which the Shareholders must be registered with the Company or The Central Depository (Pte) Limited (“**CDP**”), as the case may be, in order to participate in such dividends, rights, allotments or other distributions.

2.8. **Non-underwritten basis of the Rights cum Warrants Issue**

The Rights cum Warrants Issue will not be underwritten. In the reasonable opinion of the Directors, and in view of the Irrevocable Undertaking (as defined below), there is no minimum amount which must be raised from the Rights cum Warrants Issue. After taking into consideration the aforementioned, the costs of engaging an underwriter and having to pay commission in relation to the underwriting, the Directors have decided that it is not necessary nor cost effective for the Rights cum Warrants Issue to be underwritten by a financial institution.

3. **Rationale**

- 3.1. The Rights cum Warrants Issue is intended to: (a) strengthen the financial position and capital base of the Group; (b) fortify its balance sheet; (c) enhance its financial flexibility; and (d) position the Group to seize opportunities for business growth and expansion of its existing moneylending business as and when opportunities arise. This is vital as global economic uncertainties such as higher interest rates, currency volatility, geopolitical tensions and inflationary pressures stubbornly persist.
- 3.2. In addition to the proceeds to be received from the completion of the Rights cum Warrants Issue, the Company will also receive further proceeds as and when the Warrants are exercised, particularly as the market price of the Shares approaches or exceeds the Exercise Price.
- 3.3. The Rights cum Warrants Issue equitably provides existing Shareholders who are confident of the future prospects of the Company with an opportunity on a pro rata basis to subscribe for additional Shares in the Company.

4. **Use of Proceeds**

- 4.1. On the assumption that:
 - (a) (i) none of the Shareholders except for the Undertaking Shareholder (as defined below) subscribes for their respective *pro rata* entitlements to Rights Shares with Warrants under the Rights cum Warrants Issue; and (ii) the Undertaking Shareholder (as defined below) subscribes for its *pro rata* entitlement to the Rights Shares with Warrants only and not any of the Excess Rights Shares with Warrants pursuant to the Irrevocable Undertaking (as defined below), (the “**Minimum Subscription Scenario**”), the Company expects to receive net proceeds of approximately S\$1.9 million (if none of the Warrants are exercised) and approximately S\$6.6 million (assuming all of the Warrants are immediately exercised upon issue) from the Rights cum Warrants Issue, after deducting estimated expenses from this Rights cum Warrants Issue of approximately S\$0.3 million; and
 - (b) all Shareholders subscribe for their respective *pro rata* entitlements to Rights Shares with Warrants under the Rights cum Warrants Issue (the “**Maximum Subscription Scenario**”), the Company expects to receive net proceeds of approximately S\$23.5 million (if none of the Warrants are exercised), and approximately S\$76.2 million (assuming all of the Warrants are immediately exercised upon issue), from the Rights cum Warrants Issue, after deducting estimated expenses from this Rights cum Warrants Issue of approximately S\$0.3 million.
- 4.2. In all the scenarios mentioned in paragraph 4.1 above, the Company intends to use the net proceeds (“**Net Proceeds**”) from the Rights cum Warrants Issue in the following manner and proportions:

No.	Use of Net Proceeds	Percentage of Net Proceeds (%)
1.	For the working capital requirements of the Group	100
Total		100

The Company is of the view that the minimum proceeds raised (based on the Irrevocable Undertaking (as defined below)) from the Rights cum Warrants Issue in the Minimum Subscription Scenario will be sufficient to meet the Company's present funding requirements.

- 4.3. The Company will make periodic announcements on the utilisation of the Net Proceeds as and when such proceeds are materially disbursed and whether such disbursements are in accordance with the stated use of proceeds, and subsequently provide a status report on the use of such proceeds in its annual report. Where the proceeds have been used for working capital purposes, the Company will provide a breakdown with specific details on how the proceeds have been applied in the Company's announcements and the annual report. Where there is any material deviation from the stated use of proceeds, the Company will announce the reasons for such deviation.
- 4.4. Pending the deployment of the proceeds raised from the Rights cum Warrants Issue for the use(s) mentioned above, the proceeds may be placed as deposits with financial institutions, or invested in short-term money market or debt instruments, or for any other purposes on a short-term basis as the Directors may deem fit in the interests of the Group.

5. Opinion of Directors

- 5.1. The Directors are of the opinion that, after taking into consideration the Group's present bank facilities, the working capital available to the group is sufficient to meet its present requirements. Nonetheless, the Company is undertaking the Rights cum Warrants Issue for the reasons cited in paragraph 3 above.
- 5.2. The Directors are of the opinion, after taking into consideration the rationale for the Rights cum Warrants Issue as set out in paragraph 3 of this announcement that the Rights cum Warrants Issue is in the interests of the Company.
- 5.3. In determining the Issue Price, Exercise Price and premium as set out in paragraph 2 of this announcement, the Directors had taken into consideration, amongst others, the historical performance of the Group, profitability and prospects of the Group's businesses, intrinsic and net asset value per Share, volume weighted average price of the Shares as at 28 June 2023, theoretical ex-rights price computed on the same and retention of long term shareholders.

6. Eligibility to Participate in the Rights cum Warrants Issue

- 6.1. The Company proposes to provisionally allot the Rights Shares with Warrants to all Shareholders who are eligible to participate in the Rights cum Warrants Issue on the basis of their shareholdings in the Company as at the Record Date ("**Entitled Shareholders**"). The Entitled Shareholders comprise Entitled Depositors and Entitled Scripholders (both as defined below).
- 6.2. "**Entitled Depositors**" are Entitled Shareholders whose securities accounts with CDP are credited with Shares as at 5.00 p.m. (Singapore time) on the Record Date, provided that such Entitled Depositors have registered addresses in Singapore with CDP as at the Record Date

or if they have registered addresses outside Singapore, they have provided CDP with a registered address in Singapore no later than 5.00 p.m. (Singapore time) on the date being three (3) market days (being a day on which the SGX-ST is open for trading in securities) prior to the Record Date.

- 6.3. **“Entitled Scripholders”** are Entitled Shareholders whose share certificates are not deposited with CDP and who have tendered to Tricor Barbinder Share Registration Services (**“Share Registrar”**) at 80 Robinson Road #02-00, Singapore 068898 valid transfers of their Shares and the certificates relating thereto for registration up to the Record Date, provided that such Entitled Scripholders have registered addresses in Singapore with the Share Registrar as at the Record Date or if they have registered addresses outside Singapore, they have provided the Share Registrar with a registered address in Singapore, in Singapore no later than 5.00 pm. (Singapore time) on the date being three (3) market days (being a day on which the SGX-ST is open for trading in securities) prior to the Record Date.

6.4. **CPF Investment Scheme**

Shareholders who have previously purchased Shares using their Central Provident Fund (**“CPF”**) account savings (**“CPF Funds”**) under the Central Provident Fund Investment Scheme (**“CPFIS”**) may only use their CPF Funds for the payment of the Issue Price to subscribe for their provisional allotments of Rights Shares with Warrants and (if applicable) to apply for Excess Rights Shares with Warrants, subject to the applicable CPF rules and regulations. Such Shareholders who wish to accept provisional allotments of the Rights Shares with Warrants and (if applicable) apply for Excess Rights Shares with Warrants using CPF Funds will need to instruct their respective approved CPF agent banks with whom they hold their CPF investment accounts, to accept the provisional allotments of the Rights Shares with Warrants and (if applicable) apply for Excess Rights Shares with Warrants on their behalf in accordance with the terms and conditions in the Offer Information Statement. CPF Funds may not be used to purchase provisional allotments of nil-paid Right Shares with Warrants directly from the market.

6.5. **Supplementary Retirement Scheme (“SRS”)**

Members under the SRS (**“SRS Members”**) who have previously purchased their Shares using their account opened with the relevant approved bank (**“SRS Accounts”**) and who wish to accept their provisional allotments of Rights Shares with Warrants and apply for excess Rights Shares with Warrants (if applicable) can only do so, subject to applicable SRS rules and regulations, using monies standing to the credit of their respective SRS Accounts. Such SRS Members who wish to accept their provisional allotments of Rights Shares with Warrants and apply for Excess Rights Shares with Warrants using SRS monies (if applicable), must instruct the relevant approved banks in which they hold their SRS Accounts to accept their provisional allotments of Rights Shares with Warrants and apply for Excess Rights Shares with Warrants (if applicable) on their behalf in accordance with the Offer Information Statement. Any application made directly to CDP or through automated teller machines of any participating bank appointed and named in the Offer Information Statement, the Share Registrar and/or the Company will be rejected. For the avoidance of doubt, monies in SRS Accounts may not be used for the purchase of the provisional allotments of Rights Shares with Warrants directly from the market. Such Entitled Shareholders should refer to the Offer Information Statement to be lodged with the MAS for important details relating to the offer procedure in connection with the Rights cum Warrants Issue.

6.6. Foreign Shareholders

For practical reasons and to avoid any violation of the relevant legislation applicable in countries other than Singapore, the Rights Shares with Warrants will not be offered to Shareholders with registered addresses outside Singapore as at 5.00 p.m. (Singapore time) on the Record Date and who have not, by no later than 5.00 p.m. (Singapore time) on the date being three (3) market days (being a day on which the SGX-ST is open for trading in securities) prior to the Record Date, provided to the Share Registrar or CDP, as the case may be, with registered addresses in Singapore for the service of notices and documents (the "**Foreign Shareholders**"), and the Offer Information Statement and its accompanying documents will not be despatched to Foreign Shareholders. Accordingly, no provisional allotments of the Rights Shares with Warrants will be made to Foreign Shareholders and no purported acceptance thereof or application by Foreign Shareholders will be valid.

SHAREHOLDERS WITH REGISTERED ADDRESSES OUTSIDE SINGAPORE WHO WISH TO PARTICIPATE IN THE RIGHTS CUM WARRANTS ISSUE SHOULD PROVIDE CDP OR THE SHARE REGISTRAR, AS THE CASE MAY BE, WITH ADDRESSES IN SINGAPORE FOR THE SERVICE OF NOTICES AND DOCUMENTS, AT LEAST THREE (3) MARKET DAYS PRIOR TO THE RECORD DATE.

7. Irrevocable Undertaking

- 7.1. As at the date of this announcement, Mr. Yeah Hiang Nam (the "**Undertaking Shareholder**"), a controlling shareholder of the Company, holds a deemed interest in 606,975,585 Shares, representing 82.97% of the total number of issued Shares of the Company, of which 66,379,454 Shares ("**Nominee Shares**"), representing 9.07% of the total number of issued Shares of the Company, are held through a nominee where he is the sole beneficial owner.
- 7.2. To demonstrate confidence, support and commitment to the Company and the Rights cum Warrants Issue, the Undertaking Shareholder will be providing an irrevocable undertaking in favour of the Company ("**Irrevocable Undertaking**"), pursuant to which the Undertaking Shareholder will, subject to certain conditions, irrevocably undertaken to the Company that, among others:
- (a) as at the Record Date, the number of Nominee Shares held on behalf of the Undertaking Shareholder will not be less than the number of Nominee Shares held on behalf of him as at the date of the Irrevocable Undertaking;
 - (b) he will, not later than the last day for acceptance and payment of the Rights Shares with Warrants, subscribe for and pay in full for and/or procure the subscription of and payment in full for his *pro rata* entitlement to the Rights Shares with Warrants under the Rights cum Warrants Issue in relation to Nominee Shares held on behalf of him as at the Record Date, in accordance with the terms and conditions of the Rights cum Warrants Issue.
- 7.3. The Undertaking Shareholder shall procure confirmations from financial institutions that he has sufficient financial resources to fulfil his obligations under the Irrevocable Undertaking.
- 7.4. The Irrevocable Undertaking will be conditional upon, among others, the receipt of the approval in-principle of the SGX-ST for the dealing in, listing of and quotation for the Rights Shares, Warrants and Warrant Shares on the Mainboard of the SGX-ST, such approval not having been withdrawn or revoked as at the date of completion of the Rights cum Warrants Issue, and if such approval is granted subject to conditions, such conditions being acceptable to the Company.

Resultant Shareholdings based on the Minimum Subscription Scenario and Maximum Subscription Scenario

- 7.5. Assuming the Minimum Subscription Scenario, the Undertaking Shareholder's aggregate deemed interest in Shares after the close of the Rights cum Warrants Issue will increase from approximately 82.97% as at the date of this announcement to approximately 83.12% (assuming that none of the Warrants are exercised) or approximately 83.42% (assuming that all the Warrants are exercised) of the enlarged share capital of the Company after the Rights cum Warrants Issue.
- 7.6. Assuming the Maximum Subscription Scenario, the Undertaking Shareholder's aggregate deemed interest in Shares after the close of the Rights cum Warrants Issue will remain unchanged at approximately 82.97% of the enlarged share capital of the Company after the Rights cum Warrants Issue.
- 7.7. As the Undertaking Shareholder's aggregate interest in Shares is more than 50% of the issued share capital of the Company, the obligations under the Irrevocable Undertaking will not trigger an obligation under the Takeover Code to make a mandatory general offer for the Shares of the Company.

8. Previous Equity Fund Raising in the Past 12 Months

The Company has not undertaken any previous equity fund raising in the past 12 months.

9. Approvals

- 9.1. Shareholders should note that the Rights cum Warrants Issue is subject to, *inter alia*, the following conditions:
- (a) receipt of the approval in-principle of the SGX-ST for the dealing in, listing of and quotation for the Rights Shares, the Warrants and the Warrant Shares on the Mainboard of the SGX-ST, such approval not having been withdrawn or revoked as at the date of completion of the Rights cum Warrants Issue, and if such approval is granted subject to conditions, such conditions being acceptable to the Company; and
 - (b) the lodgement of the Offer Information Statement, together with all accompanying documents (if applicable), with the MAS.
- 9.2. An application will be made to the SGX-ST for permission to deal in and for the listing of and quotation for the Rights Shares, Warrants and the Warrants Shares on the Mainboard of the SGX-ST. An appropriate announcement will be made in due course when the Company receives the approval-in-principle for the Rights Shares, Warrants and Warrant Shares from the SGX-ST.
- 9.3. The Record Date will also be fixed in due course after obtaining the approval in-principle of the SGX-ST, for which an announcement on the Record Date will be separately made by the Company in due course.

10. Interests of Directors and Substantial Shareholders

Mr. Yeah Hiang Nam, the Undertaking Shareholder, is the Executive Chairman of the Company. He is also the father of Mr. Yeah Chia Kia, Chief Executive Officer and Executive

Director of the Company, and Ms. Yeah Lee Ching, Executive Director of the Company.

Save as disclosed in this announcement, none of the Directors nor, to the best of the Directors' knowledge, any of the substantial Shareholders, has any interest, whether direct or indirect, in the Rights cum Warrants Issue other than through their respective shareholding interests, direct and/or indirect, in the Company (if any).

11. Notification Under Section 309B of the Securities and Futures Act 2001 of Singapore

The provisional allotments of Rights Shares with Warrants, the Rights Shares, the Warrants and the Warrant Shares are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in the MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

12. Offer Information Statement

The Offer Information Statement will be despatched or disseminated by the Company, together with the application forms for the Rights Shares with Warrants and Excess Rights Shares with Warrants or the provisional allotment letter, as the case may be, to the Entitled Shareholders in due course.

13. Cautionary Statement

Shareholders and potential investors are advised to exercise caution when dealing or trading in the Shares. The completion of the Rights cum Warrants Issue is subject to certain conditions. As at the date of this announcement, there is no certainty or assurance that the Rights cum Warrants Issue will be completed or that no changes will be made to the terms thereof. The Company will make the necessary announcements when there are further developments. Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors, accountants, tax advisers or other professional advisers if they have any doubt about the actions they should take.

By Order of the Board

Yeah Lee Ching
Executive Director
30 June 2023