

CIRCULAR DATED 2 MAY 2024

THIS CIRCULAR (“CIRCULAR”) IS ISSUED BY NO SIGNBOARD HOLDINGS LTD (THE “COMPANY”). THIS CIRCULAR IS IMPORTANT AS IT CONTAINS THE RECOMMENDATION OF THE RECOMMENDING DIRECTORS (AS DEFINED HEREINAFTER) AND THE ADVICE OF THE INDEPENDENT FINANCIAL ADVISER (AS DEFINED HEREINAFTER) TO THE RECOMMENDING DIRECTORS. THIS CIRCULAR REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY. If you are in any doubt in relation to the Offer (as defined hereinafter) or as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately. If you have sold or transferred all your ordinary shares in the capital of the Company (“Shares”) held through The Central Depository (Pte) Limited (“CDP”), you need not forward this Circular to the purchaser or transferee as arrangements will be made by CDP for a separate Circular to be sent to the purchaser or transferee. If you have sold or transferred all your Shares represented by physical share certificate(s), you should at once hand this Circular to the purchaser or transferee or to the bank, stockbroker or agent through whom you effected the sale or transfer, for onward transmission to the purchaser or transferee.

The Company has opted for electronic despatch of this Circular. Please note that no printed copies of this Circular will be despatched to Shareholders (as defined hereinafter). Only printed copies of the Notification (as defined hereinafter) will be despatched to Shareholders.

This Circular 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 “SGX-ST”) and the SGX-ST 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.

The contact person for the Sponsor is Mr. Shervyn Essex, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg

CIRCULAR TO SHAREHOLDERS

in relation to the

MANDATORY UNCONDITIONAL CASH OFFER

by

GAZELLE VENTURES PTE. LTD.

(Company Registration No.: 201223814H)

(Incorporated in the Republic of Singapore)

to acquire all the issued and paid-up ordinary shares in the capital of

nosignboard 無招牌
HOLDINGS LTD. 牌

NO SIGNBOARD HOLDINGS LTD

(Company Registration No.: 201715253N)

(Incorporated in the Republic of Singapore)

other than those already owned, controlled or agreed to be acquired by Gazelle Ventures Pte. Ltd. and parties acting in concert with it

Independent Financial Adviser to the Recommending Directors of the Company

ASIAN CORPORATE ADVISORS PTE. LTD.

(Company Registration No.: 200310232R)

(Incorporated in the Republic of Singapore)

SHAREHOLDERS SHOULD NOTE THAT THE OFFER DOCUMENT (AS DEFINED HEREINAFTER) STATES THAT ACCEPTANCES MUST BE RECEIVED BY THE CLOSE OF THE OFFER AT 5.30 P.M. (SINGAPORE TIME) ON 16 MAY 2024 (the “Closing Date”) OR SUCH LATER DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME.

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DEFINITIONS

Except where the context otherwise requires, the following definitions apply throughout this Circular:

“Acceptance Forms”	:	The FAA and the FAT collectively, or any one of them, as the case may be
“ACRA”	:	The Accounting and Corporate Regulatory Authority of Singapore
“Business Day”	:	A day other than Saturday, Sunday or a public holiday on which banks are open for business in Singapore
“Catalist Rules”	:	The Catalist Rules of the SGX-ST
“CDP”	:	The Central Depository (Pte) Limited
“Circular”	:	This circular to Shareholders dated 2 May 2024 in relation to the Offer, enclosing, <i>inter alia</i> , the IFA Letter
“Closing Date”	:	5.30 p.m. (Singapore time) on 16 May 2024 or such later date(s) as may be announced from time to time by or on behalf of the Offeror, being the last day for the lodgement of acceptances of the Offer
“Code”	:	The Singapore Code on Take-overs and Mergers
“Companies Act”	:	The Companies Act 1967 of Singapore
“Company”	:	No Signboard Holdings Ltd.
“Company Securities”	:	(a) Shares; (b) securities which carry voting rights in the Company; or (c) convertible securities, warrants, options or derivatives in respect of (a) or (b), in the Company
“Concert Parties”	:	Parties acting or presumed to be acting in concert with the Offeror in connection with the Offer
“Conflicted Directors”	:	Shall have the meaning ascribed to it in Section 10.3(a) of this Circular
“Constitution”	:	The constitution of the Company
“Conversion Shares”	:	Shall have the meaning ascribed to it in Appendix B of this Circular
“CRPS”	:	Shall have the meaning ascribed to it in Section 1.1 of this Circular
“CRPS Subscription”	:	The subscription of the CRPS by the Offeror pursuant to the Implementation Agreement
“Directors” or “Director”	:	The directors of the Company as at the Latest Practicable Date, and “ Director ” means any of them
“Escrow Agreements”	:	Shall have the meaning ascribed to it in Appendix B of this Circular
“Escrow Amount”	:	Shall have the meaning ascribed to it in Appendix B of this Circular

DEFINITIONS

“FAA”	:	Form of Acceptance and Authorisation for Offer Shares which forms part of the Offer Document and which is issued to Shareholders whose Shares are deposited with CDP
“FAT”	:	Form of Acceptance and Transfer for Offer Shares which forms part of the Offer Document and which is issued to Shareholders whose Shares are not deposited with CDP
“FY”	:	Financial year ended or ending 30 September
“Gazelle Capital”	:	Gazelle Capital Pte. Ltd.
“Group”	:	The Company and its subsidiaries, collectively
“IFA Letter”	:	Shall have the meaning ascribed to it in Section 10.1 of this Circular
“Implementation Agreement”	:	Shall have the meaning ascribed to it in Section 1.1 of this Circular
“Independent Financial Adviser”, “IFA” or “ACA”	:	Asian Corporate Advisors Pte. Ltd., the independent financial adviser to the Recommending Directors in connection with the Offer
“Interested Person”	:	As defined in Note on Rule 24.6 of the Code and read with Note on Rule 23.12 of the Code, an interested person, in relation to a company, is: (a) a director, chief executive officer, or Substantial Shareholder of the company; (b) the immediate family of a director, the chief executive officer, or a Substantial Shareholder (being an individual) of the company; (c) the trustees, acting in their capacity as such trustees, of any trust of which a director, the chief executive officer, or a Substantial Shareholder (being an individual) and his immediate family is a beneficiary; (d) any company in which a director, the chief executive officer, or a Substantial Shareholder (being an individual) together and his immediate family together (directly or indirectly) have an interest of 30% or more; (e) any company that is the subsidiary, holding company or fellow subsidiary of the Substantial Shareholder (being a company); or (f) any company in which a Substantial Shareholder (being a company) and any of the companies listed in (e) above together (directly or indirectly) have an interest of 30% or more
“Latest Practicable Date”	:	18 April 2024, being the latest practicable date prior to the electronic despatch of this Circular

DEFINITIONS

“Market Day(s)”	:	A day on which the SGX-ST is open for trading of securities
“Notification”	:	Shall have the meaning ascribed to it in Section 11 of this Circular
“Offer”	:	The mandatory unconditional cash offer by the Offeror, to acquire the Offer Shares, on the terms and subject to the conditions set out in the Offer Document and the relevant Acceptance Forms, as such offer may be amended, extended and revised from time to time by or on behalf of the Offeror
“Offer Announcement”	:	The offer announcement dated 28 March 2024 issued by the Offeror
“Offer Announcement Date”	:	28 March 2024
“Offer Document”	:	The offer document dated 18 April 2024, including the FAA and FAT, and any supplemental documents issued by or on behalf of the Offeror from time to time
“Offer Price”	:	S\$0.0021 in cash for each Offer Share
“Offer Shares”	:	All the issued Shares to which the Offer relates, as described in Section 1.3 of this Circular
“Offeror”	:	Gazelle Ventures Pte. Ltd.
“Offeror Securities”	:	(a) ordinary shares in the Offeror; (b) securities which carry voting rights in the Offeror; or (c) convertible securities, warrants, options or derivatives in respect of (a) or (b), in the Offeror
“Overseas Person”	:	Shall have the meaning ascribed to it in Section 12.1 of this Circular
“Overseas Shareholder”	:	A Shareholder whose address is outside Singapore as shown in the Register or in the Depository Register (as the case may be)
“Recommending Directors”	:	The Directors who are considered independent for the purposes of the Offer, being Benjamin Cho Kuo Kwang, Francis Ding Yin Kiat, and Lo Kim Seng.
“Registrar” or “Share Registrar”	:	In.Corp Corporate Services Pte. Ltd., in its capacity as the share registrar of the Company
“Relevant Acceptance Forms”	:	The FAA and/or the FAT (as the case may be)
“Relevant Period”	:	The period commencing on 28 September 2023, being the date falling six months prior to the Offer Announcement Date, and ending on the Latest Practicable Date
“Relevant Securities”	:	Shall have the meaning ascribed to it in Section 7 of this Circular
“Securities and Futures Act”	:	The Securities and Futures Act 2001 of Singapore
“SGXNET”	:	The SGXNET Corporate Announcement System, being a system network used by listed companies to send information and announcements to the SGX-ST or any other system networks as prescribed by the SGX-ST

DEFINITIONS

“SGX RegCo”	:	Singapore Exchange Regulation Pte. Ltd.
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Shareholder(s)”	:	Holder(s) of Shares (including persons whose/which Shares are deposited with CDP or who/which have purchased Shares on the SGX-ST)
“Shares”	:	Ordinary shares in the capital of the Company, and each a “Share”
“SIC”	:	Securities Industry Council of Singapore
“Sponsor”	:	PrimePartners Corporate Finance Pte. Ltd.
“SRS”	:	Supplementary Retirement Scheme
“SRS Investors”	:	Investors who have purchased Shares using their SRS contributions pursuant to the SRS
“Subscription Shares”	:	Shall have the meaning ascribed to it in Section 1.1 of this Circular
“Substantial Shareholder”	:	A person who has an interest in not less than 5% of the total number of issued voting Shares
“S\$” and “cents”, or “SGD”	:	Singapore dollars and cents respectively, being the lawful currency of Singapore
“Valiant”	:	Valiant Investments Limited
“%” or “per cent.”	:	Percentage or per centum

Acting in Concert. The expression “**acting in concert**” shall have the meaning ascribed to it in the Code.

Announcements and Notices. References to the making of an announcement or the giving of notice by the Company shall include the release of an announcement by the Company or its agents, for and on behalf of the Company, to the press or the delivery of or transmission by telephone, telex, facsimile, SGXNET or otherwise of an announcement to the SGX-ST. An announcement made otherwise than to the SGX-ST shall be notified to the SGX-ST simultaneously.

Capitalised Terms in Extracts. Statements which are reproduced in their entirety from the Offer Document, the IFA Letter and the Constitution are set out in this Circular within quotes and italics, and capitalised terms used within these reproduced statements and not defined herein shall bear the same meanings as attributed to them in the Offer Document, the IFA Letter and the Constitution respectively.

Depository Related Terms. The terms “depositor”, “depository agent” and “depository register” shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act.

Expressions. Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations.

Headings. The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

DEFINITIONS

Rounding. Any discrepancies in the tables in this Circular between the listed amounts and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.

Shareholders. References to “you”, “your” and “yours” in this Circular are, as the context so determines, to Shareholders.

Statutes. Any reference in this Circular to any enactment or statutory provision is a reference to that enactment or statutory provision for the time being amended, modified or re-enacted. Any word defined in the Companies Act, the Code, the Securities and Futures Act or any modification thereof and not otherwise defined in this Circular shall, where applicable, have the meaning assigned to that word under the Companies Act, the Code, the Securities and Futures Act or that modification, as the case may be, unless the context otherwise requires.

Subsidiary, Related Corporation. References to “subsidiary” and “related corporation” shall have the meanings ascribed to them respectively in Sections 5 and 6 of the Companies Act.

Time and Date. Any reference to a time of day and date in this Circular shall be a reference to Singapore time and date, unless otherwise specified.

Total Number of Shares and Percentage as at the Latest Practicable Date. In this Circular, the total number of Shares is a reference to a total of 308,259,172 Shares in issue as at the Latest Practicable Date based on a search conducted at the Accounting and Corporate Regulatory Authority of Singapore (“ACRA”), unless the context otherwise requires. Unless otherwise specified, all references to a percentage shareholding in the capital of the Company in this Circular are based on 308,259,172 Shares in issue as at the Latest Practicable Date based on a search conducted at the ACRA. As at the Latest Practicable Date, the Company does not have any treasury shares.

TSMP Law Corporation has been appointed as the legal adviser to the Company in relation to the Offer.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

Forward-Looking Statements. All statements other than statements of historical facts included in this Circular are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “aim”, “seek”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future and conditional verbs such as “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect the Offeror’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of information available as at the Latest Practicable Date. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders and other investors of the Company and shareholders and other investors of the Offeror should not place undue reliance on such forward-looking statements. The Offeror does not guarantee any future performance or event or undertakes any obligation to update publicly or revise any forward-looking statements.

INDICATIVE TIMETABLE

Date of electronic despatch of the Offer Document : 18 April 2024

Date of electronic despatch of this Circular : 2 May 2024

Closing Date : 5.30 p.m. (Singapore time) on 16 May 2024 or such later date(s) as may be announced from time to time by or on behalf of the Offeror.

Date of settlement of consideration for valid acceptance of the Offer⁽¹⁾ : In respect of acceptances of the Offer which are complete and valid in all respects and in accordance with the instructions given in, among others, the Offer Document and Acceptance Forms which are received on or before the Closing Date, within seven Business Days of such receipt.

Note:

(1) Please refer to paragraph 2 of Appendix 3 – Part B: *Further Details to the Offer* of the Offer Document for further details.

LETTER TO SHAREHOLDERS

NO SIGNBOARD HOLDINGS LTD

(Company Registration No.: 201715253N)
(Incorporated in the Republic of Singapore)

Directors:

Lim Teck-Ean, *Executive Director and Interim Chief Executive Officer*
Tan Keng Tiong, *Non-Executive Director*
Lo Kim Seng, *Lead Independent Director*
Benjamin Cho Kuo Kwang, *Independent Director*
Francis Ding Yin Kiat, *Independent Director*

Registered Office:

18 Sin Ming Lane
#06-26, MidView City
Singapore 573960

2 May 2024

To: The Shareholders of No Signboard Holdings Ltd

Dear Sir / Madam,

MANDATORY UNCONDITIONAL CASH OFFER BY GAZELLE VENTURES PTE. LTD.**1. INTRODUCTION**

- 1.1 **Implementation Agreement.** On 30 June 2022, the Company and the Offeror entered into an implementation agreement (the “**Implementation Agreement**”) as part of the Company’s restructuring exercise, under which, *inter alia*, the Offeror undertook to subscribe for (i) new Shares in the Company; and (ii) convertible redeemable preference shares in the Company (the “**CRPS**”). On 28 March 2024, the Implementation Agreement was completed by the Company and the Offeror, and pursuant thereto, the Company allotted and issued a total of (i) 231,194,379 new Shares (the “**Subscription Shares**”) at an issue price of S\$0.0021 per Subscription Share; and (ii) 145,000,000 CRPS at an issue price of S\$0.031 per CRPS, to the Offeror. The issuance of the Subscription Shares resulted in the Offeror acquiring and holding 75.00% of the total number of Shares in the Company.

The CRPS do not have voting rights attached to them (unless converted into new Shares under the terms of the CRPS Subscription) and are, therefore, not part of, or relevant to, the Offer. As at the Latest Practicable Date, the Offeror has not given any notice to convert any of the CRPS. For more information on the CRPS, please refer to **Appendix B** of this Circular and the Offer Announcement.

- 1.2 **Offer Announcement.** On 28 March 2024, the Offeror made the Offer Announcement on SGXNET relating to the issuance of the Subscription Shares, notifying Shareholders that it had become obliged to make the Offer under Rule 14 of the Code upon acquiring 75.00% of the total number of Shares in the Company.

The Offer Announcement is available for viewing on the website of the SGX-ST at www.sgx.com.

- 1.3 **Mandatory Offer.** In accordance with Section 139 of the Securities and Futures Act and Rule 14 of the Code, the Offeror is required to make a mandatory unconditional cash offer for all the Shares, other than those already owned, controlled, or agreed to be acquired by the Offeror and its Concert Parties as at the Offer Announcement Date (the “**Offer Shares**”). As at the Latest Practicable Date, the Company does not have any treasury shares
- 1.4 **Offer Document.** Shareholders should by now have received a copy of the Offer Document and the Relevant Acceptance Forms, which set out, *inter alia*, the terms and conditions of the Offer. The principal terms and conditions of the Offer are set out on pages 11 to 13 of the Offer Document.

The Offer Document is available for viewing on the website of the SGX-ST at www.sgx.com.

LETTER TO SHAREHOLDERS

- 1.5 **Aggregate Existing Holding.** As at 17 April 2024 (being the latest practicable date prior to the electronic despatch of the Offer Document), based on responses received pursuant to enquiries that the Offeror has made, the Offeror owns or controls an aggregate of (i) 231,194,379 Shares, representing approximately 75.00% of the total number of issued Shares (excluding Shares held by the Company in treasury); and (ii) 145,000,000 CRPS, details of which are set out in Appendix 1 to the Offer Document.
- 1.6 **Independent Financial Adviser.** The Company has appointed Asian Corporate Advisors Pte. Ltd. as the independent financial adviser to advise the Recommending Directors in respect of the Offer.
- 1.7 **Purpose of this Circular.** The purpose of this Circular is to provide Shareholders with relevant information pertaining to the Company and the Offer, and to set out the advice of the IFA to the Recommending Directors and the recommendation of the Recommending Directors in respect of the Offer.

Shareholders should read the Offer Document, this Circular and the IFA Letter set out in Appendix A carefully and consider the recommendation of the Recommending Directors and the advice of the IFA to the Recommending Directors on the Offer before deciding on whether to accept or reject the Offer.

If you are in any doubt in relation to this Circular or as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

2. THE OFFER

Based on the information set out in the Offer Document, the terms and conditions of the Offer are as set out below. Unless otherwise defined, all terms and expressions used in the extracts at Section 2 to 7, 9, 12 and 13 below shall have the same meanings as those defined in the Offer Document.

- 2.1 **Terms of the Offer.** The Offer is made by the Offeror, on the principal terms set out in Section 2 of the Offer Document, extracts of which are set out below. The details set out in Appendix 3 – Part B: *Further Details of the Offer* of the Offer Document have also been reproduced in Sections 2.2 and 2.3 of this Circular.

"2. TERMS OF THE OFFER

2.1. Offer Price

2.1.1. *Under Rule 14.3 the Code, the Offeror is required to make the Offer for the Offer Shares at no less than the highest price at which the Offeror Concert Party Group acquired Shares during the Offer Period and in the six (6) months immediately preceding the Offer Announcement Date. The Offeror has determined the purchase price of S\$0.0021 for each new Share it acquired under the Subscription to be the applicable highest price.*

2.1.2. *Accordingly, the consideration payable by the Offeror for each Offer Share is **S\$0.0021 in cash** (the "Offer Price").*

2.1.3. ***The Offer Price is final, and the Offeror will not revise the Offer Price or any other term of the Offer, except if there is a competitive bid.***

2.2. Offer Shares

2.2.1. *The Offer is extended, on the same terms and conditions, to all Offer Shares, being all Shares, excluding those already owned, controlled, or agreed to be acquired by the Offeror Concert Party Group as at the date of the Offer. The Company only has one class of shares, being ordinary shares (sic).*

LETTER TO SHAREHOLDERS

2.3. **No Encumbrances**

2.3.1. *The Offer Shares are to be acquired:*

- (a) *fully paid;*
- (b) *free from all Encumbrances; and*
- (c) *together with all rights, benefits, entitlements and advantages attached thereto as at the Offer Announcement Date, and hereafter attaching thereto, including but not limited to the right to receive and retain all dividends, rights and other distributions declared, paid or made by the Company (each a “Distribution” and collectively, the “Distributions”) (if any), the Record Date for which falls on or after the Offer Announcement Date.*

2.3.2. *For the purpose of this Offer Document, “Record Date” means, in relation to any Distribution, the date specified on which the name of a shareholder must in the register of members of the Company or in the Depository Register maintained by CDP in order to participate in such Distribution.*

2.4. **Adjustment for Distributions**

2.4.1. *Without prejudice to the generality of the foregoing, the Offer Price has been determined on the basis that the Offer Shares will be acquired with the right to receive any Distributions that may be declared, paid, or made by the Company on or after the Offer Announcement Date. In the event any such Distribution is paid or made by the Company to a Shareholder who accepts the Offer, the Offer Price payable to such accepting Shareholder shall be reduced by an amount which is equal to the amount of such Distribution paid or made by the Company to such accepting Shareholder. Accordingly, the following adjustment will apply if any Distribution is declared, paid, or made by the Company on or after the Offer Announcement Date:*

- (a) *if the settlement date in respect of the Offer Shares accepted pursuant to the Offer falls on or before the Record Date for the determination of entitlements to the Distribution, the Offeror will pay the relevant accepting Shareholders the Offer Price of S\$0.0021 in cash for each Offer Share (without any adjustment), as the Offeror will receive the Distribution in respect of those Offer Shares from the Company; and*
- (b) *if the settlement date in respect of the Offer Shares accepted pursuant to the Offer falls after the Record Date, the Offeror reserves the right to reduce the Offer Price by the amount of such Distribution, as the Offeror will not receive the Distribution in respect of those Offer Shares from the Company.*

2.5. **Offer Unconditional**

2.5.1. *The Offer is unconditional in all respects. This means the Offer is not subject to any condition of the level of acceptances the Offeror must receive for the Offer and cannot be withdrawn without the consent of the SIC.*

2.5.2. *Shareholders who accept the Offer will be paid the Offer Price for their Offer Shares (subject to the Offeror's right of adjustment as described in Section 2.4 above) as soon as practicable, and in any case within 7 Business Days after receipt by the Offeror of their valid acceptances.*

2.6. **Break Fee**

There is no break fee proposed or agreed on in relation to the Offer.

LETTER TO SHAREHOLDERS

2.7. Further Details of the Offeror's Financial Position and the Offer

2.7.1. Appendix 3 to this Offer Document sets out further details regarding:

- (a) a summary of the financial position of the Offeror;
- (b) the duration of the Offer;
- (c) the settlement of the consideration for the Offer Shares;
- (d) the requirements relating to the announcements of level of acceptances of the Offer; and
- (e) the right of withdrawal of acceptances of the Offer.

2.8. Procedures for Acceptance

2.8.1. Appendix 4 to this Offer Document explains how to accept the Offer.

2.9. No Extension of Closing Date

2.9.1. This Offer is open for 28 days from the Despatch Date (i.e., 18 April 2024) and will close at 5.30 p.m. on the Closing Date (i.e., 16 May 2024). The Closing Date will not be extended or revised, and no tender of any Offer Shares will be accepted after that time.

2.10. Warranty

By accepting the Offer, each Shareholder unconditionally and irrevocably warrants to the Offeror that each Offer Share tendered in acceptance of the Offer is sold by that accepting Shareholder, for itself, or on behalf of the beneficial owner(s) on the following terms:

- (a) fully paid;
- (b) free from Encumbrances; and
- (c) together with all rights, benefits entitlements and advantages attached thereto as at the Offer Announcement Date and thereafter attaching thereto (including but not limited to the right to receive and retain all Distributions, if any, which may be announced, declared, paid or made thereon by the Company, the Record Date for which falls on or after the Offer Announcement Date)."

In relation to the above extract, the Company wishes to clarify that as at the Latest Practicable Date, the Company has two classes of Shares, being (i) the Shares; and (ii) the CRPS, which do not have any voting rights, and are not the subject of the Offer. Only the Shares are quoted and listed on the Catalist Board of the SGX-ST.

2.2 Duration of Offer. The duration of the Offer is set out in Paragraph 1 of Appendix 3 – Part B: *Further Details of the Offer* of the Offer Document, the extract of which is set out below.

"1. DURATION OF THE OFFER

1.1. Closing Date

1.1.1. Pursuant to Rule 22.3 of the Code, except insofar as the Offer is withdrawn with the consent of the SIC and every person is released from any obligation incurred thereunder, the Offer will remain open for acceptances by Shareholders for a period of 28 days from the Despatch Date.

LETTER TO SHAREHOLDERS

1.1.2. ***The Offer is unconditional in all respects as of the Offer Announcement Date, the Offer will close at 5.30 p.m. on 16 May 2024, being the Closing Date. The Offeror does not intend to extend the Offer beyond the Closing Date or to revise the terms of the Offer.***

1.1.3. ***As the Offer is unconditional in all respect as of the Offer Announcement Date, Offeror does not intend to extend the Closing Date of the Offer beyond 5.30 p.m. on the Closing Date (i.e., 16 May 2024), save that such notice shall not be capable of being enforced in a competitive situation.***

1.2. Final Day Rule

1.2.1. *As the Offer is unconditional, the Offer (whether revised or not) will not be capable of being kept open after the expiry of 60 days after the Despatch Date, provided that the Offeror may extend the Offer beyond such 60-day period with the permission of the SIC. The SIC will consider granting such permission in circumstances, including but not limited to, where a competing offer has been announced.*

1.3. Revision

1.3.1. *Pursuant to Rule 20.1 of the Code, the Offer, if revised, will remain open for acceptance for a period of at least 14 days from the date of despatch of the written notification of the revision to Shareholders. In any case, where the terms are revised, the benefit of the Offer (as so revised) will be made available to each of the Shareholders, including those who have previously accepted the Offer. **The Offeror does not intend to revise the Offer Price or any other terms of the Offer, except if there is a competitive bid.***

2.3 **Details of the Offer.** The details of the Offer relating to (a) the settlement of the consideration for the Offer; and (b) the requirements relating to the announcement of the level of acceptances of the Offer, are set out in Paragraphs 2 and 3 of Appendix 3 – Part B: *Further Details of the Offer* of the Offer Document, extracts of which are set out below.

“2. SETTLEMENT

2.1. *Subject to the receipt by the Offeror from accepting Shareholders of valid acceptances and all relevant documents required by the Offeror which are complete in all respects and in accordance with the instructions given in this Offer Document and in the Acceptance Forms, and in the case of a Depositor, the receipt by the Offeror of a confirmation satisfactory to it that the relevant number of Offer Shares tendered by the accepting Depositor in acceptance of the Offer are standing to the credit of the “Free Balance” of the Depositor’s Securities Account at the relevant time, pursuant to Rule 30 of the Code, remittances for the appropriate amounts will be despatched to the accepting Shareholders (or, in the case of Shareholders holding share certificate(s) which are not deposited with CDP, their designated agents, as they may direct) by the following means: (a) in the case of a Depositor, CDP will send each accepting Shareholder a notification letter stating the number of Offer Shares debited from the Depositor’s Securities Account together with payment of the Offer Price in respect of such Offer Shares which will be credited directly into the Depositor’s designated bank account for Singapore Dollars via CDP’s D (sic); or (b) in the case of an accepting Shareholder holding share certificate(s) which is/are not deposited with CDP, payment will be sent to him or his designated agent (if any) or, in the case of joint accepting Shareholders who have not designated any agent, to the one first-named in the Register, as the case may be, by ordinary post and at the risk of the accepting Shareholders, by way of a Singapore Dollar cheque drawn on a bank in Singapore for the appropriate amount, as soon as practicable and in any event in respect of acceptances of the Offer which are complete and valid in all respects and are received, within seven Business Days of such receipt.*

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- 2.2. *In the event an accepting Shareholder who is a Depositor and is not subscribed to CDP's Direct Crediting Service ("DCS"), any monies to be paid shall be credited to such accepting Shareholder's Cash Ledger and shall be subject to the same terms and conditions as Cash Distributions under the CDP Operation of Securities Account with the Depository Terms and Conditions ("Cash Ledger" and "Cash Distribution" are as defined therein).*

3. ANNOUNCEMENTS

3.1. Timing and Contents

- 3.1.1. *Pursuant to Rule 28.1 of the Code, by 8.00 a.m. on the dealing day (the "Relevant Day") immediately after the day on which the Offer is due to expire, the Offeror will announce and simultaneously inform the SGX-ST of the total number of Shares (as nearly as practicable):*

- (a) for which valid acceptances of the Offer have been received;*
- (b) held by the Offeror and any of its Concert Parties before the Offer Period; and*
- (c) acquired or agreed to be acquired by the Offeror and any of its Concert Parties during the Offer Period,*

and specify the percentages of the total number of issued Shares represented by such numbers.

3.2. Suspension

*Under Rule 28.2 of the Code, if the Offeror is unable, within the time limit, to comply with any requirements in Paragraph 3.1.1 of this **Appendix 3**, the SIC will consider requesting the SGX-ST to suspend dealings in the Shares until the relevant information is given.*

3.3. Valid Acceptances

- 3.3.1. *Under Rule 28.1 of the Code and subject to Section 13.4 (sic) of the Offer Document, in computing the number of Offer Shares represented by acceptances, the Offeror will at the time of making an announcement take into account acceptances which are valid in all respects.*

- 3.3.2. *Acceptances of the Offer will only be treated as valid for the purposes of the acceptance condition if the relevant requirements of Note 2 on Rule 28.1 of the Code are met.*

3.4. Announcements

In this Offer Document, references to the making of any announcement or the giving of notice by the Offeror include the release of an announcement by the Company or advertising agents, for and on behalf of the Offeror, to the press or the delivery of or transmission by telephone, facsimile, SGXNET or otherwise of an announcement to the SGX-ST. An announcement made otherwise than to the SGX-ST shall be notified simultaneously to the SGX-ST.

3.5. Acceptances Irrevocable

Except as expressly provided in this offer Document and the Code, acceptances of the Offer shall be irrevocable."

- 2.4 **Procedure for Acceptance.** The procedures for acceptance are set out in Appendix 4 of the Offer Document.

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2.5 **Closing Date.** As announced by the Offeror, the Closing Date of the Offer is on 16 May 2024.

The Offeror has stated that the Offer will remain open for acceptances for a period of 28 days from the date of electronic despatch of the Offer Document. Accordingly, the Offer will close at 5.30 p.m. (Singapore time) on 16 May 2024. The Offeror has also stated that it does not intend to extend the Offer beyond the Closing Date or to revise the terms of the Offer, except if there is a competitive bid.

3. INFORMATION ON THE OFFEROR

Section 3 of the Offer Document sets out certain information on the Offeror, extracts of which are set out below.

“3. INFORMATION ON THE OFFEROR AND ITS CONCERT PARTIES

3.1 The Offeror

3.1.1 *The Offeror, Gazelle Ventures Pte. Ltd., is a private company limited by shares incorporated under the laws of Singapore on 27 September 2012. As at the Latest Practicable Date:*

- (a) *it has an issued and paid-up share capital of S\$2.00, comprising two (2) ordinary shares;*
- (b) *its directors are:*
 - (i.) *Mr. Wong Chung Yu Denny, of Flat E, 17/F, 294 King's Road, Hong Kong;*
 - (ii.) *Mr. Lim Say Hui, Bobby, of 49 St. Thomas Walk, #01-01, the Bayron, Singapore (238140);*
 - (iii.) *Mr. Lim Teck-Ean, of 84 Loyang Rise, Singapore (507517); and*
 - (iv.) *Ms. Eva Wong, of 112 Robinson Road, #03-04, Robinson 112, Singapore (068902); and*
- (c) *its shareholders are GC and Valiant, each of whom holds one (1) share each in the Offeror.*

3.1.2. *The Offeror Concert Party Group invests in food, Agri-tech, and sustainable agriculture-related businesses.*

3.1.3. *Mr. Lim Teck-Ean is, as at the Latest Practicable Date, the Company's Executive Director and Interim Chief Executive Officer. Mr. Lim was initially appointed as a Non-Executive Director of the Company on 14 June 2022 (prior to the date of the Implementation Agreement), and re-designated as its Executive Director and Interim Chief Executive Officer on 10 October 2023.*

3.1.4. *Mr. Tan Keng Tiong, Alvin, the Offeror's chief operating officer is, as at the Latest Practicable Date, the Company's Non-Executive Director. Mr. Tan was appointed on 14 June 2022 (prior to the date of the Implementation Agreement).*

3.1.5. *A summary of the financial performance of the Offeror is appended to **Part A of Appendix 3** to this Offer Document.*

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3.2 GC (Gazelle Capital Pte. Ltd.)

3.2.1. *GC is an exempt private company limited by shares incorporated under the laws of Singapore on 6 March 2006. As at the Latest Practicable Date:*

- (a) *it has an issued and paid-up share capital of S\$4,000,000, comprising 4,000,000 ordinary shares;*
- (b) *its directors are:*
 - (i.) *Mr. Lim Say Hui Bobby, of 49 St. Thomas Walk, #01-01, the Bayron, Singapore (238140); and*
 - (ii.) *Mr. Lim Teck-Ean, of 84 Loyang Rise, Singapore (507517); and*
- (c) *its shareholders are Mr. Lim Teck-Ean and Ms. Lim Su-Lynn, each of whom holds 2,000,000 shares each in GC.*

3.2.2. *As of the Offer Announcement Date and the Latest Practicable Date, save for the Offeror Concert Party Group, no director or shareholder of GC holds any Share directly in the Company.*

3.2.3. *GC is managed as a family office with strategic investments in a wide range of businesses and projects, including food, Agri-tech, and sustainable agriculture- related businesses.*

3.3 Valiant (Valiant Investments Limited)

3.3.1. *Valiant is a private company limited by shares incorporated under the laws of Hong Kong (SAR) on 5 May 2008. As at the Latest Practicable Date:*

- (a) *it has an issued and paid-up share capital of HK\$1,000, comprising 1,000 ordinary shares;*
- (b) *its directors are:*
 - (i.) *Ms. Eva Wong, of 112 Robinson Road, #03-04, Robinson 112, Singapore (068902); and*
 - (ii.) *Forerun Holdings Limited (a company incorporated in the British Virgin Islands), of Craigmuir Chambers, Road Town, Tortola, VG110, British Virgin Islands);*
- (c) *its shareholders are:*
 - (i.) *Forerun Holdings Limited (a company incorporated in the British Virgin Islands), holds 850 ordinary shares in Valiant;*
 - (ii.) *Lin Xuanqing, Zachery, who, as at the Latest Practicable Date, holds 78 ordinary shares in Valiant;*
 - (iii.) *Yew Eng Piow, who, as at the Latest Practicable Date, holds 48 ordinary shares in Valiant; and*
 - (iv.) *Lim Chong Chieh, Bryan, who, as at the Latest Practicable Date, holds 24 ordinary shares in Valiant.*

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- 3.3.2. *Valiant is managed as a family office, and has investments in food, Agri-tech, and sustainable agriculture-related businesses.*
- 3.3.3. *On 4 March 2024, Valiant and the Company entered into the Escrow Agreements with Valliant, pursuant to which Nine Yards Chambers LLC was appointed as the escrow agent to hold in escrow the Escrow Amount, in accordance with the terms of the Escrow Agreement. The Escrow Amount is earmarked for the Company's general working capital, funding requirements and such other purposes as may be determined by the Directors of the Company from time to time and authorised by Valiant. For the avoidance of doubt, the Escrow Amount is in addition to the Full Investment Amount payable under the Investment.*
- 3.3.4. *The Escrow Agreements was one of the conditions stipulated in the letter of no- objection issued by the SGX Regco to the Company's revised proposal for the resumption of trading of its Shares submitted on 27 September 2023. They ley terms of the Escrow Agreements are:*
- (a) the Escrow Amount is held by Valiant's appointed escrow agent, pending drawdown (in full or in part) by the Company as a loan;*
 - (b) drawdown is subject to the payment of a utilisation fee, payable in accordance with the terms of the Escrow Agreements;*
 - (c) the amount drawdown must be repaid no later than two (2) years from the date of Escrow Agreements (the "**Escrow Agreement Maturity Date**"); and*
 - (d) the Escrow Amount or an amount drawn down and outstanding may be converted by Valiant into new Shares to be issued by the Company at any time prior to or after the Maturity Date.*
- 3.3.5. *As of the Latest Practicable Date, Valiant and the Company are in discussions amongst themselves and in consultation with the Company's Sponsor as to the applicability of the Catalist Rules regarding a proposed restatement and amendment of the Escrow Agreements, in particular to:*
- (a) the issue of new Shares upon conversion;*
 - (b) the conversion price per new Share issued if Valiant should exercise its right of conversion; and*
 - (c) the payment of an utilisation fee.*
- 3.3.6. *As Shareholders' approvals are required for the items listed under Section 3.3.3. (a) to (c) (sic), no issue of new Shares and payment of the utilisation fee are permissible until an extraordinary general meeting has been convened for such purposes. As at the Latest Practicable Date, the Escrow Amount has been drawn down by the Company.*
- 3.3.7. *Another condition of the SGX Regco's the no-objection letter was that the Offeror provide a deed of undertaking which restricts it from, directly or indirectly, selling, contracting to sell, realising, transferring, granting any option or right to purchase or otherwise disposing of any number of the Subscription Share that will result in the Offeror holding less than 51% of the total number of Shares for a period of eighteen-month period commencing on the date of the Company's resumption of trading or the date of the issue and allotment of the Subscription Shares, whichever is later (the "**Relevant Period**").*

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- 3.3.8. *As of the Latest Practicable Date, the Offeror has made an application to the SGX Regco, through the Company's sponsor, to allow the Offeror to transfer 219,194,379 out of the 231,194,379 Subscription Shares it holds to Valiant, subject to Valiant providing a similar deed of undertaking for the Relevant Period (the "**Internal Transfer of the Subscription Shares to Valiant**").*
- 3.3.9. *As at the Latest Practicable Date, the SGX-ST has not issued any formal no-objection letter to the Internal Transfer of the Subscription Shares. The Offeror will consult the SIC in writing with regard to Rules 11.2 and Rule 14 of the Code when it receives a formal no-objection letter from the SGX Regco regarding the Internal Transfer of the Subscription Shares.*
- 3.3.10. *As of the Offer Announcement Date and the Latest Practicable Date, save for the Offeror Concert Party Group, no director or shareholder of Valiant holds any Share directly in the Company."*

The Company wishes to update that as the Latest Practicable Date, the Offeror continues to engage with the Sponsor (through the Company) on the Internal Transfer of the Subscription Shares to Valiant (as defined in the above extract) and a formal application to the Sponsor/SGX RegCo for the Internal Transfer of the Subscription Shares to Valiant will be submitted in due course. The Offeror has also further confirmed that it will be separately consulting the SIC in writing with regards to Rule 11.2 and Rule 14 of the Code.

4. RATIONALE FOR THE OFFER AND THE OFFEROR'S INTENTIONS FOR THE COMPANY

Section 5 of the Offer Document sets out the rationale for the Offer and the Offeror's intentions for the Company, extracts of which are set out below. **Shareholders are advised to read the extract below carefully and note the Offeror's future plans for the Company.**

"5. RATIONALE FOR THE OFFER AND THE OFFEROR'S INTENTIONS FOR THE COMPANY

- 5.1. *The Offer is being made to comply with the requirements of Rule 14 of the Code, as following completion of the Subscription, the Offeror Concert Party Group holds, in aggregate, 231,194,379 new Shares in the Company, representing approximately 75% of the total number of Shares.*
- 5.2. *The Offeror Concert Party Group's intention is for the Company to continue carrying on its business in the food and beverage industry and to maintain its listing status on the SGX-ST. The investment made by the Offeror Concert Party Group under the Implementation Agreement and by Valiant under the Escrow Agreements are to provide the Group with sufficient funds for its working capital purposes, settle its liabilities pursuant to the terms of the Scheme and to enable it to operate as a going concern.*
- 5.3. *To this end, with the proceeds of the investment made by the Offeror (in accordance with the terms of the Implementation Agreement), the Company completed the acquisition of a 60% shareholding interest in Dining Haus Pte. Ltd, whose subsidiary Eat What Pte. Ltd operates a food and beverage catering services to institutional clients. This is part of the Offeror Concert Party Group's strategy to revamp the Group's branding and expand the range of food and beverage offerings, with the aim of returning the Group to growth and profitability. Other than employees affected by the creditors voluntary liquidation of the Group's subsidiaries as announced by the Company on 21 December 2022, there are no plans or intentions to retrench the current employees of the Group. Please refer to the Company's announcement on 10 January 2024 and 15 February 2024 on the SGXNET.*

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- 5.4. *The disclosure made by Offeror Concert Party Group outlined in Sections 5.2 and 5.3 above are based on current understanding and assumptions. These assumptions involve known and unknown risks, uncertainties, and other factors, many of which are outside the control of the Offeror Concert Party Group. Therefore, the Offeror Concert Party Group is unable to guarantee that these plans will be implemented and reserves the right to explore alternative options that may better serve the interests of the Offeror Concert Party Group and/or the Group as a whole.*

5. LISTING STATUS AND COMPULSORY ACQUISITION

Section 6 of the Offer Document sets out the intentions of the Offeror relating to the listing status of the Company and compulsory acquisition, extracts of which are set out below.

“6 LISTING STATUS AND COMPULSORY ACQUISITION

6.1. Free Float Requirement

- 6.1.1 *Catalist Rule 723 requires the company to ensure that at least 10% of the total number of issued Shares (excluding preference shares, convertible equity securities and treasury shares) is at all times held by the public (the “Free Float Requirement”).*
- 6.1.2. *Catalist Rule 1104 specifies that upon the announcement by the Offeror that acceptances have been received that bring the holdings owned by the Offeror Concert Party Group to above 90% of the total number of Shares (excluding treasury shares), the SGX Regco **may** suspend trading of the Shares in the Ready and Unit Share markets until it is satisfied that at least 10% of the total number of Shares (excluding treasury shares) are held by at least 200 Shareholders who are members of the public.*
- 6.1.3. *Catalist Rule 1303(1) states that where the Offeror succeeds in garnering acceptances exceeding 90% of the total number of Shares, causing the percentage of the Company's total number of Shares (excluding treasury shares) held in public hands to fall below 10%, the SGX Regco **will** suspend trading of the Shares at the close of the Offer.*
- 6.1.4. *In addition, under Catalist Rule 724, if the percentage of Shares held in public hands falls below 10%, the Company must, as soon as practicable, notify its sponsor and announce that fact, and the SGX Regulation (sic) may suspend trading of all the Shares. Catalist Rule 724 further provides that the SGX Regulation may allow the Company a period of 3 months, or such longer period as the SGX Regulation may agree, to raise the percentage of Shares in public hands to at least 10%, failing which the Company may be delisted from the SGX-ST.*
- 6.1.5. *As stated above, the Offeror Concert Party Group intends to maintain the listing status of the Company. To achieve this and comply with the Free Float Requirement, the Offeror Concert Party Group may engage a licensed intermediary to place out some or all of the Offer Shares acquired pursuant to the Offer following the close of the Offer or take such other corporate action, as may be appropriate and in the best interest of the Group. Further details on any such arrangements will be announced in due course.*
- 6.1.6. *However, notwithstanding the stated intentions of the Offeror Concert Party Group, it reserves the right to re-evaluate its position, considering, among other things, the level of acceptances received by the Offeror in respect of the Offer and the prevailing market conditions at the relevant time. Accordingly, there is no assurance that the Offeror Concert Party Group can or will implement its plans if the Free Float Requirement cannot be not satisfied (sic) by the Company.*

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6.2. Compulsory Acquisition

- 6.2.1. Pursuant to section 215(1) of the Companies Act, if the Offeror receives valid acceptances pursuant to the Offer (or otherwise acquires Shares during the period when the Offer is open for acceptance) in respect of not less than 90% of the total number of issued Shares (other than those already held by the Offeror Concert Party Group and their respective nominees as at the date of the Offer and excluding any Shares held in treasury), the Offeror Concert Party Group will be entitled to compulsorily acquire all the Shares of Shareholders who have not accepted the Offer ("**Dissenting Shareholders**") on the same terms as those offered under the Offer.
- 6.2.2. Pursuant to Section 215(3) of the Companies Act, if the Offeror Concert Party Group acquires such number of Shares which, together with the Shares held by the Offeror Concert Party Group or their respective nominees, comprise 90% or more of the total number of issued Shares as at the close of the Offer, the Dissenting Shareholders have a right to require the Offeror to acquire their Shares at the Offer Price. Shareholders who wish to exercise such a right are advised to seek their own independent legal advice.
- 6.2.3. **As stated in Section 5.2 above, it is the present intention of the Offeror Concert Party Group for the Group to continue its existing business in the food and beverage industry and to maintain its listing status on the SGX-ST.** Accordingly, the Offeror does **not** intend to exercise its rights of compulsory acquisition in the event it is entitled pursuant to section 215(1) of the Companies Act to acquire those Offer Shares not acquired by the Offeror pursuant to the Offer, or voluntarily seek to delist the Company from the SGX-ST."

6. FINANCIAL ASPECTS OF THE OFFER

Section 4 of Appendix 1 of the Offer Document sets out certain information on the financial aspects of the Offer, extracts of which are set out below.

"4. MARKET QUOTATIONS

4.1. Closing Prices

The following table sets out the closing prices of the Shares on the SGX-ST (as reported by Yahoo Finance) on: (a) the Latest Practicable Date; (b) the Last Trading Day; and (c) the last Market Day at the end of each of the last 6 calendar months preceding the Offer Announcement Date:

Relevant Date	Closing Price (S\$) ⁽¹⁾⁽²⁾	Premium/(Discount) based on Offer Price (%) ⁽³⁾
17 April 2024, being the Latest Practicable Date ⁽⁴⁾	0.080	(97.38)
27 March 2024, being the Last Trading Date ⁽⁵⁾	0.083	(97.47)
The last Market Day at the end of each of the last 6 calendar months preceding the Offer Announcement Date ⁽⁶⁾	N/A	N/A

Notes:

(1) Based on data extracted from Yahoo Finance.

(2) Computed based on the Share prices rounded to the nearest three decimal places.

(3) Percentage figures have been rounded to the nearest two decimal places.

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- (4) Based on the last transacted price of the Shares on 15 April 2024 as there were no Shares transacted on the Latest Practicable Date and the day preceding the Latest Practicable Date.
- (5) Based on the last transacted price of the Shares on 26 March 2024 as there were no Shares transacted on the Last Trading Date.
- (6) Trading of the Shares was suspended as of 19 January 2022 and resumed on 15 March 2024. As the Offer Announcement Date was 28 March 2024, there is no data on the closing prices for the dates at the end of each of the 6 calendar months preceding 28 March 2024, being the Offer Announcement Date.

4.2. Highest and Lowest Prices of the Shares

As required by Rule 23.10 of the Code, the highest and lowest closing prices of the Shares on the SGX-ST during the Reference Period (i.e., the period commencing six (6) months preceding the Offer Announcement Date and ending on the Latest Practicable Date and their respective dates transacted) are set out below:

	Closing Price (S\$) ⁽¹⁾⁽²⁾	Date(s) transacted
Highest closing price for the Reference Period ⁽³⁾	0.102	15 March 2024
Lowest closing price for the Reference Period ^{(4)(sic)}	0.068	4 April 2024

Notes:

- (1) Based on data extracted from Yahoo Finance.
- (2) Computed based on the Share prices rounded to the nearest three decimal places.
- (3) The Shares were suspended from trading on 19 January 2022 and resumed on 15 March 2024. Therefore, as the start of the Reference Period fell on 28 October 2023, there was no transaction since the Shares were suspended from trading. The highest and lowest closing prices are, therefore, extracted for the period from 15 March 2024 (day of resumption of trading) to the Latest Practicable Date."

7. DISCLOSURE OF SHAREHOLDING AND DEALINGS

Section 7 of the Offer Document sets out certain information relating to disclosure of interests, extracts of which are set out below.

"7 DISCLOSURE OF HOLDINGS, DEALINGS AND OTHER ARRANGEMENTS

7.1. Holdings in Relevant Securities

7.1.1. As of the Latest Practicable Date, based on the latest information available to the Offeror and save as disclosed in this Offer Document (including in **Appendix 3** to this Offer Document), none of the Offeror, its Concert Parties, directors of the Offeror Concert Party Group and their professional advisers (collectively, the "**Relevant Persons**") owns, controls or has agreed to acquire any:

- (a) Shares;
- (b) securities which carry voting rights in the Company; or
- (c) convertible securities, warrants, or options convertible into, or carrying subscription rights for Shares or securities which carry voting rights in the Company, or any other options or derivatives in respect of any of the aforementioned securities,

(collectively, the "**Relevant Securities**").

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7.2. **Dealings**

7.2.1. *As of the Latest Practicable Date, based on the latest information available to the Offeror and save as disclosed in this Offer Document (including in **Appendix 3** to this Offer Document), none of the Relevant Persons has dealt for value in any Relevant Securities during the Reference Period.*

7.3. **Irrevocable Undertaking and Other Arrangements**

7.3.1. *As of the Latest Practicable Date and based on the latest information available to the Offeror, none of the Relevant Persons has:*

- (a) received any irrevocable commitment to accept or reject the Offer;*
- (b) entered into an arrangement (whether by way of an option, indemnity or otherwise) in relation to any Relevant Securities which might be material to the Offer;*
- (c) granted any security interest relating to any Relevant Securities to another person, whether through a charge, pledge or otherwise;*
- (d) borrowed any Relevant Securities from another person (excluding borrowed Relevant Securities which have been on-lent or sold); or*
- (e) lent any Relevant Securities to another person.”*

8. **DIRECTORS' INTERESTS**

Details of the Directors including, *inter alia*, the Directors' direct and deemed interests in the Company Securities and the Offeror Securities as at the Latest Practicable Date are set out in **Appendix B** of this Circular.

9. **CONFIRMATION OF FINANCIAL RESOURCES**

Section 8 of the Offer Document sets out information on the confirmation of financial resources, extracts of which are set out below.

“8. CONFIRMATION OF FINANCIAL RESOURCES

Nicholas & Tan Partnership LLP, a law firm, (independent of the Offeror and the Company) has in a letter dated 28 March 2024 confirmed that it has received from the Offeror sufficient financial resources in cash to satisfy full acceptance of the Offer by all holders of Offer Shares at the Offer Price of S\$0.0021 for each Offer Share. The total aggregate amount required for the Offeror to pay for all Offer Shares assuming 100% acceptance is approximately S\$165,000, excluding costs and expenses.”

10. **ADVICE AND RECOMMENDATIONS**

- 10.1 **General.** Shareholders should read and carefully consider the recommendations of the Recommending Directors and the advice of the IFA to the Recommending Directors dated 2 May 2024, which is set out in **Appendix A** of this Circular (“**IFA Letter**”), before deciding whether to accept or reject the Offer.

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10.2 Advice of the IFA to the Recommending Directors

- (a) **IFA.** Asian Corporate Advisors Pte. Ltd. has been appointed as the independent financial adviser to advise the Recommending Directors in respect of the Offer. Shareholders should consider carefully the recommendation of the Recommending Directors and the advice of the IFA to the Recommending Directors before deciding whether to accept or reject the Offer. The IFA's advice is set out in its letter dated 2 May 2024, which is set out in **Appendix A** of this Circular.
- (b) **Factors taken into consideration by the IFA.** In arriving at its recommendation, the IFA has taken into account several key considerations, set forth in sections 7 and 8 of the IFA Letter. Shareholders should read paragraphs 7 and 8 of the IFA Letter in conjunction with, and in the context of, the full text of the IFA Letter.
- (c) **Advice of the IFA.** After having regard to the considerations set out in the IFA Letter, and based on the circumstances of the Company and the information as at the Latest Practicable Date, the IFA has made certain recommendations to the Recommending Directors, an extract of which is set out below. Shareholders should read the extract in conjunction with, and in the context of, the full text of the IFA Letter.

"9. Opinion

In arriving at our recommendation, we have reviewed and examined all factors set out in Section 7 and 8 of this Letter as well as others elaborated elsewhere in this Letter which we have considered to be pertinent in our assessment of the Offer, including, inter alia, the views of and representations by the Directors.

Our recommendation or opinion is by no means an indication of the merits, prospects, financial performance and position of the Company or the Group after the Offer, or whether the Company or the Group can improve their financial position and performance, and cash flow or whether the Company or the Group can continue to operate as a going concern or the ability to meet its liabilities when due or the prices at which the Shares would trade after the Offer.

Shareholders are advised to read this Letter carefully and in its entirety. Our views, recommendation and opinion are necessarily limited and subject to the matters stated in this IFA Letter. The following should be read in conjunction with, and in the context of, the full text of this IFA Letter.

*In summary, having regard to our analysis and the consideration in this Letter (including, inter alia, its limitation and constraints) and after having considered carefully the information available to us and based on market, economic and other relevant considerations prevailing as at the Latest Practicable Date, and subject to our terms of reference, as well as the representation and confirmation from the Directors, we are of the opinion that, in the absence of an alternative offer, the financial terms of the Offer is, on balance, **NOT FAIR** and **NOT REASONABLE**.*

For the purposes of evaluation of the Offer from a financial point of view, we have adopted the approach that the term "fair and reasonable" comprises two distinct concepts:

- (i) *Whether the Offer is "fair" relates to the value of the offer price which is based strictly on the evaluation of the Offer Price (i.e. by looking at the financial or fundamental analyses of the Offer Price as set out in this Letter and based on information known to us or which is publicly available).*
- (ii) *Whether the Offer is "reasonable", after taking into consideration the actual and potential financial impact of other circumstances surrounding the Offer and the Company which we consider relevant (being both quantitative and qualitative factors available and made known to us).*

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*The financial performance and condition of the Group is generally very much weaker as compared to the Selected Comparable Companies because of the Group's loss-making position with negative EBITDA as well as the Adjusted NL and NTL positions. We consider the financial terms of the Offer to be **NOT FAIR** from a financial point of view after considering, inter alia, the following factors which are significant for the Offer: -*

- (i) The Offer Price is at substantial discount from the historical market prices for the Shares considering, inter alia, that (a) the Offer Price represents a significant discount of approximately 98.9% from the last transacted price of S\$0.186 per Share for the Shares on the SGX-ST on 17 January 2022, being the Last Trading Day prior to the Suspension; (b) the Offer Price represents a discount of approximately 99.4%, 99.3%, 99.3%, and 98.9% from the VWAP for the Shares for the 12-month, 6-month, 3-month and 1-month periods prior to the Last Trading Day prior to the Suspension respectively; (c) the Offer Price represents a significant discount of approximately 97.9% from the VWAP for the Shares for the period commencing from the Resumption Date to the Offer Announcement Date; and (d) the Offer Price represents a significant discount of approximately 97.5% from the last transacted price of S\$0.083 per Share on the SGX-ST on the Offer Announcement Date.*

Likewise, the Offer Price represents a significant discount of approximately 97.3% from the VWAP of S\$0.0768 per Share for the period commencing from the market day immediately after the Offer Announcement Date to the Latest Practicable Date; and a discount of approximately 97.4% from the last transacted price of S\$0.080 per Share on the SGX-ST on 15 April 2024, being the last trading day immediately prior to the Latest Practicable Date. We note that Shares were traded in the market (subsequent to, inter alia, the Resumption, Share Consolidation, completion of the Implementation Agreement and issuance of such number of new Shares pursuant to the Subscription and issuance of the CRPS, and even after the Offer Announcement) at prices which were consistently and significantly higher than the Offer Price.

- (ii) The Offer Price is significantly lower than the Selling Price of S\$0.0020 (on pre-Share consolidation basis) for the recent disposal of 254,437,880 pre-Share Consolidation Shares (representing approximately 55.0% of the then issued Share capital) by Gugong and Mr Sam Lim to the Buyers. This translated to approximately S\$0.0118 on post-Share Consolidation basis. The Share Sale was a transaction involving a previous controlling Shareholder and wherein material information pertaining to the state of affairs of the Company, inter alia, the developments of the Group, and events leading to the Resumption, Share Consolidation and Implementation Agreement, were available.*
- (iii) Whilst the Offer Price is at a substantial premium over the Group's unaudited NL and Adjusted NL, when compared to the Selected Non-Privatisation MGO Transactions (which comprises offers for companies whose businesses may differ from the Company, and are subject to, inter alia, market conditions prevailing at the relevant point in time) over the various periods prior to the Suspension and prior to the Offer Announcement, the Offer Price when considered in the context of precedent transactions, is at a very significant discount and is worse off and less favourable (in terms of historical premium or discount) for every period under review (especially those periods subsequent to the Resumption).*
- (iv) The Offer Price is also at a significant discount of approximately 97.9% to 98.0% from the range of the Estimated Value per Share.*

LETTER TO SHAREHOLDERS

- (v) *The fact that prices for which Shares were traded (even subsequent to the Resumption, Share Consolidation, completion of the Implementation Agreement, and also the Offer), are consistently and significantly higher than the Offer Price when compared to the premium of the Offer Price over the Group's historical NTL per Share (or Adjusted NTL per Share which takes into account effects of the new Shares pursuant to the Subscription and full conversion of the CRPS, and gains on settlement of the Scheme Creditors).*

*We consider the financial terms of the Offer to be, on balance, **NOT REASONABLE**, from a financial point of view after factoring, inter alia, the following: -*

- (i) *The Offer Price is pegged to the Issue Price for each new Share pursuant to the Subscription, which was based on the Implementation Agreement executed at the time when there was significant uncertainties on the Group's ability to continue as a going concern, and whether the trading for the Shares can be resumed, and the Subscription is part of the restructuring exercise to rescue the Company. As at the Latest Practicable Date, the Implementation Agreement has been completed and the trading for the Shares has resumed since 15 March 2024. In addition, Directors have represented that the Company has on 18 April 2024 made payment for the settlement of the Scheme Creditors.*
- (ii) *Directors' opinion and confirmation that as at the Latest Practicable Date, the Group and the Company are able to continue as a going concern based on the factors mentioned in Section 7.1 of this Letter.*
- (iii) *The Offer Price is significantly lower than the Conversion Price for the CRPS. The Offer Price is at a significant discount of approximately 93.2% from the Conversion Price.*
- (iv) *The Offer Price is significantly and consistently lower than the prices at which Shares were traded in the market (subsequent to, inter alia, the Resumption, Share Consolidation, completion of the Implementation Agreement and issuance of such number of new Shares and issuance of the CRPS, and the Offer), and the Selling Price for the Share Sale.*

ACA's Recommendation on the Offer

*Based on our assessment of the financial terms of the Offer as set out above, we advise the Recommending Directors that they should recommend the Shareholders to **REJECT** the Offer. For Shareholders who wish to realise their Shares, to sell their Shares in the open market as the transacted prices for the Shares during, inter alia, the period commencing on the Resumption Date to the Latest Practicable Date were substantially higher than the Offer Price.*

Shareholders should also be aware and note that there is no assurance that the price and trading volume of the Shares will remain at current levels after the close of the Offer, and the current price performance and trading volume of the Shares is not indicative of the future price performance or trading levels of the Shares. The price and trading volume of the Shares are subject to; inter alia, the performance and prospects of the Company, prevailing economic conditions, economic outlook and stock market conditions and sentiments.

Accordingly, our advice on the Offer does not and cannot take into account future trading activities or patterns or price levels that may be established for the Shares after the Latest Practicable Date since these are governed by factors beyond the ambit of our review and also, such advice, if given, would not fall within our terms of reference in connection with the Offer.

LETTER TO SHAREHOLDERS

Matters to highlight

We would also wish to highlight the following matters which may affect the decisions or actions of Shareholders: -

1. *If the Shareholders are considering selling their Offer Shares in the open market, they should be aware that the current market prices and trading volumes for the Shares may have been affected by the Offer and may not be maintained at current levels when the Offer closes. In addition, opportunities to realise the Offer Shares in the open market may be restricted by lack of liquidity for the Shares (as observed during the historical period under review, being 18 January 2021 to the Latest Practicable Date).*
2. *The Offer is unconditional in all respects.*
3. *Whilst the possibility of a higher offer from a third party cannot be ruled out, as at the Latest Practicable Date, we are not aware of any publicly available evidence of an alternative offer for the Shares. Shareholders should be aware that the chances of such an alternative offer for Shares being made by a third party may be affected by the fact that as at 17 April 2024 (being the latest practicable date of the Offer Document), the Offeror Concert Party Group holds an aggregate interest of (a) 231,194,379 Shares, representing approximately 75.0% of the total number of issued Shares (excluding treasury shares), which is the percentages required for super majority control, and (b) 145,000,000 CRPS, representing 100% of the total number of issued CRPS.*
4. *Whilst the Offer may present an opportunity for the Shareholders to realise their entire investment for cash in view of the low liquidity of the Shares (in terms of number of Shares traded on daily basis) during the periods observed prior to the Offer Announcement Date, the Offer Price is in general at a significant discount to the historical traded prices or VWAP for the Shares prior to the Suspension, and after the Resumption.*
5. *The Offer is “technical in nature” and being made to comply with the requirements of Rule 14 of the Code, as following completion of the Subscription, the Offeror Concert Party Group “acquired” in aggregate, 231,194,379 new Shares in the Company, representing approximately 75.0% of the total number of Shares.*
6. *It is the current intention of the Offeror Concert Party Group for the Group to continue its existing business in the food and beverage industry and to maintain its listing status on the SGX-ST. Accordingly, the Offeror does not intend to exercise its rights of compulsory acquisition in the event it is entitled pursuant to section 215(1) of the Companies Act to acquire those Offer Shares not acquired by the Offeror pursuant to the Offer, or voluntarily seek to delist the Company from the SGX-ST.*
7. *The Directors confirmed that, to the best of their knowledge, as at the Latest Practicable Date and save for matters disclosed in the Circular, this Letter, the Group’s unaudited financial statements for FY2023 and the audited financial statements for FY2022 and FY2021, and the Company’s announcements on the SGXNET, there has been no material changes to the Group’s assets and liabilities, financial position, condition and performance.*

LETTER TO SHAREHOLDERS

8. *Our scope does not require us and we have not made any independent evaluation (including without limitation, market value or economic potential) or appraisal of the Group's assets and liabilities (including without limitation, plant and equipment), or contracts entered into or to be entered into by the Group (where applicable), and we have not been furnished with any such evaluation and appraisal in respect of assets and liabilities (if any) held or contracts entered into (where applicable) by the Group.*

With respect to such valuation, we are not experts in the evaluation or appraisal of assets and liabilities (including without limitation, plant and equipment) including, inter alia, the contracts or agreements that the Group has embarked upon or are about to embark upon (where applicable) and have relied on the opinion of the Directors and the financial statements (audited and unaudited), where applicable for the assessment.

Limitations

It is also to be noted that as trading of the Shares is subject to possible market fluctuations and accordingly, our advice on the Offer does not and cannot take into account the future trading activities or patterns or price levels that may be established for the Shares since these are governed by factors beyond the ambit of our review, and also such advice, if given, would not fall within our terms of reference in connection with the Offer.

For our opinion and recommendation, we have not had regard to the general or specific investment objectives, financial situation, tax position, risk profiles or unique needs and constraints or plans of any individual Shareholder, or group of Shareholders. As different Shareholders or groups of Shareholders would have different investment profiles and objectives, we would advise Independent Directors to recommend that any individual Shareholder or group of Shareholders who may require advice in the context of his specific investment portfolio, including his investment in the Company, should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

10.3 Recommendations of the Recommending Directors

(a) Independence of Directors

As at the Latest Practicable Date, Mr. Lo Kim Seng, Mr. Benjamin Cho Kuo Kwang, and Mr. Francis Ding Yin Kiat are independent for the purpose of the Offer and are required to make a recommendation to the Shareholders in respect of the Offer under the Code.

The Company understands that the SIC ruled on 30 April 2024 that Mr. Lim Teck-Ean and Mr. Tan Keng Tiong (collectively, the “**Conflicted Directors**”) are exempted from the requirement to make a recommendation to the Shareholders in connection with the Offer as they will face the following conflicts of interest in relation to the Offer:

- (i) Mr. Lim Teck-Ean is a director of the Offeror and is also deemed interested in the shares of the Offeror.
- (ii) Mr. Tan Keng Tiong is the Offeror's chief operating officer.

Nevertheless, the Conflicted Directors must still assume responsibility for the accuracy of the facts stated or opinions expressed in documents and advertisements issued by, or on behalf of, the Company in connection with the Offer, including this Circular.

All of the Recommending Directors consider themselves independent for the purposes of making a recommendation on the Offer.

LETTER TO SHAREHOLDERS

(b) Recommendation of the Recommending Directors

The Recommending Directors, having considered carefully, amongst other things, the terms of the Offer and the advice given by the IFA to the Recommending Directors in the IFA Letter, **CONCUR** with the advice of the IFA in respect of the Offer. Accordingly, the Recommending Directors, recommend that Shareholders **REJECT** the Offer.

10.4 No regard to specific objectives

In rendering the advice and the recommendations above, both the IFA and the Recommending Directors have not had regard to the specific investment objectives, financial situation, tax status, risk profiles or unique needs and constraints of any individual Shareholder. As different Shareholders would have different investment objectives and profiles, the Recommending Directors recommend that any individual Shareholder who may require advice in the context of his specific investment portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately. Accordingly, Shareholders should note that the opinion and advice of the IFA and the recommendation of the Recommending Directors should not be relied upon by any Shareholder as the sole basis for deciding whether or not to accept the Offer.

SHAREHOLDERS SHOULD READ AND CONSIDER CAREFULLY THIS CIRCULAR, INCLUDING THE RECOMMENDATION OF THE RECOMMENDING DIRECTORS AND THE ADVICE OF THE IFA TO THE RECOMMENDING DIRECTORS IN RESPECT OF THIS OFFER AS SET OUT IN THE IFA LETTER IN APPENDIX A TO THIS CIRCULAR IN ITS ENTIRETY, BEFORE DECIDING WHETHER TO ACCEPT OR REJECT THE OFFER. SHAREHOLDERS ARE ALSO URGED TO READ THE OFFER DOCUMENT CAREFULLY.

11. ELECTRONIC DESPATCH OF THIS CIRCULAR

In line with the public statements issued by the SIC dated 6 May 2020, 29 September 2020 and 29 June 2021 on the despatch of take-over documents under the Code, no printed copies of this Circular will be despatched to the Shareholders.

Instead, this Circular has been despatched electronically to the Shareholders through publication on the websites of the SGX-ST and the Company. In connection with the electronic despatch of this Circular, the hardcopy notification with instructions on how the Shareholders can locate this Circular electronically (the “**Notification**”) will be despatched by ordinary post to the Shareholders.

Electronic copies of this Circular and the Notification are available on the website of the SGX-ST at <https://www.sgx.com> and on the website of the Company at <http://www.nosignboardseafood.com/>. Shareholders will need an internet browser and PDF reader to view this Circular on the websites of the SGX-ST and/or the Company.

12. OVERSEAS PERSONS

- 12.1 **Availability of Offer.** The availability of the Offer to Shareholders whose mailing addresses are outside Singapore (as shown on the register of members of the Company or, as the case may be, in the records of CDP) (each, an “**Overseas Person**”), may be affected by the laws of the relevant overseas jurisdiction. Accordingly, all Overseas Shareholders should inform themselves about, and observe, any applicable legal requirements in their own jurisdictions.

LETTER TO SHAREHOLDERS

Overseas Persons should refer to Section 9 of the Offer Document, extracts of which are set out below.

“9. OVERSEAS SHAREHOLDERS

9.1. Overseas Jurisdiction

9.1.1. *This Offer Document, the Notification, the Acceptance Forms and/or any related documents do not constitute an offer to sell or a solicitation of an offer to subscribe for or buy any security, nor is it a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of the securities referred to in this Offer Document, the Notification, the Acceptance Forms and/or any related documents in any jurisdiction in contravention of applicable laws. The Offer will be made solely by this Offer Document, the Notification, the Acceptance Forms and/or any related documents, which will contain the full terms and conditions of the Offer, including details of how the Offer may be accepted.*

9.1.2. *The release, publication, or distribution of this Offer Document, the Notification, the Acceptance Forms and/or any related documents in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions into which this Offer Document, the Notification, the Acceptance Forms and/or any related documents is released, published, or distributed should inform themselves about and observe such restrictions.*

9.1.3. *Copies of this Offer Document, the Notification, the Acceptance Forms and/or any related documents are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and will not be capable of acceptance by any such use, instrumentality or facility within any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction.*

9.1.4. *The Offer (unless otherwise determined by the Offeror and permitted by applicable laws and regulations) will not be made, directly or indirectly, in or into, or by the use of mails of, or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, any Restricted Jurisdiction and the Offer will not be capable of acceptance by any such use, means, instrumentality or facilities.*

9.2. Overseas Shareholders

9.2.1. *The availability of the Offer to Overseas Shareholders may be affected by laws and regulations of the relevant overseas jurisdictions. Accordingly, Overseas Shareholders should inform themselves of, and observe, any applicable legal requirements in the relevant overseas jurisdictions. Overseas Shareholders should also exercise caution in relation to the Offer, as this Offer Document, the Notification, the Acceptance Forms and/or any related documents have not been reviewed by any regulatory authority in any overseas jurisdiction. Where there are potential restrictions on sending this Offer Document, the Notification, the Acceptance Forms and/or any related documents to any overseas jurisdiction, each of the Offeror, CDP and the Registrar reserves the right not to send these documents or any part thereof to any overseas jurisdiction. **For the avoidance of doubt, the Offer is open to all Shareholders holding Offer Shares, including those to whom this Offer Document, the Notification, the Acceptance Forms and/or any related documents have not been, or may not be, mailed or otherwise forwarded, distributed or sent.***

LETTER TO SHAREHOLDERS

9.2.2. *It is the responsibility of any Overseas Shareholder who wishes to: (a) request for this Offer Document, the Notification, the Acceptance Forms and/or any related documents; or (b) accept the Offer, to satisfy himself as to the full observance of the laws of the relevant jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements and the payment of any taxes, imposts, duties or other requisite payments due in such jurisdiction. Such Overseas Shareholder shall be liable for any such taxes, imposts, duties or other requisite payments payable and the Offeror and any person acting on its behalf (including CDP and the Registrar) shall be fully indemnified and held harmless by such Overseas Shareholder for any such taxes, imposts, duties or other requisite payments as the Offeror and/or any person acting on its behalf (including CDP and the Registrar) may be required to pay and the Offeror shall be entitled to set-off any such amounts against any sum payable to such Overseas Shareholder pursuant to the Offer. In: (i.) requesting for this Offer Document, the Notification, the Acceptance Forms and/ or any related documents; and/or (ii.) accepting the Offer, each Overseas Shareholder represents and warrants to the Offeror, CDP and the Registrar that he is in full observance of the laws of the relevant jurisdiction in that connection, and that he is in full compliance with all necessary formalities or legal requirements.*

9.2.3. **Any Overseas Shareholder who is in any doubt about his position should consult his professional adviser in the relevant jurisdiction.**

9.2.4. *The Offeror reserves the right to notify any matter, including the fact that the Offer has been made, to any or all Shareholders (including Overseas Shareholders) by announcement to the SGX-ST or by paid advertisement in a daily newspaper published and circulated in Singapore, in which case notice of the Offer shall be deemed to have been sufficiently given notwithstanding any failure by any Shareholder (including Overseas Shareholders) to receive or see such announcement, advertisement or any other notification.*

9.3. **Copies of the Notification and the Acceptance Forms**

9.3.1. *Subject to compliance with applicable laws, Overseas Shareholders may, nonetheless, obtain copies of the Notification (containing instructions for the electronic retrieval of this Document, the Acceptance Forms and any related documents during normal business hours and up to the Closing Date, from CDP (if he holds Shares deposited with CDP) by submitting a request to CDP via phone (+65 6535 7511) during their operating hours or email services (asksgx@sgx.com) for instructions on how to obtain a copy of such documents or the office of the Registrar, In.Corp Corporate Services Pte. Ltd. (if he holds Shares not deposited with CDP) at 30 Cecil St, #19-08 Prudential Tower, Singapore 049712.*

9.3.2. *Electronic copies of this Offer Document, the Notification and the Acceptance Forms are available on the website of the SGX-ST at www.sgx.com."*

12.2 **Copies of Circular.** This Circular may not be sent to Overseas Persons due to any potential restrictions on sending such documents to the relevant overseas jurisdictions. Any affected Overseas Person may, nevertheless, (subject to compliance with applicable laws) obtain copies of this Circular during normal business hours up to the Closing Date from the Share Registrar, download a copy of this Circular from the website of the SGX-ST at <https://www.sgx.com> or the website of the Company at <http://www.nosignboardseafood.com>, or make a request to the Share Registrar for this Circular to be sent to an address in Singapore by ordinary post at his own risk, up to five Market Days prior to the Closing Date.

LETTER TO SHAREHOLDERS

13. INFORMATION PERTAINING TO SRS INVESTORS

Section 10 of the Offer Document sets out information pertaining to SRS Investors, extracts of which are set out below.

“10. INFORMATION PERTAINING TO SRS INVESTORS

10.1. *SRS Investors should receive further information on how to accept the Offer from their respective SRS Agent Banks directly. SRS Investors are advised to consult their respective SRS Agent Banks should they require further information, and if they are in any doubt as to the action they should take, SRS Investors should seek independent professional advice.*

10.2. *SRS Investors who wish to accept the Offer are to reply to their respective SRS Agent Banks by the deadline stated in the letter from their respective SRS Agent Banks. SRS Investors who validly accept the Offer will receive the payment for their Offer Shares in their respective SRS investment accounts (as the case may be).”*

14. ACTIONS TO BE TAKEN BY SHAREHOLDERS

- 14.1 **Electronic dissemination of this Circular and the Notification to Shareholders.** Pursuant to the Public Statement on the Further Extension of the Temporary Measure to Allow for Electronic Despatch of Take-over Documents issued on 29 June 2021 by the SIC under the Code, as supplemented from time to time, the Company has opted to electronically disseminate this Circular. Accordingly, please note that no printed copies of this Circular will be despatched to Shareholders.

Instead, this Circular has been despatched electronically to the Shareholders through publication on the website of the SGX-ST and the website of the Company. The Notification containing instructions on how the Shareholders can locate this Circular electronically has been despatched by post to the Shareholders. Electronic copies of this Circular and the Notification are available on the website of the SGX-ST at <https://www.sgx.com> or the website of the Company at <http://www.nosignboardseafood.com>.

- 14.2 **Shareholders who wish to accept the Offer.** Shareholders who wish to accept the Offer must do so not later than the Closing Date or such later date(s) as may be announced from time to time by or on behalf of the Offeror, abiding by the procedures for the acceptance of the Offer as set out in Appendix 4 of the Offer Document and in the accompanying FAA and/or FAT, which have been disseminated electronically.

Acceptances should be completed and returned as soon as possible and, in any event, so as to be received, on behalf of the Offeror, by the CDP (in respect of the FAA) or the Share Registrar (in respect of the FAT), as the case may be, not later than the Closing Date or such later date(s) as may be announced from time to time by or on behalf of the Offeror.

- 14.3 **Shareholders who do not wish to accept the Offer.** Shareholders who do not wish to accept the Offer need not take any further action in respect of the Offer Document, the FAA and/or the FAT which have been sent to them.

15. CONSENTS

The IFA has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of the IFA Letter in **Appendix A** of this Circular, and the references to its name in the form and context in which it appears in this Circular.

LETTER TO SHAREHOLDERS

16. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the Company's registered office at 18 Sin Ming Lane, #06-26, MidView City, Singapore 573960 during normal business hours from the date of this Circular up to and including the date of the Closing Date:

- (a) the Constitution of the Company;
- (b) the annual reports of the Company for FY2020, FY2021 and FY2022;
- (c) the unaudited financial statements of the Group for FY2023;
- (d) the IFA Letter as set out in **Appendix A** of this Circular; and
- (e) the letter of consent referred to in Section 15 of this Circular.

17. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors have taken all reasonable care to ensure that the facts stated and opinions expressed in this Circular (other than the IFA Letter, information extracted from the Offer Document and information relating to the Offeror and persons acting in concert with the Offeror) are fair and accurate and that there are no other material facts not contained in this Circular, the omission of which would make any statement in this Circular misleading.

In respect of **Appendices A to C** to this Circular, the sole responsibility of the Directors has been to ensure that the facts stated therein with respect to the Group are, to the best of their knowledge and belief, fair and accurate in all material aspects.

Where any information in this Circular has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, from the Offer Document), the sole responsibility of the Directors has been to ensure, through reasonable enquiries that, to the best of their knowledge, such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Circular.

The Directors jointly and severally accept responsibility accordingly.

18. ADDITIONAL INFORMATION

The attention of the Shareholders is also drawn to the Appendices which form part of this Circular.

Yours faithfully,

For and on behalf of the Board of Directors of
No Signboard Holdings Ltd

Lo Kim Seng
Lead Independent Director

**APPENDIX A – LETTER FROM THE IFA
TO THE RECOMMENDING DIRECTORS IN RESPECT OF THE OFFER**

**LETTER FROM ASIAN CORPORATE ADVISORS PTE. LTD. TO THE
RECOMMENDING DIRECTORS OF NO SIGNBOARD HOLDINGS LTD.**

ASIAN CORPORATE ADVISORS PTE. LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No: 200310232R)

160 Robinson Road #21-05
SBF Center
Singapore 068914

The Recommending Directors (as hereinafter defined)
No Signboard Holdings Ltd.
18 Sin Ming Lane
#06-26, Midview City
Singapore 573960

2 May 2024

MANDATORY UNCONDITIONAL CASH OFFER (THE “OFFER”) BY GAZELLE VENTURES PTE. LTD. (THE “OFFEROR”) TO ACQUIRE ALL THE ISSUED AND PAID-UP ORDINARY SHARES IN THE CAPITAL OF NO SIGNBOARD HOLDINGS LTD. (“NSB” OR THE “COMPANY”) OTHER THAN THOSE ALREADY OWNED, CONTROLLED OR AGREED TO BE ACQUIRED BY THE OFFEROR AND ITS CONCERT PARTIES

Unless otherwise defined or where the context otherwise requires, all terms used herein shall have the same meanings as defined in the circular dated 2 May 2024 (the “Circular”) issued by the Company.

1. INTRODUCTION

On 28 March 2024 (the “**Offer Announcement Date**”), the Offeror, announced (the “**Offer Announcement**”) that it is required to make a mandatory unconditional cash offer (the “**Offer**”) for all the issued and paid-up ordinary shares (the “**Shares**”) in the capital of the Company (excluding treasury shares) other than those already owned, controlled and agreed to be acquired by the Offeror and its concert parties (the “**Offeror Concert Party Group**” or “**Offeror and its Concert Parties**”) and such Shares the “**Offer Shares**”) as at the Offer Announcement Date, in accordance with section 139 of the Securities and Futures Act 2001 (the “**SFA**”) and Rule 14 of the Singapore Code on Take-overs and Mergers (the “**Code**”), as a consequence of the allotment and issue of 231,194,379 new Shares to the Offeror Concert Party Group.

Asian Corporate Advisors Pte. Ltd. (“**ACA**”) has been appointed as the independent financial adviser (the “**IFA**”) to advise the directors of the Company (the “**Directors**”), who are considered to be independent, for the purpose of making a recommendation to the shareholders of the Company (“**Shareholders**”) in relation to the Offer (the “**Recommending Directors**”). We note from the Circular that the Recommending Directors are namely Mr Lo Kim Seng, Mr Benjamin Cho Kuo Kwang, and Mr Francis Ding Yin Kiat.

This letter (the “**Letter**” or the “**IFA Letter**”) and any other document, which may be issued by ACA, in respect of the Offer for the purpose of revising, amending or supplementing or updating (as the case may be) and setting out, *inter alia*, our views and evaluation of the financial terms of the Offer and our recommendations thereon, will form part of the Circular providing, *inter alia*, details of the Offer and the recommendations of the Recommending Directors with regard to the Offer. Unless otherwise defined or the context otherwise requires, all terms defined in the Circular shall have the same meaning ascribed herein.

APPENDIX A – LETTER FROM THE IFA TO THE RECOMMENDING DIRECTORS IN RESPECT OF THE OFFER

Background

On 19 January 2022, the Company called for a voluntary trading halt of its Shares. Subsequently, on 24 January 2022, the Company announced that it was unable to demonstrate its ability to continue as a going concern in accordance with Rule 1303(3) of the Listing Manual of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Section B: Rules of Catalist (the “**Catalist Rules**”) and that the Board requested for a voluntary suspension of the trading of its securities with immediate effect (the “**Suspension**”). The Shares were suspended from trading on the SGX-ST with effect from 24 January 2022.

On 30 April 2022, the Company entered into a memorandum of understanding with the Offeror pursuant to which the Offeror agreed to invest a sum of up to S\$5.0 million (the “**Full Investment Amount**”) into the Company, comprising (a) an initial amount of S\$0.5 million by way of a subscription for new Shares (the “**Subscription**”) and (b) the remaining of S\$4.5 million by way of a subscription for convertible Redeemable Preference Shares (the “**CRPS**”) in the share capital of the Company (the “**CRPS Subscription**”, and together with the Subscription, is also referred to as the “**Investment**”).

In view of the Company's emergency funding requirements, the parties agreed that out of the initial consideration amount of S\$0.5 million for the Subscription (the “**Subscription Consideration**”), a sum of S\$0.45 million would, prior to the completion of the Subscription, be extended as emergency rescue financing (the “**Emergency Funding**”) to the Company pursuant to the terms and conditions of a Super Priority Financing Agreement dated 24 May 2022. The Emergency Funding sum of S\$0.45 million would be considered as partial consideration for the Subscription Consideration on completion of the Subscription.

Concurrently, the Company was also in the initial stages of a court-supervised restructuring exercise involving its creditors to reorganise its liabilities and deleverage the balance sheet of the Group (the “**Scheme**”). On 26 May 2022, the Court granted (a) the moratorium sought in relation to the Company and its subsidiaries, NSB Hotpot Pte. Ltd. and NSB Restaurants Pte. Ltd., until 29 October 2022, or until further order of the Court, and (b) the Funding Super Priority Status under Section 67(1)(b) of the Insolvency, Restructuring and Dissolution Act 2018 in respect of the Emergency Funding.

The Scheme was formally sanctioned by the Court on 28 October 2022, approved by scheme creditors (the “**Scheme Creditors**”) on 11 October 2022 and fully implemented on the completion date of the Implementation Agreement (as defined below). None of the Scheme Creditors has elected to receive Shares under the terms of the Scheme.

The Scheme and the Full Investment Amount were intended to provide the Company with sufficient funds for working capital, settle its liabilities pursuant to the terms of the Scheme and enable it to operate as a going concern.

On 30 June 2022, the Company and the Offeror entered into an implementation agreement (the “**Implementation Agreement**”) as part of a restructuring exercise, which comprised (a) the Scheme, (b) the Subscription, (c) the CRPS Subscription and (d) a consolidation of the then six (6) Shares into one (1) consolidated Share to be undertaken by the Company (the “**Share Consolidation**”). Upon completion of the Share Consolidation and the Subscription, the Offeror would hold Shares representing 75.0% of the total voting Shares of the Company.

Completion of the Investment was subject to the Company having, amongst others, obtained (a) approval from shareholders of the Company (“**Shareholders**”) of a waiver of their rights to receive a mandatory general offer from the Offeror Concert Party Group for the remaining Shares not already owned or controlled or agreed to be acquired by the Offeror Concert Party Group arising from and in connection with the Subscription (the “**Whitewash Resolution**”) at an extraordinary general meeting (“**EGM**”) to be convened and (b) a waiver granted by the Securities Industry Council (the “**SIC**”) to the Offeror Concert Party Group from having to make a mandatory offer, in compliance with Rule 14 of the Code, for the remaining Shares not already owned or controlled or agreed to be acquired by the Offeror and its concert parties arising from or in connection with the Subscription, subject to the Whitewash Resolution being obtained (the “**Waiver Application**”).

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The SIC granted the Waiver Application on 26 July 2022, subject to the Whitewash Resolution being granted by independent Shareholders within 3 months from 26 July 2022, which was the date of the letter issued by the SIC granting the Waiver Application.

The EGM to obtain the Whitewash Resolution would have had to be held by 26 October 2022.

On 27 October 2022, owing to time constraints, as the Company had to deal with court applications and matters relating to the Scheme and an application to the Singapore Exchange Regulation Pte. Ltd. (the “**SGX Regco**”) for a resumption of trade (the “**Resumption of Trading Proposal**”), it applied to the SIC for an extension of time until 31 December 2022 to hold the EGM to obtain the Whitewash Resolution, which was granted by the SIC on 1 November 2022.

On 30 November 2022, the Company convened the EGM and obtained the Whitewash Resolution, amongst other resolutions put forth at the EGM. One of the conditions of the SIC’s grant of the Waiver Application was that the Investment must be completed within 3 months from the date of the receipt by the Company of the Whitewash Resolution, which would have had to be by 30 March 2023.

On 20 January 2023, the Company submitted its Resumption of Trading Proposal to the SGX Regco. Due to disputes that had emerged between the Company, on the one hand, and the then controlling Shareholder of the Company, along with its associate (i.e., Gugong Pte. Ltd. (“**Gugong**”) and Mr Lim Yong Sim (“**Mr Sam Lim**”) are also collectively referred to as the “**Disputing Shareholder**”), on the other, revised proposals that were submitted on 14 April 2023, and again on 27 September 2023, to the SGX Regco.

As disclosed by the Company in various announcements from 3 March 2023 onwards, the disputes that arose were in relation to the termination of the agreements the Company had entered into with the Disputing Shareholder regarding, among others, (a) the transfer of certain of the Company’s intellectual property (the “**IPSPA**”) and (b) an independent consultant arrangement (the “**ICA**”). We understand from the Company that the ongoing disputes which included the commencement of various legal proceedings by the Disputed Shareholder against the Company hampered the Board’s efforts to obtain a resumption of trading and undermined the Investor’s and the Board’s efforts to resuscitate the Company. The Company, through its lawyers, wrote to the SIC for a further extension of the completion timeline for the issuance of the new Shares, which is within three (3) months from the date of receipt of Shareholders’ approval for the Whitewash Resolution (the “**SIC Completion Timeline**”). The Waiver Application has lapsed in any event as the Company did not issue the new Shares under the Subscription within the SIC Completion Timeline.

On 4 March 2024, in support of the Company’s trade resumption, the Company entered into an escrow agreement and a letter agreement in relation thereto (collectively, the “**Escrow Agreements**”) with Valiant Investments Limited (“**Valiant**”, which is a 50.0% shareholder of the Offeror), pursuant to which Nine Yards Chambers LLC was appointed as the escrow agent (“**Escrow Agent**”) to hold in escrow the sum of S\$3.5 million provided by Valiant (the “**Escrow Amount**”), in accordance with the terms of the Escrow Agreements, the Escrow Amount shall be earmarked for the Company’s general working capital, funding requirements and such other purposes as may be determined by the Company’s board of directors (“**Board**”) from time to time and authorised by Valiant (the “**Agreed Purpose**”). For the avoidance of doubt, the Escrow Amount is in addition to the Full Investment Amount payable under the Investment.

Pursuant to the terms of the Escrow Agreements, the Escrow Amount shall be repaid in cash to Valiant on such date as the Company and Valiant may agree mutually in writing, such date being no later than two (2) years from the date of the Escrow Agreements (“**Maturity Date**”). In addition, Valiant shall have the right, at any time prior or after the Maturity Date, to convert all or part of the amounts utilised from the Escrow Amount into fully paid new Shares (collectively, the “**Escrow Conversion Shares**” and each an “**Escrow Conversion Share**”), at a conversion price which has not been determined as at 18 April 2024 (the “**Latest Practicable Date**”), subject to (i) the Company’s compliance with the Catalist Rules (including, if necessary, obtaining the approval of the Shareholders for the allotment and issue of the Escrow Conversion Shares) and (ii) appropriate adjustments to be agreed between the Company and Valiant in the event of any consolidation or subdivision of the Shares.

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If any part of the Escrow Amount has been converted into Escrow Conversion Shares, the outstanding principal amount of the Escrow Amount shall be reduced by the amount of the Escrow Amount that has been converted into Escrow Conversion Shares. We understand from the Company that in its issuing and allotting of any Escrow Conversion Shares, it will comply with all applicable provisions of the Catalist Rules, including any requirement to obtain the prior approval of Shareholders.

On 12 March 2024, the Company received from SGX Regco the listing and quotation notice for (a) the Share Consolidation; (b) the issue of new Shares under the Subscription; and (c) the CRPS Subscription. The Share Consolidation was completed on 22 March 2024.

On 20 March 2024, the Disputing Shareholder informed the Company that it had disposed all the 254,437,880 pre-Share Consolidation Shares (representing approximately 55.0% of the issued Share capital as at 20 March 2024) it held in the Company to three (3) different buyers, namely Mr Wang Huan, Ms Qi Aina, and Ms Yang Ji Hui (collectively, the **"Buyers"**). Based on the announcements, the Buyers are (a) independent of each other, (b) not acting in concert and (c) to the best of the Company's knowledge, are not related to Gugong and/or Mr Sam Lim, or their associates (including parties acting in concert with each of them), the Offeror or any other substantial shareholder or director of the Company.

We note from the Offer Announcement that the Offeror Concert Party Group confirms that the Buyers are not (a) in any way related to it, (b) its associates or (c) parties acting in concert with it.

On 21 March 2024, the Company announced that Gugong, Mr Sam Lim and Mattar Road No Signboard Seafood Restaurant (which is a company owned by relatives of Mr Sam Lim) had on the same day entered into a settlement agreement with the Company (the **"Settlement Agreement"**) under which each party to the Settlement Agreement released the other party(ies) from and discontinued any action in respect of all claims, demands, liabilities and/or debts each had or may have had against the other(s) (including claims against the members of the Company's Board of Directors) (the **"Settlement"**). Pursuant to the Settlement Agreement, all other existing agreements between the Company and its subsidiaries (the **"Group"**) on one hand and Gugong and/or Mr Sam Lim on the other (which included the IPSPA and the ICA) would automatically be terminated. Furthermore, the Company agreed to convey, transfer, and assign to Gugong the "No Signboard" trademarks for a consideration of S\$10,000.

On 28 March 2024, the Implementation Agreement was completed by the Company and the Offeror. Pursuant to the terms of the Implementation Agreement, the Company allotted and issued to the Offeror: (a) a total of 231,194,379 new Shares pursuant to the Subscription; and (b) a total of 145,000,000 CRPS pursuant to the CRPS Subscription.

Following the issuance of the 231,194,379 new voting Shares to the Offeror, the Offeror Concert Party Group holds approximately 75.0% of the entire issued voting share capital of the Company as at the Offer Announcement Date. As a result, the Offeror Concert Party Group is required to make the Offer for the Offer Shares in accordance with Section 139 of the SFA and Rule 14 of the Code.

On 18 April 2024, the Offeror announced that the offer document dated 18 April 2024 (the **"Offer Document"**), setting out, *inter alia*, the terms and conditions of the Offer, has been electronically disseminated.

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2. TERMS OF REFERENCE

ACA has been appointed to advise the Recommending Directors on the financial terms of the Offer and whether the Shareholders should accept or reject the Offer. We do not warrant the merits of the Offer other than to form a view, for the purposes of Rule 7.1 and 24.1 (b) of the Code, as to whether the financial terms of the Offer are fair and reasonable. We have confined our evaluation strictly and solely on the financial terms of the Offer and have not taken into account the commercial risks and/or merits (if any) of the Offer or their strategic merits or the future prospects of the Company or the Group including, *inter alia*, the contracts that the Group has embarked upon or are about to embark upon or the comparison with other deals involving the Shares or the timing or the time extended for the Offer. Such evaluation or comment remains the responsibility of the Directors and the management of the Company (the “**Management**”) although we may draw upon their views or make such comments in respect thereof (to the extent deemed necessary or appropriate by us) in arriving at our view as set out in this Letter. We do not express any opinion on the relative merits of the Offer as compared to any other alternative transaction. We were not requested or authorised to solicit, and we have not solicited, any indications of interest from any third party with respect to the Offer Shares or assets or businesses of the Group. In addition, we do not express any views or opinions on the legality of the Offer or all other matters pertaining to the Offer or documents for the Offer (the Circular and the Offer Document), *inter alia*, the mechanism or processes of acceptances, its eligibility or validity or other alternatives (if any) or the sufficiency of information or any undertakings provided or rights of compulsory acquisition under the Companies Act, Chapter 50 of Singapore (the “**Act**” or the “**Companies Act**”) or the requirement for a valuation or forecast or prospect statement or its contents pursuant to the Code. Our scope does not include determining the independence of the Recommending Directors for the purpose of making recommendation in respect of the Offer.

In the course of our evaluation, we have held discussions with the Directors and Management regarding their assessment of the rationale for the Offer and have examined publicly available information collated by us, including the unaudited and audited financial statements as well as information, both written and verbal, provided to us by the Directors and Management and professional advisers of the Company, including its consultants or advisers, solicitors, auditors and valuer (where applicable). We have not independently verified such information but have made such reasonable enquiries and used our judgement as we deemed necessary on the reasonableness of such information and have found no reason to doubt the accuracy or reliability of the information. Accordingly, we cannot and do not expressly or impliedly represent or warrant, and do not accept any responsibility for the accuracy, completeness or adequacy of such information or the manner it has been classified or presented.

We have relied upon the assurance of the Directors and Management that all statements of fact, belief, opinion and intention made by the Directors and the Management in the Circular have been reasonably made after due and careful enquiry. Accordingly, no representation or warranty, expressed and implied, is made and no responsibility is accepted by us concerning the accuracy, completeness or adequacy of such information.

Our evaluation is based solely on publicly available information and other information provided by the Company as well as the economic and market conditions prevailing as at the Latest Practicable Date, and therefore does not reflect expected financial performance after the financial year ended 30 September (“**FY**”) 2023 (“**FY2023**”) for the Group. Accordingly, we have not commented on or assessed the expected future performance or prospects of the Company or the Group or the Shares, irrespective of the outcome of the Offer. Our evaluation, opinion and recommendation do not and cannot take into account future or prospective performance and neither are we responsible for it or for any updates pursuant to any announcements subsequent to the issuance of this Letter or the timing of the Offer or the dates for issuance of the Circular. Accordingly, any estimates or analysis or evaluation of the merits of the Company or the Group or the Shares in this Letter are necessarily limited and we do not warrant or represent that it is complete or in entirety.

It is not within our scope to opine on the future financial performance or position or adequacy of the

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working capital of the Company or the Group or the possibility or probability that the Group can improve their profitability or whether the Group can repay its liabilities as and when they fall due or the viability, profitability and risks related to the Group's business. Such evaluation or comment remains the responsibility of the Directors and Management although we may draw upon their views or make such comments in respect thereof (to the extent deemed necessary or appropriate by us) in arriving at our view as set out in this Letter.

Our scope does not require us and we have not made any independent evaluation of the Group (including without limitation, market value or economic potential) or appraisal of the Group's assets and liabilities (including without limitation, plant and equipment) or contracts entered into or to be entered into by the Group (where applicable) and we have not been furnished with any such evaluation and appraisal in respect of assets and liabilities (if any) held or contracts entered into (where applicable) by the Group.

The Directors are of the opinion that the values of the assets and liabilities, as well as the financial performance or condition of the Group as reflected in the unaudited financial statements for, *inter alia*, FY2023 and the audited financial statements for the Group for the financial year ended 30 September ("FY") 2022 ("FY2022") and 2021 ("FY2021") are true and fair. The Directors have also confirmed that to the best of their knowledge, nothing has come to their attention which may render the unaudited financial statements for FY2023 and the audited financial statements for the Group for FY2022, to be false or misleading in any aspect.

The Directors further confirmed that, to the best of their knowledge, as at the Latest Practicable Date and save for matters disclosed in the Circular, this Letter, the Company's announcements on the SGXNET, the unaudited financial statements for the Group for FY2023 and the audited financial statements for the Group for FY2022 and FY2021, there have been no material changes to the Group's assets and liabilities, financial position, condition and performance.

Our opinion in this Letter is based on economic, market, industry, monetary and other conditions (if applicable), and the information provided to us, as at the Latest Practicable Date. Accordingly, the bases or assumptions and likewise our views or opinion or recommendation may and do change in the light of these developments which, *inter alia*, includes general as well as company-specific or industry-specific conditions or sentiments or factors. Recommending Directors should note that our evaluation is based solely on publicly available information and such other information provided by the Company or its Directors or Management as well as the economic and market conditions prevailing as at the Latest Practicable Date, and therefore does not reflect expected financial performance after FY2023 for the Group or developments (both macro and company-specific) and that these factors do and will necessarily affect the evaluation of the Offer and our recommendation or opinion or views.

The Directors have collectively and severally accepted full responsibility, as set out in the Circular, for the truth, accuracy and completeness of all information and representations as provided by the Directors and contained herein. The Directors have confirmed to ACA that to the best of their knowledge and belief, all material information available to them and the Management in connection with the Company, the Group, the Offer or the Offeror or such other parties has been disclosed to ACA in its entirety and included in the Circular, that such information is true, complete and accurate in all material respects and that there is no other information or fact including the financial performance or expected future performance or future growth prospects or restructuring plans (if applicable) of the Company or the Group or the valuation or appraisal of assets and liabilities including, *inter alia*, the contracts or agreements that the Group has embarked upon or are about to embark upon, the omission of which would result in the facts stated and the opinions expressed by the Directors in the Circular or this Letter to be untrue, inaccurate or incomplete in any respect or misleading. Accordingly, no representation or warranty, expressed or implied, is made and no responsibility is accepted by ACA concerning the truth, accuracy, completeness or adequacy of such information or facts.

The scope of our appointment does not require us to express, and we do not express, a view on

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the future growth prospects of the Company or the Group including, *inter alia*, the contracts that the Group has embarked on or are about to embark upon. We are therefore not expressing any view herein as to the returns that the Shareholders may have owning the Shares upon completion or close of the Offer or on the future financial performance of the Company or the Group or the plans (if any) that the Offeror may have for the Company. In rendering our advice and giving our recommendation, we have not had regard to the general or specific investment objectives, financial situation, tax position, risk profiles or unique needs and constraints or particular circumstances of any individual Shareholder. As each Shareholder would have different investment profiles and objectives, horizons and risk profiles, we would advise Recommending Directors to recommend that any Shareholder, who may require advice in the context of his specific investment objective(s), investment portfolio(s), including his investment in the Company, should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

Accordingly, any factor or assumption or basis as well as the relative emphasis on any matter set out in this Letter on the Offer or the Company or the Group or the Shares which we used or may have used may differ from the relative emphasis accorded by any individual Shareholder or Recommending Director, and as such, Recommending Directors are advised to highlight to Shareholders as well as note for themselves that any reliance on our opinion or view or assessment is subject to the contents of this Letter in its entirety. In addition, ACA will not be responsible or required to provide an updated assessment or opinion or views of the Offer or its recommendation, following the date of the issue of this Letter.

Accordingly, our Letter or opinion or views or recommendation should not be used or relied by anyone for any other purposes and should only be used by the Recommending Directors, subject to our terms of reference and the contents of this Letter as one of the basis for their opinions or views or recommendation. In addition, any references to our Letter as one of the basis for their opinions, views or recommendation, should not be made except with our prior consent in writing and even if made with our prior consent in writing, shall be subject to the contents of this Letter in its entirety, *inter alia*, the matters, conditions, assumptions, limitations, factors, and bases as well as the terms of reference for this Letter.

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3. TERMS OF THE OFFER

The principal terms and conditions of the Offer, as extracted from Section 2 of the Offer Document, are set out in italics below. We recommend that Shareholders read the terms and conditions contained therein carefully.

“2. TERMS OF THE OFFER

2.1. Offer Price.

- (a) *Under Rule 14.3 the Code, the Offeror is required to make the Offer for the Offer Shares at no less than the highest price at which the Offeror Concert Party Group acquired Shares during the Offer Period and in the six (6) months immediately preceding the Offer Announcement Date. The Offeror has determined the purchase price of S\$0.0021 for each new Share it acquired under the Subscription to be the applicable highest price.*
- (b) *Accordingly, the consideration payable by the Offeror for each Offer Share is **S\$0.0021 in cash** (the “Offer Price”).*
- (c) ***The Offer Price is final, and the Offeror will not revise the Offer Price or any other term of the Offer, except if there is a competitive bid.***

2.2. Offer Shares.

- 2.2.1. *The Offer is extended, on the same terms and conditions, to all Offer Shares, being all Shares, excluding those already owned, controlled, or agreed to be acquired by the Offeror Concert Party Group as at the date of the Offer. The Company only has one class of shares, being ordinary shares.*

2.3. No Encumbrances.

The Offer Shares are to be acquired:

- (a) *fully paid;*
 - (b) *free from Encumbrances; and*
 - (c) *together with all rights, benefits, entitlements and advantages attached thereto as at the Offer Announcement Date, and hereafter attaching thereto, including but not limited to the right to receive and retain all dividends, rights and other distributions declared, paid or made by the Company (each a “Distribution” and collectively, the “Distributions”) (if any), the Record Date for which falls on or after the Offer Announcement Date.*
- 2.3.2. *For the purpose of this Offer Document, “Record Date” means, in relation to any Distribution, the date specified on which the name of a shareholder must be in the register of members of the Company or in the Depository Register maintained by CDP in order to participate in such Distribution.*

2.4 Adjustments for Distributions.

- 2.4.1. *Without prejudice to the generality of the foregoing, the Offer Price has been determined on the basis that the Offer Shares will be acquired with the right to receive any Distributions that may be declared, paid, or made by the Company on or after the Offer Announcement Date. In the event any such Distribution is paid or made by the Company to a Shareholder who accepts the Offer, the Offer Price payable to such accepting Shareholder shall be reduced by an amount which is equal to the amount of such Distribution paid or made by the Company to such accepting Shareholder. Accordingly, the following adjustment will apply if any*

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Distribution is declared, paid, or made by the Company on or after the Offer Announcement Date:

- (a) *if the settlement date in respect of the Offer Shares accepted pursuant to the Offer falls on or before the Record Date for the determination of entitlements to the Distribution, the Offeror will pay the relevant accepting Shareholders the Offer Price of S\$0.0021 in cash for each Offer Share (without any adjustment), as the Offeror will receive the Distribution in respect of those Offer Shares from the Company; and*
- (b) *if the settlement date in respect of the Offer Shares accepted pursuant to the Offer falls after the Record Date, the Offeror reserves the right to reduce the Offer Price by the amount of such Distribution, as the Offeror will not receive the Distribution in respect of those Offer Shares from the Company.*

2.5 **Offer Unconditional.**

- 2.5.1. *The Offer is unconditional in all respects. This means the Offer is not subject to any condition of the level of acceptances the Offeror must receive for the Offer and cannot be withdrawn without the consent of the SIC.*
- 2.5.2. *Shareholders who accept the Offer will be paid the Offer Price for their Offer Shares (subject to the Offeror's right of adjustment as described in Section 2.4 above) as soon as practicable, and in any case within 7 Business Days after receipt by the Offeror of their valid acceptances.*

2.6 **Break Fee.**

There is no break fee proposed or agreed on in relation to the Offer.

2.7 **Further Details of the Offeror's Financial Position and the Offer.**

- 2.7.1. **Appendix 3** to this Offer Document sets out further details regarding:

- (a) *a summary of the financial position of the Offeror;*
- (b) *the duration of the Offer;*
- (c) *the settlement of the consideration for the Offer Shares;*
- (d) *the requirements relating to the announcements of level of acceptances of the Offer; and*
- (e) *the right of withdrawal of acceptances of the Offer.*

2.8 **Procedures for Acceptance.**

- 2.8.1. **Appendix 4** to this Offer Document explains how to accept the Offer.

2.9 **No extension of Closing Date.**

- 2.9.1. *This Offer is open for 28 days from the Despatch Date (i.e., 18 April 2024) and will close at 5.30 p.m. on the Closing Date (i.e., 16 May 2024). The Closing Date will not be **extended or revised, and no tender of any Offer Shares will be accepted after that time.***

- 2.10 **Warranty.** *By accepting the Offer, each Shareholder unconditionally and irrevocably warrants to the Offeror that each Offer Share tendered in acceptance of the Offer is sold by that accepting Shareholder, for itself, or on behalf of the beneficial owner(s) on the following terms:*

- (a) *fully paid;*

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- (b) *free from Encumbrances; and*
- (c) *together with all rights, benefits entitlements and advantages attached thereto as at the Offer Announcement Date and thereafter attaching thereto (including but not limited to the right to receive and retain all Distributions, if any, which may be announced, declared, paid, or made thereon by the Company, the Record Date for which falls on or after the Offer Announcement Date)."*

4. INFORMATION ON THE OFFEROR AND ITS CONCERT PARTIES

Information on the Offeror and its Concert Parties is set out in Section 3 of the Offer Document.

5. INFORMATION ON THE COMPANY

Information and additional general information on the Company are set out in Section 4 and Appendix 2 of the Offer Document, as well as Appendix B to the Circular.

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6. THE RATIONALE FOR THE OFFER, INTENTION OF THE OFFEROR AND THE LISTING STATUS

The rationale for the Offer, the Offeror's intentions for the Company as well as the listing status and compulsory acquisition are stated in Sections 5 and 6 of the Offer Document and have been reproduced in italics below. All terms and expressions used in the extract below shall have the same meaning as those defined in the Offer Document, unless otherwise stated.

"5. RATIONALE FOR THE OFFER AND THE OFFEROR'S INTENTIONS FOR THE COMPANY

- 5.1. *The Offer is being made to comply with the requirements of Rule 14 of the Code, as following completion of the Subscription, the Offeror Concert Party Group holds, in aggregate, 231,194,379 new Shares in the Company, representing approximately 75% of the total number of Shares.*
- 5.2. *The Offeror Concert Party Group's intention is for the Company to continue carrying on its business in the food and beverage industry and to maintain its listing status on the SGX-ST. The investment made by the Offeror Concert Party Group under the Implementation Agreement and by Valiant under the Escrow Agreements are to provide the Group with sufficient funds for its working capital purposes, settle its liabilities pursuant to the terms of the Scheme and to enable it to operate as a going concern.*
- 5.3. *To this end, with the proceeds of the investment made by the Offeror (in accordance with the terms of the Implementation Agreement), the Company completed the acquisition of a 60% shareholding interest in Dining Haus Pte. Ltd, whose subsidiary Eat What Pte. Ltd operates a food and beverage catering services to institutional clients. This is part of the Offeror Concert Party Group's strategy to revamp the Group's branding and expand the range of food and beverage offerings, with the aim of returning the Group to growth and profitability. Other than employees affected by the creditors voluntary liquidation of the Group's subsidiaries as announced by the Company on 21 December 2022, there are no plans or intentions to retrench the current employees of the Group. Please refer to the Company's announcement on 10 January 2024 and 15 February 2024 on the SGXNET.*
- 5.4. *The disclosure made by Offeror Concert Party Group outlined in Sections 5.2 and 5.3 above are based on current understanding and assumptions. These assumptions involve known and unknown risks, uncertainties, and other factors, many of which are outside the control of the Offeror Concert Party Group. Therefore, the Offeror Concert Party Group is unable to guarantee that these plans will be implemented and reserves the right to explore alternative options that may better serve the interests of the Offeror Concert Party Group and/or the Group as a whole.*

6. LISTING STATUS AND COMPULSORY ACQUISITION

6.1. **Free Float Requirement**

*Catalist Rule 723 requires the company to ensure that at least 10% of the total number of issued Shares (excluding preference shares, convertible equity securities and treasury shares) is at all times held by the public (the **"Free Float Requirement"**).*

*Catalist Rule 1104 specifies that upon announcement by the Offeror that acceptances have been received that bring the holdings owned by the Offeror Concert Party Group to above 90% of the total number of Shares (excluding treasury shares), the SGX Regco **may** suspend trading of the Shares in the Ready and Unit Share markets until it is satisfied that at least 10% of the total number of Shares (excluding treasury shares) are held by at least 200 Shareholders who are members of the public.*

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Catalist Rule 1303(1) states that where the Offeror succeeds in garnering acceptances exceeding 90% of the total number of Shares, causing the percentage of the Company's total number of Shares (excluding treasury shares) held in public hands to fall below 10%, the SGX Regco **will** suspend trading of the Shares only at the close of the Offer.

In addition, under Catalist Rule 724, if the percentage of Shares held in public hands falls below 10%, the Company must, as soon as practicable, notify its sponsor and announce that fact, and the SGX Regulation may suspend trading of all the Shares. Catalist Rule 724 further provides that the SGX Regulation may allow the Company a period of 3 months, or such longer period as the SGX Regulation may agree, to raise the percentage of Shares in public hands to at least 10%, failing which the Company may be delisted from the SGX-ST.

As stated above, the Offeror Concert Party Group intends to maintain the listing status of the Company. To achieve this and comply with the Free Float Requirement, the Offeror Concert Party Group may engage a licensed intermediary to place out some or all of the Offer Shares acquired pursuant to the Offer following the close of the Offer or take such other corporate action, as may be appropriate and in the best interest of the Group. Further details on any such arrangements will be announced in due course.

However, notwithstanding the stated intentions of the Offeror Concert Party Group, it reserves the right to re-evaluate its position, considering, among other things, the level of acceptances received by the Offeror in respect of the Offer and the prevailing market conditions at the relevant time. Accordingly, there is no assurance that the Offeror Concert Party Group can or will implement its plans if the Free Float Requirement cannot be not satisfied by the Company.

6.2. **Compulsory Acquisition**

6.2.1. Pursuant to section 215(1) of the Companies Act, if the Offeror receives valid acceptances pursuant to the Offer (or otherwise acquires Shares during the period when the Offer is open for acceptance) in respect of not less than 90% of the total number of issued Shares (other than those already held by the Offeror Concert Party Group and their respective nominees as at the date of the Offer and excluding any Shares held in treasury), the Offeror Concert Party Group will be entitled to compulsorily acquire all the Shares of Shareholders who have not accepted the Offer ("**Dissenting Shareholders**") on the same terms as those offered under the Offer.

6.2.2. Pursuant to section 215(3) of the Companies Act, if the Offeror Concert Party Group acquires such number of Shares which, together with the Shares held by the Offeror Concert Party Group or their respective nominees, comprise 90% or more of the total number of issued Shares as at the close of the Offer, the Dissenting Shareholders have a right to require the Offeror to acquire their Shares at the Offer Price. Shareholders who wish to exercise such right are advised to seek their own independent legal advice.

6.2.3. **As stated in Section 5.2 above, it is the present intention of the Offeror Concert Party Group for the Group to continue its existing business in the food and beverage industry and to maintain its listing status on the SGX-ST.** Accordingly, the Offeror does not intend to exercise its rights of compulsory acquisition in the event it is entitled pursuant to section 215(1) of the Companies Act to acquire those Offer Shares not acquired by the Offeror pursuant to the Offer, or voluntarily seek to delist the Company from the SGX-ST."

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7. FINANCIAL ASSESSMENT OF THE OFFER

In assessing the terms of the Offer from a financial viewpoint, we have taken into account the following pertinent factors as well as others in this Letter, which we consider will have a significant bearing on our assessment:

- (i) historical financial performance and position of the Group;
- (ii) the Group's net asset value ("**NAV**") and net tangible assets ("**NTA**");
- (iii) market quotation and trading activities for the Shares;
- (iv) comparisons with recently completed non-privatisation mandatory general offer transactions of companies listed on the SGX-ST;
- (v) relative valuation analysis;
- (vi) estimated range of value per Share; and
- (vii) such other relevant considerations which have significant bearing on our assessment.

These factors are discussed in detail in the ensuing sections.

As at the Latest Practicable Date, the Company has two (2) classes of shares, being (i) ordinary Shares; and (ii) CRPS, which do not have any voting rights and are not subject to the Offer. We note from Appendix B to the Circular that as at the Latest Practicable Date, the issued and paid-up Share capital of the Company is S\$26,665,233, comprising 308,259,172 Shares and the issued and paid-up CRPS capital of the Company is S\$4,500,000 comprising 145,000,000 CRPS, and the Company does not have any outstanding instruments convertible into, rights to subscribe for, and options in respect of, securities which carry voting rights affecting Shares, save for the CRPS and the Escrow Agreements.

In our assessment of the Offer, we have applied certain valuation ratios for the purposes of evaluating the fairness and reasonableness of the Offer Price. A brief description of such valuation ratios are as follows:—

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- | | | |
|-------|---------------------------------------|--|
| (i) | EV/EBITDA | <p>“EV” or “Enterprise Value” is defined as the sum of a company’s market capitalisation, preferred equity, minority interests, short-term and long-term debts less its cash and cash equivalents. “EBITDA” stands for earnings before interest, taxation, depreciation and amortisation but after share of associates’ and joint ventures’ income but excluding exceptional items.</p> <p>The “EV/EBITDA” multiple is an earnings-based valuation methodology that does not take into account the capital structure of a company as well as its interest, taxation, depreciation and amortisation charges. Therefore, it serves as an illustrative indicator of the current market valuation of the business of a company relative to its pre-tax operating cash flow and performance.</p> |
| (ii) | Price-to-Earnings (“PER”) | <p>The PER ratio is a widely used earnings-based valuation methodology that illustrates the ratio of the current market price of a company’s shares relative to its net earnings per share. Unlike the EV/EBITDA multiple, the PER is based on the net earnings attributable to shareholders after interest, taxation, depreciation and amortisation expenses. As such, the PER is affected by the capital structure of a company, tax position as well as its depreciation and goodwill policies.</p> |
| (iii) | Price-to-NTA (“P/NTA”) | <p>The P/NTA ratio is the ratio of the relevant prices of the shares to the net tangible asset value of the relevant companies. It is an asset-based valuation methodology that illustrates the ratio of the current market valuation of a company relative to its tangible asset backing as measured in terms of its NTA value.</p> <p>The NTA of a company provides an estimate of its value assuming a hypothetical sale of all its tangible assets, the proceeds of which are first used to repay the liabilities and obligations of that company with the balance available for distribution to its shareholders. The NTA-based approach is widely used for valuing the shares of property-based companies as their tangible asset backings are perceived as providing support for the value of their shares.</p> |
| (iv) | Price-to-NAV (“P/NAV”) | <p>The P/NAV ratio is the ratio of the relevant prices of the shares to the net asset value of the relevant companies. It is an asset-based valuation methodology that illustrates the ratio of the current market valuation of a company relative to its tangible and intangible asset backing as measured in terms of its NAV value.</p> <p>The NAV of a company provides an estimate of its value assuming a hypothetical sale of all its tangible and intangible assets, the proceeds of which are first used to repay the liabilities and obligations of that company with the balance available for distribution to its shareholders.</p> |
| (v) | Price-to-Revenue (“P/Revenue”) | <p>The P/Revenue ratio is the ratio of a company’s market capitalisation relative to its sales/revenue. The P/Revenue ratio does not take into account the profitability of a company.</p> |

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7.1 HISTORICAL FINANCIAL PERFORMANCE AND POSITION OF THE GROUP

The following are extracts from the audited consolidated financial statements of the Group for FY2021 and FY2022, and the unaudited consolidated financial statements of the Group for FY2023.

Summary of consolidated income statements

Figures in S\$'000 ⁽¹⁾	Unaudited FY2023	Audited FY2022	Audited FY2021
Revenue	2,884	5,451	7,904
Other income ⁽²⁾	337	2,705	3,601
Raw materials used and change in inventories	(675)	(1,553)	(2,830)
Employee benefits expense	(1,892)	(3,801)	(6,304)
Other operating expenses ⁽³⁾	(2,501)	(7,522)	(11,500)
Loss before tax	(1,847)	(4,720)	(9,129)
Loss after tax attributable to equity holders of the Company	(1,847)	(4,720)	(9,112)

Summary of consolidated statements of financial position

Figures in S\$'000 ⁽¹⁾	Unaudited FY2023	Audited FY2022	Audited FY2021
Non-current assets	235	738	4,217
Current assets	3,276	496	7,210
Non-current liabilities	197	1,150	4,572
Current liabilities	12,149	7,139	9,231
Total borrowings ⁽⁴⁾	8,177	4,566	9,435
Shareholders' deficit/net liabilities	(8,836)	(7,056)	(2,375)
Net current liabilities ⁽⁵⁾	(8,873)	(6,643)	(2,021)

Summary of consolidated statements of cash flows

Figures in S\$'000 ⁽¹⁾	Unaudited FY2023	Audited FY2022	Audited FY2021
Net cash (used in) operating activities	(860)	(982)	(3,412)
Net cash (used in) investing activities	(8)	(25)	(900)
Net cash generated from / (used in) financing activities	3,510	(1,436)	(5,882)
Net increase / (decrease) in cash and cash equivalents	2,642	(2,442)	(10,195)
Cash and cash equivalents at end of financial period/year	2,927	285	2,727

Notes:

- (1) The figures included herein and discrepancies between the listed and total amounts thereof are subject to rounding.
- (2) Other income comprised of, inter alia, rental income, government grants, franchise fee income, foreign exchange gain, gain on early lease termination, liquidation of subsidiaries and disposal of property, plant and equipment.
- (3) Other operating expenses comprised of, inter alia, rental expenses, depreciation and amortisation expenses, impairment losses on intangibles, plant and equipment, right-of-use and other assets, finance expenses, professional fees, marketing and advertising expenses, commission, foreign exchange loss, royalty, subscription and licence fees, and write-off of trade receivables, other receivables, as well as plant and equipment.
- (4) The total borrowings include bank and other loans and lease liabilities.
- (5) Net current liabilities are defined as current assets less current liabilities.

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The following should be reviewed in conjunction with the tables and notes above:

(i) Financial performance for FY2023, FY2022 and FY2021

The Group's core business is in the management and operation of food and beverage outlets ("**F&B Business**"), with Singapore as the sole geographical market. Following the closures and liquidations of (i) VivoCity and Esplanade outlets in November 2021 and March 2022 respectively; (ii) Danish Breweries Pte Ltd in March 2022; and (iii) Mom's Touch outlets and Hawker QSR Pte Ltd, the sole revenue contributor is the Other Restaurant segment.

Post FY2023, the 60% acquisition of Dining Haus Pte. Ltd. was completed on 15 February 2024, providing the Group with a new revenue stream, being institutional catering services to clients in, *inter alia*, the semiconductor and maritime, medical equipment and aerospace sectors. Shareholders are advised to refer to and read the Company's announcements dated 10 January 2024, 22 January 2024, 15 February 2024 and 13 March 2024. In particular, Shareholders should note the financial effects of the 60% acquisition of Dining Haus Pte. Ltd. (refer to the Company's announcement dated 10 January 2024) and the unaudited profit and loss statements of Eat What Pte. Ltd. for the financial years ended 31 August 2020, 31 August 2021 and 31 August 2022 (refer to the Company's announcement dated 13 March 2024).

The No Signboard trademark had also been disposed to Gugong on 21 March 2024 in an S\$10,000 settlement agreement. This was part of the Group's plan to restructure and rebrand its existing casual and quick-serve restaurant outlets, namely Little Sheep Hotpot at Orchard Gateway and Sheng Jian Bao at Northpoint City, following the trading resumption (the "**Resumption**") of the Group's Shares on 15 March 2024 (the "**Resumption Date**") since its suspension on 24 January 2022.

The Group's revenue decreased from approximately S\$7.9 million in FY2021 to approximately S\$5.5 million and S\$2.9 million in FY2022 and FY2023 respectively. This was mainly due to; *inter alia*, the decline in or absence of revenue contribution from the Seafood Restaurant Segment, Beer Segment and Other Restaurant Segment, and lower consumer demand for the remaining operating outlets as mentioned above.

The significant declines in raw materials used and change in inventories from approximately S\$2.8 million to approximately S\$1.6 million and S\$0.7 million for FY2022 and FY2023 respectively was primarily attributed to lower raw material costs for the remaining operating outlets as mentioned above.

Other income declined sharply from approximately S\$3.6 million in FY2021 to approximately S\$2.7 million and S\$0.3 million in FY2022 and FY2023 respectively. This was mainly attributable to absences of job support scheme grant, rental support scheme, and gain on disposal of plant and equipment, partially offset by a one-off gain from the liquidation of subsidiaries of approximately S\$1.6 million in FY2022.

Employee benefits expenses declined significantly from S\$6.3 million in FY2021 to S\$3.8 million and S\$1.9 million in FY2022 and FY2023 respectively due to lower headcount and staff costs from the closure of the various outlets.

The Group's other operating expenses amounted to approximately S\$11.5 million, S\$7.5 million and S\$2.5 million in FY2021, FY2022, and FY2023 respectively. The decrease in the Group's other operating expenses was mainly due to reduction in expenses from the closure of outlets and liquidation of subsidiaries, partially offset by an increase in professional and legal fees incurred for corporate restructuring and fund-raising exercise in FY2022.

The Group's net loss attributable to equity holders of the Company narrowed from approximately S\$9.2 million in FY2021 to S\$4.7 million and S\$1.8 million in FY2022, and FY2023 respectively.

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(ii) Assets and liabilities

As at 30 September 2023, the Group's total assets amounted to approximately S\$3.5 million, of which approximately S\$3.3 million is current assets, comprised mainly cash and bank balances of approximately S\$2.9 million.

The main constituent of the Group's non-current assets as at 30 September 2023 is trade and other receivables of approximately S\$0.2 million.

As at 30 September 2023, the Group's total liabilities amounted to approximately S\$12.3 million and consisted of current liabilities of approximately S\$12.1 million, of which the main components are the current portion of loans of approximately S\$7.1 million (S\$5.0 million of which comprised the Full Investment Amount), trade and other payables of approximately S\$3.9 million, and lease liabilities of approximately S\$1.0 million.

(iii) Net current (liabilities)

The Group was in net current liabilities position of approximately S\$8.9 million as at the end of FY2023, which arose as a result of the receipt of the remaining approximately S\$4.6 million of the Full Investment Amount as advanced deposits in FY2023 as a show of commitment to the Group's application for the resumption of trading.

(iv) Shareholders' deficit

Deficit attributable to Shareholders of the Group worsened from approximately S\$2.4 million as at 30 September 2021 to approximately S\$7.1 million and S\$8.8 million as at 30 September 2022 and 30 September 2023 respectively. This is largely due to the net losses recorded during the period reviewed.

(v) Net cash flow from operating activities

The Group generated net cash outflow from operating activities for the past three financial years of approximately S\$3.4 million, S\$1.0 million and S\$0.9 million respectively for FY2021, FY2022 and FY2023.

The Directors confirmed that, to the best of their knowledge, as at the Latest Practicable Date and save for matters disclosed in the Circular, this Letter, the Group's unaudited financial statements for FY2023, and the Company's announcements on the SGXNET, there have been no material changes to the Group's assets and liabilities, financial position, condition and performance.

(vi) Emphasis of Matters

The auditors of the Company (the "**Auditors**"), which is named in the Company's Annual Report for FY2022 (the "**AR2022**"), have issued an emphasis of matter (the "**Emphasis of Matter**"), *inter alia*, in respect of the audited financial statements for the Group for FY2023 pertaining to material uncertainty on the Group's and the Company's ability to continue as a going concern.

The Auditors drew attention to Note 2.1 in the financial statements for FY2022, which indicates that the Group incurred a net loss of approximately S\$4.7 million during FY2022 and, as of that date, the Group and Company had net liabilities of approximately S\$7.1 million and S\$4.8 million respectively. Additionally, the Group had a net cash outflow from operating activities of approximately S\$1.0 million for FY2022. These conditions, along with other matters as set forth in Note 34 to the financial statements for FY2022, indicate the existence of a material uncertainty that may cast significant doubt on the Group and Company's ability to continue as a going concern.

Further details on the Emphasis of Matter and the relevant notes to the financial statements for the Group for FY2022 are set out in the Group's AR2022.

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As at the Latest Practicable Date, the Directors are of the opinion that the Group and the Company are able to continue as a going concern based on the following considerations:

- (a) As at the Latest Practicable Date, the Company has drawn down the full Escrow Amount which has been utilised, *inter alia*, for settlement of the Scheme Creditors, and repayment to OCBC.
- (b) The Company has resumed trading of its shares on the SGX-ST since 15 March 2024. Hence, it would be in a position to raise additional funds via the capital markets should the need arise.
- (c) As part of the Company's strategy to improve its revenue stream, income, as well as Shareholders' value and return, the Company has completed the 60% acquisition of Dining Haus Pte. Ltd., which is the first step undertaken by the Company to expand its F&B business into institutional catering.
- (d) The Company had entered into an agreement with OCBC to record the parties' understanding of the terms of repayment of the outstanding bank loan, of which the first repayment had been made to OCBC on 18 April 2024 in accordance with the agreed terms of repayment.
- (e) The Group had made payments to the Scheme Creditors on 18 April 2024 and as at the Latest Practicable Date, the amounts owing to the Scheme Creditors have been fully settled.
- (f) The Company has obtained written undertakings from the Offeror to provide financial support to the Company, whether in the form of shareholder loans or investments or otherwise, as may be required by the Company to (i) support the working capital requirement for its business operations; (ii) pay its liabilities as and when they fall due; and (iii) continue to operate as a going concern, for a period of 18 months from the date on which the Shares resume trading on SGX-ST.
- (vii) Outlook

In the Group's results announcement for FY2023, the Company stated the following commentary on the significant trends and competitive conditions of the industry in which the Group operates and factors or events that may affect the Group in the next reporting period and the next 12 months:

"The Group expects the operating environment of the local food and beverage industry to remain challenging in the next 12 months, due to higher operating and manpower costs that will impact profit margins. Despite the challenges, there are opportunities for businesses to succeed and thrive in this dynamic market.

The Group's urgent priorities are to complete the Restructuring Exercise, the Proposed Investment and to resume trading of its shares on the Singapore Exchange Securities Trading Limited as soon as possible.

The Company has submitted its revised resumption of trading of the Shares to SGX-ST on 14 April 2023 and a further revised resumption of trading of the Shares to SGX-ST on 27 September 2023.

Upon completion of the Proposed Investment by the Investor, the Company will be able to proceed with the completion of the schemes between the Company and its relevant subsidiaries, NSB Hotpot Pte. Ltd. and NSB Restaurants Pte. Ltd. and the Scheme Creditors (as set out in the Company's announcement dated 23 August 2022), which have been approved at the scheme meetings held on 11 October 2022 and sanctioned by the Courts.

In the meantime, the Group is preserving its cash to support working capital requirements, continue to keep operating costs low and to ensure that the Group has sufficient resources to tide through this period."

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7.2 THE GROUP'S NAV AND NTA ANALYSIS

The NAV based approach of valuing a company or group is based on the aggregate value of all the assets of the company in their existing condition, after deducting the sum of all liabilities of the company and minorities' interests (or non-controlling interests). The NAV based approach is meaningful as it shows the extent to which the value of each share is backed by both tangible and intangible assets and would be relevant in the event that the company or the group decides to realise or convert the use of all or most of its assets. The NAV based approach in valuing a company may provide an estimate of the value of a company or a group assuming the hypothetical sale of all its assets (including but not limited to any property, plant and equipment, intangible assets, land use rights, goodwill, trademarks and brand names) in an orderly manner or over a reasonable period of time and at the aggregate value of the assets used in the computation of the NAV, the proceeds of which are used to settle the liabilities, minority interest (or non-controlling interests) and obligation of the company or group with the balance to be distributed to its shareholders. However, the NAV approach does not take into account the hypothetical sale of assets in a non-orderly manner or over a short period of time. In addition, it does not illustrate the values at which assets may actually be realised or disposed of.

The NTA based approach of valuing a company or group is based on the aggregate value of all the assets of the company in their existing condition, after deducting the sum of all liabilities, minority interest (or non-controlling interests) and intangible assets of the company. The NTA based approach is meaningful as it shows the extent to which the value of each share is backed by tangible assets and would be relevant in the event that the company or the group decides to realise or convert the use of all or most of its assets. The NTA based approach in valuing a company may provide an estimate of the value of a company or a group assuming the hypothetical sale of all its assets (other than intangible assets) in an orderly manner over a reasonable period of time at the aggregate value of the assets used in the computation of the NTA, the proceeds of which are used to settle the liabilities, minority interest (or non-controlling interests) and obligation of the company or group, with the balance to be distributed to its shareholders. However, the NTA based approach does not consider or take into account the presence of any intangible assets including but not limited to (where applicable) goodwill, trademarks and brand names nor does it take into account the hypothetical sale of assets in a non-orderly manner or over a short period of time. It does not illustrate the values of which assets may actually be realised or disposed.

NAV and NTA of the Group

In assessing the Offer Price of S\$0.0021 for each Offer Share, in relation to the NAV and NTA per Share of the Group as at 30 September 2023, we have reviewed the unaudited consolidated statement of financial position of the Group as at 30 September 2023 to determine whether there are any assets that are of an intangible nature and as such would not appear in a valuation based on the NTA approach, but would be included in the NAV approach. Save as disclosed in the unaudited balance sheet of the Group as at 30 September 2023 as well as the Circular, the Directors have confirmed, that as at the Latest Practicable Date, to the best of their knowledge and based on disclosures made available to them, there are no other intangible assets or tangible assets which ought to be disclosed in such unaudited statement of financial position as at 30 September 2023 in accordance with Singapore Financial Reporting Standards (International) and which have not been so disclosed and where such intangible or tangible assets would have had a material impact on the overall financial position of the Group as at Latest Practicable Date.

The Directors have also confirmed that as at the Latest Practicable Date, there were, *inter alia*, no material contingent liabilities, bad or doubtful debts or unrecorded earnings or expenses or assets or liabilities which could have a material impact on the NAV or NTA of the Group as at 30 September 2023, save as disclosed in the unaudited financial statements of the Group as at 30 September 2023 and the Circular. In addition, the Directors are of the opinion that save as disclosed in the Circular, the values of the assets (other than those for which valuation has been conducted, where applicable), and liabilities as well as financial performance or condition of the Group as disclosed and reflected in the unaudited financial statements of the Group as at 30 September 2023 are true and fair. Lastly, the Directors confirmed that, to the best of their knowledge or belief, such information is true, complete and accurate in all respects and that there is no other information or fact, the omission of which would

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render those statements or information, including our references, as well as analysis of such information to be untrue, inaccurate or incomplete or misleading in any respect.

Unaudited Consolidated Statement of Financial Position for the Group as at 30 September 2023⁽¹⁾	S\$'000
<u>Non-current assets</u>	
Trade and other receivables	235
	235
<u>Current assets</u>	
Trade and other receivables	300
Inventories	49
Cash and cash equivalents	2,927
	3,276
<u>Non-current liabilities</u>	
Lease liabilities	98
Provision	99
	197
<u>Current liabilities</u>	
Trade and other payables	3,897
Loans and borrowings	7,125
Lease liabilities	954
Amount due to holding company	146
Provision	28
	12,149
Net liabilities including non-controlling interests as at 30 September 2023	(8,836)
Non-controlling interests	-
Net liabilities attributable to owners of the Company as at 30 September 2023 (“NL” or “Net Liabilities”)	(8,836)
Less: Intangible asset	-
Net tangible liabilities attributable to owners of the Company as at 30 September 2023 (“NTL”)	(8,836)
NL and/or NTL per Share (S\$)⁽²⁾	(0.115)
Offer Price (S\$)	0.0021
Premium of Offer Price from the Group's NL and/or NTL per Share (S\$)	0.1168

Notes:

- (1) The figures above are based on the Group's unaudited financial statements for FY2023. Figures and computations above are subject to rounding.
- (2) Figures are computed based on the Company's issued Share capital of 77,064,793 Shares (post-Share Consolidation) as at 30 September 2023.

For illustrative purposes only, the Group registered a NL and/or NTL of approximately S\$8.8 million as at 30 September 2023 (or approximately S\$0.115 per Share). As such, the Offer Price represents a substantial premium of approximately S\$0.1168 over the Group's NL and/or NTL per Share.

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Adjusted NAV and NTA

We have considered the following material events which occurred or will occur after 30 September 2023:

- (a) On 28 March 2024, the Implementation Agreement was completed by the Company and the Offeror. Pursuant to the terms of the Implementation Agreement, the Company allotted and issued to the Offeror: (i) a total of 231,194,379 new Shares pursuant to the Subscription; and (ii) a total of 145,000,000 CRPS pursuant to the CRPS Subscription.

The completion of the Subscription would reduce the Group's NL and/or NTL by approximately S\$0.5 million. In addition, it should be noted that the conversion price for the CRPS is S\$0.0310, which is lower than the closing price for the Shares as at the Latest Practicable Date of S\$0.0800. As the CRPS is "in-the money" as at the Latest Practicable Date, we have assumed for the purposes of computing the Adjusted NL and/or Adjusted NTL (both defined later) of the Group that the CRPS will be converted in full.

Given the completion of the Subscription and assuming the full conversion of the CRPS, the Group's NL and/or NTL would have been reduced by approximately S\$5.0 million.

- (b) Payments to the Scheme Creditors – The Directors have informed that:

- (i) Pursuant to the Scheme, the Company has to make payment to the Scheme Creditors within 28 days from 28 March 2024 (being the effective date of the Scheme).
- (ii) Based on the final adjudication of the proof of debts admitted for the purpose of distribution by the Scheme Manager, Scheme Creditors will receive total cash payments of approximately S\$261.8 thousands (excluding inter-co balances), representing 15% of the Scheme Companies aggregated Approved Claims of approximately S\$1.7 million (excluding inter-co balances).
- (iii) Upon settlement of the Scheme Creditors (with haircut of 85%), the Company would record a gain of approximately S\$1.5 million. This would have a positive impact to the Group's NL and/or NTL.
- (iv) On 18 April 2024, the Company has made the payment of approximately S\$261.8 thousands (excluding inter-co balances) for settlement of the Scheme Creditors.

Subsequent to the Latest Practicable Date, on 22 April 2024, the Company announced, *inter alia*, completion of the Scheme.

- (c) As at the Latest Practicable Date, the Company has drawn down on the full Escrow Amount and has been utilised, *inter alia*, for settlement of the Scheme Creditors and repayment of OCBC (please see para (d) below).

The Directors and Management have confirmed that the drawdown of the Escrow Amount in full has no effect on the Group's NL and/or NTL as at the Latest Practicable Date.

- (d) Payment to OCBC – we understand from the Directors that the Company and OCBC have reached an agreement on the terms of repayment of the outstanding bank loan comprising of principal amount of approximately S\$2.1 million and any contractual interests incurred in relation to the outstanding loan, of which the first repayment of S\$1.0 million will commence after trading resumes and the rest are to be repaid in the next nine (9) months. This would not have any effect on the Group's NL and/or NTL. Subsequent to the Latest Practicable Date, on 22 April 2024, the Company announced that, *inter alia*, it has made the repayment to OCBC in accordance with the terms of the agreement.

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The Directors and the Management have represented and confirmed that the effects of the completion of the Subscription, full conversion of the CRPS, and settlement of the Scheme Creditors on the Group's Adjusted NL and/or Adjusted NTL as at 30 September 2023 are as follow:

Adjusted NL and/or Adjusted NTL ⁽¹⁾⁽²⁾	S\$'000
NL and/or NTL attributable to owners of the Company as at 30 September 2023	(8,836)
Add: issuance of new Shares pursuant to the Subscription	500
Add: issuance of new Shares pursuant to the full conversion of the CRPS	4,500
Add: gains on settlement of the Scheme Creditors	1,483
Adjusted NL and/or Adjusted NTL of the Group (the “Adjusted NL” or “Adjusted NTL”)	(2,353)
Adjusted NL and/or Adjusted NTL per Share (S\$) ⁽³⁾	(0.0052)
Premium of Offer Price over the Group's Adjusted NL and/or Adjusted NTL per Share (S\$)	0.0073

Notes:

- (1) *Figures and computations above are subject to rounding, and are based on information made available by the Company and confirmed by Directors.*
- (2) *The figures in the table, as confirmed by the Directors, take into account the effects of the acquisition of a 60% equity interest Dining Haus Pte. Ltd. as announced on the SGXNET (in particular the announcement dated 10 January 2024).*
- (3) *Figures are computed based on the Company's enlarged issued Share capital of 453,259,172 Shares after issuance of 231,194,379 new Subscription Shares and assuming full conversion of the CRPS into 145,000,000 new Shares (with no adjustments for pursuant to any anti-dilution provisions as may be applicable and as confirmed by the Directors).*

For illustrative purposes only, the Offer Price represents a premium of approximately S\$0.0073 over the Group's Adjusted NL and/or Adjusted NTL per Share.

The Directors confirmed that to their best knowledge and belief, as at the Latest Practicable Date, save as disclosed in the unaudited financial statements of the Group as at 30 September 2023, the announcements released by the Company on the SGXNET, this Letter and the Circular, there have been no known material events that have or will have material impact on the unaudited statement of financial position of the Group, *inter alia*, assets and liabilities of the Group, since 30 September 2023.

The above computations and analysis are meant as an illustration and it does not necessary mean or imply that the net realisable value of the Group is as stated above. It also does not imply that the assets or properties of the Group can be disposed of at the estimated values indicated above, and that after payment of all liabilities and obligations, the values or amounts as indicated for the respective types of NAV or NTA (where applicable) are realisable or distributable to the shareholders of the Group.

It should be noted that the NTA basis of valuation provides an estimate of the value of a hypothetical sale of all its tangible assets over a reasonable period of time, and is only relevant in the event that the Company decides to change the nature of its business or to release or convert the uses of all its assets. The NTA basis of valuation, however, does not necessarily reflect the value of the Company as a going concern nor can it capture or illustrate any value for the Company's goodwill or branding. In addition, it does not illustrate the values at which the assets may actually be realised or disposed.

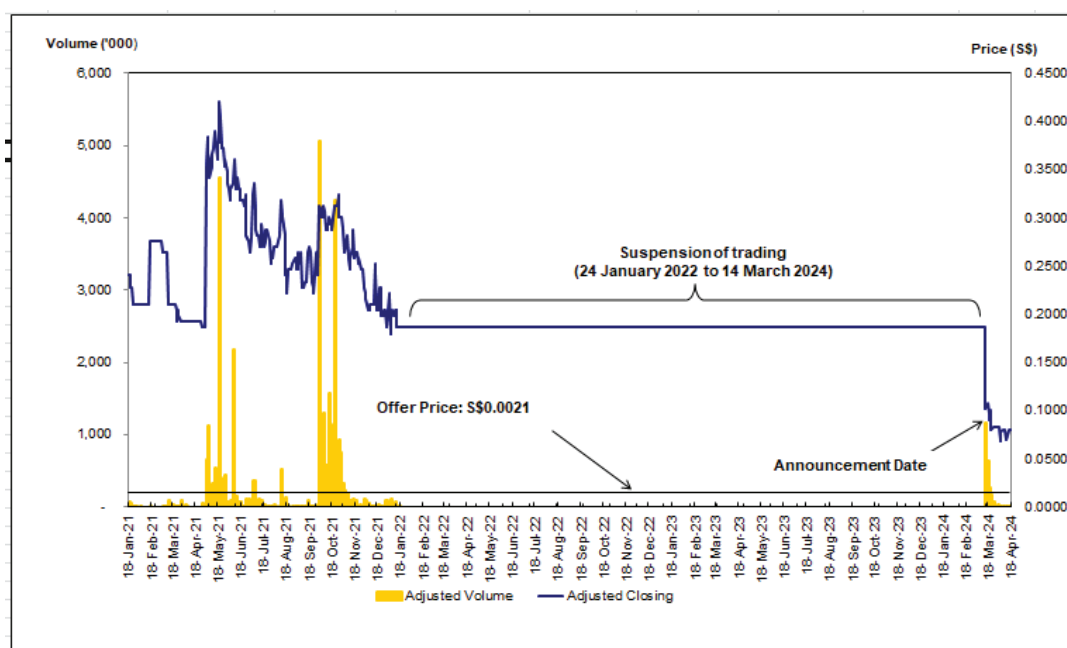
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7.3 MARKET QUOTATION AND TRADING ACTIVITIES FOR THE SHARES

Trading for the Shares were halted on 19 January 2022 and subsequently, on 24 January 2022, the Company announced that it was unable to demonstrate its ability to continue as a going concern in accordance with Rule 1303(3) of the Catalist Rules and that the Board requested for the Suspension of the trading of its Shares with effect from 24 January 2022. On 12 March 2024, the Company received, *inter alia*, a no-objection letter for its Resumption of Trading Proposal from the SGX Regco, following which the Shares resumed trading with effect from the Resumption Date, being 15 March 2024.

As previously mentioned, the Company completed the Share Consolidation on 22 March 2024. As such, for comparison purpose, we have presented the historical trading prices and volume for the Shares on a post Share Consolidation basis (assuming that the Share Consolidation was already effective).

The historical price and volume charts for the Shares (based on the closing prices together with the number of Shares traded on a daily basis and adjusted with the Share Consolidation) for the period commencing from 18 January 2021, being the market day 12 months prior to 17 January 2022 (being the last trading day immediately prior to the Suspension, the “**Last Trading Day prior to the Suspension**”) and ending on the Latest Practicable Date is set out below:



Source: www.shareinvestor.com

For the period commencing from 18 January 2021 and ending on the Last Trading Day prior to the Suspension (both dates inclusive), we note that the Shares were traded for 186 market days out of a total 254 market days (or approximately 73.2%) and the closing prices adjusted with the Share Consolidation for the Shares during the said period were always higher than the Offer Price.

For the period commencing from the Resumption Date and ending on the Offer Announcement Date, we note that the Shares were traded for 10 market days out of a total 10 market days. During the said period, the adjusted closing prices of the Shares were always higher than the Offer Price.

For the period commencing from 1 April 2024 (being the market day immediately after the Offer Announcement Date) to the Latest Practicable Date, we note that the Shares were traded for 8 market days out of a total 13 market days. During the said period, the closing prices of the Shares were always higher than the Offer Price.

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The table below shows a comparison between the movement of the FTSE Straits Times Catalist Index (the “**Catalist Index**”) and closing prices for the Shares:

Period	% increase/(decrease) in closing prices for the Shares	% increase/(decrease) for the Catalist Index
From 18 January 2021 to the Last Trading Day prior to the Suspension	(22.5)%	(16.5)%
From the Resumption Date to the Offer Announcement Date	(18.6)%	(1.0)%
From 1 April 2024 to the Latest Practicable Date	(3.6)%	(0.6)%

Source: www.shareinvestor.com

We observed that the Shares appeared to have underperformed the Catalist Index for the 12-month period up to and including the Last Trading Day prior to the Suspension, the period commencing from the Resumption Date till the Offer Announcement Date, and the period commencing immediately after the Offer Announcement Date till the Latest Practicable Date.

The above chart and the analysis below are presented for illustrative purposes only, and they are by no means representative of the future trading performance or prices of the Shares.

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The volume-weighted average price (“**VWAP**”), the highest and lowest transacted prices and the average daily trading volume for the Shares, for the period commencing from 18 January 2021 to the Latest Practicable Date are set out below:

	VWAP per Share (S\$)⁽¹⁾	Premium/ (Discount) of the Offer Price over/ (from) the VWAP per Share (%)	Lowest transacted price⁽²⁾ (S\$)	Highest transacted price⁽²⁾ (S\$)	Average daily trading volume⁽³⁾	Average daily trading volume as % of free-float⁽⁴⁾ (%)
For the period prior to the Suspension						
Last 12 months	0.332	(99.4)%	0.180	0.450	157,755	0.20%
Last 6 months	0.307	(99.3)%	0.180	0.366	192,985	0.25%
Last 3 months	0.307	(99.3)%	0.180	0.366	188,275	0.24%
Last 1 month	0.194	(98.9)%	0.180	0.240	20,049	0.03%
Last transacted price on the Last Trading Day prior to the Suspension ⁽⁵⁾	0.186	(98.9)%	0.186	0.186	433	0.001%
For the period commencing on the Resumption Date till the Offer Announcement Date						
Till the Latest Practicable Date	0.0986	(97.9)%	0.018	0.162	287,048	0.37%
Last transacted price on the Offer Announcement Date ⁽⁶⁾	0.0830	(97.5)%	0.080	0.083	8,100	0.01%
For the period commencing on the market day immediately after the Announcement Date up to the Latest Practicable Date						
Till the Latest Practicable Date	0.0768	(97.3)%	0.067	0.083	5,608	0.01%
Last transacted price on the last Trading Day immediately prior to the Latest Practicable Date ⁽⁷⁾	0.0800	(97.4)%	0.070	0.080	11,800	0.02%

Source: www.shareinvestor.com

Notes:

- (1) VWAP had been computed using the average prices of traded Shares and weighted by the volumes traded for the relevant trading days for each of the periods. Both prices and volume for the Shares have been adjusted with the Share Consolidation.
- (2) Adjusted with the Share Consolidation.
- (3) The average daily trading volume of the Shares is calculated based on the total number of Shares traded during the relevant period divided by the number of market days during that period.
- (4) Free float refers to approximately 77,064,793 Shares or approximately 25.0% of the issued Shares held by Shareholders, other than the Substantial Shareholders, Directors, and the Offeror Concert Party Group as at the Latest Practicable Date.
- (5) This represents the last transacted price instead of VWAP for the Shares on 17 January 2022, being the Last Trading Day prior to the Suspension Date.
- (6) This represents the last transacted price instead of VWAP for the Shares on 28 March 2024, being the Offer Announcement Date.
- (7) This represents the last transacted price instead of VWAP for the Shares on 15 April 2024, being the last Trading Day immediately prior to the Latest Practicable Date.

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Based on a general observation of the above chart, and after taking into account the summary of the transacted prices for the Shares, we note that the Offer Price:

- (i) represents a discount of approximately 98.9% from the last transacted price of S\$0.186 per Share for the Shares on the SGX-ST on the Last Trading Day prior to the Suspension;
- (ii) represents a discount of approximately 99.4%, 99.3%, 99.3%, and 98.9% from the VWAP for the Shares for the 12-month, 6-month, 3-month and 1-month periods prior to the Last Trading Day prior to the Suspension respectively;
- (iii) represents a discount of approximately 97.9% from the VWAP for the Shares for the period commencing from the Resumption Date till the Offer Announcement Date;
- (iv) represents a discount of approximately 97.5% from the last transacted price of S\$0.083 per Share on the SGX-ST on the Offer Announcement Date;
- (v) represents a discount of approximately 97.3% from the VWAP for the Shares for the period commencing from the market day immediately after the Offer Announcement Date till the Latest Practicable Date; and
- (vi) represents a discount of approximately 97.4% from the last transacted price of S\$0.080 per Share on the SGX-ST on 15 April 2024, being the last Trading Day immediately prior to the Latest Practicable Date.

Shareholders should note that given the state of affairs and developments of the Group prior to the Suspension and thereafter (*inter alia*, the events leading to the Resumption, Share Consolidation and Implementation Agreement), the historical prices for the Shares prior to the Suspension may not be reflective of such information or state or condition (as may be applicable) which are both material and have a significant bearing on the assessment of values or prices for the Shares, and accordingly any analysis of such is limited. For illustrative purpose only, based on the number of Shares traded on a daily basis during the period commencing from 18 January 2021 and ending on the Latest Practicable Date, we note that:

- (i) from 18 January 2021 to the Last Trading Day prior to the Suspension (both dates inclusive), the Shares were traded for 186 market days out of a total 254 market days during the period, with the total number of Shares traded being approximately 40.1 million Shares (adjusted with the Share Consolidation) and an average daily trading volume (based on a total of 254 market days) of approximately 157,755 Shares (adjusted with the Share Consolidation), which represents approximately 0.05% of the issued Shares as at the Latest Practicable Date or approximately 0.21% of the issued Shares held by Shareholders other than the Substantial Shareholders, the Offeror Concert Party Group, and the Directors as at the Latest Practicable Date.
- (ii) from the Resumption Date to the Offer Announcement Date (both dates inclusive), the Shares were traded on 10 market days out of the total 10 market days during the period, with the total number of Shares traded being approximately 2.9 million Shares (adjusted with the Share Consolidation) and an average daily trading volume (based on a total of 10 market days) of approximately 287,048 Shares (adjusted with the Share Consolidation), which represents approximately 0.09% of the issued Shares as at the Latest Practicable Date or approximately 0.37% of the issued Shares held by Shareholders other than the Substantial Shareholders, the Offeror Concert Party Group, and the Directors as at the Latest Practicable Date.
- (iii) from 1 April 2024 to the Latest Practicable Date (both dates inclusive), the Shares were traded on 8 market days out of the total 13 market days during the period, with the total number of Shares traded being approximately 72,900 Shares and an average daily trading volume (based on a total of 13 market days) of approximately 5,608 Shares, which represents approximately 0.002% of the issued Shares as at the Latest Practicable Date or approximately 0.007% of the issued Shares held by Shareholders other than the Substantial Shareholders, the Offeror Concert Party Group, and the Directors as at the Latest Practicable Date.

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We note that trading for the Shares is erratic and that the daily average number of Shares traded during the 12-month period prior to the Last Trading Day prior to the Suspension is low as compared to the number of issued Shares held by Shareholders other than the Substantial Shareholders, the Offeror Concert Party Group and the Directors as at the Latest Practicable Date. However, the trading activities for the Shares appear to be relatively active in the context of number of market days, albeit with low volumes. Shares were traded on 73.2% of the market days during the 12-month period commencing from 18 January 2021 till the Last Trading Day prior to the Suspension, and 78.3% of market days during the period commencing from the Resumption Date to the Latest Practicable Date. We note that certain information pertaining to the Group, *inter alia*, and in particular the Resumption (dates, proposal and conditions), the Share Consolidation, the Implementation Agreement (Subscription, CRPS Subscription and their respective terms and where applicable issue prices), the Scheme and the Escrow Agreements were disclosed prior to the Resumption and for that matter the Offer. Notwithstanding, the Shares were consistently traded at prices which were significantly higher than the Offer Price (which is similar to the issue price for new Shares pursuant to the Subscription) subsequent to the Resumption and even after the Offer Announcement Date. In addition, we note that whilst the completion of the Implementation Agreement was subsequent to the Resumption, the Share Sale (as defined and described in Section 8.1) by previous controlling Shareholder at prices which were significantly higher than the Offer Price, occurred subsequent to the Resumption and announcement of the record date for the Share Consolidation.

It is generally accepted that the more actively traded the shares, the greater the reliance on market prices as a determination of the value of the shares between willing buyer and willing seller. Whilst historically transacted prices for the Shares may not be a meaningful indicator of its fundamental value in view of the lack of liquidity for the Shares (in terms of number of Shares traded on the daily basis *vis-à-vis* the frequency of trading), they nonetheless represent the prices for transactions between willing buyer and willing seller.

We also note that the number of Shares (adjusted with the Share Consolidation) that were traded on a daily basis for the period commencing on the market day immediately after the resumption of trading till the Offer Announcement Date is higher than the number of Shares that were traded on a daily basis for all periods during the 12-month period commencing from 18 January 2021 till the Last Trading Day prior to the Suspension. In general, we note that subsequent to the Resumption of Trading, Shares were traded at significantly lower prices as compared to the relevant periods prior to the Suspension. Subsequent to the Offer Announcement Date, wherein the Offer Price was significantly lower than the last transacted price for the Shares as at the Offer Announcement Date, both the prices for the Shares and the average daily trading volume for the Shares declined, albeit at prices which were significantly higher than the Offer Price. There is no assurance that the average number of Shares traded on a daily basis or the trading activities for the Shares will be maintained or that the transacted prices for the Shares will be the same in the event that the Offer close. As at the Latest Practicable date, we note that the Offer Price represents a significant discount of approximately 97.4% from the last transacted price of S\$0.080 per Share on the SGX-ST.

Recommending Directors should note that whilst the Offer may present an opportunity for the Shareholders to realise their entire investment for cash in view of the low liquidity of the Shares (in terms of number of Shares traded on daily basis) during the periods observed prior to the Offer, the Offer Price is in general at a significant discount to the historical traded prices or VWAP for the Shares after the Resumption of Trading and the Offer Announcement, and is a reflection of the market or investor perception for the Offer Price and its relative “unattractiveness”.

However, it should be noted that in the absence of the Offer, such an exit for all Shareholders other than the Offeror Concert Party Group may not be readily available due to the low trading liquidity for the Shares (in terms of number of Shares traded on the daily basis).

Recommending Directors should also note that past trading performance for the Shares may not be relied upon as an indication of the fair value of the Company's Shares.

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7.4. COMPARISON WITH SELECTED NON-PRIVATISATION MGO TRANSACTIONS

For the purpose of providing an illustrative guide as to whether the financial terms of the Offer are fair and reasonable, we have compared the financial terms of the Offer with selected recently completed mandatory general offers for companies listed on SGX-ST, which were announced since January 2020 to the Latest Practicable Date and wherein offerors had indicated their intention to preserve the listing status of the target companies and these companies continued to be listed after the close of their respective offers, and where such offers were either: a) unconditional at the commencement of the offer; or b) conditional at the commencement of the offer, but subsequently became unconditional on or prior to the close of the offer (the “**Selected Non-Privatisation MGO Transactions**”).

In making the comparison herein, we wish to highlight that the companies selected and covered herein (the “**Selected Takeover Companies**”) are not directly comparable to the Company and may differ largely from the Company in terms of, *inter alia*, size and scale of operations, type and/or composition of business activities and specialisation, asset base, geographical spread, track record, customers and suppliers, financial performance, capital structure, operating and financial leverage, risk profile, liquidity, accounting policies, future prospects and other relevant criteria.

We wish to highlight that other than the criteria mentioned above, the premium or discount that an offeror pays in any particular take-over varies in different specific circumstances depending on, *inter alia*, factors such as the potential synergy the offeror can gain by acquiring the target, the prevailing market conditions and sentiments, attractiveness and profitability of the target’s business and assets, the possibility of a significant revaluation of the assets to be acquired, existence of intangibles and branding or “internal goodwill or intangible assets”, the availability of substantial cash reserves, the liquidity in the trading of the target company’s shares, the presence of competing bids for the target company and the existing and desired level of control in the target company. It should be noted that the trading for the Shares was halted on 19 January 2022 and subsequently converted into the Suspension on 24 January 2022. Following receipt of a no-objection letter for the Resumption of Trading Proposal from the SGX Regco on 12 March 2024, the Company resumed trading for its Shares on 15 March 2024. As such, comparison of the discounts of the Offer Price from the historical prices for the Shares against the Selected Non-Privatisation MGO Transactions is necessarily limited since, save for Viking Offshore & Marine Limited (“**VOM**”), none of the Selected Takeover Companies were suspended during 1 year prior to the respective offer announcement.

The data used in the table and the companies listed below have been compiled from publicly available information and serves as a guide as to the valuation ratios in connection with takeover of companies listed on the SGX-ST without regard to their specific industry characteristics or other considerations. Each of the offers for Selected Non-Privatisation MGO Transactions must be judged on its own commercial and financial merits including the particular circumstances (*inter alia*, operational, business, and compliance with rules, regulations and laws) of the Selected Comparable Companies as well as the Company during the relevant time when the offers were made. The lists of target companies involved in the Selected Non-Privatisation MGO Transactions are by no means exhaustive and as such any comparison made only serves as an illustration.

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Selected Non-Privatisation MGO Transactions

Company	Date of announcement	% shareholding of the offeror and concert parties at the start of transaction ⁽¹⁾	Last transacted price prior to announcement (%)	Premium/(Discount) of offer price over/(from) VWAP for 1 month period prior to announcement (%)	VWAP for 3 month period prior to announcement (%)	VWAP for 6 month period prior to announcement (%)	VWAP for 12 month period prior to announcement (%)	P/NAV (times) ⁽²⁾
TEE Land Limited (currently known as Amcorp Global Limited) ⁽³⁾	13-Jan-20	68.8	5.9	12.1	19.6	20.4	14.7	0.6 ⁽⁴⁾
Axington Inc	1-Jun-20	66.9	43.5	40.1	41.3	78.6	205.2	1.3 ⁽⁶⁾
Tee International Limited	7-Jul-20	36.8	12.7	12.7	25.2	(11.1)	(33.7)	1.0 ⁽⁶⁾
Blumont Group Ltd (currently known as Southern Archipelago Ltd.)	16-Nov-20	50.8	(80.0)	(79.4)	(80.6)	(80.0)	(82.1)	1.1 ⁽⁷⁾
Lum Chang Holdings Ltd	17-Nov-20	42.7	8.6	8.6	8.7	8.8	10.3	0.5 ⁽⁸⁾
Transit-Mixed Concrete Ltd (currently known as Abundante Limited)	20-Feb-21	71.4	75.0	85.9	88.9	75.0	77.7	0.9 ⁽⁹⁾
JEP Holdings Ltd	21-Apr-21	54.1	0.0	0.7	1.3	1.7	0.7	0.9 ⁽¹⁰⁾
Lian Beng Group Ltd	14-Jun-21	44.7	6.4	7.1	1.6	6.6	11.4	0.3 ⁽¹¹⁾
Sembcorp Marine Ltd ⁽¹²⁾	22-Sep-21	46.6	(5.9)	(8.0)	(29.8)	47.0	-	0.6 ⁽¹³⁾
Viking Offshore and Marine Limited (currently known as 9R Limited) ⁽¹⁴⁾	18-Nov-21	87.0	(88.9)	(87.6)	(91.0)	N.A	N.A	2.1 ⁽¹⁵⁾
Keong Hong Holdings Limited	21-Jan-22	45.8	3.8	7.9	11.1	11.0	12.7	0.5 ⁽¹⁶⁾
Procurri Corporation Limited	20-May-22	30.8	0.0	3.3	9.4	17.3	20.5	2.2 ⁽¹⁷⁾
Halcyon Agri Corporation Limited	16-Nov-22	65.2	50.3	73.3	78.0	80.5	79.2	1.1 ⁽¹⁸⁾
Revez Corporation Ltd	7-Dec-22	58.6	(66.0)	(65.6)	(67.0)	(69.7)	(79.5)	0.8 ⁽¹⁹⁾
ICP Ltd	11-Jul-23	45.7	(12.5)	(24.7)	(29.3)	(28.6)	(28.6)	0.9 ⁽²⁰⁾
Datapulse Technology Limited	11-Aug-23	43.2	(2.2)	0.0	(3.2)	(4.3)	(5.3)	0.4 ⁽²¹⁾
MAXIMUM		87.0	75.0	85.9	88.9	80.5	205.2	2.2
MINIMUM		30.8	(88.9)	(87.6)	(91.0)	(80.0)	(82.1)	0.3
MEDIAN		48.7	1.9	5.2	5.2	8.8	10.9	0.9
SIMPLE AVERAGE		53.7	(3.1)	(0.9)	(1.0)	10.2	14.5	1.0
Group		75.0	(97.5)	(98.9)/(97.9)²²	(99.3)²²	(99.3)²²	(99.4)²²	n.m⁽²³⁾

Source: SGX-ST announcements, offer documents and circulars to shareholders in relation to the respective transactions.

Notes:

- (1) Where applicable, it includes the percentage shareholding of the undertaking shareholder(s) as the dates of the respective offer documents.
- (2) P/NAV ratios are based on the offer price and NAV per share for the respective companies.
- (3) On 13 January 2020, a pre-conditional mandatory cash offer was made for the issued shares of TEE Land Limited ("TEE Land") before the mandatory unconditional cash offer for the issued shares of TEE Land was announced on 3 February 2020. The market premia in the table above were computed based on the share prices for the period(s) up to and including 9 January 2020, being the last undisturbed trading day prior to the pre-conditional mandatory cash offer as announced on 13 January 2020.

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- (4) Based on the revalued NAV per share of TEE Land Limited as at 30 November 2019.
- (5) Based on the adjusted NAV per share of Axington Inc as at 31 December 2019.
- (6) Based on the NAV/NTA per share (as the case may be), as published in the circular of Tee International Limited.
- (7) Based on the revalued NAV per share of Blumont Group Ltd as at 30 June 2020.
- (8) Based on the revalued NAV per share of Lum Chang Holdings Ltd as at 30 June 2020.
- (9) Based on the NAV per share of Transit-Mixed Concrete Limited as at 31 August 2020.
- (10) Based on the revalued NAV per share of JEP Holdings Ltd as at 31 December 2020.
- (11) Based on the revalued NAV per share of Lian Beng Group Ltd as at 30 November 2020.
- (12) The market discount and premium for Sembcorp Marine Ltd ("**Sembcorp Marine**") on the table above are based on the offer document dated 6 October 2021.
- (13) The P/NAV used is based on the projected NAV per share of Sembcorp Marine as at 31 December 2021 which was adjusted for, *inter alia*, the expected significant losses to be recorded for the 6-month financial period ended 31 December 2021.
- (14) The shares of Viking Offshore & Marine Limited ("Viking Offshore") were halted from trading on 11 June 2019, and the shares were subsequently suspended from trading for the period between 14 June 2019 and 22 August 2021.
- (15) The P/NAV used is based on the NAV per share of Viking Offshore as at 30 September 2021.
- (16) Based on the revalued NAV per share of Keong Hong Holdings Limited as at 30 September 2021.
- (17) Based on the NAV per share of Procurri Corporation Limited as at 31 December 2021.
- (18) Based on the NAV per share of Halcyon Agri Corporation Limited as at 31 December 2022.
- (19) Based on the NAV per share of Revez Corporation Ltd. as at 30 June 2022.
- (20) Based on the revalued NAV per share of ICP Ltd as at 31 December 2022.
- (21) Based on the adjusted RNAV per share of Datapulse Technology Limited as at 31 January 2023.
- (22) The historical premium/(discount) of the Offer Price for the VWAP for the 3-month, 6-month, and 12-month periods for the Company relates to periods prior to the Suspension. For the 1-month period prior to announcement, figures shown above relates to the discount of 98.9% from the VWAP for the 1-month period prior to Suspension, and the discount of 97.9% relates to the period commencing from the Resumption Date to the Offer Announcement Date (less than a month).
- (23) Not meaningful given the Group's unaudited NL as at 30 September 2023 and Adjusted NL.

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For illustrative purposes only, we noted the following from the above table:

- (i) As disclosed in the Offer Announcement, the Offeror Concert Party Group held an aggregate interest of approximately 75.0% in the Share capital of the Company, which is within the range, higher than the median and the simple average for the percentage of the shareholding interest of the offeror and parties acting in concert as at the start for each of the Selected Non-Privatisation MGO Transactions.
- (ii) The discount of approximately 97.5% as implied by the Offer Price over the last transacted price for Shares on the Offer Announcement Date is higher than the maximum discount for the Selected Non-Privatisation MGO Transactions, and generally unfavourable.
- (iii) The discounts of approximately 98.9%, 99.3%, 99.3% and 99.4% as implied by the Offer Price over the VWAP of the Shares for the 1-month, 3-month, 6-month and 12-month periods prior to the Last Trading Day prior to the Suspension respectively are higher and less favourable than the maximum discounts for the Selected Non-Privatisation MGO Transactions over the various periods prior to the announcement. As the state of affairs and developments of the Group prior to Suspension and thereafter (*inter alia*, the events leading to the Resumption, Share Consolidation and Implementation Agreement) were materially different, the use of historical prices for the Shares prior to the Suspension (or for that matter the Resumption) may not be reflective of such information or state or condition (as may be applicable) which are both material and have a significant bearing on the assessment of values or prices for the Shares, and accordingly any analysis of such is limited. As stated earlier, the trading of Shares was halted on 19 January 2022, converted into the Suspension on 24 January 2022 and subsequently resumed on 15 March 2024. As such, comparison of the discounts of the Offer Price from the historical prices for the Shares against the Selected Non-Privatisation MGO Transactions for each period is necessarily limited. We note that the Offer Price is at a significant discount of approximately 97.9% from the VWAP for the period commencing from the Resumption Date to the Offer Announcement Date (less than a month) as compared to historical premium/discount for Selected Non-Privatisation MGO Transactions for the 1-month period shown above.
- (iv) Whilst the valuation of the Group (as implied by the Offer Price) in terms of P/NAV ratio is not meaningful in view of the Group's unaudited NL of approximately S\$8.8 million as at 30 September 2023 and the Group's Adjusted NL of approximately S\$2.4 million, the Offer Price is at a premium over the Group's unaudited NL and Adjusted NL. It is noted that all the Selected Takeover Companies recorded positive NAV or adjusted NAV or revalued NAV.

In summary, the valuation of the Group as implied by the Offer Price in terms of discounts over historical prices for the Shares generally appears to be significantly less favourable as compared to the Selected Non-Privatisation MGO Transactions. In addition, the valuation of the Group (as implied by the Offer Price and NAV per Share) in terms of P/NAV ratio appears to be not meaningful when compared to the Selected Non-Privatisation MGO Transactions given the Group's Net Liabilities position as at 30 September 2023 and Adjusted NL position.

When considered in the context of the shareholdings of the Offeror Concert Party Group as set out in the Offer Announcement and the Offer Document, which is within the range but higher than the median and simple average for the percentage of shareholding interest for each of the offeror and parties acting in concert as at the start for the Selected Non-Privatisation MGO Transactions, the valuation of the Group as implied by the Offer Price shows substantial discounts over historical prices for the Shares over the various periods prior to the Suspension and prior to the Offer Announcement, and this is significantly less favourable as compared to the Selected Non-Privatisation MGO Transactions. This is notwithstanding the fact that the Offer Price is at a substantial premium over the Group's unaudited NL and Adjusted NL.

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7.5 RELATIVE VALUATION ANALYSIS

In evaluating the financial terms of the Offer, we have considered the financial performance, financial position and valuation statistics of selected comparable companies (the “**Selected Comparable Companies**”) that may, in our view, be broadly comparable to the existing core businesses of the Group prior to the transaction, which is principally engaged in the management and operation of food and beverage outlets as well as institutional catering services (notwithstanding the fact that the 60% acquisition of Dining Haus Pte. Ltd. and its wholly-owned subsidiary, Eat What Pte. Ltd., which is collectively engaged in provision of institutional catering services, was only completed on 15 February 2024).

The Selected Comparable Companies have been identified after a search and evaluation of companies operating in the same industry as the Group was conducted on the SGX-ST. We have excluded companies with market capitalisation exceeding S\$50.0 million as it is generally accepted that the trading statistics for companies with higher market capitalisation may be fundamentally different than those with lower market capitalisation. This may be attributable to the relative liquidity in terms of number or value of shares traded as well as relative interest in the shares of companies with larger market capitalisation. Furthermore, comparison of the Group against the Selected Comparable Companies is necessarily limited as the Company currently has only 2 restaurants, being Little Sheep Hotpot at Orchard Gateway and Sheng Jian Bao at Northpoint City, whilst its acquisition of institutional catering business was only completed in February 2024. We have had discussions with the Directors and Management about the suitability and reasonableness of these Selected Comparable Companies acting as a basis for comparison with the core businesses of the Group.

Relevant information has been extracted from the annual reports and/or public announcements of the Selected Comparable Companies.

Notwithstanding our use of these companies for peer analysis, the Selected Comparable Companies may or may not have similar business or operations or similar assets or geographical markets as the Group or in the same financial position as the Group or under restructuring or scheme of arrangement or are suspended or were subject of pro-longed suspension, and their accounting policies or the relevant financial period compared may differ from the Group. We advise Recommending Directors to note that there may not be any company listed on any relevant stock exchange that is directly comparable to the Group in terms of size, diversity of business activities and products/services, branding, geographical spread, track record, prospects, end customers, supply and/or value chain, core competence, resources, revenue drivers and models, operating and financial leverage, risk profile, quality of earnings and accounting, listing status and such other relevant criteria. We wish to highlight that it may be difficult to place reliance on the comparison as the markets and businesses of the Selected Comparable Companies, its capital structures, growth rates, operating and financial leverage, taxation and accounting policies and that of the Group may differ. As such, any comparison made herein is necessarily limited and serves only as an illustrative guide.

We also wish to highlight that the NAV or NTA based approach for valuing a company is dependent on factors that may differ for each of the Selected Comparable Companies including, *inter alia*, accounting or depreciation policies. As such, comparison of the Group’s consolidated NAV or NTA with those of the Selected Comparable Companies is necessarily limited and such comparison is made for illustrative purposes only. In addition, given that all the ratios and tools used invariably involve the use of share price, they may or may not take into account any relative or perceived or actual risk premium or demand and supply conditions for those shares which may or may not have been fundamentally justified. In addition, as these are tools or ratios that are based on historical financial performance or position, they may or may not reflect the anticipated financial performance, and the mix of its activities or the relative contributions (in terms of assets, financial performance etc.) may differ.

Recommending Directors and Shareholders should note that the trading prices of shares include factors other than historical financial performance, and some of these, *inter alia*, include prospects, real or

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perceived financial performance or historical share price performance or demand and supply conditions of the shares, as well as the relative liquidity and the market capitalisation or the relative sentiments of the market for the shares.

The Selected Comparable Companies are set out below.

Selected Comparable Companies	Principal Activities
Katrina Group Ltd (“ Katrina ”) <i>Listed on SGX</i>	The group develops, owns, and operates a chain of food and beverage (“ F&B ”) brands and hospitality properties.
Sakae Holdings Limited (“ Sakae ”) <i>Listed on SGX</i>	The group is engaged in the operation of restaurants, trading of raw food materials, food processing, as well as a caterer and event organiser.
YKGI Limited (“ YKGI ”) <i>Listed on SGX</i>	The group is engaged in F&B operations, food court management and franchising and sub-franchising, and owns and/or operates diverse portfolio of food outlets.
Japan Foods Holding Ltd (“ Japan Foods ”) <i>Listed on SGX</i>	The group is engaged in the operation of restaurant outlets and supplying of food ingredients to its franchisees and sub-franchisees.
Tung Lok Restaurant (2000) Ltd (“ Tung Lok ”) <i>Listed on SGX</i>	The group is engaged in, <i>inter alia</i> , operation of restaurants, provision of catering services, operation of a central kitchen and manufacturing of original equipment manufacturers products to third parties.
Soup Holdings Limited (“ Soup ”) <i>Listed on SGX</i>	The group is engaged in operating restaurants, as well as food processing, distribution and procurement services.

Source: The SGX-ST and the respective company's website.

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The following tabulates the salient ratios for comparative financial performance and position for the Selected Comparable Companies and the Group:

Selected Comparable Companies ⁽¹⁾	LTM ROE (%) ⁽²⁾	LTM net profit margin (%) ⁽³⁾	LTM asset turnover (times) ⁽⁴⁾	Total liabilities ⁽⁵⁾ /shareholder equity ⁽⁶⁾ (times)	Total borrowings ⁽⁷⁾ /shareholder equity ⁽⁶⁾ (times)
Katrina	n.m. ⁽⁸⁾	n.m. ⁽⁸⁾	1.4	n.m. ⁽⁹⁾	n.m. ⁽⁹⁾
Sakae	0.7	2.8	0.1	0.8	0.6
YKGI	7.9	2.2	1.3	1.7	1.3
Japan Foods	6.0	2.2	1.0	1.8	1.4
Tung Lok	24.5	3.8	1.7	2.8	1.8
Soup	13.9	4.0	1.3	1.7	1.2
MAXIMUM	24.5	4.0	1.7	2.8	1.8
MINIMUM	0.7	2.2	0.1	0.8	0.6
MEDIAN	7.9	2.8	1.3	1.7	1.3
SIMPLE AVERAGE	10.6	3.0	1.1	1.8	1.3
The Group	n.m.⁽¹⁰⁾	n.m.⁽¹⁰⁾	0.8	n.m.⁽¹¹⁾	n.m.⁽¹¹⁾

Source: The latest annual reports and the announced unaudited financial statements of the respective companies.

Notes:

- (1) Figures and computation presented in this section are subjected to rounding.
- (2) The last twelve months ("LTM") return on equity ("ROE") is based on the ratio of the most recent twelve months consolidated net profits after tax attributable to the equity holders to the consolidated shareholders' equity (excluding minority interests) of the respective companies.
- (3) LTM net profit margin is the ratio of the most recent twelve months consolidated net profits after tax attributable to equity holders to the most recent twelve months total consolidated revenue of the respective companies.
- (4) LTM asset turnover is the ratio of the most recent twelve months total consolidated revenue to the total consolidated assets of the respective companies.
- (5) Total liabilities include, inter alia, all the liabilities of the respective companies but exclude any contingent liabilities, if any.
- (6) Shareholders' equity is the consolidated shareholders' funds excluding minority interests of the respective companies.
- (7) Total borrowings include all bank loans and borrowings as well as hire purchase obligations and interest bearing debts, where applicable.
- (8) Katrina incurred a loss after tax attributable to owners of the company for the financial year ended 31 December 2023. Hence, Katrina's LTM ROE and LTM net profit margin were not meaningful.
- (9) Katrina was in net liabilities position as at 31 December 2023. Hence, Katrina's total liabilities to shareholders' equity and total borrowings to shareholders' equity ratios were negative and not meaningful.
- (10) The Group incurred a loss after tax attributable to owners amounting to approximately S\$1.8 million for FY2023. Hence, the Group's LTM ROE and LTM net profit margin were not meaningful.
- (11) The Group was in Net Liabilities and Adjusted NL position of approximately S\$8.8 million and S\$2.4 million as at 30 September 2023 respectively. Hence, the Group's total liabilities to shareholders' equity and total borrowings to shareholders' equity ratios were negative and not meaningful.

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For illustrative purposes only, we note the following:-

- (i) The Group's LTM ROE and LTM net profit margin are not meaningful as it recorded a net loss after tax attributable to owners of the Company of approximately S\$1.8 million for FY2023. For illustrative purpose only, the Selected Comparable Companies (save for Katrina, which was loss-making) were all profitable during the period reviewed with median LTM ROE and LTM net profit margin of approximately 7.9% and 2.8% respectively.
- (ii) The Group's LTM asset turnover ratio of approximately 0.8 times is within the range, but lower than the median and the simple average for the Selected Comparable Companies.
- (iii) The Group's ratio of total liabilities to shareholders' equity and total borrowings to shareholders' equity are not meaningful. As at 30 September 2023, the Group's Net Liabilities and Adjusted NL position was approximately S\$8.8 million and S\$2.4 million respectively. For illustrative purpose only, all the Selected Comparable Companies registered positive net assets position during the period reviewed with median total liabilities to shareholders' equity and total borrowings to shareholders' equity of approximately 1.7 times and 1.3 times respectively (save for Katrina, which was in a net liabilities position during the period reviewed).
- (iv) Amongst the Selected Comparable Companies, Katrina incurred a loss after tax and was in a net current liabilities and net liabilities position during the relevant times with its auditor issuing opinion(s) with concerns regarding material uncertainty and going concern. Save for the fact that the Company was the under restructuring since January 2022, and its Shares were the subject of a prolonged suspension (which has since been up lifted on 15 March 2024), the financial performance and position of Katrina, like the Company, was generally weak being loss-making, with net current liabilities and net liabilities.

In summary, the Group's financial performance and position (in terms of LTM ROE, LTM net profit margin, LTM asset turnover, total liabilities to shareholders' equity, and total borrowings to shareholders' equity) are generally worse off than the Selected Comparable Companies (save for Katrina).

The following valuation statistics for the Selected Comparable Companies are based on their respective closing prices as at the Latest Practicable Date, while those for the Group are based on the Offer Price. All the valuation statistics of the Selected Comparable Companies are computed on a historical basis using financial data and information obtained from their latest publicly available unaudited financial statements or audited financial statements from their annual reports or result announcements.

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The following table tabulates the comparative valuation statistics for the Selected Comparable Companies and the Group and should be evaluated in the context of their relative financial performance and position.

Selected Comparable Companies⁽¹⁾	Market Capitalisation (S\$ million)	LTM EV/EBITDA⁽²⁾ (times)	LTM PER⁽³⁾ (times)	P/NAV⁽⁴⁾ (times)	P/NTA⁽⁵⁾ (times)	P/Revenue⁽⁶⁾ (times)
Katrina	6.3	2.4	n.m. ⁽⁷⁾	n.m. ⁽⁸⁾	n.m. ⁽⁸⁾	0.1
Sakae	22.0	8.7	52.0	0.4	0.4	1.4
YKGI	40.0	3.5	29.2	2.3	2.3	0.6
Japan Foods	46.0	2.6	24.7	1.5	1.5	0.6
Tung Lok	26.1	2.8	7.6	1.8	1.8	0.3
Soup	25.4	2.9	15.5	2.1	2.2	0.6
MAXIMUM	46.0	8.7	52.0	2.3	2.3	1.4
MINIMUM	6.3	2.4	7.6	0.4	0.4	0.1
MEDIAN	25.7	2.8	24.7	1.8	1.8	0.6
SIMPLE AVERAGE	27.6	3.8	25.8	1.6	1.6	0.6
The Group	0.6	n.m.⁽⁹⁾	n.m.⁽⁹⁾	n.m.⁽¹⁰⁾	n.m.⁽¹⁰⁾	0.2

Source: The latest annual reports and the announced unaudited financial statements of the respective companies.

Notes:

- (1) Figures and computations presented in this section are subjected to rounding.
- (2) The LTM EV/EBITDA ratios for the Selected Comparable Companies are based on the most recent twelve months EBITDA as reported by the respective companies. The EBITDA for Japan Foods and Tung Lok are based on the financial year ended or the most recent twelve months ended 30 September 2023. The EBITDA for Katrina, Sakae, YKGI and Soup are based on the financial year ended or the most recent twelve months ended 31 December 2023.
- (3) The LTM PER ratios for the Selected Comparable Companies are based on the most recent twelve months earnings after tax as reported by the respective companies. The earnings after tax for Japan Foods and Tung Lok are based on the financial year ended or the most recent twelve months ended 30 September 2023. The earnings after tax for Katrina, Sakae, YKGI and Soup are based on the financial year ended or the most recent twelve months ended 31 December 2023.
- (4) The P/NAV ratios for the Selected Comparable Companies are based on their respective NAV values as set out in their latest available announced audited or unaudited financial statements. The NAV for Japan Foods and Tung Lok are based on the figures as at 30 September 2023. The NAV for Katrina, Sakae, YKGI and Soup are based on the figures as at 31 December 2023.
- (5) The P/NTA ratios for the Selected Comparable Companies are based on their respective NTA values as set out in their latest available announced audited or unaudited financial statements. The NTA for Japan Foods and Tung Lok are based on the figures as at 30 September 2023. The NTA for Katrina, Sakae, YKGI and Soup are based on the figures as at 31 December 2023.
- (6) The P/Revenue ratios for the Selected Comparable Companies are based on the revenue for the most recent twelve months as reported by the respective companies. The revenue for Japan Foods and Tung Lok are based on the financial year ended or the most recent twelve months ended 30 September 2023. The revenue for Katrina, Sakae, YKGI and Soup are based on the financial year ended or the most recent twelve months ended 31 December 2023.
- (7) Katrina incurred a loss after tax attributable to owners of the company for the financial year ended 31 December 2023. Hence, Katrina's PER ratio was negative and not meaningful.
- (8) Katrina was in net liabilities and net tangible liabilities as at 31 December 2023. Hence, Katrina's P/NAV and P/NTA ratios were negative and not meaningful.
- (9) The Group recorded negative EBITDA and a loss attributable to owners of the Company of approximately S\$1.2 million and S\$1.8 million respectively for FY2023. We note from Directors' confirmation and representation that after taking into account the effects of the 60% acquisition of Dining Haus Pte. Ltd. as announced on the SGXNET (in particular the announcement dated 10 January 2024), the Group's LTM EBITDA would still be negative and the Group would still record

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a loss is attributable to owners of the Company. Hence, the Group's EV/EBITDA and PER ratios were negative and not meaningful.

- (10) *The Group's P/NAV and P/NTA ratios are negative and not meaningful given the Group's Adjusted NL and Adjusted NTL of approximately S\$2.4 million as at 30 September 2023. We note from Directors' confirmations that there would be no change to the Group's Adjusted NL and Adjusted NTL after taking into account the effects of the 60% acquisition of Dining Haus Pte. Ltd. as announced on the SGXNET (in particular the announcement dated 10 January 2024).*

For illustrative purposes only, we note:

- (i) The market capitalisation of the Group as implied by the Offer Price is lower than any of the Selected Comparable Companies. We note that the trading statistics for companies with higher market capitalisation may be different than those with lower market capitalisation and this may be attributable to the relative liquidity in terms of number or value of shares traded as well as relative interest in the shares of companies with larger market capitalisation.
- (ii) The valuation of the Group in terms of LTM EV/EBITDA and LTM PER are not meaningful as it recorded negative EBITDA and net income attributable to owners of the Company, of approximately S\$1.2 million and S\$1.8 million respectively for FY2023. For illustrative purpose only, most of the Selected Comparable Companies (save for Katrina, which was loss-making but recorded positive EBITDA), were profitable with positive EBITDA during the period reviewed and traded at PER of between 7.6 times to 52.0 times, and EV/EBITDA multiples of between 2.4 times to 8.7 times.
- (iii) The Group's P/NAV and P/NTA ratios are negative and not meaningful given the Group's Net Liabilities (or NTL), Adjusted NL (or NTL) positions of approximately S\$8.8 million and S\$2.4 million respectively. For illustrative purpose only, the Selected Comparable Companies (save for Katrina) traded at P/NAV ratios of between 0.4 times to 2.3 times, and P/NTA ratios of between 0.4 times to 2.3 times.
- (iv) The valuation of the Group in terms of P/Revenue ratio (as implied by the Offer Price) is lower than the median and simple average but still within the range of the Selected Comparable Companies. It is noted that the Group's P/Revenue ratio is higher than Katrina, whose financial performance and position is relatively similar to the Group as both are loss-making, and in net current liabilities and net liabilities position. In addition the auditors for both of these companies had opinions with, inter alia, concerns regarding material uncertainty and going concern.

In summary, considering the Group's loss-making position with negative EBITDA, as well as the Net Liabilities, NTL, Adjusted NL and NTL positions, the valuation of the Group (as implied by the Offer Price) in terms of EV/EBITDA, PER, P/NAV and P/NTA appear to be favourable than the Selected Comparable Companies. In terms of P/Revenue, the valuation of the Group (as implied by the Offer Price) appears to be lower than the median and simple average, but still within the range of the Selected Comparable Companies.

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7.6 ESTIMATED RANGE OF VALUE PER SHARE

We considered, *inter alia*, (a) the core business of the Group (being management and operation of food and beverage outlets as well as institutional catering services), (b) the fact that the Group has been in a loss-making position and recorded negative EBITDA from FY2021 to FY2023, (c) negligible or minimal assets held by the Group as compared to the cash and cash equivalents of the Group approximately S\$3.0 million as at 30 September 2023, (d) the Group's Net Liabilities and Adjusted NL positions as at 30 September 2023, and (e) the relatively active trading activities for the Shares in the context of number of market days, albeit with low volumes, wherein Shares were traded on 73.2% of market days during the 12-month period commencing from 18 January 2021 till the Last Trading Day prior to the Suspension, and more importantly 100% of market days during the period commencing from 15 March 2024 (being the Resumption Date) to the Offer Announcement Date.

Given the state of affairs and developments of the Group prior to the Suspension and thereafter (*inter alia*, the events leading to the Resumption, Share Consolidation and Implementation Agreement), the historical prices for the Shares prior to the Suspension (or for that matter the Resumption) may not be reflective of such information or state or condition of the Group which are both material and have a significant bearing on the assessment of values or prices for the Shares, and accordingly any analysis of such is limited. As information on, *inter alia*, the Resumption, Share Consolidation and information pertaining to such developments were available prior to 15 March 2024, and Shares were traded thereafter with effect from 15 March 2024, such transactions between willing buyer and seller in the market have a material bearing on the value of the Shares.

As such, we are of the view that the market-based approach is the more appropriate valuation benchmark for the Shares, given the limitation in applying earnings-based or EBITDA-based valuation multiples (being PER and EV/EBITDA) as the Group is in a loss making position with negative EBITDA, or asset-based approach valuation (being P/NAV and P/NTA) in view of the Group's Net Liabilities position and Adjusted NL position as at 30 September 2023, as well as the fact that there is negligible or minimal assets held by the Group, as compared to the cash and cash equivalents during the period reviewed.

For the purposes of estimating a fair value, we have used the: a) median and simple average of the premium/discount of offer prices over/from VWAP for the 1-month period prior to the announcement for the Selected Non-Privatisation MGO Transactions (as outlined in Section 7.4 of this Letter); and b) VWAP for the Shares for the period commencing from the Resumption Date to the Offer Announcement Date of S\$0.0986. The historical premium/discount of offer prices over/from VWAP for the 1-month period prior to the announcement for the Selected Non-Privatisation MGO Transactions have been used given the short period of time between the resumption of trading for the Shares and the Offer Announcement Date.

Based on this approach, we have derived a range of estimated value ("**Estimated Value**") per Share of between approximately S\$0.0977 to S\$0.1037 (rounded to the nearest four-decimals). The Offer Price is at a significant discount of approximately 97.9% to 98.0% from the range of the Estimated Value per Share.

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8 OTHER CONSIDERATIONS

8.1 SALE OF SHARES BY GUGONG AND MR SAM LIM

On 20 March 2024, Gugong and Mr Sam Lim had entered into separate sale and purchase agreements with the Buyers for the disposal (the “**Share Sale**”) of the entire 254,437,880 pre-Share Consolidation Shares (representing approximately 55.0% of the then issued Share capital as at 20 March 2024) held by Gugong and Mr Sam Lim for a total consideration of S\$0.5 million. The selling price per Share for the said disposal (the “**Selling Price**”) is approximately S\$0.0020 (on pre-Share Consolidation basis) or approximately S\$0.0118 (on post-Share Consolidation basis). Vendors for the Share Sale includes Mr Sam Lim, the then controlling Shareholder and his associate, Gugong.

Each Buyer obtained 84,812,626 pre-Share Consolidation Shares (representing approximately 18.3% of the then issued Share capital as at 20 March 2024). Subsequent to the issuance and allotment of 231,194,379 new Shares to the Offeror pursuant to the Subscription on 28 March 2024, the shareholding of each of the Buyers was diluted from approximately 18.3% to approximately 4.6%.

Based on the announcements made by the Company on 20 March 2024 and 10 April 2024, the Buyers are (a) independent of each other, (b) not acting in concert, and (c) to the best of the Company's knowledge, are not related to the Gugong and/or Mr Sam Lim, or their associates (including parties acting in concert with each of them), the Offeror or any other substantial shareholder or director of the Company.

We note that the Offer Price is significantly lower than the Selling Price. The Offer Price represents a significant discount of approximately 82.2% from the Selling Price.

The Offer Price is pegged to the issue price for each new Share acquired by the Offeror pursuant to the Subscription (the “**Issue Price**”), which was based on the Implementation Agreement executed at the time when there was significant uncertainty on the Group's ability to continue as a going concern and whether the trading for the Shares can be resumed, and the Subscription was part of the restructuring exercise to rescue the Company. In addition, we note that the Share Sale was conducted subsequent to earlier announcements made by the Company, *inter alia*, on the Resumption and fulfilment of Resumption conditions, Share Consolidation, Implementation Agreement, the whitewash resolution and its attendant timeline, the Escrow Agreements and the earmarking of the Escrow Amount for the Company's general working capital, funding requirements and such other purposes as may be determined by the Board.

8.2 CRPS

Upon completion of the Implementation Agreement on 28 March 2024, in addition to the issuance and allotment of 231,194,379 new Shares to the Offeror pursuant to the Subscription, a total of 145,000,000 CRPS have also been issued pursuant to the CRPS Subscription to the Offeror, which can be converted into new Shares at a conversion price of S\$0.031 (the “**Conversion Price**”). Key terms for the CRPS are set out in the Offer Announcement.

The Conversion Price is the same as the VWAP of S\$0.031 per Share for trades done on the Shares on the SGX-ST on 17 January 2022, being the last full market day on which there were trades done on the Shares preceding the Suspension and the date on which the Implementation Agreement was signed.

We note that the Offer Price is significantly lower than the Conversion Price. The Offer Price represents a significant discount of approximately 93.2% from the Conversion Price. In addition, the amount subscribed pursuant to the CRPS of S\$4.5 million is larger as compared to the S\$0.5 million for the amount for the Subscription.

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8.3 DIVIDEND TRACK RECORD

The Directors and the Management have confirmed and represented that since it was listed on the Catalist on 30 November 2017, the only time the Company declared dividends, was during the financial year ended 30 September 2018 (“FY2018”). Based on our discussions with the Directors, we understand that at present, the Company does not have a fixed dividend policy. For the financial years under review, being FY2021, FY2022 and FY2023, no dividends were declared and recommended in view of the losses recorded by the Group as well as its NL position during the financial years under review. Accordingly, based on past dividend track records, as well as the Company’s weak financial performance and position, we note that there is no recent dividend yield for the Shares.

We wish to highlight that the above is not an indication of the Company’s future dividend policy, and there is no assurance that the Company will or will not pay dividends in future.

8.4 EXISTING SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company as at the Latest Practicable Date is outlined below.

	Direct Interest	Deemed Interest	Total interest	% of the issued Share capital as at the Latest Practicable Date ⁽¹⁾
Offeror Concert Party Group				
Offeror ⁽²⁾	231,194,379 ^{(6),(7)}	Nil	231,194,379	75.0%
Valiant ^{(3),(4)}	Nil	231,194,379	231,194,379	75.0%
GC ⁽⁴⁾	Nil	231,194,379	231,194,379	75.0%
Lim Teck Ean ⁽⁵⁾	Nil	231,194,379	231,194,379	75.0%
Directors (other than the Offeror Concert Party Group)				
Tan Keng Kiong	Nil	Nil	Nil	Nil
Lo Kim Seng	Nil	Nil	Nil	Nil
Benjamin Cho Kuo Kwang	Nil	Nil	Nil	Nil
Francis Ding Yin Kiat	Nil	Nil	Nil	Nil
Public Shareholdings	77,064,793	Nil	77,064,793	25.0%

Notes:

- (1) Based on 308,259,172 Shares (excluding treasury shares) as at the Latest Practicable Date. The Company has no treasury shares.
- (2) The Offeror also holds 145,000,000 CRPS which do not have voting rights attached.
- (3) Valiant holds rights to convert the Escrow Amount into new Shares of the Company. As of the Latest Practicable Date, no agreement has been reached with the Company on the conversion price or issue price of each new Shares issued should Valiant exercise its right of conversion under the Escrow Agreements.
- (4) As Valiant and GC each holds 50.0% of the issued and paid-up share capital of the Offeror, they may be deemed to have an interest in the 231,194,379 Shares and 145,000,000 CRPS held by the Offeror, pursuant to section 7 of the Companies Act and section 4(5) of the SFA.
- (5) As at the Latest Practicable Date, Mr Lim Teck-Ean is the Company’s Executive Director and Interim Chief Executive Officer. As Mr Lim Teck-Ean holds 50.0% of the issued and paid-up share capital of GC and GC is accustomed to act in accordance with his directions, instructions or wishes, he may be deemed to have an interest in the 231,194,379 Shares and 145,000,000 CRPS held by GV, pursuant to section 7 of the Companies Act and section 4(4) of the SFA.

We note that as stated in the Offer Document, as at 17 April 2024 (being the latest practicable date of the Offer Document), the Offeror and the Offeror Concert Party Group holds an aggregate interest of (a)

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231,194,379 Shares, which represents approximately 75.0% of the issued Share capital (excluding treasury shares) of the Company, and (b) 145,000,000 CRPS, representing 100% of the total number of issued CRPS.

Subsequent to the Latest Practicable Date, on 30 April 2024, the Offeror announced, *inter alia*, that as at 6:00 pm (Singapore time) on 30 April 2024, the total number of (a) Shares owned, controlled or agreed to be acquired by the Offeror Concert Party Group; and (b) valid acceptances of the Offer, amount to an aggregate of 231,561,679 Shares, representing approximately 75.1% of the total number of issued Shares. As at 6.00 p.m. (Singapore time) on 30 April 2024, the Offeror also holds 145,000,000 CRPS, representing 100% of the total number of issued CRPS.

8.5 ALTERNATIVE TAKEOVER OFFER

We note that the likelihood of an alternative take-over is remote in view that as at 30 April 2024, the total number of (a) Shares owned, controlled or agreed to be acquired by the Offeror Concert Party Group; and (b) valid acceptances of the Offer, amount to an aggregate of 231,561,679 Shares, representing approximately 75.1% of the total number of issued Shares. In addition, the Offeror also holds 145,000,000 CRPS, representing 100% of the total number of issued CRPS.

Under such circumstances, any competing offer for Shares is unlikely to be forthcoming without the support of the Offeror in view of its super majority control as represented by the percentage of the total number of Shares that the Offeror and its Concert Parties holds. Thus, the possibility of an alternative offer from parties other than the Offeror and its Concert Parties will be significantly reduced.

The Directors confirmed that: (a) no other third parties have approached the Company with an intention to make an offer for the Company; and (b) apart from the Offer being made by the Offeror; no other third party has made a firm offer for the Company as at the Latest Practicable Date. We also note that there is no publicly available evidence of any alternative offer for the Offer Shares from any third party.

8.6 CONTROL OVER THE COMPANY

We understand from the Company that the Offeror is currently the single largest Shareholder and accordingly, it has super majority control of the Company, which places the Offeror in a position to significantly influence, *inter alia*, management, operating and financial policies of the Company and ability to pass all ordinary and special resolution on matters in which the Offeror and its Concert Parties do not have an interest, at general meetings of Shareholders. Furthermore, the Offeror holds the CRPS (which may be convertible into an addition 145,000,000 Shares), and Valiant has the right, at any time prior or after the Maturity Date, to convert all or part of the amounts utilised from the Escrow Amount into fully paid new Shares (at a conversion price which has not been determined as at the Latest Practicable Date, subject to (i) the Company's compliance with the Catalist Rules (including, if necessary, obtaining the approval of the Shareholders for the allotment and issue of the Escrow Conversion Shares); and (ii) appropriate adjustments to be agreed between the Company and Valiant in the event of any consolidation or subdivision of the Shares). As mentioned in the Offer Document, no agreement has been reached between Valiant and the Company on the conversion price or issue price of each new Shares issued should Valiant exercise its right of conversion under the Escrow Agreement as at the Latest Practicable Date.

APPENDIX A – LETTER FROM THE IFA TO THE RECOMMENDING DIRECTORS IN RESPECT OF THE OFFER

8.7 LISTING STATUS AND COMPULSORY ACQUISITION

The listing status and compulsory acquisition are set out in Section 6 of the Offer Document and have been extracted and reproduced in Section 6 of this Letter. Shareholders are advised to read Section 6 of the Offer Document carefully and in its entirety.

8.8 RATIONALE FOR THE OFFER AND THE OFFEROR'S INTENTION FOR THE COMPANY

The rationale for the Offer and the Offeror's intention for the Company are set out in Section 5 of the Offer Document and have been extracted and reproduced in Section 6 of this Letter. Shareholders are advised to read Section 5 of the Offer Document carefully and in its entirety.

8.9 ESCROW AGREEMENTS AND INTERNAL TRANSFER OF SUBSCRIPTION SHARES

Information on the Escrow Agreements and Internal Transfer of Subscription Shares has been extracted from the Offer Document and are set out in italics below.

- “3.3.3. On 4 March 2024, the Company entered into the Escrow Agreements with Valiant, pursuant to which Nine Yards Chambers LLC was appointed as the escrow agent to hold in escrow the Escrow Amount, in accordance with the terms of the Escrow Agreement. The Escrow Amount is earmarked for the Company's general working capital, funding requirements and such other purposes as may be determined by the Directors of the Company from time to time and authorised by Valiant. For the avoidance of doubt, the Escrow Amount is in addition to the Full Investment Amount payable under the Investment.*
- 3.3.4. The Escrow Agreements was one of the conditions stipulated in the letter of no-objection issued by the SGX Regco to the Company's revised proposal for the resumption of trading of its Shares submitted on 27 September 2023. The key terms of the Escrow Agreements are:*
- (a) the Escrow Amount is held by Valiant's appointed escrow agent, pending drawdown (in full or in part) by the Company as a loan;*
 - (b) drawdown is subject to the payment of a utilisation fee, payable in accordance with the terms of the Escrow Agreements;*
 - (c) the amount drawdown must be repaid no later than two (2) years from the date of Escrow Agreements (the “**Escrow Agreement Maturity Date**”); and*
 - (d) the Escrow Amount or an amount drawn down and outstanding may be converted by Valiant into new Shares to be issued by the Company at any time prior to or after the Maturity Date.*
- 3.3.5. As of the Latest Practicable Date, Valiant and the Company are in discussions amongst themselves and in consultation with the Company's Sponsor as to the applicability of the Catalist Rules regarding a proposed restatement and amendment of the Escrow Agreements, in particular to:*
- (a) the issue of new Shares upon conversion;*
 - (b) the conversion price per new Share issued if Valiant should exercise its right of conversion; and*
 - (c) the payment of an utilisation fee.*
- 3.3.6. As Shareholders' approvals are required for the items listed under Section 3.3.3 (a) to (c), no*

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issue of new Shares and payment of the utilisation fee are permissible until an extraordinary general meeting has been convened for such purposes. As at the Latest Practicable Date, the Escrow Amount has been drawn down by the Company.

- 3.3.7. *Another condition of the SGX Regco's no-objection letter was that the Offeror provide a deed of undertaking which restricts it from, directly or indirectly, selling, contracting to sell, realising, transferring, granting any option or right to purchase or otherwise disposing of any number of the Subscription Share that will result in the Offeror holding less than 51% of the total number of Shares for a period of eighteen-month period commencing on the date of the Company's resumption of trading or the date of the issue and allotment of the Subscription Shares, whichever is later (the "**Relevant Period**").*
- 3.3.8. *As of the Latest Practicable Date, the Offeror has made an application to the SGX Regco, through the Company's Sponsor, to allow the Offeror to transfer 219,194,379 out of the 231,194,379 Subscription Shares it holds to Valiant, subject to Valiant providing a similar deed of undertaking for the Relevant Period (the "**Internal Transfer of the Subscription Shares to Valiant**").*
- 3.3.9. *As at the Latest Practicable Date, the SGX-ST has not issued any formal no-objection letter to the Internal Transfer of the Subscription Shares. The Offeror will consult the SIC in writing with regard to Rules 11.2 and Rule 14 of the Code when it receives a formal no-objection letter from the SGX Regco regarding the Internal Transfer of the Subscription Shares.*
- 3.3.10. *As of the Offer Announcement Date and the Latest Practicable Date, save for the Offeror Concert Party Group, no director or shareholder of Valiant holds any Share directly in the Company."*

In relation to the above, we note from the Circular that as the Latest Practicable Date, the Offeror continues to engage with the Sponsor (through the Company) on the Internal Transfer of the Subscription Shares to Valiant (as defined in the above extract) and a formal application to the Sponsor/SGX RegCo for the Internal Transfer of the Subscription Shares to Valiant will be submitted in due course. The Offeror has also further confirmed that it will be separately consulting the SIC in writing with regards to Rule 11.2 and Rule 14 of the Code.

8.10 OFFER IS UNCONDITIONAL

As set out in Section 2.5 of the Offer Document, the Offer is unconditional in all respects. This means the Offer is not subject to any condition of the level of acceptances the Offeror must receive for the Offer and cannot be withdrawn without the consent of the SIC. In addition, as set out in Section 2.1.3 of the Offer Document, the Offer Price is final, and the Offeror will not revise the Offer Price or any other term of the Offer, except if there is a competitive bid.

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9. OPINION

In arriving at our recommendation, we have reviewed and examined all factors set out in Section 7 and 8 of this Letter as well as others elaborated elsewhere in this Letter which we have considered to be pertinent in our assessment of the Offer, including, *inter alia*, the views of and representations by the Directors.

Our recommendation or opinion is by no means an indication of the merits, prospects, financial performance and position of the Company or the Group after the Offer, or whether the Company or the Group can improve their financial position and performance, and cash flow or whether the Company or the Group can continue to operate as a going concern or the ability to meet its liabilities when due or the prices at which the Shares would trade after the Offer.

Shareholders are advised to read this Letter carefully and in its entirety. Our views, recommendation and opinion are necessarily limited and subject to the matters stated in this IFA Letter. The following should be read in conjunction with, and in the context of, the full text of this IFA Letter.

In summary, having regard to our analysis and the consideration in this Letter (including, *inter alia*, its limitation and constraints) and after having considered carefully the information available to us and based on market, economic and other relevant considerations prevailing as at the Latest Practicable Date, and subject to our terms of reference, as well as the representation and confirmation from the Directors, we are of the opinion that, in the absence of an alternative offer, the financial terms of the Offer is, on balance, **NOT FAIR** and **NOT REASONABLE**.

For the purposes of evaluation of the Offer from a financial point of view, we have adopted the approach that the term “fair and reasonable” comprises two distinct concepts:

- (i) Whether the Offer is “fair” relates to the value of the offer price which is based strictly on the evaluation of the Offer Price (i.e. by looking at the financial or fundamental analyses of the Offer Price as set out in this Letter and based on information known to us or which is publicly available).
- (ii) Whether the Offer is “reasonable”, after taking into consideration the actual and potential financial impact of other circumstances surrounding the Offer and the Company which we consider relevant (being both quantitative and qualitative factors available and made known to us).

The financial performance and condition of the Group is generally very much weaker as compared to the Selected Comparable Companies because of the Group’s loss-making position with negative EBITDA as well as the Adjusted NL and NTL positions. We consider the financial terms of the Offer to be **NOT FAIR** from a financial point of view after considering, *inter alia*, the following factors which are significant for the Offer: -

- (i) The Offer Price is at substantial discount from the historical market prices for the Shares considering, *inter alia*, that (a) the Offer Price represents a significant discount of approximately 98.9% from the last transacted price of S\$0.186 per Share for the Shares on the SGX-ST on 17 January 2022, being the Last Trading Day prior to the Suspension; (b) the Offer Price represents a discount of approximately 99.4%, 99.3%, 99.3%, and 98.9% from the VWAP for the Shares for the 12-month, 6-month, 3-month and 1-month periods prior to the Last Trading Day prior to the Suspension respectively; (c) the Offer Price represents a significant discount of approximately 97.9% from the VWAP for the Shares for the period commencing from the Resumption Date to the Offer Announcement Date; and (d) the Offer Price represents a significant discount of approximately 97.5% from the last transacted price of S\$0.083 per Share on the SGX-ST on the Offer Announcement Date.

Likewise, the Offer Price represents a significant discount of approximately 97.3% from the VWAP of S\$0.0768 per Share for the period commencing from the market day immediately after the Offer

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Announcement Date to the Latest Practicable Date; and a discount of approximately 97.4% from the last transacted price of S\$0.080 per Share on the SGX-ST on 15 April 2024, being the last trading day immediately prior to the Latest Practicable Date. We note that Shares were traded in the market (subsequent to, *inter alia*, the Resumption, Share Consolidation, completion of the Implementation Agreement and issuance of such number of new Shares pursuant to the Subscription and issuance of the CRPS, and even after the Offer Announcement) at prices which were consistently and significantly higher than the Offer Price.

- (ii) The Offer Price is significantly lower than the Selling Price of S\$0.0020 (on pre-Share consolidation basis) for the recent disposal of 254,437,880 pre-Share Consolidation Shares (representing approximately 55.0% of the then issued Share capital) by Gugong and Mr Sam Lim to the Buyers. This translated to approximately S\$0.0118 on post-Share Consolidation basis. The Share Sale was a transaction involving a previous controlling Shareholder and wherein material information pertaining to the state of affairs of the Company, *inter alia*, the developments of the Group, and events leading to the Resumption, Share Consolidation and Implementation Agreement, were available.
- (iii) Whilst the Offer Price is at a substantial premium over the Group's unaudited NL and Adjusted NL, when compared to the Selected Non-Privatisation MGO Transactions (which comprises offers for companies whose businesses may differ from the Company, and are subject to, *inter alia*, market conditions prevailing at the relevant point in time) over the various periods prior to the Suspension and prior to the Offer Announcement, the Offer Price when considered in the context of precedent transactions, is at a very significant discount and is worse off and less favourable (in terms of historical premium or discount) for every period under review (especially those periods subsequent to the Resumption).
- (iv) The Offer Price is also at a significant discount of approximately 97.9% to 98.0% from the range of the Estimated Value per Share.
- (v) The fact that prices for which Shares were traded (even subsequent to the Resumption, Share Consolidation, completion of the Implementation Agreement, and also the Offer), are consistently and significantly higher than the Offer Price when compared to the premium of the Offer Price over the Group's historical NTL per Share (or Adjusted NTL per Share which takes into account effects of the new Shares pursuant to the Subscription and full conversion of the CRPS, and gains on settlement of the Scheme Creditors).

We consider the financial terms of the Offer to be, on balance, **NOT REASONABLE**, from a financial point of view after factoring, *inter alia*, the following:-

- (i) The Offer Price is pegged to the Issue Price for each new Share pursuant to the Subscription, which was based on the Implementation Agreement executed at the time when there was significant uncertainties on the Group's ability to continue as a going concern, and whether the trading for the Shares can be resumed, and the Subscription is part of the restructuring exercise to rescue the Company. As at the Latest Practicable Date, the Implementation Agreement has been completed and the trading for the Shares has resumed since 15 March 2024. In addition, Directors have represented that the Company has on 18 April 2024 made payment for the settlement of the Scheme Creditors.
- (ii) Directors' opinion and confirmation that as at the Latest Practicable Date, the Group and the Company are able to continue as a going concern based on the factors mentioned in Section 7.1 of this Letter.
- (iii) The Offer Price is significantly lower than the Conversion Price for the CRPS. The Offer Price is at a significant discount of approximately 93.2% from the Conversion Price.

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- (iv) The Offer Price is significantly and consistently lower than the prices at which Shares were traded in the market (subsequent to, *inter alia*, the Resumption, Share Consolidation, completion of the Implementation Agreement and issuance of such number of new Shares and issuance of the CRPS, and the Offer), and the Selling Price for the Share Sale.

ACA's Recommendation on the Offer

Based on our assessment of the financial terms of the Offer as set out above, we advise the Recommending Directors that they should recommend the Shareholders to **REJECT** the Offer. For Shareholders who wish to realise their Shares, to sell their Shares in the open market as the transacted prices for the Shares during, *inter alia*, the period commencing on the Resumption Date to the Latest Practicable Date were substantially higher than the Offer Price.

Shareholders should also be aware and note that there is no assurance that the price and trading volume of the Shares will remain at current levels after the close of the Offer, and the current price performance and trading volume of the Shares is not indicative of the future price performance or trading levels of the Shares. The price and trading volume of the Shares are subject to; *inter alia*, the performance and prospects of the Company, prevailing economic conditions, economic outlook and stock market conditions and sentiments.

Accordingly, our advice on the Offer does not and cannot take into account future trading activities or patterns or price levels that may be established for the Shares after the Latest Practicable Date since these are governed by factors beyond the ambit of our review and also, such advice, if given, would not fall within our terms of reference in connection with the Offer.

Matters to highlight

We would also wish to highlight the following matters which may affect the decisions or actions of Shareholders: –

1. If the Shareholders are considering selling their Offer Shares in the open market, they should be aware that the current market prices and trading volumes for the Shares may have been affected by the Offer and may not be maintained at current levels when the Offer closes. In addition, opportunities to realise the Offer Shares in the open market may be restricted by lack of liquidity for the Shares (as observed during the historical period under review, being 18 January 2021 to the Latest Practicable Date).
2. The Offer is unconditional in all respects.
3. Whilst the possibility of a higher offer from a third party cannot be ruled out, as at the Latest Practicable Date, we are not aware of any publicly available evidence of an alternative offer for the Shares. Shareholders should be aware that the chances of such an alternative offer for Shares being made by a third party may be affected by the fact that as at 17 April 2024 (being the latest practicable date of the Offer Document), the Offeror Concert Party Group holds an aggregate interest of (a) 231,194,379 Shares, representing approximately 75.0% of the total number of issued Shares (excluding treasury shares), which is the percentages required for super majority control, and (b) 145,000,000 CRPS, representing 100% of the total number of issued CRPS.
4. Whilst the Offer may present an opportunity for the Shareholders to realise their entire investment for cash in view of the low liquidity of the Shares (in terms of number of Shares traded on daily basis) during the periods observed prior to the Offer Announcement Date, the Offer Price is in general at a significant discount to the historical traded prices or VWAP for the Shares prior to the Suspension, and after the Resumption.

APPENDIX A – LETTER FROM THE IFA TO THE RECOMMENDING DIRECTORS IN RESPECT OF THE OFFER

5. The Offer is “technical in nature” and being made to comply with the requirements of Rule 14 of the Code, as following completion of the Subscription, the Offeror Concert Party Group “acquired” in aggregate, 231,194,379 new Shares in the Company, representing approximately 75.0% of the total number of Shares.
6. It is the current intention of the Offeror Concert Party Group for the Group to continue its existing business in the food and beverage industry and to maintain its listing status on the SGX-ST. Accordingly, the Offeror does not intend to exercise its rights of compulsory acquisition in the event it is entitled pursuant to section 215(1) of the Companies Act to acquire those Offer Shares not acquired by the Offeror pursuant to the Offer, or voluntarily seek to delist the Company from the SGX-ST.
7. The Directors confirmed that, to the best of their knowledge, as at the Latest Practicable Date and save for matters disclosed in the Circular, this Letter, the Group’s unaudited financial statements for FY2023 and the audited financial statements for FY2022 and FY2021, and the Company’s announcements on the SGXNET, there has been no material changes to the Group’s assets and liabilities, financial position, condition and performance.
8. Our scope does not require us and we have not made any independent evaluation (including without limitation, market value or economic potential) or appraisal of the Group’s assets and liabilities (including without limitation, plant and equipment), or contracts entered into or to be entered into by the Group (where applicable), and we have not been furnished with any such evaluation and appraisal in respect of assets and liabilities (if any) held or contracts entered into (where applicable) by the Group.

With respect to such valuation, we are not experts in the evaluation or appraisal of assets and liabilities (including without limitation, plant and equipment) including, *inter alia*, the contracts or agreements that the Group has embarked upon or are about to embark upon (where applicable) and have relied on the opinion of the Directors and the financial statements (audited and unaudited), where applicable for the assessment.

Limitations

It is also to be noted that as trading of the Shares is subject to possible market fluctuations and accordingly, our advice on the Offer does not and cannot take into account the future trading activities or patterns or price levels that may be established for the Shares since these are governed by factors beyond the ambit of our review, and also such advice, if given, would not fall within our terms of reference in connection with the Offer.

For our opinion and recommendation, we have not had regard to the general or specific investment objectives, financial situation, tax position, risk profiles or unique needs and constraints or plans of any individual Shareholder, or group of Shareholders. As different Shareholders or groups of Shareholders would have different investment profiles and objectives, we would advise Independent Directors to recommend that any individual Shareholder or group of Shareholders who may require advice in the context of his specific investment portfolio, including his investment in the Company, should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

APPENDIX A – LETTER FROM THE IFA TO THE RECOMMENDING DIRECTORS IN RESPECT OF THE OFFER

10. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who wish to accept the Offer must do so not later than 5.30 p.m. on 16 May 2024 (the “**Closing Date**”) or such later date(s) as may be announced from time to time by or on behalf of the Offeror, abiding by the procedures for the acceptance of the Offer as set out in Appendix 5 of the Offer Document and in the accompanying FAA and/or FAT, which have been disseminated electronically.

Acceptances should be completed and returned as soon as possible and, in any event, so as to be received, on behalf of the Offeror, by the CDP (in respect of the FAA) or the Share Registrar (in respect of the FAT), as the case may be, not later than the Closing Date or such later date(s) as may be announced from time to time by or on behalf of the Offeror.

Shareholders who do not wish to accept the Offer need not take any further action in respect of the Offer Document, the FAA and/or the FAT which have been sent to them.

This Letter is addressed to the Recommending Directors in connection with and for the sole purpose of their evaluation of the financial terms of the Offer. Whilst a copy of this Letter may be included in the Circular, neither the Company nor the Directors nor the Shareholders nor any third parties, may reproduce, disseminate or quote this Letter (or any part thereof) for any other purpose at any time and in any manner without the prior written consent of ACA in each specific case. This opinion is governed by, and construed in accordance with, the laws of Singapore, and is strictly limited to the matters and the scope of our appointment stated herein and does not apply by implication to any other matter. Save as disclosed, nothing herein shall confer or be deemed or is intended to confer any right of benefit to any third party and the Contracts (Rights of Third Parties) Act Chapter 53B and any re-enactment thereof shall not apply.

The recommendations made by the Recommending Directors to Shareholders in relation to the Offer and the issue of the Circular (as well as any information therein) shall remain the sole responsibility of the Recommending Directors and the Directors respectively.

Yours faithfully,

For and on behalf of

ASIAN CORPORATE ADVISORS PTE. LTD.

H.K. LIAU
MANAGING DIRECTOR

FOO QUEE YIN
MANAGING DIRECTOR

APPENDIX B – ADDITIONAL GENERAL INFORMATION

1. DIRECTORS

The names, addresses and descriptions of the directors of the Company as at the Latest Practicable Date are as follows:

Name	Address	Description
Lim Teck-Ean	c/o 18 Sin Ming Lane #06-26, MidView City Singapore 573960	Executive Director and Interim Chief Executive Officer
Tan Keng Tiong	c/o 18 Sin Ming Lane #06-26, MidView City Singapore 573960	Non-Executive Director
Lo Kim Seng	c/o 18 Sin Ming Lane #06-26, MidView City Singapore 573960	Lead Independent Director
Benjamin Cho Kuo Kwang	c/o 18 Sin Ming Lane #06-26, MidView City Singapore 573960	Independent Director
Francis Ding Yin Kiat	c/o 18 Sin Ming Lane #06-26, MidView City Singapore 573960	Independent Director

2. REGISTERED OFFICE OF THE COMPANY

The registered office of the Company is at 18 Sin Ming Lane, #06-26, MidView City, Singapore 573960.

3. PRINCIPAL ACTIVITIES

The Group is a lifestyle food and beverage player in Singapore. The Group started out as a seafood restaurant chain in its founding years and diversified into other food and beverage concepts such as hotpot and casual dining dim sum in recent years.

It currently operates 2 restaurants in Singapore – Little Sheep Hotpot at Orchard Gateway, and NoSignboard Sheng Jian at North Point. In addition, the Group has a 60% stake in Dining Haus Pte. Ltd., which provides institutional catering services to clients at various industrial sites in Singapore. Its clients include companies in the semiconductor, medical equipment and aerospace industries.

4. SHARE CAPITAL

- 4.1 **Number and class of Shares.** As at the Latest Practicable Date, the Company has two classes of Shares, being (i) ordinary shares; and (ii) convertible redeemable preference shares, which do not have any voting rights. Only the ordinary Shares are quoted and listed on the Catalist Board of the SGX-ST.

As at the Latest Practicable Date:

- (a) the issued and paid-up ordinary share capital of the Company is S\$26,665,233 comprising 308,259,172 Shares;
- (b) the issued and paid-up CRPS capital of the Company is S\$4,500,000 comprising 145,000,000 CRPS; and
- (c) the Company does not have any treasury shares.

APPENDIX B – ADDITIONAL GENERAL INFORMATION

- 4.2 **Rights of Shareholders in respect of capital, dividends and voting.** The rights of Shareholders in respect of capital, dividends and voting are contained in the Constitution. An extract of the relevant provisions in the Constitution relating to the rights of Shareholders in respect of capital, dividends and voting is reproduced in **Appendix C** of this Circular.
- 4.3 **Number of Shares issued since the end of the last financial year.** As at the Latest Practicable Date, save for the 231,194,379 new Subscription Shares as disclosed and set out in Section 1.1 above, no new Shares have been issued by the Company since 30 September 2023, being the end of the last financial year.
- 4.4 **Share Buy-back.** During the period commencing 6 months prior to the Offer Announcement Date and ending with the Latest Practicable Date, the Company did not purchase any Company Securities.
- 4.5 **Convertible Instruments.** As at the Latest Practicable Date, save for the CRPS and as described below, there are no outstanding instruments convertible into, rights to subscribe for, and options in respect of, Shares and securities which carry voting rights affecting Shares:

On 4 March 2024, the Company and Valiant entered into an escrow agreement and a related letter agreement (the “**Escrow Agreements**”) under which a sum of S\$3,500,000 (the “**Escrow Amount**”) is held by an escrow agent acting for Valiant, available for utilisation as a loan to the Company, subject to the terms and conditions of the Escrow Agreements. The execution of the Escrow Agreements was one of the conditions stipulated in the letter of no-objection issued by SGX RegCo to the Company’s revised proposal for the resumption of trading of its Shares submitted on 27 September 2023.

Under the Escrow Agreements, amongst other terms, Valiant has the right to convert all or part of the amounts utilised from the Escrow Amount into new fully paid Shares (“**Conversion Shares**”) subject to (i) the Company’s compliance with the Catalist Rules (including, if necessary, obtaining the approval of the Company’s shareholders for the issue and allotment of the Conversion Shares); and (ii) appropriate adjustments to be agreed between the Company and Valiant in the event of any consolidation or subdivision of the Shares, on such date that both parties may agree mutually in writing, such date being no later than two (2) years from the date of the Escrow Agreements.

As at the Latest Practicable Date, the Escrow Amount has been drawn down by the Company.

The Company will ensure that in issuing and allotting any Conversion Shares, it will comply with all applicable provisions of the Catalist Rules, including any requirement to obtain the prior approval of Shareholders.

APPENDIX B – ADDITIONAL GENERAL INFORMATION

5. SUMMARY OF FINANCIAL INFORMATION

- 5.1 **Consolidated statements of comprehensive income.** A summary of the audited consolidated statement of comprehensive income of the Group for FY2020, FY2021 and FY2022 is set out below. The unaudited financial information of the Group for FY2023 is also set out below.

	FY2023	FY2022	FY2021	FY2020
	Unaudited	Audited	Audited	Audited
	S\$	S\$	S\$	S\$
Revenue	2,883,592	5,451,393	7,903,808	13,627,913
Other income	337,298	2,598,303	2,618,817	1,905,207
Raw materials and consumables used	(597,481)	(1,414,093)	(2,803,306)	(4,799,332)
Changes in inventories	(77,714)	(138,580)	(26,779)	82,858
Employee benefits expense	(1,891,740)	(3,800,966)	6,303,986	(8,515,109)
Rental income	–	106,538	981,714	1,521,477
Rental expenses	(60,594)	(511,252)	475,628	(752,012)
Depreciation and amortisation expenses	(505,847)	(1,354,556)	(4,323,929)	(5,622,978)
Impairment of intangible assets	–	–	(473,662)	–
Impairment of plant and equipment	(82,088)	(807,564)	(1,613,346)	(586,452)
Impairment of right-of-use assets	–	(1,414,464)	(1,149,552)	(1,286,352)
Impairment of other assets	–	–	(22,354)	(94,457)
Other operating expenses	(1,751,901)	(3,248,414)	(3,110,828)	(4,913,154)
Finance costs	(100,675)	(186,225)	(330,237)	(385,973)
Profit/(loss) before income tax	(1,847,150)	(4,719,880)	(9,129,268)	(9,818,364)
Income tax credit	–	–	17,093	(21,154)
Loss for the year, representing loss attributable to the owners of the Company	(1,847,150)	(4,719,880)	9,112,175	(9,839,518)
Other comprehensive income				
Item that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of foreign operations	66,772	39,391	(70,815)	(314)
Total comprehensive loss for the year, representing total comprehensive loss attributable to the owners of the Company	(1,780,378)	(4,680,489)	(9,182,990)	(9,839,832)
Basic and diluted (Loss)/earning per share (cents)	(0.40)	(1.01)	(1.97)	(2.13)

Notes:

- (1) The Company does not have any minority interests.
- (2) The Company did not declare or pay any dividends in any of FY2020, FY2021, FY2022, or FY2023.

APPENDIX B – ADDITIONAL GENERAL INFORMATION

- 5.2 **Statements of financial position.** A summary of the audited consolidated statement of financial position of the Group as at 30 September 2022, and a summary of the unaudited consolidated statement of financial position of the Group as at 30 September 2023, are set out below.

	30 September 2023	30 September 2022
	Unaudited S\$	Audited S\$
ASSETS		
Current assets		
Cash and bank balances	2,927,140	284,963
Trade and other receivables	300,045	103,227
Inventories	48,552	107,590
Total current assets	3,275,737	495,780
Non-current assets		
Trade and other receivables	234,556	163,480
Intangible assets	—	—
Plant and equipment	—	136,388
Right-of-use assets	—	438,177
Amount due from subsidiaries	—	—
Investment in subsidiaries	—	—
Total non-current assets	234,556	738,045
Total assets	3,510,293	1,233,825
LIABILITIES AND EQUITY		
Current liabilities		
Loans and borrowings	7,125,000	2,575,000
Trade and other payables	3,896,788	3,492,437
Lease liabilities	954,040	939,743
Amount due to holding company	145,517	103,943
Provisions	28,146	28,146
Total current liabilities	12,149,491	7,139,269
Non-current liabilities		
Provisions	98,915	98,915
Lease liabilities	97,997	1,051,373
Loans and borrowings	—	—
Total non-current liabilities	196,912	1,150,288
Equity		
Share capital	25,181,005	25,181,005
Capital reserve	(695,938)	(695,938)
(Accumulated losses)/Retained Earnings	(33,340,875)	(31,493,635)
Translation reserve	19,608	(47,164)
Total (deficit)/equity	(8,536,110)	(7,055,732)
Total liabilities and equity	3,510,293	1,233,825

APPENDIX B – ADDITIONAL GENERAL INFORMATION

5.3 **Significant accounting policies.** Save as disclosed in this Circular and publicly available information on the Group (including but not limited to that contained in the audited financial statements of the Group for FY2022), there are no significant accounting policies or any points from the notes to the financial statements which are of major relevance for the interpretation of the accounts.

5.4 **Changes in accounting policies.** Save as disclosed in this Circular and publicly available information on the Group (including but not limited to that contained in the audited financial statements of the Group for FY2022), the Group has applied the same accounting policies and methods of computation and there has not been any changes in the accounting policies of the Group which will cause the financial statements of the Group to not be comparable to a material extent.

6. MATERIAL CHANGES IN FINANCIAL POSITION OR PROSPECTS OF THE COMPANY

Save as disclosed in this Circular and publicly available information on the Company (including but not limited to announcements released by the Company in respect of its financial results), there are no known material changes in the financial position or prospects of the Company as at the Latest Practicable Date since 30 September 2022, being the date to which the Company's last published audited financial statements were made up.

7. DISCLOSURE OF INTERESTS UNDER THE CODE

7.1 Interests of the Company in the Offeror Securities.

As at the Latest Practicable Date, neither the Company nor its subsidiaries have any direct or deemed interests in the Offeror Securities.

7.2 Dealings in the Offeror Securities by the Company

As at the Latest Practicable Date, neither the Company nor its subsidiaries have dealt for value in the Offeror Securities during the period commencing six (6) months prior to the Offer Announcement Date and ending on the Latest Practicable Date.

7.3 Interests of the Directors in the Offeror Securities

As at the Latest Practicable Date, save as disclosed below and in this Circular, none of the Directors has any direct or deemed interest in the Offeror Securities:

Name	Direct interest		Deemed interest		Total interest	
	No. of shares	%	No. of shares	%	No. of shares	%
Lim Teck-Ean	–	–	1	50 ⁽¹⁾	1	50

Note:

- (1) As at the Latest Practicable Date, the Offeror is owned as to 50.0% by Gazelle Capital and 50.0% by Valiant Investments Limited. Mr. Lim Teck-Ean holds 50% of the issued and paid-up share capital of Gazelle Capital and Gazelle Capital is accustomed to act in accordance with his directions, instructions or wishes. As such, Mr Lim Teck-Ean is deemed to have an interest in the one share of the Offeror held by Gazelle Capital, pursuant to section 7 of the Companies Act and section 4(4) of the Securities and Futures Act.

7.4 Dealings in the Offeror Securities by the Directors

As at the Latest Practicable Date, none of the Directors has dealt for value in the Offeror Securities during the period commencing six (6) months prior to the Offer Announcement Date and ending on the Latest Practicable Date.

APPENDIX B – ADDITIONAL GENERAL INFORMATION

7.5 Interests of the Directors in the Company Securities

As at the Latest Practicable Date, save as disclosed below and in this Circular, none of the Directors has any direct or deemed interest in the Company Securities:

Name	Direct interest		Deemed interest		Total interest	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Lim Teck-Ean	–	–	231,194,379	75 ^{(1) (2)}	231,194,379	75

Notes:

- (1) As at the Latest Practicable Date, Mr. Lim Teck-Ean is the Company's Executive Director and Interim Chief Executive Officer. Mr. Lim Teck-Ean holds 50% of the issued and paid-up share capital of Gazelle Capital and Gazelle Capital is accustomed to act in accordance with his directions, instructions or wishes. Gazelle Capital holds 50% of the issued and paid-up share capital of the Offeror. As such, Mr Lim Teck-Ean is deemed to have an interest in the 231,194,379 Shares and the 145,000,000 CRPS held by the Offeror, pursuant to section 7 of the Companies Act and section 4(4) of the Securities and Futures Act. The CRPS may be converted on or prior to the 2nd anniversary of the completion date of the Implementation Agreement, such completion date being 28 March 2024. The conversion price pursuant to the Implementation Agreement is S\$0.031.
- (2) These Shares represent the Subscription Shares which are not subject to the Offer. For completeness, subsequent to the Latest Practicable Date, on 30 April 2024, the Offeror announced, *inter alia*, that as at 6:00 pm (Singapore time) on 30 April 2024, the total number of (a) Shares owned, controlled or agreed to be acquired by the Offeror Concert Party Group (as defined in the Offer Document); and (b) valid acceptances of the Offer, amount to an aggregate of 231,561,679 Shares, representing approximately 75.1% of the total number of issued Shares.

As none of the Directors have any beneficial interests in any of the Offer Shares, none of the Directors would be in a position to accept or reject the Offer.

7.6 Dealings in the Company Securities by the Directors

Save as disclosed below and in this Circular, none of the Directors has dealt for value in the Company Securities during the period commencing six (6) months prior to the Offer Announcement Date and ending on the Latest Practicable Date:

Name	Date of transaction	No. of Shares	Transaction price (S\$)	Nature of transaction
Lim Teck-Ean	28 March 2024	231,194,379 Shares ⁽¹⁾	0.0021 per Share	Issue and allotment of Subscription Shares to the Offeror upon the completion of the Implementation Agreement
Lim Teck-Ean	28 March 2024	145,000,000 CRPS ⁽¹⁾	0.031 per CRPS	Issue and allotment of CRPS to the Offeror upon the completion of the Implementation Agreement

Note:

- (1) As at the Latest Practicable Date, Mr. Lim Teck-Ean is the Company's Executive Director and Interim Chief Executive Officer. Mr. Lim Teck-Ean holds 50% of the issued and paid-up share capital of Gazelle Capital and Gazelle Capital is accustomed to act in accordance with his directions, instructions or wishes. Gazelle Capital holds 50% of the issued and paid-up share capital of the Offeror. As such, Mr Lim Teck-Ean is deemed to have an interest in the 231,194,379 Shares and the 145,000,000 CRPS subscribed for by the Offeror on completion of the Implementation Agreement, pursuant to section 7 of the Companies Act and section 4(4) of the Securities and Futures Act.

APPENDIX B – ADDITIONAL GENERAL INFORMATION

8. OTHER DISCLOSURES

8.1 **Directors' service contracts.** As at the Latest Practicable Date, (a) there are no service contracts between any Director or proposed director with the Company or any of its subsidiaries with more than 12 months to run, which the employing company cannot, within the next 12 months, terminate without payment of compensation; and (b) there are no such service contracts entered into or amended between any of the Directors or proposed director with the Company or any of its subsidiaries during the period between the start of six months preceding the Offer Announcement Date and the Latest Practicable Date.

8.2 **Arrangements affecting directors.** As at the Latest Practicable Date:

- (a) there are no payments or other benefits which will be made or given to any Director or any director of any corporation, which is by virtue of Section 6 of the Companies Act, deemed to be related to the Company, as compensation for loss of office or otherwise in connection with the Offer;
- (b) there are no agreements or arrangements made between any Director and any other person in connection with or conditional upon the outcome of the Offer; and
- (c) none of the Directors has a material personal interest, whether direct or indirect, in any material contract entered into by the Offeror.

9. DISCLOSURE OF INTERESTS OF THE INDEPENDENT FINANCIAL ADVISER

None of the IFA nor any of the funds whose investments are managed by the IFA on a discretionary basis, owns or controls any Company Securities or any Offeror Securities as at the Latest Practicable Date, or has dealt with any Company Securities or any Offeror Securities during the Relevant Period.

10. MATERIAL CONTRACTS WITH INTERESTED PERSONS

As at the Latest Practicable Date, save as disclosed in this Circular and in publicly available information on the Group (including but not limited to the annual reports and announcements released by the Company on the SGXNET), neither the Company nor any of its subsidiaries has entered into material contracts with Interested Persons (other than those entered into in the ordinary course of business) during the period beginning three (3) years before the Offer Announcement Date and ending on the Latest Practicable Date.

APPENDIX C – EXTRACTS FROM COMPANY’S CONSTITUTION

The provisions in the Constitution relating to rights of Shareholders in respect of capital, voting and dividends are reproduced below.

All capitalised terms used in the following extracts shall have the same meanings ascribed to them in the Constitution and/or the Companies Act, a copy of which is available for inspection at the registered office of the Company at 18 Sin Ming Lane, #06-26, MidView City, Singapore 573960, during normal business hours until the Closing Date.

A. RIGHTS IN RESPECT OF CAPITAL

SHARES

6. *Power to repurchase Shares* *The Company may, subject to and in accordance with the Act, purchase or otherwise acquire its issued shares on such terms and in such manner as the Company may from time to time think fit. If required by the Act, any share which is so purchased or acquired by the Company shall, unless held in treasury in accordance with the Act, be deemed to be cancelled immediately on purchase or acquisition by the Company. On the cancellation of any share as aforesaid, the rights and privileges attached to that share shall expire. In any other instance, the Company may hold or deal with any such share which is so purchased or acquired by it in such manner as may be permitted by, and in accordance with, the Act.*
7. *Issue of Shares* *Subject to the Act and this Constitution, no shares may be issued by the Directors without the prior approval of the Company in General Meeting but subject thereto and to regulation 53, and to any special rights attached to any shares for the time being issued, the Directors may allot and issue shares or grant options over or otherwise dispose of the same to such persons on such terms and conditions and for such consideration (if any) and at such time and subject or not to the payment of any part of the amount (if any) thereof in cash as the Directors may think fit, and any shares may be issued with such preferential, deferred, qualified or special rights, privileges or conditions, or which confer special, limited or conditional voting rights, or which do not confer voting rights, as the Directors may think fit, and preference shares may be issued which are or at the option of the Company are liable to be redeemed, the terms and manner of redemption being determined by the Directors provided always that:-*
- (a) (subject to any direction to the contrary that may be given by the Company in General Meeting) any issue of shares for cash to Members holding shares of any class shall be offered to such Members in proportion as nearly as may be to the number of shares of such class then held by them and the provisions of the second sentence of regulation 53(1) with such adaptations as are necessary shall apply; and*
 - (b) any other issue of shares, the aggregate of which would exceed the limits referred to in regulation 53(2), shall be subject to the approval of the Company in General Meeting.*

APPENDIX C – EXTRACTS FROM COMPANY'S CONSTITUTION

8. *Issue of different classes of shares*
- (1) *The Company has power to issue different classes of shares, including shares which confer special, limited or conditional voting rights, or which do not confer voting rights.*
 - (2) *The rights attaching to shares of a class other than ordinary shares shall be expressed in this Constitution.*
 - (3) *Notwithstanding anything in regulations 8(1) and 8(2), the Company shall not undertake any issuance of shares that confer special, limited or conditional voting rights, or that confer no voting rights, unless it is approved by the Members by Special Resolution.*
 - (4) *The Company may issue shares for which no consideration is payable to the Company.*
 - (5) *Preference shares may be issued subject to such limitation thereof as may be prescribed by any stock exchange upon which the shares of the Company may be listed. Preference shareholders shall have the same rights as ordinary shareholders as regards receiving of notices, reports and balance sheets and attending General Meetings, and preference shareholders shall also have the right to vote at any General Meeting convened for the purpose of reducing the capital or winding-up or sanctioning a sale of the undertaking of the Company or where the proposal to be submitted to the General Meeting directly affects their rights and privileges or when the dividend on the preference shares is more than six months in arrears. In the event of preference shares being issued, the total number of issued preference shares shall not at any time exceed the total number of issued ordinary shares.*
 - (6) *The Company has power to issue further preference capital ranking equally with, or in priority to, preference shares already issued.*
9. *Treasury Shares*
- The Company shall not exercise any right in respect of treasury shares other than as provided by the Act. Subject thereto, the Company may hold or deal with its treasury shares in the manner authorised by, or prescribed pursuant to, the Act.*
10. *Variation of rights*
- If, at any time the share capital is divided into different classes, subject to the provisions of the Act, preference capital, other than redeemable preference capital, may be repaid and the special rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied or abrogated with the sanction of a Special Resolution passed at a separate General Meeting of the holders of shares of the class and to every such Special Resolution the provisions of the Act shall with such adaptations as are necessary apply. To every such separate General Meeting the provisions of this Constitution relating to General Meetings shall mutatis mutandis apply; but so that the necessary quorum shall be two persons at least holding or representing by proxy at least one-third of the issued shares of the class and any holder of shares of the class present in person or by proxy may demand a poll. Provided always that where the*

APPENDIX C – EXTRACTS FROM COMPANY'S CONSTITUTION

necessary majority for such a Special Resolution is not obtained at the General Meeting, consent in writing if obtained from the holders of three-fourths of the issued shares of the class concerned within two months of the General Meeting shall be as valid and effectual as a Special Resolution carried at the General Meeting.

11. *Issue of further shares with special right*

The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall, unless otherwise expressly provided by the terms of issue of the shares of that class or by this Constitution as is in force at the time of such issue, be deemed to be varied by the issue of further shares ranking equally therewith.

11A. *Allotment and Issuance of Convertible Redeemable Preference Shares*

For the purposes of this Constitution, "Convertible Preference Shares" means the fully paid-up convertible redeemable preference shares in the issued capital of the Company carrying the rights, entitlements and powers set out in this regulation 11B below.

Without prejudice to the generality of the provisions of regulation 11, the Directors may allot and issue Convertible Redeemable Preference Shares to such persons on such terms and conditions and at such time as the Company in general meeting may approve, such Convertible Redeemable Preference Shares to be allotted and issued subject to, inter alia, the provisions of regulation 11B.

11B. *Terms and Conditions of the Convertible Redeemable Preference Shares*

(i) **Voting Rights.** *The Convertible Redeemable Preference Shares shall not be entitled to any voting rights.*

(ii) **Listing Status.** *The Convertible Redeemable Preference Shares shall not be listed on any stock exchange.*

(iii) **Transferability.** *The Convertible Redeemable Preference Shares shall not be transferable.*

(iv) **Liquidation Preference.** *Upon the liquidation of the Company, all holders of shares and Convertible Redeemable Preference Shares shall be entitled to participate pro rata in the residual assets and funds of the Company on an as converted basis, subject to applicable laws and regulations.*

(v) **Dividend Rights.** *The holders of Convertible Redeemable Preference Shares shall not be entitled to dividend payments on their Convertible Redeemable Preference Shares.*

12. *Power to pay commission and brokerage*

The Company may pay commission or brokerage on any issue of shares at such rate or amount and in such manner as the Directors may deem fit. Such commission or brokerage may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other.

13. *Power to charge interest on capital*

If any shares of the Company are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a long period, the Company may, subject to the conditions and restrictions mentioned in the Act, pay interest on so much of the share capital (except treasury shares) as is for the time being paid up and may charge the same to capital as part of the cost of the construction or provision.

APPENDIX C – EXTRACTS FROM COMPANY'S CONSTITUTION

14. *Exclusion of equities* *Except as required by law, no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by or compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except only as by this Constitution or by law otherwise provided) any other rights in respect of any share, except an absolute right to the entirety thereof in the person (other than the Depository or its nominee (as the case may be)) entered in the Register of Members as the registered holder thereof or (as the case may be) the person whose name is entered in the Depository Register in respect of that share.*
15. *Exercise of Member's rights* *Except as herein provided no person shall exercise any rights or privileges of a Member until he is registered in the Register of Members or (as the case may be) the Depository Register as a Member and shall have paid all calls and other moneys due for the time being on every share held by him.*
16. *Joint holders* *When two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint tenants with benefit of survivorship subject to the provisions following:-*
- (a) The Company shall not be bound to register more than three persons as the holders of any share except in the case of executors or administrators (or trustees) of the estate of a deceased Member.*
 - (b) For the purposes of a quorum joint-holders of any share shall be treated as one Member.*
 - (c) Only one certificate shall be issued in respect of any share.*
 - (d) Only the person whose name stands first in the Register of Members as one of the joint-holders of any share shall be entitled to delivery of the certificate relating to such share or to receive notices from the Company. Any notice served on any one of the joint-holders shall be deemed to have been duly served on all of them.*
 - (e) The joint-holders of any share shall be liable severally as well as jointly in respect of calls and any other payments which ought to be made in respect of such share.*
 - (f) Any one of the joint-holders of any share may give effectual receipts for any dividend, return of capital or other sum of money payable to such joint-holders in respect of such share.*
 - (g) On the death of any one of the joint-holders of any share the survivor or survivors shall be the only person or persons recognised by the Company as having any title to such share but the Directors may require such evidence of death as they think necessary to call for.*

APPENDIX C – EXTRACTS FROM COMPANY'S CONSTITUTION

- (h) *If more than one of such joint-holders are present in person or proxy at any General Meeting only that one of the joint-holders or his attorney or proxy, whose name stands first in the Register of Members or (as the case may be) the Depository Register amongst those so present in person or proxy shall be entitled to vote in respect of any of the shares so held.*

SHARE CERTIFICATES

17. *Certificates*

Every certificate shall be issued under the Seal and shall specify the number and class of shares to which it relates, whether the shares are fully or partly paid up, and the amount (if any) unpaid thereon. No certificate shall be issued representing shares of more than one class

18. *Entitlement to certificates*

Every person whose name is entered as a Member in the Register of Members shall be entitled within ten market days (or such other period as may be approved by any stock exchange upon which the shares of the Company may be listed) of the closing date of any application for shares or, as the case may be, the date of lodgement of a registrable transfer or on a transmission of shares to one certificate for all his shares of any one class or several certificates in reasonable denominations each for a part of the shares so allotted or transferred. If a Member shall require several certificates each for a part of the shares so allotted or transferred or included in the transmission or if a Member transfers part only of the shares comprised in a certificate or requires the Company to cancel any certificate or certificates and issue new certificates for the purpose of subdividing his holding in a different manner the Member shall pay prior to the issue of the certificates or certificate a fee not exceeding \$2 for each such new certificate as the Directors may determine.

19. *New certificates may be issued*

Subject to the provisions of the Act, if any certificate shall be defaced, worn out, destroyed, lost or stolen, a new certificate may be issued in lieu thereof on such evidence being produced and a letter of indemnity (if required) being given by the shareholder, transferee, person entitled, purchaser, member firm or member company of any stock exchange upon which the shares of the Company may be listed or on behalf of its or their client or clients as the Directors shall require, and (in case of defacement or wearing out) on delivery up of the old certificate and in any case on payment of such sum not exceeding \$2 as the Directors may from time to time require. In the case of destruction, loss or theft, a shareholder or person entitled to whom such new certificate is given shall also bear the loss and pay to the Company all expenses incidental to the investigations by the Company of the evidence of such destruction or loss.

TRANSFER OF SHARES

20. *Form of transfer of shares*

Subject to the provisions of this Constitution, all transfers of shares shall be effected by written instrument of transfer in the form as approved by any stock exchange upon which the shares of the Company may be listed or in any other form acceptable to the Directors.

APPENDIX C – EXTRACTS FROM COMPANY’S CONSTITUTION

21. *Execution of transfer of shares* *The instrument of transfer of any share shall be signed by or on behalf of both the transferor and the transferee and be witnessed, provided that an instrument of transfer in respect of which the transferee is the Depository or its nominee (as the case may be) shall be effective although not signed or witnessed by or on behalf of the Depository or its nominee (as the case may be). The transferor shall remain the holder of the share concerned until the name of the transferee is entered in the Register of Members in respect thereof.*
22. *Person under disability* *No shares shall in any circumstances be transferred to any infant, bankrupt or person who is mentally disordered and incapable of managing himself or his affairs.*
23. *Directors’ power to decline to register* *There shall be no restriction on the transfer of fully paid up shares (except as required by law, the listing rules of any stock exchange upon which the shares of the Company may be listed or the rules and/or bye-laws governing any stock exchange upon which the shares of the Company may be listed) but the Directors may in their discretion decline to register any transfer of shares upon which the Company has a lien and in the case of shares not fully paid up may refuse to register a transfer to a transferee of whom they do not approve.*
24. *Notice of refusal* *If the Directors refuse to register a transfer of any share, they shall within ten market days after the date on which the transfer was lodged with the Company, send to the transferor and the transferee notice of refusal as required by the Act.*
25. *Terms of registration of transfers* *The Directors may decline to register any instrument of transfer unless:-*
- (a) such fee not exceeding \$2 as the Directors may from time to time require, is paid to the Company in respect thereof;*
 - (b) the amount of proper duty (if any) with which each instrument of transfer is chargeable under any law for the time being in force relating to stamps is paid;*
 - (c) the instrument of transfer is deposited at the Office or at such other place (if any) as the Directors may appoint accompanied by a certificate of payment of stamp duty (if any), the certificates of the shares to which the transfer relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer and, if the instrument of transfer is executed by some other person on his behalf, the authority of the person so to do; and*
 - (d) the instrument of transfer is in respect of only one class of shares.*

All instruments of transfer which are registered may be retained by the Company, but any instrument of transfer which the Directors may decline to register shall be returned to the person depositing the same except in the case of fraud.

APPENDIX C – EXTRACTS FROM COMPANY'S CONSTITUTION

26. *Suspension of registration* *The registration of transfers may be suspended at such times and for such period as the Directors may from time to time determine provided always that such registration shall not be suspended for more than thirty days in any year. The Company shall give prior notice of such closure as may be required to any stock exchange upon which the shares of the Company may be listed, stating the period and the purpose or purposes of such closure.*
27. *Renunciation of allotment* *Nothing in this Constitution shall preclude the Directors from recognising a renunciation of the allotment of any share by the allottee in favour of some other person.*

TRANSMISSION OF SHARES

28. *Survivor, executors or administrators entitled to shares of a deceased Member*
- (1) *In the case of the death of a Member whose name is entered in the Register of Members, the survivor or survivors where the deceased was a joint-holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his interest in the shares.*
- (2) *In the case of the death of a Member who is a Depositor, the survivor or survivors where the deceased was a joint-holder, and the executors or administrators of the deceased where he was a sole or only surviving holder and where such executors or administrators are entered in the Depository Register in respect of any shares of the deceased Member, shall be the only persons recognised by the Company as having any title to his interest in the shares.*
- (3) *Nothing in this regulation shall release the estate of a deceased holder from any liability in respect of any share solely or jointly held by him.*
29. *Transmission of shares* *Any person becoming entitled to the legal title in a share in consequence of the death or bankruptcy of a Member whose name is entered in the Register of Members, and any guardian of an infant becoming entitled to the legal title in a share and whose name is entered in the Register of Members, and any person as properly has the management of the estate of a Member whose name is entered in the Register of Members and who is mentally disordered and incapable of managing himself or his affairs may, upon such evidence being produced as may from time to time properly be required by the Directors and subject as hereinafter provided, elect either to be registered himself as holder of the share or transfer the share to some other person, but the Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by a Member.*
30. *Requirements regarding transmission of shares* *If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing in a form approved by the Directors signed by him stating that he so elects. If he shall elect to transfer the share to another person he shall testify his election by executing to that person a transfer of the share. All the limitations, restrictions and provisions of this Constitution relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or*

APPENDIX C – EXTRACTS FROM COMPANY'S CONSTITUTION

transfer as aforesaid as if the event upon which transmission took place had not occurred and the notice or transfer were a transfer signed by the person from whom the title by transmission is derived.

31. *Rights of persons entitled to a share by transmission*

A person becoming entitled to a share by transmission shall be entitled to receive and give a discharge for the same dividends and be entitled to the other advantages to which he would be entitled if he were the Member in respect of the share, except that he shall not, before being registered as a Member in the Register of Members or before his name shall have been entered in the Depository Register in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to General Meetings.

32. *Person entitled may be required to register or transfer share*

The Directors may at any time give notice requiring any person entitled to a share by transmission to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days the Directors may thereafter withhold payment of all dividends, or other moneys payable in respect of the share until the requirements of the notice have been complied with.

33. *Fee for registration of probate, etc*

There shall be paid to the Company in respect of the registration of any probate, letters of administration, certificate of marriage or death, power of attorney or other document relating to or affecting the title to any shares, such fee not exceeding \$2 as the Directors may from time to time require or prescribe.

CALLS ON SHARES

34. *Amounts and periods*

The Directors may from time to time make calls upon the Members in respect of any moneys unpaid on their shares and not by the conditions of allotment thereof made payable at fixed times, and each Member shall (subject to receiving at least fourteen days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed as the Directors may determine.

35. *When a call is deemed made*

A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed and may be required to be paid by instalments.

36. *Interest on overdue call*

If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom it is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate not exceeding eight per cent per annum as the Directors may determine, but the Directors shall be at liberty to waive payment of such interest wholly or in part.

37. *On allotment*

Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date shall for the purposes of this Constitution be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable, and in case of non-payment all the relevant provisions of this Constitution as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

APPENDIX C – EXTRACTS FROM COMPANY’S CONSTITUTION

38. *Directors may differentiate between holders* *The Directors may, on the issue of shares, differentiate between the holders as to the amount of calls to be paid and the times of payment.*
39. *Payment in advance of calls* *The Directors may, if they think fit, receive from any Member willing to advance the same all or any part of the moneys uncalled and unpaid upon the shares held by him and such payments in advance of calls shall extinguish, so far as the same shall extend, the liability upon the shares in respect of which it is made, and upon the moneys so received or so much thereof as from time to time exceed the amount of the call then made upon the shares concerned, the Company may pay interest at such rate not exceeding eight per cent per annum as the Member paying such sum and the Directors agree upon. Capital paid on shares in advance of calls shall not whilst carrying interest confer a right to participate in profits.*
40. *Lien on dividends to pay call* *The Directors may apply all dividends which may be declared in respect of any shares in payment of any calls made or instalments payable and which may remain unpaid in respect of the same shares.*

LIEN AND FORFEITURE

41. *Company’s lien* *The Company shall have a first and paramount lien and charge on every share (not being a fully paid share) registered in the name of each Member (whether solely or jointly with others) and on the dividends declared or payable in respect thereof. Such lien shall be restricted to unpaid calls and instalments upon the specific shares in respect of which such moneys are due and unpaid, and to such amount as the Company may be called upon by law to pay in respect of the shares of the Member or deceased Member.*
42. *Notice to pay the amount due, and sale on non-compliance therewith* *For the purpose of enforcing such lien the Directors may sell all or any of the shares subject thereto in such manner as they think fit but no sale shall be made until such time as the moneys owing to the Company are presently payable and until a notice in writing stating the amount due and demanding payment and giving notice of intention to sell in default shall have been served in such manner as the Directors shall think fit on such Member or the person (if any) entitled to effect a transmission of the shares and who shall have produced to the Company satisfactory evidence of such capacity and default in payment shall have been made by him or them for fourteen days after such notice. Provided always that if a Member shall have died or become mentally disordered and incapable of managing himself or his affairs or bankrupt and no person shall have given to the Company satisfactory proof of his right to effect a transmission of the shares held by such Member the Directors may exercise such power of sale without serving any such notice.*
43. *Application of sale proceeds* *Upon any sale being made by the Directors of any shares to satisfy the lien of the Company thereon the proceeds shall be applied first in the satisfaction of the unpaid calls and accrued interest and expenses, and the residue (if any) shall be paid to the relevant Member or as he shall direct or to his executors, administrators or assigns.*

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| 44. Title to shares forfeited or surrendered or sold to satisfy a lien | A statutory declaration in writing that the declarant is a Director and that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts stated therein as against all persons claiming to be entitled to the share, and such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal thereof together (where the same be required) with the share certificate delivered to a purchaser (or where the purchaser is a Depositor, to the Depository or its nominee (as the case may be)) or allottee thereof shall (subject to the execution of a transfer if the same be required) constitute good title to the share and the share shall be registered in the name of the person to whom the share is sold, re-allotted or disposed of or, where such person is a Depositor, the Company shall procure that his name be entered in the Depository Register in respect of the share so sold, re-allotted or disposed of. Such person shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, surrender, sale, re-allotment or disposal of the share. |
| 45. Certificate of shares to be delivered to the Company | In the event of a forfeiture of shares or a sale of shares to satisfy the Company's lien thereon the Member or other person who prior to such forfeiture or sale was entitled thereto shall be bound to deliver and shall forthwith deliver to the Company the certificate or certificates held by him for the shares so forfeited or sold. |
| 46. If call or instalment not paid, notice may be given | If a Member fails to pay any call or any part thereof on the day appointed for payment thereof, the Directors may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued and any expenses incurred by the Company by reason of such non-payment. |
| 47. Form of notice | The notice shall name a further day (not earlier than the expiration of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made, and shall state that in the event of non-payment at or before the time appointed, the shares in respect of which the call was made will be liable to be forfeited. |
| 48. If notice not complied with shares may be forfeited | If the requirements of such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter before all payments required by the notice have been made, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before the forfeiture. The Directors may accept a surrender of any share liable to be forfeited hereunder. |

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49. *Sale of shares forfeited* *A share so forfeited or surrendered shall become the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto, or to any other person, upon such terms and in such manner as the Directors shall think fit, and at any time before a sale, re-allotment or disposition the forfeiture or surrender may be cancelled on such terms as the Directors think fit. To give effect to any such sale, the Directors may, if necessary, authorise some person to transfer or effect the transfer of a forfeited or surrendered share to any such person as aforesaid.*
50. *Rights and liabilities of Members whose shares have been forfeited or surrendered* *A Member whose shares have been forfeited or surrendered shall cease to be a Member in respect of the shares, but shall notwithstanding the forfeiture or surrender remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were payable by him to the Company in respect of the shares with interest thereon at eight per cent per annum (or such lower rate as the Directors may approve) from the date of forfeiture or surrender until payment, but such liability shall cease if and when the Company receives payment in full of all such money in respect of the shares and the Directors may waive payment of such interest either wholly or in part.*
51. *Forfeiture applies to non-payment of call due at fixed time* *The provisions of this Constitution as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time as if the same had been payable by virtue of a call duly made and notified.*

ALTERATION OF CAPITAL

52. *Rights and privileges of new shares* *Without prejudice to any special rights previously conferred on the holders of any shares or class of shares for the time being issued, any share in the Company may be issued with such preferred, deferred or other special, limited or conditional rights, or subject to such restrictions, whether as regards dividend, return of capital, voting or otherwise, or which do not confer voting rights, as the Company may from time to time by Ordinary Resolution or, if required by the Act, by Special Resolution determine (or, in the absence of any such determination, but subject to the Act, as the Directors may determine) and subject to the provisions of the Act, the Company may issue preference shares which are, or at the option of the Company are, liable to be redeemed.*
53. *Issue of new shares to Members* (1) *Subject to any direction to the contrary that may be given by the Company in General Meeting or except as permitted under the listing rules of the Singapore Exchange Securities Trading Limited, all new shares shall before issue be offered to such persons who as at the date of the offer are entitled to receive notices from the Company of General Meetings in proportion as far as the circumstances admit, to the number of the existing shares to which they are entitled. In offering such new shares in the first instance to all the then holders of any class of shares the offer shall be made by notice specifying the number of shares offered and limiting the time within which the offer if not accepted will be deemed to be declined and after the expiration of that time or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the*

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Directors may dispose of those shares in such manner as they think most beneficial to the Company and the Directors may as they think most beneficial to the Company dispose of any such new shares which by reason of the proportion borne by them to the shares held by holders entitled to any such offer or by reason of any other difficulty in apportioning the same cannot, in the opinion of the Directors, be conveniently offered under this regulation.

- (2) *Notwithstanding regulation 53(1) but subject to regulation 8(3), the Company may by Ordinary Resolution in General Meeting give to the Directors a general authority, either unconditionally or subject to such conditions as may be specified in the Ordinary Resolution, to:-*
- (a) *issue shares of the Company ("shares") whether by way of rights, bonus or otherwise and/or make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares; and*
 - (b) *(notwithstanding the authority conferred by the Ordinary Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the Ordinary Resolution was in force, provided that:-*
 - (i) *the aggregate number of shares to be issued pursuant to the Ordinary Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to the Ordinary Resolution) shall be subject to such limits and manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited;*
 - (ii) *in exercising the authority conferred by the Ordinary Resolution, the Company shall comply with the provisions of the listing rules of the Singapore Exchange Securities Trading Limited for the time being in force (unless such compliance is waived by the Singapore Exchange Securities Trading Limited) and this Constitution; and*
 - (iii) *(unless revoked or varied by the Company in General Meeting) the authority conferred by the Ordinary Resolution shall not continue in force beyond the conclusion of the Annual General Meeting next following the passing of the Ordinary Resolution, or the date by which such Annual General Meeting is required by law to be held, or the expiration of such other period as may be prescribed by the Act (whichever is the earliest).*

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54. *New shares otherwise subject to provisions of the Act and this Constitution* *Except so far as otherwise provided by the conditions of issue or by this Constitution, all new shares shall be subject to the provisions of the Act and this Constitution with reference to allotments, payment of calls, lien, transfer, transmission, forfeiture and otherwise.*
55. *Power to consolidate, subdivide, redenominate and convert shares* (1) *The Company may by Ordinary Resolution:-*
- (a) *consolidate and divide all or any of its shares;*
 - (b) *subdivide its shares or any of them (subject nevertheless to the provisions of the Act and this Constitution) provided always that in such subdivision the proportion between the amount paid and the amount (if any) unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and*
 - (c) *subject to the provisions of this Constitution and the Act, convert its share capital or any class of shares from one currency to another currency.*
- (2) *The Company may by Special Resolution, subject to and in accordance with the Act, convert one class of shares into another class of shares.*
56. *Power to reduce capital* *The Company may by Special Resolution reduce its share capital, or any other undistributable reserve in any manner and subject to any incident authorised and consent required by law. Without prejudice to the generality of the foregoing, upon cancellation of any share purchased or otherwise acquired by the Company pursuant to this Constitution and the Act, the number of issued shares of the Company shall be diminished by the number of the shares so cancelled, and, where any such cancelled share was purchased or acquired out of the capital of the Company, the amount of share capital of the Company shall be reduced accordingly.*

CONVERSION OF SHARES INTO STOCK

57. *Conversion of shares into stock and re-conversion* *The Company may by Ordinary Resolution convert any paid-up shares into stock, and may from time to time by like resolution re-convert any stock into paid-up shares of any denomination.*
58. *Transfer of stock* *The holders of stock may transfer the same or any part thereof in the same manner and subject to the same regulations as and subject to which the shares from which the stock arose might previously to conversion have been transferred or as near thereto as circumstances admit; but the Directors may from time to time fix the minimum number of stock units transferable and restrict or forbid the transfer of fractions of that minimum.*
59. *Rights of stockholders* *The holders of stock shall, according to the number of stock units held by them, have the same rights, privileges and advantages as regards dividend, return of capital, voting and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except as regards dividend and return of*

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capital and the assets on winding up) shall be conferred by any such number of stock units which would not if existing in shares have conferred that privilege or advantage; and no such conversion shall affect or prejudice any preference or other special privileges attached to the shares so converted.

60. *Shares/stock*

The provisions of this Constitution which are applicable to paid-up shares shall, so far as circumstances will admit, apply to stock, and the words “share” and “shareholder” therein shall include “stock” and “stockholder”.

B. RIGHTS IN RESPECT OF VOTING

GENERAL MEETINGS

61. *Annual General Meeting*

(1) *Save as otherwise permitted under the Act, an Annual General Meeting shall be held once in every year, at such time (within a period of not more than 15 months after the holding of the last preceding Annual General Meeting) and place as may be determined by the Directors.*

(2) *All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings.*

62. *Calling Extraordinary General Meeting*

The Directors may, whenever they think fit, convene an Extraordinary General Meeting and Extraordinary General Meetings shall also be convened by such requisition or, in default, may be convened by such requisitionists, in accordance with the provisions of the Act. If at any time there are not within Singapore sufficient Directors capable of acting to form a quorum at a meeting of Directors, any Director may convene an Extraordinary General Meeting in the same manner as nearly as possible as that in which meetings may be convened by the Directors.

NOTICE OF GENERAL MEETINGS

63. *Notice of General Meeting*

(1) *Any General Meeting at which it is proposed to pass a Special Resolution or (save as provided by the Act) a resolution of which special notice has been given to the Company shall be called by at least twenty-one days’ notice in writing and any Annual General Meeting and any other Extraordinary General Meeting by at least fourteen days’ notice in writing. The period of notice shall in each case be exclusive of the day on which it is served or deemed to be served and of the day on which the General Meeting is to be held and shall be given in the manner hereinafter mentioned to such persons as are under the provisions herein contained and the Act entitled to receive such notices from the Company; Provided that a General Meeting notwithstanding that it has been called by a shorter notice than that specified above shall be deemed to have been duly called if it is so agreed:-*

(a) *in the case of an Annual General Meeting by all the Members entitled to attend and vote thereat; and*

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- (b) *in the case of an Extraordinary General Meeting by a majority in number of the Members having a right to attend and vote thereat, being a majority together holding not less than 95 per cent of the total voting rights of all the Members having a right to vote at that meeting.*

Provided also that the accidental omission to give notice to, or the non-receipt by any person entitled thereto, shall not invalidate the proceedings at any General Meeting.

At least fourteen days' notice of any General Meeting shall be given by advertisement in the daily press and in writing to any stock exchange upon which the shares of the Company may be listed.

- (2) *Notice of every General Meeting shall be given to:-*

- (a) *every Member;*
- (b) *every person entitled to a share in consequence of the death or bankruptcy or otherwise of a Member who but for the same would be entitled to receive notice of the General Meeting;*
- (c) *the Auditor for the time being of the Company.*

64. Contents of notice

- (1) *Every notice calling a General Meeting shall specify the place and the day and hour of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a Member entitled to attend and vote is entitled to appoint a proxy to attend and to vote instead of him and that a proxy need not be a Member. Where the Company has one or more classes of shares that confer special, limited or conditional voting rights, or that confer no voting rights, the notice calling a General Meeting shall also specify the special, limited or conditional voting rights, or the absence of voting rights, in respect of each such class of shares.*
- (2) *In the case of an Annual General Meeting, the notice shall also specify the meeting as such.*
- (3) *In the case of any General Meeting at which business other than routine business is to be transacted, the notice shall specify the general nature of the business; and if any resolution is to be proposed as a Special Resolution or as requiring special notice, the notice shall contain a statement to that effect.*

65. Routine business

Routine business shall mean and include only business transacted at an Annual General Meeting of the following classes, that is to say:-

- (a) *declaring dividends;*
- (b) *considering and adopting the financial statements, the Directors' statement, the Auditor's report and other documents required to be attached to the financial statements;*

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(c) *appointing or re-appointing the Auditor and fixing the remuneration of the Auditor or determining the manner in which such remuneration is to be fixed; and*

(d) *appointing or re-appointing Directors in place of those retiring by rotation or otherwise and fixing the remuneration of the Directors.*

66. *Special business*

Any notice of a General Meeting to consider special business shall be accompanied by a statement regarding the effect of any proposed resolution in respect of such special business.

PROCEEDINGS AT GENERAL MEETINGS

67. *Quorum*

No business shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business. Save as herein otherwise provided, five Members present in person or by proxy shall form a quorum.

68. *Adjournment if quorum not present*

If within half an hour from the time appointed for the General Meeting (or such longer interval as the Chairman of the meeting may think fit to allow) a quorum is not present, the meeting, if convened on the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week (or if that day is a public holiday then to the next business day following that public holiday) at the same time and place, or to such other day and at such other time and place as the Directors may determine, and if at such adjourned meeting a quorum is not present within fifteen minutes from the time appointed for holding the meeting, the Members present in person or by proxy shall be deemed to be a quorum.

69. *Chairman*

The Chairman, if any, of the Directors shall preside as Chairman at every General Meeting. If there be no such Chairman or if at any General Meeting he be not present within fifteen minutes after the time appointed for holding the meeting or be unwilling to act, the Members present shall choose some Director to be Chairman of the meeting or, if no Director be present or if all the Directors present decline to take the chair, one of their number present to be Chairman.

70. *Adjournment*

The Chairman may, with the consent of any General Meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time (or sine die) and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. Where a General Meeting is adjourned sine die, the time and place for the adjourned meeting shall be fixed by the Directors. When a General Meeting is adjourned for thirty days or more or sine die, notice of the adjourned meeting shall be given as in the case of the original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned General Meeting.

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71. *Mandatory polling*

- (1) *If required by the listing rules of any stock exchange upon which the shares of the Company may be listed, all resolutions at General Meetings shall be voted by poll (unless such requirement is waived by such stock exchange).*
- (2) *Subject to regulation 71(1), at any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll be (before or on the declaration of the result of the show of hands) demanded:-*
 - (a) *by the Chairman; or*
 - (b) *by at least five Members present in person or by proxy and entitled to vote thereat; or*
 - (c) *by any Member or Members present in person or by proxy and representing not less than five per cent of the total voting rights of all the Members having the right to vote at the General Meeting; or*
 - (d) *by a Member or Members present in person or by proxy, holding shares conferring a right to vote at the General Meeting, being shares on which an aggregate sum has been paid up equal to not less than five per cent of the total sum paid up on all the shares conferring that right.*

A demand for a poll made pursuant to this regulation 71(2) shall not prevent the continuance of the General Meeting for the transaction of any business, other than the question on which the poll has been demanded. Unless a poll be so demanded (and the demand be not withdrawn) a declaration by the Chairman that a resolution has been carried or carried unanimously or by a particular majority or lost and an entry to that effect in the minute book shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution. A demand for a poll may be withdrawn.

72. *Taking a poll*

Where a poll is taken, it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the Chairman may direct and the result of the poll shall be deemed to be the resolution of the General Meeting. The Chairman may (and, if required by the listing rules of any stock exchange upon which the shares of the Company may be listed or if so requested by the meeting, shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.

73. *Votes counted in error*

If any votes be counted which ought not to have been counted or might have been rejected, the error shall not vitiate the result of the voting unless it be pointed out at the same General Meeting or at any adjournment thereof and not in any case unless it shall in the opinion of the Chairman be of sufficient magnitude.

74. *Chairman's casting vote*

In the case of an equality of votes, whether on a poll or on a show of hands, the Chairman of the meeting at which the poll or show of hands takes place shall be entitled to a casting vote.

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75. *Time for taking a poll* *A poll on the election of a Chairman or on a question of adjournment shall be taken forthwith. A poll on any other question shall be taken either immediately or at such subsequent time (not being more than thirty days from the date of the General Meeting) and place as the Chairman may direct. No notice need be given of a poll not taken immediately.*
76. *End of General Meeting* *After the Chairman of any meeting shall have declared the General Meeting to be over and shall have left the chair no business or question shall under any pretext whatsoever be brought forward or discussed.*

VOTES OF MEMBERS

77. *Voting rights of Members* (1) *Subject and without prejudice to any special privileges or restrictions as to voting for the time being attached to any special class of shares for the time being forming part of the capital of the Company and to regulation 9, each Member entitled to vote may vote in person or by proxy. Every Member who is present in person or by proxy shall:-*
- (a) *on a poll, have one vote for every share which he holds or represents; and*
- (b) *on a show of hands, have one vote, provided that:-*
- (i) *in the case of a Member who is not a relevant intermediary and who is represented by two proxies, only one of the two proxies as determined by that Member or, failing such determination, by the Chairman of the meeting (or by a person authorised by him) in his sole discretion shall be entitled to vote on a show of hands; and*
- (ii) *in the case of a Member who is a relevant intermediary and who is represented by two or more proxies, each proxy shall be entitled to vote on a show of hands.*

For the purpose of determining the number of votes which a Member, being a Depositor, or his proxy may cast at any General Meeting on a poll, the reference to shares held or represented shall, in relation to shares of that Depositor, be the number of shares entered against his name in the Depository Register as at 72 hours before the time of the relevant General Meeting as certified by the Depository to the Company.

- (2) *Save as otherwise provided in the Act:-*
- (a) *a Member who is not a relevant intermediary may appoint not more than two proxies to attend, speak and vote at the same General Meeting. Where such Member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy; and*

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- (b) *a Member who is a relevant intermediary may appoint more than two proxies to attend, speak and vote at the same General Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such Member. Where such Member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.*
- (3) *In any case where a Member is a Depositor, the Company shall be entitled and bound:-*
 - (a) *to reject any instrument of proxy lodged by that Depositor if he is not shown to have any shares entered against his name in the Depository Register as at 72 hours before the time of the relevant General Meeting as certified by the Depository to the Company; and*
 - (b) *to accept as the maximum number of votes which in aggregate the proxy or proxies appointed by that Depositor is or are able to cast on a poll a number which is the number of shares entered against the name of that Depositor in the Depository Register as at 72 hours before the time of the relevant General Meeting as certified by the Depository to the Company, whether that number is greater or smaller than the number specified in any instrument of proxy executed by or on behalf of that Depositor.*
- (4) *The Company shall be entitled and bound, in determining rights to vote and other matters in respect of a completed instrument of proxy submitted to it, to have regard to the instructions (if any) given by and the notes (if any) set out in the instrument of proxy.*

78. *Corporations acting by representatives*

Any corporation which is a Member may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any General Meeting or of any class of Members and the persons so authorised shall be entitled to exercise the same powers on behalf of the corporation as the corporation would exercise if it were an individual Member and such corporation shall for the purpose of this Constitution (but subject to the Act) be deemed to be present in person at any such General Meeting if a person so authorised is present thereat.

79. *Voting rights of joint holders*

Where there are joint holders of any share any one of such persons may vote and be reckoned in a quorum at any General Meeting either personally or by proxy as if he were solely entitled thereto and if more than one of such joint holders be so present at any General Meeting that one of such persons so present whose name stands first in the Register of Members or (as the case may be) the Depository Register in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased Member in whose name any share stands shall for the purpose of this regulation be deemed joint holders thereof.

80. *Rights to vote*

81. Objections

82. *Votes on a poll*

83. Execution of proxies

(1) *An instrument appointing a proxy shall be in writing and:-*

(a) in the case of an individual shall be:-

(i) *signed by the appointor or his attorney if the instrument of proxy is delivered personally or sent by post; or*

(ii) *authorised by that individual through such method and in such manner as may be approved by the Directors, if the instrument is submitted by electronic communication; and*

(b) *in the case of a corporation shall be:-*

(i) either given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation if the instrument of proxy is delivered personally or sent by post; or

(ii) *authorised by that corporation through such method and in such manner as may be approved by the Directors, if the instrument is submitted by electronic communication.*

The Directors may, for the purposes of regulations 83(1)(a)(ii) and 83(1)(b)(ii), designate procedures for authenticating any such instrument, and any such instrument not so authenticated by use of such procedures shall be deemed not to have been received by the Company.

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(2) *The Directors may, in their absolute discretion:-*

(a) *approve the method and manner for an instrument appointing a proxy to be authorised; and*

(b) *designate the procedure for authenticating an instrument appointing a proxy,*

as contemplated in regulations 83(1)(a)(ii) and 83(1)(b)(ii) for application to such Members or class of Members as they may determine. Where the Directors do not so approve and designate in relation to a Member (whether of a class or otherwise), regulation 83(1)(a)(i) and/or (as the case may be) regulation 83(1)(b)(i) shall apply.

84. *Proxy need not be a member*

A proxy need not be a Member.

85. *Deposit of proxies*

(1) *An instrument appointing a proxy or the power of attorney or other authority, if any:-*

(a) *if sent personally or by post, must be left at the Office or such other place (if any) as is specified for the purpose in the notice convening the General Meeting; or*

(b) *if submitted by electronic communication, must be received through such means as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the General Meeting,*

and in either case not less than 72 hours before the time appointed for the holding of the General Meeting or adjourned General Meeting (or in the case of a poll before the time appointed for the taking of the poll) to which it is to be used and in default shall not be treated as valid.

(2) *The Directors may, in their absolute discretion, and in relation to such Members or class of Members as they may determine, specify the means through which instruments appointing a proxy may be submitted by electronic communications, as contemplated in regulation 85(1)(b). Where the Directors do not so specify in relation to a Member (whether of a class or otherwise), regulation 85(1)(a) shall apply.*

86. *Rights of proxies*

An instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll, to move any resolution or amendment thereto and to speak at the General Meeting.

87. *Form of proxies*

An instrument appointing a proxy shall be in writing in any usual or common form or in any other form which the Directors may approve. An instrument appointing a proxy shall, unless the contrary is stated therein be valid as well for any adjournment of the General Meeting as for the General Meeting to which it relates and need not be witnessed.

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88. *Intervening death or mental disorder of principal not to revoke proxy* *A vote given in accordance with the terms of an instrument of proxy (which for the purposes of this Constitution shall also include a power of attorney) shall be valid notwithstanding the previous death or mental disorder of the principal or revocation of the proxy, or of the authority under which the proxy was executed or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, mental disorder, revocation or transfer shall have been received by the Company at the Office (or such other place as may be specified for the deposit of instruments appointing proxies) before the commencement of the General Meeting or adjourned General Meeting (or in the case of a poll before the time appointed for the taking of the poll) at which the proxy is used.*

C. RIGHTS IN RESPECT OF DIVIDENDS AND RESERVES

DIVIDENDS

137. *Declaration of ordinary dividend* *The Company in General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Directors.*
138. *Interim Dividend* *The Directors may from time to time pay to the Members such interim dividends as appear to the Directors to be justified by the profits of the Company.*
139. *Dividend only out of profits* *No dividend shall be paid otherwise than out of profits.*
140. *Application and apportionment of dividends* *Subject to any rights or restrictions attached to any shares or class of shares and except as otherwise permitted under the Act:-*
- (a) *all dividends in respect of shares must be paid in proportion to the number of shares held by a Member but where shares are partly paid all dividends must be apportioned and paid proportionately to the amounts paid or credited as paid on the partly paid shares; and*
- (b) *all dividends must be apportioned and paid proportionately to the amounts so paid or credited as paid during any portion or portions of the period in respect of which the dividend is paid.*
- For the purposes of this regulation, an amount paid or credited as paid on a share in advance of a call is to be ignored.*
141. *Scrip Dividend Scheme* *Whenever the Directors or the Company in General Meeting have resolved or proposed that a dividend (including an interim, final, special or other dividend) be paid or declared on the ordinary share capital of the Company, the Directors may further resolve that Members entitled to such dividend be entitled to elect to receive an allotment of ordinary shares credited as fully paid in lieu of cash in respect of the whole or such part of the dividend as the Directors may think fit.*
142. *Dividend may be retained* *The Directors may retain any dividends or other moneys payable on or in respect of a share on which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities, or engagements in respect of which the lien exists.*

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143. *Payment of dividend in specie*
- Any General Meeting declaring a dividend may direct payment of such dividend wholly or partly by the distribution of specific assets and in particular of paid up shares, debentures or debenture stock of any other company or in any one or more of such ways, and the Directors shall give effect to such resolution and where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient, and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors. No valuation, adjustment or arrangement so made shall be questioned by any Member.*
144. *Payment by post*
- Any dividend, interest or other moneys payable in cash on or in respect of shares may be paid by cheque, draft, warrant or Post Office order sent through the post directed to the registered address of the holder or in the case of joint holders, to the registered address of that one of the joint holders who is first named in the Register of Members or (as the case may be) the Depository Register or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque, draft, warrant or Post Office order shall be payable to the order of the person to whom it is sent.*
145. *Company not responsible for loss*
- Every such cheque, draft, warrant or Post Office order shall be sent at the risk of the person entitled to the money represented thereby, and the Company shall not be responsible for the loss of any cheque, draft, warrant or Post Office order which shall be sent by post duly addressed to the person for whom it is intended.*
146. *No interest*
- No unpaid dividend shall bear interest against the Company.*
147. *No dividend before registration*
- A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.*
148. *Power to retain dividends pending transmission*
- The Directors may retain the dividends payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a Member or which any person under that regulation is entitled to transfer, until such person shall become a Member in respect thereof or shall duly transfer the same.*
149. *Unclaimed dividends*
- The payment by the Directors of any unclaimed dividends or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof. All dividends unclaimed after being declared may be invested or otherwise made use of by the Directors for the benefit of the Company and any dividend unclaimed after a period of six years from the date of declaration of such dividend may be forfeited and if so shall revert to the Company but the Directors may at any time thereafter at their absolute discretion annul any such forfeiture and pay the dividend so forfeited to the person entitled thereto prior to the forfeiture. If the Depository returns any such dividend or moneys to the Company, the relevant Depositor shall not have any right or claim in respect of such dividend or moneys against the Company if a period of six years has elapsed from the date of the declaration of such dividend or the date on which such other moneys are first payable.*

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150. *Payment to Depository good discharge*

A payment by the Company to the Depository of any dividend or other moneys payable to a Depositor shall, to the extent of the payment made, discharge the Company from any liability to the Depositor in respect of that payment.

RESERVES

151. *Power to carry profit to reserve*

The Directors may from time to time set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Directors, shall be applicable for meeting contingencies or for the gradual liquidation of any debt or liability of the Company or for repairing or maintaining the works, plant and machinery of the Company or for special dividends or bonuses or for equalising dividends or for any other purpose to which the profits of the Company may properly be applied and pending such application may either be employed in the business of the Company or be invested. The Directors may divide the reserve into such special funds as they think fit and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided. The Directors may also without placing the same to reserve carry forward any profits which they may think it not prudent to divide.

CAPITALISATION OF PROFITS AND RESERVES

152. *Power to capitalise profits*

(1) *The Directors may, with the sanction of an Ordinary Resolution of the Company, including any Ordinary Resolution passed pursuant to regulation 53(2) (but subject to regulation 8(3)):-*

(a) *issue bonus shares for which no consideration is payable to the Company to the persons registered as holders of shares in the Register of Members or (as the case may be) the Depository Register at the close of business on:-*

(i) *the date of the Ordinary Resolution (or such other date as may be specified therein or determined as therein provided); or*

(ii) *(in the case of an Ordinary Resolution passed pursuant to regulation 53(2)) such other date as may be determined by the Directors,*

in proportion to their then holdings of shares; and/or

(b) *capitalise any sum standing to the credit of any of the Company's reserve accounts or other undistributable reserve or any sum standing to the credit of profit and loss account by appropriating such sum to the persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on:-*

(i) *the date of the Ordinary Resolution (or such other date as may be specified therein or determined as therein provided); or*

(ii) *(in the case of an Ordinary Resolution passed pursuant to regulation 53(2)) such other date as may be determined by the Directors,*

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in proportion to their then holdings of shares and applying such sum on their behalf in paying up in full new shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being issued, new shares of any other class not being redeemable shares) for allotment and distribution credited as fully paid up to and amongst them as bonus shares in the proportion aforesaid.

- (2) *The Directors may do all acts and things considered necessary or expedient to give effect to any such bonus issue or capitalisation under regulation 152(1), with full power to the Directors to make such provisions as they think fit for any fractional entitlements which would arise on the basis aforesaid (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the Members concerned). The Directors may authorise any person to enter on behalf of all the Members interested into an agreement with the Company providing for any such bonus issue or capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.*
- (3) *In addition and without prejudice to the powers provided for by regulations 152(1) and 152(2), the Directors shall have power to issue shares for which no consideration is payable and/or to capitalise any undivided profits or other moneys of the Company not required for the payment or provision of any dividend on any shares entitled to cumulative or non-cumulative preferential dividends (including profits or other moneys carried and standing to any reserve or reserves) and to apply such profits or other moneys in paying up in full new shares, in each case on terms that such shares shall, upon issue:-*
- (a) *be held by or for the benefit of participants of any share incentive or option scheme or plan implemented by the Company and approved by shareholders in General Meeting and on such terms as the Directors shall think fit; or*
 - (b) *be held by or for the benefit of non-executive Directors as part of their remuneration under regulation 91 and/or regulation 92(2) approved by shareholders in General Meeting in such manner and on such terms as the Directors shall think fit.*

The Directors may do all such acts and things considered necessary or expedient to give effect to any of the foregoing.