

**CIRCULAR DATED 5 AUGUST 2020**

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY. This Circular is issued by Axington Inc. (the “Company”). If you are in any doubt as to the contents of this Circular or the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.**

Capitalised terms appearing on the cover of this Circular have the same meanings as defined in the section entitled “Definitions” of this Circular.

If you have sold or transferred all your shares in the capital of the Company held through The Central Depository (Pte) Limited (“**CDP**”), you need not forward this Circular with the Notice of EGM and the attached Proxy Form to the purchaser or transferee as arrangements will be made by CDP for a separate Circular with the Notice of EGM and the attached Proxy Form to be sent to the purchaser or transferee. If you have sold or transferred all your shares in the capital of the Company represented by physical share certificate(s), you should immediately forward this Circular, the Notice of EGM and the attached Proxy Form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

Your attention is drawn to Section 3.8 entitled “Risk factors associated with the Proposed New Business” on pages 13 to 27 of this Circular, which you should review carefully.

This Circular has been prepared by the Company and reviewed by the Company’s sponsor, Novus Corporate Finance Pte. Ltd (the “**Sponsor**”) in compliance with Rule 226(2)(b) of the SGX-ST Listing Manual Section B: Rules of Catalist. This Circular has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Circular, including the correctness of any of the statements or opinions made, or reports contained in this Circular.

The contact person for the Sponsor is Mr. Pong Chen Yih, Chief Operating Officer, 9 Raffles Place, #17-05 Republic Plaza Tower 1, Singapore 048619, telephone (65) 6950 2188.

**AXINGTON INC.**

(Formerly known as Axcelasia Inc.)

(Company Registration No.: LL12218)

(A Company incorporated under the Labuan Companies Act 1990, Malaysia)

**CIRCULAR TO SHAREHOLDERS IN RELATION TO**

- (1) THE PROPOSED CHANGE OF NAME OF THE COMPANY TO “NETX INC.”**
- (2) THE PROPOSED CHANGE OF CORE BUSINESS**
- (3) THE PROPOSED ACQUISITION OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF VESTA APEX TRADING SDN. BHD.**
- (4) THE PROPOSED ALLOTMENT AND ISSUANCE OF THE CONSIDERATION SHARES (AS DEFINED HEREIN) TO THE SELLER (AS DEFINED HEREIN) AND/OR THEIR NOMINEES AT THE ISSUE PRICE OF S\$0.18 PER CONSIDERATION SHARE PURSUANT TO THE PROPOSED ACQUISITION (AS DEFINED HEREIN)**

**IMPORTANT DATES AND TIMES:**

Last date and time for lodgement of Proxy Form	:	24 August 2020 at 11.00 a.m.
Date and time of Extraordinary General Meeting	:	27 August 2020 at 11.00 a.m.
Place of Extraordinary General Meeting	:	By way of electronic means

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## DEFINITIONS

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*In this Circular, unless the context otherwise requires, the following definitions apply throughout where the context so admits:*

<i>“Affiliate”</i>	:	With respect to any entity or person, all entities which are controlling, controlled or under common control with such entity or person
<i>“Announcement”</i>	:	The Company’s announcement dated 28 July 2020 in relation to the Proposed Resolutions
<i>“AGM”</i>	:	Annual general meeting of the Company
<i>“Articles”</i>	:	The articles of association of the Company
<i>“Applicable Laws”</i>	:	Any applicable laws, rules or regulations (or similar guidance), including but not limited to the Companies Act, Labuan Companies Act, SFA, SFR and the Catalist Rules
<i>“Associate”</i>	:	<p>(a) In relation to any director, chief executive officer, substantial shareholder or controlling shareholder (being an individual) means:</p> <p>(i) his immediate family;</p> <p>(ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and</p> <p>(iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30.0% or more;</p> <p>(b) in relation to a substantial shareholder or a controlling shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30.0% or more</p>
<i>“Audit Committee”</i>	:	The audit committee of the Company as at the date of this Circular, unless the context otherwise requires
<i>“Board” or “Board of Directors”</i>	:	Our board of Directors as at the date of this Circular, unless the context otherwise requires
<i>“Cash Consideration”</i>	:	S\$6.0 million in cash
<i>“Catalist”</i>	:	The sponsor-supervised listing platform of the SGX-ST

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## DEFINITIONS

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<i>“Catalist Rules”</i>	:	The SGX-ST Listing Manual Section B: Rules of Catalist, as amended, modified or supplemented from time to time
<i>“CDP”</i>	:	The Central Depository (Pte) Limited
<i>“Circular”</i>	:	This circular to Shareholders dated 5 August 2020
<i>“Companies Act”</i>	:	Companies Act, Chapter 50 of Singapore, as amended, modified, or supplemented from time to time
<i>“Completion”</i>	:	Completion of the Proposed Acquisition
<i>“Consideration Shares”</i>	:	The 33,333,333 new ordinary shares in the capital of the Company to be issued to the Seller at an issue price of S\$0.18 per Share as part of the consideration for the Proposed Acquisition
<i>“Controlling Shareholder”</i>	:	<p>The controlling shareholder of the Company as defined in the Catalist Rules:</p> <p>(a) a person who holds directly or indirectly 15.0% or more of the total number of issued shares excluding treasury shares in the company (unless otherwise determined by the SGX-ST); or</p> <p>(b) a person who in fact exercises control over our Company</p>
<i>“Director”</i>	:	A director of the Company as at the date of this Circular, unless the context otherwise requires
<i>“EGM”</i>	:	The extraordinary general meeting of the Company, to be convened and held by way of electronic means on Thursday, 27 August 2020 at 11.00 a.m., the notice of which is set out on pages N-1 to N-4 of this Circular (or any adjournment thereof)
<i>“Encumbrances”</i>	:	Any form of legal, equitable or security interests, including but not limited to any mortgage, assignment of receivables, debenture, lien, charge, pledge, adverse claim, rent-charge, claim, option, pre-emption rights, right to acquire, security arrangement, restriction, security interest, hypothecation, right of first refusal, any preference arrangement (including title transfers and retention arrangements or otherwise) and any other encumbrance or condition whatsoever or any other arrangements having similar effect

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## DEFINITIONS

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<i>“entity”</i>	:	Includes a corporation, an unincorporated association, a partnership and the government of any state, but does not include a trust
<i>“EPS”</i>	:	Earnings per Share
<i>“Existing General Mandate”</i>	:	The existing general mandate of the Company as approved by the Shareholders at the AGM held on 17 April 2020, to allot and issue new Shares and convertible securities in the capital of the Company
<i>“FY”</i>	:	Financial year ended or ending 31 December, as the case may be
<i>“Labuan Companies Act”</i>	:	Labuan Companies Act 1990, as amended, supplemented or modified from time to time
<i>“Latest Practicable Date”</i>	:	5 August 2020, being the latest practicable date prior to the release of this Circular
<i>“Market Day”</i>	:	A day on which the SGX-ST is open for trading in securities
<i>“Memorandum”</i>	:	The memorandum of association of the Company
<i>“Notice of EGM”</i>	:	The notice of EGM dated 5 August 2020 as set out on pages N-1 to N-4 of this Circular
<i>“NTA”</i>	:	Net tangible assets
<i>“Placement, Compliance Placement and Rights Issue”</i>	:	The corporate actions to be undertaken by the Company prior to the Proposed Acquisition
<i>“Proposed Acquisition”</i>	:	The Group’s proposed acquisition of the entire issued and paid-up share capital of the Target, further details of which are set out in Section 4 of this Circular
<i>“Proposed Change of Core Business”</i>	:	The proposed change of the core business of the Group to the Proposed New Business, further details of which are set out in Section 3 of this Circular
<i>“Proposed Change of Name”</i>	:	The proposed change of name by the Company from “Axington Inc.” to “Netx Inc.”, further details of which are set out in Section 2 of this Circular
<i>“Proposed Issuance”</i>	:	The proposed allotment and issuance of Consideration Shares pursuant to the payment of the Consideration, further details of which are set out in Section [4.4.2] of this Circular

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## DEFINITIONS

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<i>“Proposed New Business”</i>	:	The business of the provision of medical and consumer wellness services, as well as making investments in medical technology, robotics and artificial intelligence (AI) technology application in the medical and consumer wellness space to be proposed to be undertaken by the Group as its core business, further details of which are set out in Section 3.2 of this Circular
<i>“Proposed Resolutions”</i>	:	The proposed resolutions to be tabled at the EGM, being collectively, the Proposed Change of Name, the Proposed Change of Core Business, the Proposed Acquisition and the Proposed Issuance
<i>“Rights Issue”</i>	:	The renounceable non-underwritten rights issue of up to 95,230,150 new Shares to be allotted and issued by the Company and on the basis of one (1) Rights Shares for every two (2) existing Shares
<i>“Rights Shares”</i>	:	The new Shares to be allotted and issued by the Company pursuant to the Rights Issue
<i>“Register of Members”</i>	:	The register of members of the Company
<i>“Securities and Futures Act” or “SFA”</i>	:	Securities and Futures Act (Chapter 289) of Singapore, as amended, modified or supplemented from time to time
<i>“SFR”</i>	:	Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018
<i>“Securities Account”</i>	:	A securities account maintained by a Depositor with CDP, but does not include a securities sub-account maintained with a Depository Agent
<i>“Seller”</i>	:	Has the meaning ascribed to it in Section 4.1 of this Circular
<i>“SGXNet”</i>	:	Singapore Exchange Network, a system network used by listed companies in sending information and announcements to the SGX-ST or any other system networks prescribed by the SGX-ST
<i>“SGX-ST”</i>	:	Singapore Exchange Securities Trading Limited
<i>“Shareholders”</i>	:	Registered holders of Shares in the Register of Members, except where the registered holder is the CDP, the term “Shareholders” shall, in relation to such Shares, mean the Depositors whose Securities Accounts are credited with Shares

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## DEFINITIONS

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“Shares”	:	Ordinary shares in the share capital of the Company, and each a “Share”
“Share Registrar”	:	Tricor Barbinder Share Registration Services
“SPA”	:	The sale and purchase agreement dated 28 July 2020 entered into between the Company and the Seller
“Sponsor”	:	Novus Corporate Finance Pte. Ltd.
“Substantial shareholder”	:	A person (including a corporation) who has an interest or interests in one or more voting Shares in the Company, and the votes attached to that Share, or those Shares, is not less than 5.0% of the total votes attached to all the voting Shares in the Company
“Target”	:	Vesta Apex Trading Sdn. Bhd.

### Currencies, Units and Others

“S\$” or “SGD”	:	Singapore Dollars, the lawful currency of Singapore
“MYR”	:	Malaysian Ringgit, the lawful currency of Malaysia
“N.A.”	:	Not applicable
“%” or “per cent.”	:	Per centum or percentage

The terms “Depositor”, “Depository Agent” and “Depository Register” shall have the same meanings ascribed to them respectively in Section 81SF of the SFA. The term “treasury shares” shall have the meaning ascribed to it in the Labuan Companies Act.

References in this Circular to “the Group”, “we”, “our”, and “us” or any other grammatical variations thereof shall unless otherwise stated, mean the Company, the Group or any member of the Group as the context requires.

The terms “associated company”, “associated entity”, “controlling interest-holder”, “controlling shareholder”, “entity”, “related corporation”, “related entity”, “subsidiary”, “subsidiary entity” and “substantial interest-holder” shall have the meanings ascribed to them respectively in the SFA, the SFR, the Companies Act and/or the Catalist Rules, as the case may be.

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

Any discrepancies in the tables included in this Circular between the listed amounts and the totals thereof are due to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them. Where applicable, figures and percentages are rounded off.

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## **DEFINITIONS**

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Unless otherwise indicated, any reference in this Circular to any statute or enactment is a reference to that statute or enactment for the time being amended or re-enacted. Any word defined under the Labuan Companies Act, the SFA, the SFR, the Catalist Rules or any statutory modification thereof and used in this Circular shall, where applicable, have the meaning ascribed to it under the Labuan Companies Act, the SFA, the SFR, the Catalist Rules or any statutory modification thereof, as the case may be.

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

Any reference to a time of day in this Circular shall be a reference to Singapore time, unless otherwise stated.

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## LETTER TO SHAREHOLDERS

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### AXINGTON INC.

(Formerly known as Axcelasia Inc.)

(Company Registration No.: LL12218)

(A Company incorporated under the Labuan Companies Act 1990, Malaysia)

#### Board of Directors:

Ms. Shen, Che	(Non-Independent Non-Executive Chairman)
Ms. Marjory Loh Erchang	(Executive Director)
Mr. Wong Soon Yuh	(Non-Independent Non-Executive Director)
Mr. Chua Siong Kiat	(Lead Independent Director)
Mr. Low Junrui	(Independent Director)
Mr. Roberto Dona	(Independent Director)
Mr. Kirk W Wagar	(Independent Director)

#### Registered Office:

Lot A020, Level 1,  
Podium Level, Financial  
Park, Jalan Merdeka,  
87000 Labuan F.T.,  
Malaysia

5 August 2020

To: The Shareholders of Axington Inc.

Dear Sir/Madam

- (1) THE PROPOSED CHANGE OF NAME OF THE COMPANY TO “NETX INC.”;
- (2) THE PROPOSED CHANGE OF CORE BUSINESS;
- (3) THE PROPOSED ACQUISITION OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF VESTA APEX TRADING SDN. BHD.; AND
- (4) THE PROPOSED ALLOTMENT AND ISSUANCE OF THE CONSIDERATION SHARES (AS DEFINED HEREIN) TO THE SELLER (AS DEFINED HEREIN) AND/OR THEIR NOMINEES AT THE ISSUE PRICE OF S\$0.18 PER CONSIDERATION SHARE PURSUANT TO THE PROPOSED ACQUISITION (AS DEFINED HEREIN)

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#### 1. INTRODUCTION

##### 1.1. EGM

The Directors propose to convene an EGM to seek approval from Shareholders in relation to:

- (i) the Proposed Change of Name of the Company to “Netx Inc.” (“**Special Resolution 1**”);
- (ii) the Proposed Change of Core Business to be for the provision of medical and consumer wellness services, as well as making investments in medical technology, robotics and artificial intelligence (AI) technology application in the medical and consumer wellness space (“**Ordinary Resolution 2**”);
- (iii) the Proposed Acquisition of the entire issued and paid-up share capital of Vesta Apex Trading Sdn. Bhd. (“**Ordinary Resolution 3**”); and

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## LETTER TO SHAREHOLDERS

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(iv) the Proposed Issuance in relation to the Proposed Acquisition (**“Ordinary Resolution 4”**).

(collectively, the **“Proposed Resolutions”**).

### 1.2. Circular

The purpose of this Circular is to provide Shareholders with the relevant information relating to the Proposed Resolutions, including the rationale for and benefits thereof to the Group, and to seek Shareholders’ approval at the EGM for the Proposed Resolutions, notice of which is set out on pages N-1 to N-4 of this Circular.

This Circular has been prepared solely for the purpose set out herein and may not be relied upon by any persons (other than Shareholders) or for any other purpose.

**Shareholders should also note that Special Resolution 1 and Ordinary Resolutions 2, 3 and 4 (as set out in the Notice of EGM) are inter-conditional upon each other as they are integral parts of the same transaction, namely the Proposed Change of Name, Proposed Change of Core Business, Proposed Acquisition and the Proposed Issuance. This means that if any of the Proposed Resolutions in relation to the Proposed Change of Name, the Proposed Change of Core Business, the Proposed Acquisition, the Proposed Issuance, mentioned in Special Resolution 1 and Ordinary Resolutions 2, 3 and 4 (as set out in the Notice of EGM) is not approved by the Shareholders of the Company, the other Proposed Resolution(s) will not be duly approved.**

ZICO Insights Law LLC has been appointed as the legal adviser in relation to this Circular.

The SGX-ST assumes no responsibility for the accuracy of any statements made, reports contained or opinions expressed in this Circular.

## 2. THE PROPOSED CHANGE OF NAME

### 2.1. Background and Rationale

The Directors are proposing to change the Company’s name from **“Axington Inc.”** to **“Netx Inc.”** for identification purpose.

In light of the Proposed Change of Core Business (see Section 3 below), the Board is of the view that the Proposed Change of Name will be beneficial to the Company as it better reflects the profile and business of the Company’s business going forward.

### 2.2. Approvals

An application was made to the Labuan Financial Services Authority (**“Labuan FSA”**) on 24 July 2020 to reserve the name **“Netx Inc.”** The application has been approved by Labuan FSA on 27 July 2020 and the name has been reserved for a period of three months, effective until 25 October 2020.

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## LETTER TO SHAREHOLDERS

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The Proposed Change of Name is subject to Shareholders' approval and will be tabled as a special resolution at the EGM to be convened as set out in the Notice of EGM on page N-1 of this Circular.

Upon receipt of Shareholders' approval for the Proposed Change of Name, the Company shall adopt "**Netx Inc.**" as its new name with effect from the registration of such name with the Labuan FSA, and the name "**Netx Inc.**" shall replace all references to "**Axington Inc.**" wherever it appears in the Company's Memorandum and Articles. Apart from the substitution of the Company's name as aforesaid, there will be no other amendments made to the Company's Memorandum and Articles.

The Company will make an announcement once the name "**Netx Inc.**" takes effect. Shareholders should note that the Proposed Change of Name does not affect (i) the identity or legal status of the Company, (ii) any of the rights or obligations of the Company, (iii) any of the rights of Shareholders, or (iv) the Group's daily business operations and financial position. The existing Shares will continue to be traded on the SGX-ST.

### 2.3. No replacement of share certificates required

The Shareholders should note that notwithstanding the Proposed Change of Name, the Company will not recall any existing share certificates of the Company from Shareholders and such share certificates will continue to be *prima facie* evidence of legal title. No further action is required on the part of Shareholders in respect of their existing share certificates.

## 3. THE PROPOSED CHANGE OF CORE BUSINESS

### 3.1. Existing business of the Group

Following the completion on 15 April 2020 of the divestment of its entire equity interest in its subsidiary, Axcelasia Taxand Sdn Bhd and its subsidiaries (the "**Sale Group**"), the Group has ceased its business operations which is in the provision of integrated professional services including tax advisory, business consultancy, technology tools and advisory and business support services in Malaysia.

Presently, the Group currently has four subsidiaries, namely, Axington Lao Co. Ltd (formerly known as Axcelasia Lao Co., Ltd.) ("**Axington Lao**"), Audex Governance Sdn Bhd ("**Audex Governance**"), Axington Singapore Pte. Ltd. (formerly known as Axcelasia Singapore Pte. Ltd.) ("**Axington Singapore**") and Axcelasia Vietnam Co., Ltd. ("**Axcelasia Vietnam**"). Among the Group's subsidiaries, the only subsidiary in operation is Axington Singapore which is engaged in the provision of integrated professional services, including tax advisory, business consultancy, technology tools and advisory and business support services, while Axington Lao, Audex Governance and Axcelasia Vietnam are currently dormant.

For more information, please refer to the Company's issued announcements dated 11 February 2020 and 15 April 2020 and the circular to shareholders dated 25 February 2020 on the SGXNet.

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## LETTER TO SHAREHOLDERS

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### **3.2. Information in relation to the Proposed New Business**

Following the divestment of the Sale Group, the Company is in the process of striking off Axington Lao, Audex Governance and Axcelasia Vietnam and accordingly intends to change its core business to the Proposed New Business subject to the approval of the Shareholders to be obtained at the EGM.

The Proposed New Business comprises the provision of medical and consumer wellness services, as well as making investments in medical technology, robotics and artificial intelligence (AI) technology application in the medical and consumer wellness space.

The Group's expansion into the Proposed New Business will change the existing business scope and risk profile of the Company and/or the Group. Accordingly, the Company is seeking Shareholders' approval for the Proposed Change of Core Business at the EGM to be convened.

### **3.3. Rationale for the Proposed Change of Core Business**

The Proposed Change of Core Business is intended to enable the Group to diversify and engage in activities that could provide stable and recurring stream(s) of income, which would hence enhance the Group's business performance and Shareholder's value.

By venturing into the Proposed New Business, the Group will be able to participate in the growth prospects of the medical and consumer wellness sector. The Board believes that the medical and consumer wellness market is a comparatively stable market largely independent of cyclical business and market fluctuations. Accordingly, the Board believes that the Proposed Change of Core Business will allow the Group to have better prospects of profitability and ensure longer-term growth.

Based on the above, the Board is of the view that the Proposed Change of Core Business is in the best interests of the Company and Shareholders. The Group intends to implement the Proposed Change of Core Business prudently with the ultimate aim of enhancing shareholder value. Furthermore, the Board intends to capitalize the growth of the Proposed New Business through the Proposed New Acquisition.

As stated in Section 4 of this Circular, the Proposed Acquisition has been proposed in connection with the Proposed Change of Core Business and will pave the way for the Company to expand into the medical and consumer wellness sector. The Company selected the Target as its initial foray into the medical and consumer wellness sector as the Target has an attractive business model in the medical technology sector in Southeast Asia. This played a major role in the selection of the Target as a suitable acquisition to kickstart the Proposed Change of Core Business. The Proposed New Business will become a new core segment of the Group's business going forward.

To assist it in undertaking the Proposed New Business more effectively and efficiently, the Company may also enter into joint ventures, partnerships and/or strategic alliances with third parties (including interested persons) and seek to build its expertise and capabilities in the field. In the event that the Company proposes to enter into a joint venture, partnership or strategic alliance with an interested person (as defined under the Catalyst Rules), the Company will comply with the relevant provisions of Chapter 9 of the Catalyst Rules.

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## LETTER TO SHAREHOLDERS

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### **3.4. Funding for the Proposed Change of Core Business**

The Group expects to commit or deploy substantial funds in the Proposed New Business. The Company may seek financing for the Proposed New Business through a combination of internal resources, borrowings from financial institutions and or other forms of funding including equity and quasi-equity. The Board will determine the optimal mix of internal funding and external funding, taking into account the cash flow requirements of the Group and the prevailing costs. As and when necessary and deemed appropriate by the Board, the Group may explore secondary fund raising exercises by tapping into the capital markets, including but not limited to rights issues, share placements and/or issuance of debt instruments as and when necessary and deemed appropriate. Accordingly, the Company had on 28 July 2020 announced that it is proposing to undertake a Placement, Compliance Placement and Rights Issue made pursuant to the Existing General Mandate, pursuant to the Article 3 of the Company's Articles and Rule 806 of the Catalist Rules. Further details of the Placement, Compliance Placement and Rights Issue is available on the SGXNet. If there are any further fund raising exercises in the future, the Company will make the relevant announcements and/or seek further Shareholders' approval for such fund raising exercises.

### **3.5. Management of the Proposed New Business**

It is currently envisaged that the Executive Director of the Company, Ms. Marjory Loh Erchang, will oversee the Proposed New Business and lead a new team of senior management, to be put in place upon approval of the Shareholders on the Proposed Change of Core Business and Proposed New Business. Ms. Marjory Loh Erchang was appointed to the Board on 14 July 2020 to manage the day-to-day operations of the Company, to develop and implement organisational strategy and business plans, and conducting performance reviews.

Ms. Marjory Loh Erchang is experienced in marketing and business development. Having successfully managed the brand identity of Novu Fasthetics Pte. Ltd., a Singapore-based medical aesthetics group, in its entry into the Asia market, She has a firm grasp on where the business opportunities and risks lie in the sector, and is in a unique position to manage the Proposed New Business. Ms. Marjory Loh has accumulated extensive experience in business management through participating in corporate strategic planning and corporate culture consulting work. She is also well acquainted with the overseas markets, having developed various consumer brands that have successfully penetrated into the China market.

In making their decisions, the Board and senior management of the Group will also, where necessary and appropriate, seek the advice of reputable external consultants and experts. As the Group intends to engage in the Proposed New Business incrementally, it will monitor developments and progress in the Proposed New Business and take the necessary steps to identify suitable candidates both from within the Group as well as externally, to support and manage the Proposed New Business as and when required.

The Board will continue to evaluate the manpower and expertise required for the Proposed New Business and the Group will, when necessary, consider hiring additional staff or in-house or external consultants and professional advisers as and when required in connection with the Proposed New Business.

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## LETTER TO SHAREHOLDERS

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### 3.6. Internal controls and risk management of the Proposed New Business

The Board recognises the importance of internal control and risk assessment for the smooth running of the Proposed New Business. In order to better manage the Group's external and internal risks resulting from the Proposed Change of Core Business, the Group will implement a set of operations and compliance procedures.

The Audit Committee and the Board will:

- review with the management, external and internal auditors on the adequacy and effectiveness of the Group's internal control procedures addressing financial, operational, compliance, informational technology and risk management systems relating to the Proposed New Business; and
- commission and review the findings of internal investigations into matters where there is any suspected fraud or irregularity, or failure of internal controls or infringement of any law, rule or regulation which has or is likely to have a material impact on the Group's operating results and/or financial position.

### 3.7. Conflicts of interest

When the Company identifies a potential opportunity in respect of the Proposed New Business, each of the Directors and key management personnel will be obliged to disclose to the Board where he and/or his Associates have an interest (and the full extent thereof) in the transaction ("**Conflicted Individual**").

A Conflicted Individual shall not (i) vote in respect of matters in relation to the Proposed New Business; (ii) will not, directly or indirectly, make any executive decisions in respect of the Proposed New Business; and (iii) will not, directly or indirectly influence or participate in the operations and management of the Proposed New Business.

### 3.8. Risk factors associated with the Proposed New Business

The Group could be affected by a number of risks that may relate to the Proposed Change of Core Business. Risks may arise from, *inter alia*, economic, business, market and political factors. Shareholders should carefully consider and evaluate each of the following considerations and all other information contained in this Circular.

To the best of the Directors' knowledge and belief, all the risk factors that are material to the Shareholders in making an informed decision on the Proposed Change of Core Business are set out below. The risks described below are not intended to be exhaustive and are not presented in any particular order of importance. There may be additional risks not presently known to the Company or are currently not deemed to be material. If any of the considerations and uncertainties described below develop into actual events, the business, results of operations, financial condition and prospects of the Group could be materially and adversely affected. Shareholders should carefully consider and evaluate the following risk factors and all other information contained in this Circular before deciding on whether to vote in favour of the Proposed Change of Core Business.

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## LETTER TO SHAREHOLDERS

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### **3.8.1. The Group has no established track record and operating history in the Proposed New Business**

The Group does not have a prior established track record in carrying out or implementing the Proposed New Business. There is no assurance that the Group's foray into the Proposed New Business will be commercially successful or that the Group will be able to derive sufficient revenue to offset the capital and start-up costs as well as operating costs arising from the Proposed New Business. The Proposed New Business may require high capital commitments and may expose the Group to unforeseen liabilities or risks associated with its entry into new markets or new businesses.

The Group's future plans with regard to the Proposed New Business may not be profitable, may not achieve profitability that justify the investments made and may take a long period of time before the Group can realise any return. Further, such future plans and new initiatives could result in potentially dilutive issuances of equity securities, the incurrence of capital commitments, debts and contingent liabilities as well as increased operating expenses, all of which may materially and adversely affect the financial performance of the Group.

The Proposed New Business also involves business risks including the financial costs of setting up new operations, capital investment and maintaining working capital requirements. If the Group does not derive sufficient revenue from or does not manage the costs of the Proposed New Business effectively, the overall financial position and profitability of the Group may be adversely affected.

### **3.8.2. The Group will depend on the continued service of its management team and other key employees**

The Group's continued success is dependent to a large extent on the Group's ability to retain its key management personnel who are responsible for formulating and implementing our growth, corporate development and overall business strategies. The demand for such experienced personnel is intense and the search for personnel with the relevant skill sets can be time consuming. The loss of key management personnel without suitable or comparable replacements in a timely manner may have a material and adverse effect on the Group's business, results of operations and financial condition. In addition, if any of the employees joins a competitor or forms a competing company, the Group may lose know-how, trade secrets, clients and key professionals and staff. Furthermore, since the demand and competition for talent is intense in the industry, and the availability of suitable and qualified candidates is limited, the Group may need to offer higher compensation and other benefits in order to attract and retain key personnel in the future, which could increase our costs. The Group may need to increase its total remuneration to attract and retain experienced personnel required to achieve its business objectives and such increase or failure to attract and retain experienced personnel could materially and adversely affect the Group's results of operations and financial condition.

### **3.8.3. Our products and/or services may not be successfully commercialised**

Commercialisation of the Proposed New Business's products and/or services is dependent on the success of clinical validations. Clinical validation could be time-consuming and expensive. The length of time required to complete clinical validation for clinical diagnostics and laboratory tests varies substantially according to the degree of

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regulation and the type, complexity, novelty and intended use of a test, and can continue for an extended period of time causing significant costs to be incurred over several years. The commencement and completion of clinical validation for the Proposed New Business's products and/or services under development may be delayed by many factors, including:

- governmental or regulatory delays and changes in regulatory requirements, policies and guidelines that are evaluated for approval;
- delay or failure to reach an agreement on acceptable clinical validation terms or clinical validation protocols with prospective sites or investigators;
- delay or failure to obtain the institutional review board's approval or renewal to conduct a clinical validation at a prospective or accruing site, respectively;
- inability or unwillingness of patients or medical investigators to follow our clinical validation protocols or allocate sufficient resources to complete our clinical validations;
- lack of sensitivity and specificity during clinical validation; and
- varying interpretation of data by regulatory agencies.

Clinical validation may identify significant effectiveness or technical problems or other obstacles that will need to be overcome before the Group can obtain the regulatory approvals needed to commercialise the Proposed New Business' products and/or services. This may involve conducting new or additional validation studies at significant additional cost or could mean abandoning the approval process or development of a product and/or service. These problems could delay or terminate our efforts to develop and commercialise our new products and/or services. If the Proposed New Business' new products and/or services do not prove to be safe and effective during clinical validation, or if the Group is otherwise unable to commercialise the products and/or services successfully, the Group's results of operations and financial condition may be materially and adversely affected. Even if the Proposed New Business' products and/or services are developed successfully and approved by the appropriate regulatory agencies, they may not enjoy commercial acceptance or success. The successful commercialisation of the products and/or services will depend on a number of factors, including:

- market acceptance or familiarity among patients, physicians, medical centres and third party purchasers;
- demonstrated clinical safety and efficacy compared to other products and/or services;
- the ability to develop a sales force capable of effectively marketing our products and/or services;
- extent to which reimbursement is available from government health administration authorities, private healthcare insurers and other healthcare funding organisations;

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- timing of market introduction and perceived effectiveness of competitive products and/or services; and
- favourable publicity about our products and/or services from, amongst others, key opinion leaders and the medical community.

If any of our products and/or services are approved, but do not achieve an adequate level of acceptance by physicians, patients and the medical community, the Group may not generate sufficient revenue from these products and/or services, and it may not become or remain profitable. In such event, the Group's results of operation and financial condition may be materially and adversely affected.

The Group may encounter unforeseen technological or scientific problems that will force abandonment or substantial change in the development of a specific product or process. In addition, if the Group introduces new products and/or services, or enhancements to existing products and/or services, it may not be able to effectively segregate or transit from existing products and/or services, which could negatively impact revenue and overall profitability. Among the risks associated with the introduction of new products and/or services are the acceleration of the economic obsolescence of the existing, unimproved products and/or services and their components, delays in development or manufacturing, variations in cost, delays in customer purchases in anticipation of new introductions, difficulty in predicting customer demand for the new and existing product and/or service offerings and the risks that new products and/or services may have quality or other defects.

Accordingly, the life cycles of the Proposed New Business' products and/or services are difficult to estimate. The introduction by other market participants of products and/or services harnessing new technologies and the emergence of new industry standards may render the Proposed New Business' products and/or services obsolete and unmarketable. The Group's failure to introduce new products and/or services that keep pace with technological advancements, respond to evolving consumer requirements and achieve market acceptance could have a material adverse effect on its results of operations and financial condition.

### **3.8.4. The Group may be unable to keep pace with advances in medical technology, and its products and/or services could become non-competitive**

The medical and consumer wellness service industry is characterised by rapid changes in technology and new product introductions which require sourcing for and investing in new medical equipment and technology. The emergence of new technology industry standards or customer requirements may render the Group's equipment, inventory or processes non-competitive.

From time to time, the Group will need to upgrade existing medical equipment and facilities. This may require significant capital expenditures. There is no assurance that the Group will be able to recover the financial outlay for these medical equipment and systems. If the Group is unable to acquire the necessary equipment and systems and recover the financial outlay, its results of operations and financial condition may be materially and adversely affected. If such equipment is damaged or breaks down, the Group's ability to provide the relevant services to patients may be impaired and the repair or replacement costs of such equipment may have a material adverse impact on our business, results of operations and financial condition.

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In addition, the Group's success will depend, in part, on our ability to develop, acquire, license and/or obtain distribution rights for new and improved technologies on favourable terms. The Group may not be able to negotiate acceptable licensing arrangements and such arrangements may not yield commercially successful tests. If the Group is unable to obtain the rights to new or improved technologies to expand its operations, its technologies may become outdated when compared with its competitors, resulting in a decrease in demand for its services, thereby having a material adverse effect on the Group's results of operations and financial condition.

In addition, the Group's competitors may establish cooperative relationships with or obtain distributorship rights from other large incumbent medical technology and services companies. Competition may result in price reductions, reduced gross margins and loss of market share.

### **3.8.5. The Group may require additional funding for its future capital expenditure and working capital, as well as to implement its long term business strategies**

The Group may require additional funding for its future capital expenditure and working capital. It is likely that it will need to access the capital markets for debt or equity financing to fund future capital expenditure. The Group's future capital requirements may be substantial and it may need significant external financing to fund our growth. The Group's ability to obtain additional financing depends on a number of factors, such as market conditions, operating performance and the commercial viability of the Group's products and/or services. There is no assurance that the Group will be able to obtain additional financing in a timely manner and on terms that are acceptable or at all. If the Group requires additional funds and cannot raise them on acceptable terms, it may not be able to execute its growth plans for their products and/or services, take advantage of future opportunities, including synergistic acquisitions or proactively respond to customers, competitors or violators of our proprietary and contractual rights. In addition, the Group may be forced to delay research and development activities, clinical validations, potential investments or otherwise curtail or cease our operations. Should such events occur, the Group's business, results of operations and financial condition may be materially and adversely affected.

Further, if the Group raises additional funds by way of a placement or by a rights offering or through the issuance of new Shares or other securities, this may require additional investments by Shareholders. Any Shareholders who are unable or unwilling to participate in such an additional round of fund raising may suffer dilution in their investment. If the Group fails to utilise the new equity to generate a commensurate increase in earnings, its EPS will be diluted and this could lead to a decline in the Group's share price.

The Group may also raise additional funds by issuing debt securities or by borrowing from banks or other resources. Such financing may be accompanied by conditions that limit the Group's ability to pay dividends, require the Group to seek lenders' consent for payment of dividends or restrict its freedom to operate its business by requiring lenders' consent for certain corporate actions. Any additional debt financing may, apart from increasing interest expense and gearing, contain restrictive covenants with respect to dividends, future fund raising exercises and other financial and operational constraints. If the Group is unable to procure the additional funding that may be required on

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acceptable terms or at all or if it is unable to service our potential new debt financing, the Group's business, results of operations and financial condition may be materially and adversely affected.

**3.8.6. The Group is exposed to various global and local risks that could have a material adverse effect on its business, results of operations and financial condition**

The Group intends to expand globally and overseas operations may be materially and adversely affected by a variety of conditions and developments in those countries, including inflation, interest rates and general economic conditions, civil unrest, military conflicts, terrorism, change in political climate and general security concerns, change in duties payable and taxation rates, natural disasters, imposition of restrictions on foreign currency conversion or the transfer of funds, appropriation or nationalisation of private enterprise or confiscation of private property or assets.

In addition, laws and regulations in other countries vary. These laws, may also be complex or loosely defined, and at times conflicting in nature, intent, or interpretation, in certain countries in which the Group operates. Many are untested in courts and can have different interpretation and guidance, even from the same regulators, and enforcement of such laws may be inconsistent. The Proposed New Business may be constrained by such laws and regulations. If the Group or its international partners and/or collaborators fail to obtain or maintain required approvals or fail to comply with foreign regulations, foreign regulatory authorities may require the Group to file revised governmental notifications, cease commercial sales of the Group's products and/or services in the applicable countries or otherwise rectify the problem. Such enforcement action by regulatory authorities may be costly and may impede the Group's ability to conduct international sales. The Group expects these risks to increase as it pursues its strategy to expand the Proposed New Business' operations into new geographic markets. The Group may not succeed in developing and implementing effective policies and strategies in each location where its conduct business and the Group's business, results of operations and financial condition may be materially and adversely affected.

**3.8.7. The Group is subject to extensive and evolving government laws, regulations, licensing and accreditation requirements**

The Group's Proposed New Business operates in a highly regulated industry and the business is subject to extensive laws, regulations, licensing and accreditation requirements in the countries in which the Group operates. Such laws, regulations, licensing and accreditation requirements cover many aspects of the Proposed New Business, including but not limited to the conduct of operations and the provision of services, the quality of services, the purchase and sale of medicinal products, the qualifications and practicing activities of medical practitioners and nurses and personal data protection and the maintenance of, and security issues associated with, health-related information and medical records.

In addition, there are various licensing requirements governing different aspects of the Group's business, which must be complied with and which may impose conditions that may restrict the Group's operations. Regulatory authorities may exercise broad discretion in assessing the Group's compliance with licensing requirements, varying or introducing new licensing requirements. As a result, the Group may incur significant costs and suffer operational restrictions that could materially and adversely affect its business, results of operations and financial condition. The Group is also subject to laws

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and regulations governing the corporate administration and management of the entities the Group owns and there are compliance costs in such administration and management. Compliance with regulatory standards often requires significant time, money, resources and record-keeping and quality assurance efforts and will subject the Group and the third parties it works with from time to time to potential regulatory inspections. If the courts or regulatory authorities hold the Group to be in violation of any laws or regulations, including conditions in the permits, licences and accreditations required for its operations, the Group may have to pay fines and/or be subject to other penalties, including the revocation of such permits and licences, modify, suspend or discontinue the Group's operations, incur additional operating costs or make capital expenditures. The Group's Directors and employees may also face criminal charges in some instances. Any investigation or legal and regulatory proceedings in connection with alleged violations could also result in the imposition of further financial or other obligations or restrictions on the Group, or generate negative publicity for the Group's business. Any violation of laws, regulations, licensing and accreditation requirements or investigations and proceedings in connection with any such alleged violation may also have a material and adverse effect on the Group's business, results of operations and financial condition.

Laws and regulations may also evolve over time, and the Group may have to incur additional costs managing and ensuring our continued compliance. Should there be any subsequent modifications, additions or new restrictions to the current compliance standards, the Group may incur additional costs in complying with the new or modified standards. The Group's inability to comply with the current regulations and any future changes to such regulations could have a material and adverse effect on our business, results of operations and financial condition.

### **3.8.8. The Group requires skilled and qualified staff to operate its medical and consumer wellness operations.**

The Group's ability to operate successfully and manage its potential future growth depends significantly on its ability to attract, retain and motivate skilled and qualified medical professionals, nurses and assistants, research, technical, clinical, regulatory, sales, marketing, managerial and financial personnel.

Skilled and qualified personnel with the appropriate experience in the industry are limited and competition for such personnel is intense. There is no assurance that the Group will be able to attract or retain the necessary skilled personnel. In addition, the Group's continued expansion may be hampered if the Group is unable to employ sufficient skilled and qualified personnel or retain them to support its business expansion. If the Group is unable to retain its skilled and qualified personnel or find suitable and timely replacements for the skilled and qualified personnel, the Group's business and results of operations may be materially and adversely affected.

In addition, competition for skilled and qualified workers may require the Group to enhance its remuneration packages in order to remain competitive in recruiting or retaining staff, which may significantly increase the Group's costs. The Group believes the factors that such skilled and qualified personnel consider important in choosing their employer include the level of compensation, the reputation of the prospective employer, professional relationships, number of patient visits, quality of facilities, research opportunities, community relations, and job satisfaction. The Group may not always compare favourably with its competitors. Changes in government policies may also result in a shortage of skilled and qualified personnel and will likely increase the costs of

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recruiting and retaining such personnel. The Group's business, results of operations and financial condition could be materially and adversely affected if the costs of recruiting and retaining suitable staff increase significantly. If the Group is unable to successfully manage its growth and expansion through recruiting and retaining sufficient skilled and qualified personnel, the Group's business, results of operations and financial condition may be materially and adversely affected.

**3.8.9. The commercial success of the Group's investments in medical technology, robotics and artificial intelligence (AI) technology depends on the adequate protection of patents, intellectual property rights and other proprietary rights**

The Group's patents and proprietary technology may not be sufficient to protect its intellectual property rights. In addition, the Group's success will depend, among others, on its ability to maintain and defend its patents. However, the Group cannot give any assurances that the technologies and processes covered by all of its patents may not be found to be obvious or substantially similar to prior work, which could render these patents unenforceable. Moreover, as the Group's patents will at one time or another expire, competitors may then utilise the technology found in such patents. In order to offset the expiring patents, the Group endeavours to secure additional patents on critical, commercially desirable improvements to the inventions of the expiring patents. There can be no assurance that the Group will be successful in securing such additional patents, or that such additional patents will adequately offset the effect of the expiring patents.

There can be no assurance that pending patent applications will result in issued patents, that future patent applications will be issued, that patents issued to or licensed by the Group will not be challenged or circumvented by competitors or that such patents will be found to be valid or sufficiently broad to protect the Group's technology or to provide it with a competitive advantage. The validity and breadth of claims in medical technology, robotics and artificial intelligence (AI) technology patents involve complex legal and factual questions. The Group's patents may be found to be invalid and other companies may claim rights in or ownership of the patents and other proprietary rights held or licensed by the Group. Also, the Group's existing patents may not cover products and/or services that it develops in the future. Moreover, when the patents expire, the inventions will enter the public domain.

The coverage of patents is subject to interpretation by the courts, and the interpretation is not always uniform or predictable. Where a competitor infringes on the Group's patent and other proprietary rights, the Group intends to enforce its intellectual property rights against infringers when it determines that a successful outcome is probable and may lead to an increase in the value of the intellectual property. If the Group chooses to enforce its intellectual property rights against a party, then that individual or company has the right to ask the court to rule that such intellectual property rights are invalid or should not be enforced. These lawsuits and proceedings are expensive and would consume time and resources and divert the attention of the Group's managerial and scientific personnel even if the Group were successful in stopping the infringement of such intellectual property rights. In addition, there is a risk that the court will decide that such intellectual property rights are not valid and that the Group does not have the right to stop the other party from using the inventions. There is also the risk that, even if the validity of such intellectual property rights is upheld, the court will refuse to stop the other party on the ground that such other party's activities do not infringe its intellectual property rights. Any failure to enforce its intellectual property rights or to defend any legal

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proceedings regarding its intellectual property rights may materially and adversely affect the Group's business, results of operations and financial condition.

Our registered or unregistered trademarks or trade names may be challenged, infringed, circumvented or declared generic or determined to be infringing on other marks. We may not be able to protect our rights to these trademarks and trade names, which we need to build name recognition by potential partners or customers in our markets of interest. Furthermore, it can be difficult and costly to defend trademarks from encroachment or misappropriation outside Singapore. Over the long term, if we are unable to establish name recognition based on our trademarks and trade names, we may not be able to compete effectively and our business, results of operations and financial condition may be materially and adversely affected.

The Group may be subject, in the ordinary course of its business, to legal proceedings and claims from time to time relating to the intellectual property of others, which could have a material adverse effect on the Group's business, results of operations and financial condition. The Group cannot be sure that the products, services, technologies and advertising it employs in its business do not or will not infringe valid patents, trademarks, copyrights or other intellectual property rights held by third parties. In addition, the Group's collaboration and joint venture partners may not properly maintain or defend our intellectual property rights or may use the Group's proprietary information in such a way as to invite litigation that could jeopardise or invalidate the Group's intellectual property or proprietary information or expose the Group to potential litigation. They may also infringe the intellectual property rights of third parties, which may expose the Group to litigation and potential liability. Any legal action against the Group claiming damages or seeking to enjoin commercial activities relating to the affected products or our methods or processes may:

- require the Group, or its partners, to obtain a licence to continue to use, manufacture or market the affected products, methods or processes, and such a licence may not be available on commercially reasonable terms, if at all;
- prevent the Group from making, using or selling the subject matter claimed in patents held by others and subject the Group to potential liability for damages;
- consume a substantial portion of the Group's managerial and financial resources; or
- result in litigation or administrative proceedings that may be costly, whether the Group wins or loses.

Any such event could have a material adverse effect on the Group's business, results of operations and financial condition.

### **3.8.10. The Group may not be able to protect the confidentiality of its proprietary information and the value of its technology, products and/or services**

In addition to patent and trademark protection, the Group will also rely on other proprietary rights, including protection of trade secrets and other proprietary information. To maintain the confidentiality of trade secrets and proprietary information, the Group will enter into confidentiality agreements with our employees, consultants, collaborators and others upon the commencement of their relationships with the Group. These agreements typically require that all confidential information developed by the individual or made

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known to the individual by the Group during the course of the individual's relationship with the Group be kept confidential and not disclosed to third parties. The Group's agreements with employees and its personnel policies also typically provide that any inventions conceived by the individual in the course of rendering services to the Group shall be our exclusive property. However, the Group may not obtain these agreements in all circumstances, and individuals with whom the Group have these agreements may not comply with their terms. Thus, despite such agreement, such inventions may become assigned to third parties. In the event of unauthorised use or disclosure of the Group's trade secrets or proprietary information, these agreements, even if obtained, may not provide meaningful protection, particularly for the Group's trade secrets or other confidential information. To the extent that the Group's employees, consultants or contractors use technology or know-how owned by third parties in their work for the Group, disputes may arise between the Group and those third parties as to the rights in related inventions. To the extent that an individual who is not obligated to assign rights in intellectual property to the Group is rightfully an inventor of intellectual property, the Group may need to obtain an assignment or a license to that intellectual property from that individual, a third party or, that individual's assignee. Such assignment or license may not be available on commercially reasonable terms or at all.

Adequate remedies may not exist in the event of unauthorised use or disclosure of the Group's proprietary information. The disclosure of the Group's trade secrets would impair its competitive position and may materially and adversely affect the Group's business, results of operations and financial condition. Costly and time consuming litigation could be necessary to enforce and determine the scope of the Group's proprietary rights, and failure to maintain trade secret protection could adversely affect the Group's competitive business position. In addition, others may independently discover or develop similar trade secrets and proprietary information, and the existence of trade secrets affords no protection against such independent discovery.

### **3.8.11. The Group may not be able to gain access to relevant intellectual property rights of third parties, or if its licensing partners terminate its rights in certain technologies that are licensed or sub-licensed to them**

The Group will enter into licensing agreements with third parties to utilise intellectual property rights to various proprietary technologies that are material to the Group's business. In each of these cases, the licensor retains their full ownership interest with respect to the licensed patent rights, and the Group's rights to use the technologies associated with those patents and to employ the inventions claimed in the licensed patent rights are subject to the continuation of and its compliance with the terms of those licences.

In some cases, the Group does not control the prosecution, maintenance or filing of the patents to which the Group holds licences, and the enforcement of its licensed patents or defence of any claims asserting the invalidity of these patents is subject to the control or cooperation of the Group's licensors. The Group cannot be certain that its licensors will prosecute, maintain, enforce and defend the licensed patent rights in a manner consistent with the best interests of its business. The Group also cannot be certain that drafting or prosecution of the licensed patents by its licensors have been conducted in compliance with applicable laws and regulations and will result in valid and enforceable patents and other intellectual property rights.

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Further, the Group expects that future agreements may impose, amongst others, various diligence, commercialisation, milestone payment, royalty, and other obligations on the Group. Certain of the licences may contain provisions that allow the licensor to terminate the licence upon the occurrence of specific events or conditions. If the Group is found to be in breach of any of its license agreements, in certain circumstances its licensors may take action against the Group, including by terminating the applicable licence. Because of the complexity of the Group's product candidates and the patents licenses, determining the scope of the licences and related obligations may be difficult and could lead to disputes between the Group and the licensor. An unfavourable resolution of such a dispute could lead to an increase in the royalties payable pursuant to the licence or a termination of the licence. If any of the licensors were to terminate the license agreement, the Group may be prevented from the continued use of certain technologies in the manufacturing of products or provision of its services. This could delay or prevent the Group from offering its products and/or services. The Group might not have the necessary rights or the financial resources to develop, manufacture or market its current or future products and/or services without the rights granted under these licences, and the loss of sales or potential sales could have a material adverse effect on the Group's business, results of operations and financial condition.

### **3.8.12. The Group will incur costs to maintain its intellectual property rights**

Periodic maintenance fees, renewal fees, annual fees and various other governmental fees on patents and/or applications will be due to the various patent offices at various points over the lifetime of the Group's patents and/or applications. Additionally, the various patent's offices require compliance with a number of procedural, documentary, fee payment and other similar provisions during the patent application process. An inadvertent lapse can be cured by payment of a late fee or by other means in accordance with rules applicable to the particular jurisdiction. However, there are situations in which non-compliance may result in the abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. If such an event were to occur, it may have a material and adverse effect on the Group's business, results of operations and financial condition. In addition, the Group is responsible for the payment of patent fees for patent rights that the Group have licensed from other parties. If the Group fails to do so, we may be liable to the licensor for any costs and consequences of any resulting loss of patent rights, which may have a material and adverse effect on the Group's business, results of operations and financial condition.

### **3.8.13. The Group may be subject to claims that its employees have wrongfully used or disclosed alleged trade secrets of their former employers**

As is common in the Proposed New Business, the Group may employ individuals who were previously employed at other companies in the same industry, including competitors or potential competitors. The Group may be subject to claims that these employees, or the Group, have used or disclosed trade secrets or other proprietary information of their former employers. Litigation may be necessary to defend against these claims. Even if the Group is successful in defending against these claims, litigation could result in substantial costs and be a distraction to management. Any such claims may have a material and adverse effect on the Group's business, results of operations and financial condition.

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### **3.8.14. The Group is exposed to risks associated with acquisitions, joint ventures or strategic alliances**

Depending on available opportunities, feasibility and market conditions, the Group may participate in joint ventures, strategic alliances, acquisitions or other investment opportunities involving numerous risks, including the loss of capital or other investments deployed in such joint ventures, strategic alliances, acquisitions or opportunities.

Future acquisitions could divert the Group's management's attention from other business concerns and may expose the Group's business to unforeseen liabilities or risks associated with entering new markets. The Group might also lose key employees while integrating with new organisations. The Group may also not be able to coordinate and consolidate its corporate and administrative functions, including the integration of internal controls.

The Group may also invest in medical technology, robotics, artificial intelligence (AI) technology companies which we do not control. There is no assurance that the Group will be able to influence the management, operation and performance of these entities through its voting rights, in a manner which would be favourable to the Group, or at all.

Furthermore, the Group may also rely on its joint venture partners at the initial stage of its foray into the Proposed New Business and there is a risk that if any of its joint venture partners is unable to deliver its obligations or commitments under the joint venture (such as failure to perform according to the expertise expected of the joint venture partner or meet the financial obligations), it may result in additional costs to the Group. In such events, the Group's financial performance may be adversely affected. There is no assurance that the Group will be able to resolve them in a timely manner that will be in its best interests. In addition, such partners may (i) have economic or business interests or goals that are inconsistent with the Group; (ii) take actions contrary to the Group's instructions, requests, policies or objectives; (iii) be unable or unwilling to fulfil their obligations; (iv) have financial difficulties; or (v) have disputes with the Group as to the scope of their responsibilities and obligations. Any of these and other factors may materially and adversely affect the performance of the Group's joint ventures, which may in turn materially and adversely affect the Group business, results of operations and financial condition.

### **3.8.15. The Group's medical technology, robotics and artificial intelligence (AI) technology investments are vulnerable to fluctuations in demand in the industries in which our customers operate**

The Group's success depends upon such industries' demand for its products and/or services. Demand may vary as a result of factors outside its control such as changes in economic conditions and regulatory environment, pricing pressures and reimbursement policies, market driven pressures on companies to consolidate and reduce costs, and other factors affecting research and development spending. If such events were to occur, the Group's business, results of operations and financial condition may be materially and adversely affected.

Cost containment measures instituted by healthcare providers and insurers and any general healthcare reform could have a material adverse effect on our ability to generate revenue from the sale of the Group's products and/or services. Significant changes in healthcare systems could have a substantial impact on the manner in which we conduct

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the Group's business and could require revisions to be made to the Group's strategies. The Group cannot predict the effect of future legislation, regulation or reform concerning the healthcare industry on the Group's business and what impact such proposals might have on demand for its products and/or services.

**3.8.16. The Group's business could be materially and adversely affected by any harm to its reputation**

The Group requires the medical professionals, nurses and assistants in its medical and consumer wellness clinics/centres to possess the requisite licences and qualifications and adhere to certain performance standards both in terms of client service and the quality of the medical care that they provide. However, medical professionals, nurses and assistants in its medical and consumer wellness clinics/centres may engage in conduct which the Group's clients find unacceptable, including providing sub-standard service, mishandling sensitive personal healthcare information and committing medical malpractice. As a result, the Group could be exposed to reputational harm and possible lawsuits and liability, which may result in a material and adverse effect on the Group's business, results of operations and financial condition.

Further, physicians and key opinion leaders typically influence the product purchasing decisions of the clinics, hospitals and/or medical centres in which they practice. Consequently, the Group's reputation amongst physicians and key opinion leaders is critical to our business. Any actual or perceived diminution in the quality of the Group's products and/or services could damage its reputation with physicians and key opinion leaders which may, in turn, materially and adversely affect the Group's business, results of operations and financial condition.

**3.8.17. The Group's insurance coverage may not be adequate to indemnify the Group against all possible liabilities**

The Group will maintain different insurance policies covering various aspects of its business. There can be no assurance that such insurance can be obtained on commercially reasonable terms or at all, or that any such coverage will sufficiently cover any losses suffered by the Group. The Group insurance policies will generally be renewed on an annual basis and there can be no assurance that the Group will be able to renew all our policies or obtain new policies on similar terms. Liabilities may exceed the Group's available insurance coverage or arise from claims outside the scope of the Group's insurance coverage. In the event that the amount of such claims exceed the coverage of the general insurance policies which the Group have taken up, the Group may be liable for shortfalls in the amounts claimed and the Group's results of operations and financial condition may be materially and adversely affected.

**3.8.18. The Group is subject to risks inherent in investing in entities which it does not control and the manner in which it holds its investments and property interests**

The Group may hold property investments through or make investments in entities that are not the Group's subsidiaries and over which the Group does not have majority control. The performance of these entities and the Group's share of their results are subject to the same or similar risks relating to the Proposed New Business that affect the Group as described herein. There is no assurance that the Group will be able to influence the management, operation, performance and/or financial returns of these entities through its voting rights, in a manner which would be favourable to the Group, or at all.

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The strategy of investing in unlisted companies may result in illiquid investments. The Group may make investments in unlisted companies and there may be limited avenues available to the Group to divest investments in unlisted companies. Accordingly, the Group could incur greater investment realisation risks than investments in listed securities and there can be no assurance that the Group will be able to successfully realise its investments in unlisted companies.

While the Group will carefully consider the merits of each investment (whether in a minority stake or otherwise) undertaken in accordance with its risk management procedures, any risk management and internal control system, no matter how sophisticated in design, may still contain inherent limitations caused by misjudgement or fault. Accordingly, there is no assurance that any such investment undertaken by the Group under its Proposed New Business, whether in a minority stake or otherwise, will be able to generate profits for the Group. If all or any of these entities were to perform poorly, the Group's overall business, financial condition, results of operations and prospects may be adversely affected.

### **3.8.19. The Proposed New Business is subject to general risks associated with operating businesses outside Singapore**

There are risks inherent in operating businesses overseas, which include unexpected changes in regulatory requirements, difficulties in staffing and managing foreign operations, social and political instability, fluctuations in currency exchange rates, potentially adverse tax consequences, legal uncertainties regarding the Group's liability and enforcement, changes in local laws and controls on the repatriation of capital or profits. Any of these risks could adversely affect the Group's overseas operations and consequently, its business, financial performance, financial condition and operating cash flow.

In addition, if governments tighten or otherwise adversely change their laws and regulations relating to the repatriation of their local currencies, it may affect the ability of the Group's overseas operations to repatriate profits to the Group and, accordingly, the cash flow of the Group will be adversely affected.

### **3.8.20. If the Group becomes involved in litigation, it may incur substantial expense**

In the event of disputes regarding any of the Group's contractual obligations with third parties, or any successful product liability claim or series of claims brought against the Group, it may become involved in litigations or other legal proceedings, and may incur substantial expenses and the efforts of our management personnel may be diverted in order to resolve such disputes. The outcome of any litigation or legal proceeding would be uncertain, and even if the Group were to prevail, such litigation or legal proceeding may be costly and time-consuming. If the Group were to be involved in any such legal proceedings and incur substantial expenses, its business, results of operations and financial condition may be materially and adversely affected.

### **3.8.21. The Group is susceptible to fluctuations in foreign exchange rates that could result in the Group incurring foreign exchange losses**

As the Company's functional and presentation currency is denominated in MYR, any depreciation or unfavourable fluctuation in foreign exchange rates against the MYR may affect the Group's profitability and financial position. To the extent that the Proposed New

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## LETTER TO SHAREHOLDERS

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Business is located in a different geographic jurisdiction and the revenue may be denominated in currencies other than MYR, the Company's revenue and income may be adversely affected by fluctuations in foreign exchange rates, and such fluctuations may be unpredictable. If the Group derives revenue in a foreign currency, any unfavourable fluctuation of foreign currencies against the MYR will have an adverse impact on the Group's operating results.

### 4. THE PROPOSED ACQUISITION

#### 4.1. Background

On 28 July 2020, the Company announced that the Company entered into a sale and purchase agreement ("**SPA**") with Ng Shing Lay (the "**Seller**") relating to the proposed acquisition of the entire issued and paid-up share capital ("**Sale Shares**") of the Target from the Seller (the "**Proposed Acquisition Announcement**"). Upon Completion, the Target will become a wholly-owned subsidiary of the Company. The Proposed Acquisition will be funded by the Company's internal resources.

A copy of the Proposed Acquisition Announcement is available on the SGXNet.

#### 4.2. Information on the Target and the Seller

The Target was incorporated in Malaysia on 14 March 2017. The Target has an issued and paid up share capital of MYR2.00 divided into two ordinary shares of MYR1.00 each. The Target currently operates a distribution company in Malaysia and is principally engaged in the business of importing, exporting and wholesale of medical equipment and medical aesthetics products.

Based on the management accounts of the Target for FY2019, the book value and net tangible assets of the Target was approximately MYR3,442,524.24 (equivalent to S\$1,131,962.46 based on an exchange rate of S\$1:MYR3.0412 as at 31 December 2019).

The Seller holds the total issued and paid-up share capital of the Target. The Seller is not related to the Group, the Directors, the Company's Substantial shareholders and/or their respective associates. As at the Latest Practicable Date, the Seller has a shareholding interest in the Company of 658,000 Shares, representing approximately 0.41% of the total number of issued Shares.

#### 4.3. Rationale for the Proposed Acquisition

The Proposed Acquisition has been proposed in connection with the Proposed Change of Core Business and will pave the way for the Company to expand into the medical and consumer wellness sector. The Company selected the Target as its initial foray into the medical and consumer wellness sector due to a variety of factors, such as the Target having an attractive business model in the medical technology section in Southeast Asia and a strong order book for its medical equipment distribution business. This played a major role in the selection of the Target as a suitable acquisition to kickstart the Proposed Change of Core Business. The Proposed New Business will become a new core segment of the Group's business going forward.

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## LETTER TO SHAREHOLDERS

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### 4.4. Principal terms of the Proposed Acquisition

Subject to the terms and conditions of the SPA, the Seller shall sell and the Company shall purchase the Sale Shares free from all Encumbrances with all rights, title and interest in and to the Sale Shares attaching to them as at Completion and thereafter.

#### 4.4.1. Consideration

The aggregate consideration for the Sale Shares is S\$12.0 million (the “**Consideration**”).

The Consideration shall be satisfied in full at Completion by:

- (a) the payment of the Cash Consideration; and
- (b) the allotment and issuance of an aggregate of 33,333,333 new ordinary shares in the capital of the Company (the “**Consideration Shares**”) at S\$0.18 per Consideration Share (the “**Issue Price**”) to the Seller and/or its nominees.

The Consideration was arrived at after arm’s length negotiations between the Company and the Seller and on a willing-buyer and willing-seller basis, and is based on the earnings before interest, taxes, depreciation and amortisation (“**EBITDA**”) of the Target for the period commencing 1 January 2019 and ending 31 December 2019 (both dates inclusive) multiplied by 12 and also taking into account, *inter alia*, the financial performance and the business potential of the Target.

The Proposed Acquisition will be funded by the Company’s internal resources.

#### 4.4.2. Consideration Shares

The Consideration Shares, when allotted and issued, shall rank *pari passu* in all respects with the Shares as at the date of issue of the Consideration Shares, save that they will not rank for any dividend, rights, allotments or other distributions, the record date of which falls on or before the date of completion of the Proposed Issuance.

The Issue Price of S\$0.18 for each Consideration Share represents a discount of 14.85% over the volume weighted average price of the Shares of S\$0.2114<sup>1</sup> for trades done on the Shares on the SGX-ST for the full market day on 13 July 2020 (being the last traded closing price on the last market day preceding the date of the SPA).

Following the completion of the Placement, Compliance Placement, and Rights Issue, the number of Consideration Shares to be issued to the Seller on Completion represents approximately 11.67% of the resultant issued and paid-up share capital of the Company of 285,690,450 Shares and 10.45% of the enlarged issued and paid-up share capital of the Company of 319,023,783 Shares (excluding 9,700 treasury shares) following Completion. Assuming that the Seller subscribes and pays for his full entitlement of 329,000 Rights Shares pursuant to the Rights Issue, the Seller will have a shareholding interest of 34,320,333 Shares, representing 10.76% of the enlarged issued and paid-up share capital of the Company of 319,023,783 Shares (excluding 9,700 treasury shares) following Completion.

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<sup>1</sup> Source: Bloomberg L.P.

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## LETTER TO SHAREHOLDERS

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An application has been made to the SGX-ST by the Sponsor on behalf of the Company for the listing of and quotation for the Consideration Shares on Catalist. An appropriate announcement will be made in due course when the listing and quotation notice for the Consideration Shares has been obtained from the SGX-ST.

### 4.4.3. Moratorium

The Seller has undertaken (and where applicable, to procure their nominee(s)) not to directly or indirectly, sell, contract to sell, offer, realise, transfer, assign, pledge, grant any option to purchase, grant any security over, encumber or otherwise dispose of, such number of Consideration Shares amounting to 50.0% or more of such number of Consideration Shares as may be allotted and issued to the Seller, immediately after Completion for a period of six (6) months commencing from the date of Completion.

### 4.4.4. Conditions Precedent

Completion is conditional upon certain conditions being satisfied or waived (as the case may be), including but not limited to the following:

- (a) the results of the due diligence (legal, financial or otherwise), conducted by the Company on the Target being satisfactory to the Company;
- (b) the approval of the Shareholders having been obtained for the Company's performance of all of its obligations under the SPA and any other ancillary agreements as may be required arising out of or in connection with the Proposed Acquisition, and all transactions contemplated thereunder being obtained;
- (c) all approvals, waivers or consents under all Applicable Laws or otherwise (including but not limited to the Catalist Rules) and any requirements by the SGX-ST or otherwise being obtained;
- (d) the approval-in-principle of the SGX-ST for the listing and quotation of the Consideration Shares on Catalist being obtained (and such approval not having been withdrawn or revoked); and
- (e) the representations and warranties provided by the Seller under the SPA remaining true, accurate and complete in all respects and not misleading in any respect, as if repeated at any time before and at Completion, by reference to the facts and circumstances then existing, and there being no breaches of any covenants, undertakings and agreements required to be performed or caused to be performed by the Seller under the SPA on or before the date of Completion.

### 4.4.5. Longstop Date

The SPA shall be terminated in the event that any of the conditions precedent under the SPA is not fulfilled (or where applicable, waived by mutual agreement in writing of the Seller and the Company) on or before 30 September 2020 or such later date as the Seller and the Company may agree in writing (the "**Long-stop Date**").

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## LETTER TO SHAREHOLDERS

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### 4.5. Relative figures under Rule 1006 of the Catalyst Rules

Based on the latest announced audited financial statements of the Company for FY2019, the relative figures computed on the bases set out in Rule 1006 of the Catalyst Rules in respect of the Proposed Acquisition are set out below.

Rule 1006	Bases	Relative Figures (%)
(a)	Net asset value of assets to be disposed of, compared with the Company's net asset value	Not applicable to an acquisition of assets.
(b)	Net profits attributable to the assets acquired, compared with the Company's net profit	89.29 <sup>(1)</sup>
(c)	Aggregate value of the Consideration compared with the Company's market capitalisation based on the total number of issued ordinary shares in the capital of the Company (excluding treasury shares)	35.29 <sup>(2)</sup>
(d)	Number of equity securities issued by the Company as consideration for the Proposed Acquisition, compared with the number of equity securities previously in issue	20.79 <sup>(3)</sup>
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves	Not applicable to an acquisition <sup>(4)</sup>

**Notes:**

- (1) Net profits means profit or loss before income tax, minority interests and extraordinary items. Based on unaudited financial statements for the FY2019, the net profits attributable to the Target to be acquired is MYR2,449,586.24 (equivalent to approximately S\$805,467) based on an exchange rate of S\$1:MYR3.0412 as at 31 December 2019), compared with the Group's net profits of attributable to equity holders of the Company of approximately S\$902,040.
- (2) The aggregate value of the consideration given for the Proposed Acquisition is S\$12 million, compared to the Company's market capitalisation of approximately S\$34 million. The market capitalisation of the Company was computed based on the issued share capital of the Company of 160,310,300 Shares in issue excluding treasury shares and the volume weighted average price of S\$0.2114<sup>2</sup> per share on 13 July 2020 (being the last date on which the shares were traded prior to the date of the SPA).
- (3) Computed based on the aggregate of 33,333,333 Consideration Shares and the existing issued share capital of 160,310,300 Shares as at the date of the SPA.
- (4) The basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.

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<sup>2</sup> Source: Bloomberg L.P.

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## LETTER TO SHAREHOLDERS

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As only the relative figures computed based on Rule 1006(b) exceed 75% but less than 100%, while the Proposed Acquisition constitutes a major transaction under Rule 1014 of the Catalist Rules, the Proposed Acquisition does not need to be made conditional upon approval by Shareholders pursuant to the exception as set out in Rule 1014(2) of the Catalist Rules. Notwithstanding, given that the Proposed Acquisition is to be made in connection with the Proposed Change of Core Business, in line with the SGX-ST's recommended practice in relation to diversification of business, the Proposed Acquisition being the first major transaction entered into by the Group under the new core business shall be subject to the approval of the Shareholders. In addition, as the Consideration is partially satisfied in Consideration Shares, the Proposed Acquisition has also been announced under Rule 1009 of the Catalist Rules.

### 5. FINANCIAL EFFECTS OF THE PROPOSED RESOLUTIONS

The financial effects of the Proposed Acquisition on the Group set out below are strictly for illustrative purposes only and do not purport to be indicative or a projection of the results and financial position of the Company and the Group after the Completion.

#### 5.1. Bases and assumptions

These illustrative financial effects have been prepared based on the audited financial statements of the Company for FY2019 and the management accounts of the Target for FY2019, based on the following bases and assumptions:

- (a) that the Proposed Acquisition had been completed on 1 January 2019 for the purposes of illustrating the financial effects on the Group's EPS;
- (b) that the Proposed Acquisition had been completed on 31 December 2019 for the purposes of illustrating the financial effects on the Group's NTA per Share;
- (c) the Cash Consideration is funded by equity;
- (d) the aggregate 33,333,333 Consideration Shares were issued at the issue price of S\$0.18 per Consideration Share was paid in connection with the Proposed Acquisition;
- (e) the Placement, Compliance Placement and Rights Issue will be completed prior to the Proposed Acquisition;
- (f) the computation does not take into account any expenses that may be incurred in relation to the Proposed Acquisition and the Compliance Placement;
- (g) the financial statements of the Company and the Target are reported in MYR; and
- (h) for the translation of the profit and loss items, the MYR amounts have been converted into Singapore Dollar at the exchange rate of S\$1 to MYR3.0412, which represents the closing exchange rate as at 31 December 2019.

## LETTER TO SHAREHOLDERS

### 5.2. Financial effects on the issued and paid-up share capital

	Number of Shares	S\$ ('000) <sup>(1)</sup>
<b>Issued and paid-up share capital (excluding treasury shares)</b>	160,310,300	9,147
Add: Placement Shares	30,000,000	6,000
Add: Compliance Placement Shares	150,000	30
Add: Number of Rights Shares	95,230,150	9,523
Add: Number of Consideration Shares	33,333,333	6,000
<b>Enlarged issued and paid-up share capital after the Placement, Compliance Placement, Rights Issue, Proposed Acquisition, Proposed Issuance (excluding treasury shares)</b>	<b>319,023,783</b>	<b>30,700</b>

**Note:**

(1) Exchange rate at S\$1:MYR3.0412 has been used for the conversion

### 5.3. Financial effects on the earnings and EPS

	Before the Proposed Acquisition and Proposed Issuance	After the Placement, Compliance Placement and Rights Issue but before the Proposed Acquisition and Proposed Issuance	After the Placement, Compliance Placement, Rights Issue, Proposed Acquisition and Proposed Issuance
<b>Net profit attributable to Shareholders (S\$'000)<sup>(1)</sup></b>	902	752	1,558
<b>Weighted average number of shares (excluding treasury shares)</b>	160,312,745	285,692,875	319,026,208
<b>EPS<sup>(2)</sup> (Singapore cents)</b>	0.56	0.26	0.49

**Notes:**

(1) Exchange rate at S\$1:MYR3.0412 has been used for the conversion

(2) Basic earnings per share amounts are calculated by dividing net profit/(loss) attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

## LETTER TO SHAREHOLDERS

### 5.4. Financial effects on the NTA and NTA per Share

	Before the Proposed Acquisition and Proposed Issuance	After the Placement, Compliance Placement and Rights Issue but before the Proposed Acquisition and Proposed Issuance	After the Placement, Compliance Placement, Rights Issue Proposed Acquisition, and Proposed Issuance
<b>NTA as at 31 December 2019 (S\$'000)<sup>(1)</sup></b>	10,268	25,813	32,813
<b>Number of issued shares (excluding treasury shares)</b>	160,310,300	285,690,450	319,023,783
<b>NTA per share<sup>(2)</sup></b> (Singapore cents)	6.41	9.04	10.29

**Notes:**

(1) Exchange rate at S\$1:MYR3.0412 has been used for the conversion.

(2) NTA is calculated as Net Equity less Goodwill.

### 6. INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save as disclosed in this Circular, none of the Directors or Substantial Shareholders of the Company (other than in their capacity as directors or shareholders of the Company) have any interest, direct or indirect, in the Proposed Resolutions.

As at the Latest Practicable Date, the interests of the Directors in the issued and paid-up capital of the Company as recorded in the Register of Directors' Shareholdings and the interests of the Substantial Shareholders in the issued and paid-up capital of the Company as recorded in the Register of Substantial Shareholder(s) are as follows:

	<b>Direct Interest</b>		<b>Deemed Interest</b>	
	<b>Number of Shares</b>	<b>%<sup>(1)</sup></b>	<b>Number of Shares</b>	<b>%<sup>(1)</sup></b>
<b>Directors</b>				
Ms. Shen, Che	—	—	—	—
Ms. Marjory Loh Erchang	—	—	—	—
Mr. Wong Soon Yuh	—	—	—	—
Mr. Chua Siong Kiat	—	—	—	—
Mr. Low Junrui	—	—	—	—
Mr. Roberto Dona	—	—	—	—
Mr. Kirk W Wagar	—	—	—	—

## LETTER TO SHAREHOLDERS

	Direct Interest		Deemed Interest	
	Number of Shares	% <sup>(1)</sup>	Number of Shares	% <sup>(1)</sup>
<b>Substantial Shareholders</b>				
Dorr Global Healthcare International Pte. Ltd.	148,335,700	92.53	–	–
Mr. Loh Ne-Loon Nelson <sup>(2)</sup>	–	–	148,335,700	92.53
Mr. Terence Loh Ne-Wei <sup>(3)</sup>	–	–	148,335,700	92.53

**Notes:**

- (1) The percentage is computed based on the total number of 160,310,300 Shares (excluding 9,700 treasury shares) in issue as at the Latest Practicable Date.
- (2) Mr. Loh Ne-Loon Nelson is a shareholder of Dorr Global Healthcare International Pte. Ltd. and accordingly is deemed interested in the shares held by Dorr Global Healthcare International Pte. Ltd. by virtue of Section 4 of the SFA.
- (3) Mr. Terence Loh Ne-Wei is a shareholder of Dorr Global Healthcare International Pte. Ltd. and accordingly is deemed interested in the shares held by Dorr Global Healthcare International Pte. Ltd. by virtue of Section 4 of the SFA.

### 7. NO SERVICE CONTRACTS

No person is proposed to be appointed as a Director in connection with the Proposed Acquisition. Accordingly, no service contract is proposed to be entered into between the Company and any such person in connection with the Proposed Acquisition.

### 8. DIRECTORS' RECOMMENDATION

In giving the recommendations below, the Directors have not had regard to the specific investment objectives, financial situation, tax position or unique needs and constraints of any individual Shareholder. As different Shareholders have different investment objectives and profiles, the Directors recommend that any Shareholder who may require specific advice in relation to his specific investment portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

#### 8.1. Proposed Change of Name

Having fully considered, *inter alia*, the rationale set out in Section 2.1 of this Circular, the Directors are of the opinion that the Proposed Change of Name is in the best interests of the Company and accordingly recommend that Shareholders **vote in favour** of the special resolution in respect of the Proposed Change of Name to be proposed at the EGM.

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## LETTER TO SHAREHOLDERS

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### 8.2. Proposed Change of Core Business

Having fully consider the matters set out in Section 3 of this Circular, the Directors are of the opinion that the Proposed Change of Core Business is in the best interests of the Company. Accordingly, they recommend that Shareholders **vote in favour** of the ordinary resolution approving the Proposed Change of Core Business to be proposed at the EGM.

### 8.3. Proposed Acquisition and the Proposed Issuance

Having fully considered and reviewed, amongst others, the terms and/or rationale of the Proposed Acquisition and the Proposed Issuance, and all other relevant facts set out in this Circular, the Directors are of the opinion that the Proposed Acquisition and the Proposed Issuance are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend that the Shareholders **vote in favour** of the ordinary resolutions in respect of the Proposed Acquisition and the Proposed Issuance to be proposed at the EGM.

## 9. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages N-1 to N-4 of this Circular, will be held by way of electronic means on Thursday, 27 August 2020 at 11.00 a.m. (or any adjournment thereof) for the purpose of considering and, if thought fit, passing with or without modifications the Proposed Resolutions as set out therein.

**Shareholders should also note that Special Resolution 1 and Ordinary Resolutions 2, 3 and 4 (as set out in the Notice of EGM) are inter-conditional upon each other as they are integral parts of the same transaction, namely the Proposed Change of Name, Proposed Change of Core Business, Proposed Acquisition and the Proposed Issuance. This means that if any of the Proposed Resolutions in relation to the Proposed Change of Name, the Proposed Change of Core Business, the Proposed Acquisition, the Proposed Issuance, mentioned in Special Resolution 1 and Ordinary Resolutions 2, 3 and 4 (as set out in the Notice of EGM) is not approved by the Shareholders of the Company, the other Proposed Resolution(s) will not be duly approved.**

## 10. NO DESPATCH OF PRINTED COPIES OF CIRCULAR AND PROXY FORM

No printed copies of this Circular and the Proxy Form in respect of the EGM will be despatched to Shareholders. The Notice of EGM has been despatched to Shareholders on 5 August 2020.

Copies of this Circular, the Notice of EGM and the Proxy Form have been uploaded to the Company's website at the URL <http://www.axington.com/index.php/investor/announcements> and will also be made available on the SGXNet at the URL <https://www.sgx.com/securities/company-announcements>. A Shareholder will need an Internet browser and PDF reader to view these documents on the Company's website and on the SGXNet.

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## LETTER TO SHAREHOLDERS

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### 11. ACTION TO BE TAKEN BY SHAREHOLDERS

#### 11.1. No attendance at EGM

Due to the current COVID-19 restriction orders in Singapore, Shareholders will not be able to attend the EGM in person.

#### 11.2. Alternative Arrangements

Instead, alternative arrangements have been put in place to allow Shareholders who pre-register to participate at the EGM by (a) observing and/or listening to the EGM proceedings via “live” audio-visual webcast or “live” audio-only stream; (b) submitting questions related to the resolution tabled for approval, in advance of the EGM; and/or (c) appointing the Chairman of the EGM as proxy to attend, speak and vote on their behalf at the EGM.

Shareholders should refer to the Company’s announcement dated 5 August 2020 entitled “Extraordinary General Meeting in respect of The Proposed Change Of Name, Proposed Change Of Core Business, Proposed Acquisition And Proposed Issuance” which has been uploaded together with this Circular on SGXNet for further information, including the steps to be taken by Shareholders to participate at the EGM. Such announcement may also be accessed at <http://www.axington.com/index.php/investor/announcements>.

Shareholders may begin to pre-register at <https://globalmeeting.bigbangdesign.co/axington/>, for the “live” audio-visual webcast or “live” audio-only stream of the EGM proceedings and/or submit any questions that are related to the resolution tabled for approval via the pre-registration website at <https://globalmeeting.bigbangdesign.co/axington/>.

Shareholders are to pre-register for the “live” audio-visual webcast or “live” audio-only stream of the EGM proceedings by 11.00 a.m. on 24 August 2020.

### 12. DIRECTORS’ RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Change of Name, Proposed Change of Core Business, Proposed Acquisition and Proposed Issuance, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in the Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Circular in its proper form and context.

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## LETTER TO SHAREHOLDERS

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### 13. COMPLIANCE WITH GOVERNING LAWS AND ARTICLES

The Proposed Change of Name, the Proposed Change of Core Business, the Proposed Acquisition and the Proposed Issuance do not contravene any laws and regulations governing the Company and the Memorandum and Articles.

### 14. DOCUMENTS FOR INSPECTION

Subject to prevailing regulations, orders, advisories and guidelines relating to safe management which may be issued by the relevant authorities, copies of the following documents are available for inspection at the registered office of the Company at Lot A020, Level 1, Podium Level Financial Park, Jalan Merdeka 87000 Labuan F.T., Malaysia, during normal business hours for a period of three months from the date of the Announcement:

- (a) the annual report of the Company for FY2019;
- (b) the SPA;
- (c) the Memorandum and Articles of the Company;
- (d) the application to Labuan FSA dated 24 July 2020 in respect of the Proposed Change of Name; and
- (e) the approval from Labuan FSA dated 27 July 2020 in respect of the Proposed Change of Name.

Yours faithfully

For and on behalf of the Board of Directors of  
**AXINGTON INC.**

Ms. Marjory Loh Erchang  
Executive Director

5 August 2020

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### AXINGTON INC.

(Formerly known as Axcelasia Inc.)

(Company Registration No.: LL12218)

(A Company incorporated under the Labuan Companies Act 1990, Malaysia)

### NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** an Extraordinary General Meeting of Axington Inc. ("**Company**") will be held by way of electronic means, on Thursday, 27 August 2020 at 11.00 a.m., for the purpose of considering and, if thought fit, passing with or without amendment, the special and ordinary resolutions as set out below.

*All capitalised terms used in this Notice which are not defined herein shall have the meanings ascribed to them in the circular to shareholders of the Company dated 5 August 2020.*

This notice has been made available on SGXNET and the Company's website and may be accessed at <http://www.axington.com/index.php/investor/announcements>.

Shareholders should also note that Special Resolution 1 and Ordinary Resolutions 2, 3 and 4 are inter-conditional upon each other as they are integral parts of the same transaction, namely the Proposed Change of Name, Proposed Change of Core Business, Proposed Acquisition and the Proposed Issuance. This means that if any of the Proposed Resolutions in relation to the Proposed Change of Name, the Proposed Change of Core Business, the Proposed Acquisition, the Proposed Issuance, mentioned in Special Resolution 1 and Ordinary Resolutions 2, 3 and 4 is not approved by the Shareholders of the Company, the other Proposed Resolution(s) will not be duly approved.

#### **SPECIAL RESOLUTION 1: THE PROPOSED CHANGE OF NAME OF THE COMPANY TO NETX INC.**

That, subject to and contingent upon the passing of Ordinary Resolution 2, 3 and 4 in this Notice of EGM:

- (a) the name of the Company be changed from "**Axington Inc.**" to "**Netx Inc.**" and that the name "**Netx Inc.**" be substituted for "**Axington Inc.**" whenever the latter name appears in the Memorandum and Articles of the Company; and
- (b) the Directors (or anyone of them) be and are hereby authorised to do all such acts and things (including, without limitation, executing all such documents as may be required) as they or each of them may consider expedient or necessary or in the interests of the Company to give effect to the Proposed Change of Name and/or this resolution.

#### **ORDINARY RESOLUTION 2: THE PROPOSED CHANGE OF CORE BUSINESS**

That, subject to and contingent upon the passing of Special Resolution 1 and Ordinary Resolution 3, and 4 in this Notice of EGM, approval be and is hereby granted for the Company to change the core business of the Group into the Proposed New Business:

- (a) subject to compliance with the Catalist Rules of the SGX-ST requiring approval from shareholders in certain circumstances, the Company (directly and/or through its subsidiaries) be and is hereby authorised to invest in, purchase or otherwise acquire or dispose of from time to time, any such assets, businesses, investments and shares/interests in any entity that is in the Proposed New Business for the purpose of or in connection with the Proposed Change of Core Business on such terms and conditions as the Directors deem fit, and such Directors be and are hereby authorised to take such steps and exercise such discretion and

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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do all such acts and things as they deem desirable, necessary or expedient to give effect to any such investment, purchase, acquisition or disposal or to effect the Proposed Change of Core Business; and

- (b) the Directors (or anyone of them) be and are hereby authorised to complete and do all acts and things as they or each of them deem desirable, necessary or expedient to give effect to the matters contemplated by this resolution as they or each of them may in their or each of their absolute discretion deem fit in the interests of the Group.

### **ORDINARY RESOLUTION 3: THE PROPOSED ACQUISITION OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF VESTA APEX TRADING SDN. BHD.**

That, subject to and contingent upon the passing of Special Resolution 1 and Ordinary Resolution 2, and 4 in this Notice of EGM:

- (a) approval be and is hereby given for the proposed acquisition by the Company of the entire issued and paid-up share capital of Vesta Apex Trading Sdn. Bhd. from Ng Shing Lay (the “**Seller**”) in accordance with the terms and conditions of the sale and purchase agreement dated 28 July 2020 entered into between the Company and the Seller (the “**Proposed Acquisition**”); and
- (b) the Directors (or anyone of them) be and are hereby authorised to take such steps and do all such acts and things (including without limitation, to sign, seal, execute and deliver all such documents and deeds), and to exercise such discretion in relation to the Proposed Acquisition as they or each of them may deem fit, with such modifications thereto (if any) as they or each of them may consider necessary, desirable or expedient, in order to give full effect to this resolution.

### **ORDINARY RESOLUTION 4: THE PROPOSED ALLOTMENT AND ISSUANCE OF THE CONSIDERATION SHARES TO THE SELLER AND/OR ITS NOMINEES AT THE ISSUE PRICE OF S\$0.18 PER CONSIDERATION SHARE PURSUANT TO THE PROPOSED ACQUISITION**

That, subject to and contingent upon the passing of Special Resolution 1 and Ordinary Resolution 2, and 3 in this Notice of EGM:

- (a) approval be and is hereby given for the proposed allotment and issuance of 33,333,333 ordinary shares in the issued and paid-up capital of the Company (“**Consideration Shares**”) at the issue price of S\$0.18 per Consideration Share, to the Seller and/or his/her nominees (as he/she may direct), on the terms and subject to the conditions of the SPA; and
- (b) the Directors (or anyone of them) be and are hereby authorised to exercise such discretion to complete and do all such acts and things (including without limitation, to sign, seal, execute and deliver all such documents and deeds, and to approve any amendment, alteration or modification to any document) as they or each of them may consider necessary, desirable or expedient or in the interest of the Company to give effect to this resolution as they or each of them may think fit.

BY ORDER OF THE BOARD  
**AXINGTON INC.**

Ms. Marjory Loh Erchang  
Executive Director

5 August 2020

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### Notes:

#### 1. Pre-Registration

This EGM is being convened and will be held by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Alternative arrangements relating to, among others, attendance, submission of questions in advance and/or voting by proxy at the EGM are set out in the Company's announcement dated 5 August 2020 which has been uploaded together with this Notice of EGM on the SGXNet and the Company's website on the same day.

A member will be able to participate at the EGM by watching the EGM proceedings via a "live" audio visual webcast via mobile phones, tablets or computers or listening to the proceedings through a "live" audio-only feed via telephone. In order to do so, a member must pre-register by **11.00 a.m. on 24 August 2020**, at the URL <https://globalmeeting.bigbangdesign.co/axington/> for the Company to authenticate his/her/its status as members. Authenticated members will receive email instructions on how to access the "live" audio-visual webcast and "live" audio-only feed of the proceedings of the EGM by **11.00 a.m. on 26 August 2020**.

Members who do not receive an email by **11.00 a.m. on 26 August 2020**, but have registered by the **24 August 2020** deadline, may contact the Company at [IR@netx.sg](mailto:IR@netx.sg).

#### 2. Submission of Questions

A member who pre-registers to watch the "live" audio-visual webcast or listen to the "live" audio-only feed may also submit questions related to the resolutions to be tabled for approval at the EGM. To do so, all questions must be submitted by **11.00 a.m. on 24 August 2020** via the pre-registration website at the URL <https://globalmeeting.bigbangdesign.co/axington/>.

#### 3. Submission of Proxy Forms

**A member will not be able to vote through the "live" audio-visual webcast or "live" audio-only feed and voting is only through submission of proxy form. If a member (whether individual or corporate) wishes to exercise his/her/its voting rights at the EGM, he/she/it must appoint the Chairman of the Meeting as his/her/its proxy to vote on his/her/its behalf at the EGM.** The proxy form for the EGM can be accessed at the Company's website at the URL <http://www.axington.com/index.php/investor/announcements> and is made available with this Notice of EGM on the SGXNet on the same day.

In appointing the Chairman of the EGM as proxy, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the proxy form, failing which the appointment of the Chairman of the EGM as proxy for that resolution will be treated as invalid.

The Chairman of the EGM, as a proxy, need not be a member of the Company.

The instrument appointing the Chairman of the EGM as proxy must be submitted to the Company in the following manner:

- (a) if in hard copy by post, be lodged at the office of the Company's Share Registrar, Tricor Barbinder Share Registration Services, at 80 Robinson Road, #11-02, Singapore 068898; or
- (b) if by email, be received by [IR@netx.sg](mailto:IR@netx.sg).

**in either case, no later than 11.00 a.m. on 24 August 2020.**

A member who wishes to submit an instrument of proxy must first **download, complete and sign the proxy form**, before submitting it by post to the address provided above, or scanning and sending it by email to the email address provided above.

**In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.**

The instrument appointing the Chairman of the EGM as proxy must be signed by the appointor or his attorney duly authorised in writing. Where the instrument appointing the Chairman of the EGM as proxy is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.

The Company shall be entitled to reject the instrument appointing the Chairman of the EGM as proxy if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the EGM as proxy (including any related attachment) (such as in the case where the appointor submits more than one instrument appointing the Chairman of the EGM as proxy).

In addition, in the case of Shares entered in the Depository Register maintained by The Central Depository (Pte) Limited, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at seventy two (72) hours before the time appointed for holding the EGM.

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### **Personal Data Privacy:**

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

# AXINGTON INC.

(Formerly known as Axcelasia Inc.)  
(Company Registration No.: LL12218)

(A Company incorporated under the Labuan Companies Act 1990, Malaysia)

## PROXY FORM EXTRAORDINARY GENERAL MEETING

### IMPORTANT

- The Extraordinary General Meeting ("EGM" or the "Meeting") is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Alternative arrangements relating to, among others, attendance, submission of questions in advance and/or voting by proxy at the EGM are set out in the Company's announcement dated 5 August 2020 which has been uploaded together with this proxy form on the SGXNet and the Company's website on the same day. The announcement and this proxy form may also be accessed at the URL <http://www.axington.com/index.php/investor/announcements>.
- A member will not be able to attend the EGM in person. If a member (whether individual or corporate) wishes to exercise his/her/its voting rights at the EGM, he/she/it must appoint the Chairman of the Meeting as his/her/its proxy to vote on his/her/its behalf at the EGM. In appointing the Chairman of the Meeting as proxy, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.
- By submitting an instrument appointing the Chairman as proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 5 August 2020.
- Please read the notes overleaf which contain instructions on, *inter alia*, the appointment of the Chairman of the Meeting as a member's proxy to vote on his/her/its behalf at the EGM.

\*I/We \_\_\_\_\_ (Name) \_\_\_\_\_ (NRIC/Passport/Co Reg No.)

of \_\_\_\_\_ (Address)

being a \*member/members of **Axington Inc.** (the "**Company**") hereby appoint the Chairman of the Extraordinary General Meeting ("**Chairman**") as \*my/our \*proxy/proxies to attend, speak and vote for \*me/us on \*my/our behalf at the Extraordinary General Meeting of the Company ("**EGM**") to be held by way of electronic means on Thursday, 27 August 2020 at 11.00 a.m. and at any adjournment thereof in the following manner:

I/We\* direct my/our\* proxy/proxies\* to vote for or against the resolutions to be proposed at the EGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies\* will vote or abstain from voting at his/their\* discretion, as he/they\* will on any other matters arising at the EGM.

All resolutions put to the vote of the EGM shall be decided by the way of poll.

	Number of Votes For**	Number of Votes Against**	Number of Votes to Abstain**
<b>Special Resolution 1:</b> To approve the Proposed Change of Name of the Company to "Netx Inc."			
<b>Ordinary Resolution 2:</b> To approve the Proposed Change of Core Business			
<b>Ordinary Resolution 3:</b> To approve the Proposed Acquisition			
<b>Ordinary Resolution 4:</b> To approve the Proposed Issuance			

\* Delete accordingly

\*\* A tick or cross would represent that you are exercising all your votes "For" or "Against" or "Abstain" from voting on the resolution. Alternatively, you may indicate the number of Shares that you wish to vote for or against, and/or abstain from voting, for the resolution in the relevant box. In the absence of specific directions in respect of a resolution, the appointment of the Chairman as your proxy for the resolution will be treated as invalid.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2020

Total no. of Shares in:	
CDP Register	
Register of Members	

\_\_\_\_\_  
Signature(s) of Member(s) or Common Seal

**IMPORTANT: PLEASE READ THE NOTES OVERLEAF**

#### NOTES:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register maintained by The Central Depository (Pte) Limited, you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by you.
2. Due to the current COVID-19 restriction orders in Singapore, a member will not be able to attend the EGM in person. A member will also not be able to vote online on the resolution to be tabled for approval at the EGM. A member (whether individual or corporate) must appoint the Chairman as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM if such member wishes to exercise his/her/its voting rights at the EGM. The Chairman, as proxy, need not be a member of the Company. This Proxy Form may be accessed at the Company's website at <http://www.axington.com/index.php/investor/announcements> and on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>. Where a member (whether individual or corporate) appoints the Chairman as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the Proxy Form, failing which the appointment of the Chairman as proxy for that resolution will be treated as invalid.
3. This Proxy Form must be submitted to the Company in the following manner: (a) if submitted by post, be lodged at the office of the Company's Share Registrar, Tricor Barbinder Share Registration Services, at 80 Robinson Road, #11-02, Singapore 068898; or (b) if submitted electronically, be submitted via email to [IR@netx.sg](mailto:IR@netx.sg), in either case, by 11.00 a.m. on 24 August 2020, being 72 hours before the time appointed for holding the EGM. A member who wishes to submit the Proxy Form must first download, complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above. **In view of the current COVID-19 situation and the related safe management measures which may make it difficult for members to submit completed Proxy Forms by post, members are strongly encouraged to submit completed Proxy Forms electronically via email.**
4. The Proxy Form must be under the hand of the appointor or of his attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where a Proxy Form is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the Proxy Form, failing which the Proxy Form may be treated as invalid.
5. The Company shall be entitled to reject the Proxy Form if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the Proxy Form. In addition, in the case of members of the Company whose Shares are entered against their names in the Depository Register, the Company shall be entitled to reject any Proxy Form lodged if such members are not shown to have Shares entered against their names in the Depository Register as at 72 hours before the time appointed for holding the EGM as certified by The Central Depository (Pte) Limited to the Company.

#### PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 5 August 2020.