CIRCULAR DATED 10 MARCH 2023

THIS CIRCULAR IS ISSUED BY GLOBAL DRAGON LIMITED (THE "COMPANY"). THIS CIRCULAR (AS DEFINED HEREIN) IS IMPORTANT AS IT CONTAINS THE RECOMMENDATION OF THE INDEPENDENT DIRECTORS (AS DEFINED HEREIN) AND THE ADVICE OF ZICO CAPITAL PTE. LTD. TO THE INDEPENDENT DIRECTORS. THIS CIRCULAR REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY. IF YOU ARE IN DOUBT ABOUT THE CONTENTS OF THIS CIRCULAR OR THE ACTION THAT YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT, TAX OR OTHER PROFESSIONAL ADVISER(S) IMMEDIATELY.

If you have sold or transferred all your Target Shares (as defined herein) held through CDP (as defined herein), you need not forward this Circular to the purchaser or transferee, as arrangements will be made by CDP for a separate Circular to be sent to the purchaser or transferee. If you have sold or transferred all your Target Shares represented by physical share certificate(s), you should immediately forward this Circular to the purchaser or transferee or the bank, stockbroker or agent through whom you effected the sale or transfer, for onward transmission to the purchaser or the transferee. However, such documents should not be forwarded or transmitted to any jurisdiction outside of Singapore.

The Company has opted for electronic dissemination of this Circular. Please note that no printed copies of this Circular will be despatched to Shareholders. Only printed copies of the notice regarding the electronic dissemination of this Circular will be despatched to Shareholders.

This Circular has been reviewed by the Company's sponsor, SAC Capital Private Limited (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange 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 Ms Lee Khai Yinn (Telephone no.: (65) 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.

GLOBAL DRAGON LIMITED

(Incorporated in the Republic of Singapore)
Company Registration No. 198102945K

CIRCULAR TO SHAREHOLDERS

in relation to the

VOLUNTARY UNCONDITIONAL CASH OFFER

by

DBS BANK LTD.

(Incorporated in the Republic of Singapore)
Company Registration No.: 196800306E

for and on behalf of

JK GLOBAL WEALTH PTE. LTD.

(Incorporated in the Republic of Singapore)
Company Registration No. 202301491Z

for all the issued ordinary shares in the capital of Global Dragon Limited.

Independent Financial Adviser to the Independent Directors of the Company

ZICO CAPITAL PTE. LTD.

(Incorporated in the Republic of Singapore)
Company Registration No. 201613589E

SHAREHOLDERS SHOULD NOTE THAT IN THE ANNOUNCEMENT DATED 8 MARCH 2023 RELEASED BY DBS BANK LTD., FOR AND ON BEHALF OF THE OFFEROR, THE OFFER HAS BEEN DECLARED UNCONDITIONAL IN ALL RESPECTS (THE "OFFER UNCONDITIONAL ANNOUNCEMENT").

SHAREHOLDERS SHOULD NOTE THAT IN THE ANNOUNCEMENT DATED 10 MARCH 2023 ("FINAL CLOSING DATE ANNOUNCEMENT") RELEASED BY DBS BANK LTD., FOR AND ON BEHALF OF THE OFFEROR, ACCEPTANCES SHOULD BE RECEIVED BY 5.30 P.M. (SINGAPORE TIME) ON 10 APRIL 2023 ("FINAL CLOSING DATE"). THE OFFEROR DOES NOT INTEND TO EXTEND THE OFFER BEYOND THE FINAL CLOSING DATE.

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DEFINITIONS

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

GENERAL

"**Acceptance Condition**"	:	Shall have the meaning ascribed to it in Section 2.5 of the Letter to Shareholders in the Offer Document and described in Section 2 of this Circular
"**Announcement Date**"	:	10 February 2023, being the date of the Offer Announcement
"**Board**"	:	The board of Directors of the Company as at the Latest Practicable Date
"**Business Day**"	:	A day other than Saturday, Sunday or a public holiday on which commercial banks are open for business in Singapore
"Catalist"	:	The Catalist Board of the SGX-ST
"Catalist Rules"	:	The SGX-ST Listing Manual Section B: Rules of Catalist in force as at the Latest Practicable Date
"**Circular**"	:	This circular to Shareholders in relation to the Offer enclosing, *inter alia*, the recommendation of the Independent Directors and the IFA Letter
"**Code**"	:	The Singapore Code on Take-overs and Mergers
"**Companies Act**"	:	Companies Act 1967 of Singapore
"**Constitution**"	:	The constitution of the Company
"**CPF Agent Banks**"	:	Agent banks included under the CPFIS
"**CPFIS**"	:	Central Provident Fund Investment Scheme
"**CPFIS Investors**"	:	Investors who have purchased Shares using their CPF contributions pursuant to the CPFIS
"Deferred Consideration Shares"	:	Shall have the meaning ascribed to it in Section 8.1.2 of the Letter to Shareholders in the Offer Document and described in Section 4 of this Circular
"**Directors**"	:	The directors of the Company as at the Latest Practicable Date
"**Dissemination Date**"	:	24 February 2023, being the date of dissemination of this Offer Document
"**Dissenting Shareholders**"	:	Shall have the meaning ascribed to it in Section 12.1 of the Letter to Shareholders in the Offer Document and described in Section 6 of this Circular
"**Distributions**"	:	Shall have the meaning ascribed to it in Section 2.3 of the Letter to Shareholders in the Offer Document and described in Section 2.1 of this Circular
"**Encumbrances**"	:	Shall have the meaning ascribed to it in Section 2.3 of the Letter to Shareholders in the Offer Document and described in Section 2.1 of this Circular

"**FAA**"	:	Form of Acceptance and Authorisation for Target Shares in respect of the Offer, applicable to Shareholders whose Target Shares are deposited with CDP and which forms part of the Offer Document
"**FAT**"	:	Form of Acceptance and Transfer for Target Shares in respect of the Offer, applicable to Shareholders whose Target Shares are registered in their own names in the Register and are not deposited with CDP and which forms part of the Offer Document
"**Final Closing Date**"	:	5:30 p.m. (Singapore time) on 10 April 2023, such date being the last day for the lodgement of acceptances of the Offer
"**Final Closing Date Announcement**"	:	The announcement dated 10 March 2023 made by DBS Bank, for and on behalf of the Offeror, announcing that, *inter alia*, the closing date of the Offer has been extended from 5.30 p.m. (Singapore time) on 7 April 2023, to 5.30 p.m. (Singapore time) on 10 April 2023 and that such extension is final
"Free Float"		Target Shares other than those held by the directors, chief executive officer, substantial shareholders, or controlling shareholders of the Company or its subsidiary companies, and their respective associates (as defined in the Catalist Rules)
"**Free Float Requirement**"	:	Shall have the meaning ascribed to it in Section 11.1 of the Letter to Shareholders in the Offer Document and described in Section 6 of this Circular
"**FY**"	:	The financial year ended or ending, as the case may be, on 30 June of the relevant year
"**Group**"	:	The Company and its subsidiaries
"**IFA Letter**"	:	The letter dated 10 March 2023 from ZICO Capital Pte. Ltd. to the Independent Directors in relation to the Offer as set out in Appendix I to this Circular
"**Independent Directors**"	:	The Directors who are considered independent for the purposes of making recommendations to the Shareholders in respect of the Offer, namely Mr Koh Kian Soo, Mr Tan Chee Wee (Chen Zhiwei), Dr Kwan Chee Wai, Ms Pan Pei Say and Mr Chia Shee Liang
"**Interested Person**"	:	As defined in the Note on Rule 24.6 of the Code and read with Note on Rule 23.12 of the Code, an interested person, in relation to a company, is: a) a director, chief executive officer, or substantial shareholder of the company; b) the immediate family of a director, the chief executive officer, or a substantial shareholder (being an individual) of the company; c) the trustees, acting in their capacity as such trustees, of any trust of which a director, the chief executive officer or a substantial shareholder (being an individual) and his immediate family is a beneficiary; d) any company in which a director, the chief executive officer or a substantial shareholder (being an individual) together and his immediate family together (directly or indirectly) have an interest of 30% or more;

		e) any company that is the subsidiary, holding company or fellow subsidiary of the substantial shareholder (being a company); or f) any company in which a substantial shareholder (being a company) and any of the companies listed in (e) above together (directly or indirectly) have an interest of 30% or more
"**Interim Results**"	**:**	Unaudited condensed financial statements of the Group for the six (6) months financial period ended 31 December 2022
"**Irrevocable Undertakings**"	**:**	Shall have the meaning ascribed to it in Section 8.3.1 of the Letter to Shareholders in the Offer Document and described in Section 4 of this Circular
"**JK Global Assets Irrevocable Undertaking**"	:	Shall have the meaning ascribed to it in Section 8.1.1 of the Letter to Shareholders in the Offer Document and described in Section 4 of this Circular
"**KLM Irrevocable Undertaking**"	:	Shall have the meaning ascribed to it in Section 8.2.1 of the Letter to Shareholders in the Offer Document and described in Section 4 of this Circular
"**KKS**"	:	Mr Koh Kian Soo
"**KLM**"	:	Ms Ko Lee Meng
"**KWM**"	:	Mr Koh Wee Meng
"**Last Traded Date**"	:	6 February 2023, being the last market day on which the Target Shares were traded on the SGX-ST prior to the trading halt by the Company on 8 February 2023 preceding the Announcement Date
"**Latest Practicable Date**"	:	3 March 2023, being the latest practicable date prior to the finalisation and electronic dissemination of this Circular
"**Market Day**"	:	A day on which the SGX-ST is open for trading of securities
"**NAV**"	:	Net Asset Value
"**Offer**"	:	The voluntary conditional cash offer made by DBS Bank, for and on behalf of the Offeror, to acquire all the Target Shares on the terms and subject to the conditions set out in the Offer Document, the FAA and the FAT, as such offer may be amended, extended and revised from time to time by or on behalf of the Offeror
"**Offer Announcement**"	:	The announcement relating to the Offer released by DBS Bank, for and on behalf of the Offeror, on the Announcement Date
"**Offer Document**"	:	The offer document dated 24 February 2023, including the FAA and FAT, and any other document which may be issued by DBS Bank, for and on behalf of the Offeror, to amend, revise, supplement or update the document(s) from time to time
"**Offer Document Notification"**	:	Notification of electronic dissemination of the Offer Document and its related documents dated 24 February 2023

"**Offer Price**"	:	S$0.12 in cash for each Target Share
"**Offer Threshold**"	:	Shall have the meaning ascribed to it in Section 2.5 of the Letter to Shareholders in the Offer Document and described in Section 2.1 of this Circular
"**Offer Unconditional Announcement**"	:	The announcement dated 8 March 2023 made by DBS Bank, for and on behalf of the Offeror, announcing that, *inter alia*, the Offer has become unconditional in all respects
"**Offeror Securities**"	:	(a) shares of the Offeror; (b) securities which carry substantially the same rights as any shares of the Offeror; and (c) convertible securities, warrants, options and derivatives in respect of (a) or (b)
"**Overseas Shareholders**"	:	Shall have the meaning ascribed to it in Section 15.1 of the Letter to Shareholders in the Offer Document
"**P/NAV**"	:	Price to Net Asset Value multiple
"**Peninsula Plaza Properties**"	:	The offices at 111 North Bridge Road #06-01/02, #06-05/06, #06-09/10/11, #06-18/19, #06-22/23 and #06-25 Peninsula Plaza Singapore 179098
"**Register**"	:	The register of holders of Target Shares, as maintained by the Share Registrar
"**Relevant Acceptance Forms**"	:	FAA and/or FAT
"**Securities Account**"	:	A securities account maintained by a Depositor with CDP, but does not include a securities sub-account
"SFA"	:	Securities and Futures Act 2001 of Singapore
"SGXNET"	:	A system network used by listed companies to send information and announcements to the SGX-ST or any other system networks prescribed by the SGX-ST
"Shareholders"	:	Holders of Target Shares (other than CDP) as indicated on the Register and Depositors who have Target Shares entered against their names in the Depository Register
"**SRS**"	:	The Supplementary Retirement Scheme
"**SRS Agent Banks**"	:	Agent banks included under SRS
"**SRS Investors**"	:	Investors who have purchased Target Shares pursuant to SRS
"**S$**" and "**cents**"	:	Singapore dollars and cents respectively, being the lawful currency of Singapore
"Subject Properties"	:	448 Telok Blangah Road Singapore 099593 and 111 North Bridge Road #06-01/02, #06-05/06, #06-09/10/11, #06-18/19, #06-22/23 and #06-25 Peninsula Plaza Singapore 179098
"**Target Securities**"	:	(i) Target Shares; or (ii) convertible securities, warrants, options or derivatives in respect of Target Shares
"**Target Shares**"	:	Issued and paid-up ordinary shares in the capital of the Company

"**Telok Blangah Property**"	:	The property at 448 Telok Blangah Road Singapore 099593
"**TSL**"	:	Mdm Tan Su Lan @ Tan Soo Lung
"**TSL Irrevocable Undertaking**"	:	Shall have the meaning ascribed to it in Section 8.3.1 of the Letter to Shareholders in the Offer Document and described in Section 4 of this Circular
"**Valuation Documents**"	:	The desktop valuation in respect of the Subject Properties from the Valuers as set out in Appendix IV to this Circular
"**VWAP**"	:	Volume weighted average price
"**Warrants**"	:	Rights to subscribe for or purchase new shares or existing shares
"**%**" or "**per cent.**"		Per centum or percentage

COMPANIES/ORGANISATIONS

"**ACRA**"	:	The Accounting and Corporate Regulatory Authority of Singapore
"**CDP**"	:	The Central Depository (Pte) Limited
"**Company**"	:	Global Dragon Limited
"**CPF**"	:	The Central Provident Fund
"**IFA**"	:	ZICO Capital Pte. Ltd., the independent financial adviser to the Independent Directors in relation to the Offer
"**DBS Bank**"	:	DBS Bank Ltd.
"**Group**"	:	The Company and its subsidiaries
"**Offeror**"	:	JK Global Wealth Pte. Ltd.
"**Share Registrar**"	:	Boardroom Corporate & Advisory Services Pte Ltd
"**SGX-ST**"	:	Singapore Exchange Securities Trading Limited
"**SIC**"	:	Securities Industry Council of Singapore
"**SRS**"	:	The Supplementary Retirement Scheme
"**Valuer**"	:	Savills Valuation and Professional Services (S) Pte Ltd, being the independent valuer commissioned by the Company to conduct an independent valuation of the Subject Properties in relation to the Offer

Unless otherwise defined, the term "**acting in concert**" shall have the meaning ascribed to it in the Code.

The terms "**Depositor**" and "**Depository Register**" shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

The terms "**subsidiary**" and "**related corporation**" shall have the meanings ascribed to them respectively in Section 5 and Section 6 of the Companies Act.

References to "**you**" and "**your**" in this Circular are, as the context so determines, to Shareholders.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing one (1) gender shall include the other gender. References to persons shall, where applicable, include corporations.

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

Any reference to a time of day and date in this Circular is made by reference to Singapore time and date respectively, unless otherwise stated.

For the purposes of this Circular, Dentons Rodyk & Davidson LLP has been appointed as the legal counsel to the Company in relation to Singapore law.

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

Statements which are reproduced in their entirety from the Offer Document, the IFA Letter and the Constitution are set out in this Circular within quotes and in italics. Capitalised terms used within these reproduced statements bear the meanings ascribed to them in the Offer Document, the IFA Letter and the Constitution respectively.

In this Circular, any reference to the total number of Target Shares is a reference to 681,975,469 Target Shares (excluding treasury shares) as at the Latest Practicable Date (based on the business profile of the Company extracted from ACRA on the Latest Practicable Date), unless the context otherwise requires. Unless otherwise specified, all references to a percentage shareholding in the capital of the Company in this Circular are based on 681,975,469 Target Shares (excluding treasury shares) in issue as at the Latest Practicable Date (based on the business profile of the Company extracted from ACRA on the Latest Practicable Date). The Company does not hold any treasury shares.

Forward-looking Statements

All statements other than statements of historical facts included in this Circular are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “aim”, “seek”, “expect”, “anticipate”, “believe”, “estimate”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “if”, “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect the Company’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders should not place undue reliance on such forward-looking statements, and neither the Company nor the IFA guarantees any future performance or event, or undertakes any obligation to update publicly or revise any forward-looking statements, subject to compliance with all applicable laws and regulations and/or the rules of the SGX-ST and/or any other regulatory or supervisory body or agency.

SUMMARY TIMETABLE

Date of despatch of Offer Document	:	24 February 2023
Date of dissemination of this Circular	:	10 March 2023
Final Closing Date	:	5.30 p.m. (Singapore time) on 10 April 2023
Settlement of consideration for Target Shares acquired by the Offeror	:	In respect of acceptances of the Offer which are complete and valid in all respects, within seven (7) Business Days of the Date of Receipt of such acceptance

GLOBAL DRAGON LIMITED

(INCORPORATED IN THE REPUBLIC OF SINGAPORE)
COMPANY REGISTRATION NO.: 198102945K

LETTER TO SHAREHOLDERS FROM THE BOARD OF DIRECTORS

Board of Directors:

Mr. Koh Kian Soo (Executive Chairman)
Mr Tan Chee Wee (Chen Zhiwei) (Executive Director and Chief Operating Officer)
Dr Kwan Chee Wai (Lead Independent Director)
Ms Pan Pei Say (Independent Director)
Mr Chia Shee Liang (Independent Director)

Registered Office:

456 Alexandra Road
#02-09 Fragrance Empire Building
Singapore 119962

10 March 2023

To: The Shareholders of Global Dragon Limited

Dear Sir/Madam

VOLUNTARY UNCONDITIONAL CASH OFFER BY DBS BANK FOR AND ON BEHALF OF THE OFFEROR FOR THE TARGET SHARES

1. INTRODUCTION

1.1 Offer Announcement and Offer Unconditional Announcement

On the Announcement Date, DBS Bank announced, for and on behalf of the Offeror, that the Offeror intends to make an Offer for all the Target Shares, including any Target Shares owned, controlled or agreed to be acquired by parties acting or deemed to be acting in concert with the Offeror in connection with the Offer.

On 8 March 2023, based on information available to the Offeror, DBS Bank announced, for and on behalf of the Offeror, that the Offeror and parties acting in concert with the Offeror hold in aggregate 620,333,062 Target Shares representing 90.96% of all the issued Target Shares and that the Acceptance Condition had been satisfied. Accordingly, the Offer is unconditional in all respects.

Copies of the Offer Announcement and the Offer Unconditional Announcement are available on the website of the SGX-ST at www.sgx.com.

1.2 Offer Document

Shareholders should have by now received a copy of the Offer Document Notification, which contains the address and instructions for the electronic retrieval of the Offer Document disseminated on 24 February 2023 setting out, *inter alia*, the terms and conditions of the Offer. The principal terms of the Offer are set out in Section 2 of the Letter to Shareholders in the Offer Document. **Shareholders are urged to read the terms and conditions of the Offer set out in the Offer Document carefully.**

A copy of the Offer Document is available on the website of the SGX-ST at www.sgx.com.

1.3 Independent Financial Adviser

ZICO Capital Pte. Ltd. has been appointed as the independent financial adviser to the Independent Directors in relation to the Offer.

1.4 Purpose of the Circular

The purpose of this Circular is to provide Shareholders with relevant information pertaining to the Offer and to set out the recommendation of the Independent Directors and the advice of ZICO Capital Pte. Ltd. to the Independent Directors in relation to the Offer.

Shareholders should read the Offer Document, this Circular and the IFA Letter set out in Appendix I to this Circular carefully and consider the recommendation of the Independent Directors and the advice of ZICO Capital Pte. Ltd. to the Independent Directors in relation to the Offer before deciding whether to accept or reject the Offer.

If you are in any doubt about the Offer, you should consult your stockbroker, bank manager, accountant, solicitor, tax adviser or other professional adviser immediately.

2. THE OFFER

2.1 Terms of the Offer

The Offer is made by DBS Bank, for and behalf of the Offeror on the principal terms set out in Sections 2 and 3 of the Letter to Shareholders in the Offer Document, details of which have been extracted from the Offer Document and set out in italics below. All terms and expressions used in the extracts below shall have the same meanings as those defined in the Offer Document.

*"**2. THE OFFER***

2.1 ***Offer Price.*** *For and on behalf of the Offeror, DBS Bank hereby makes the Offer, in accordance with Section 139 of the SFA and the Code and subject to the terms and conditions of this Offer Document, for all the Target Shares on the following basis:*

For each Target Share: S$0.12 in cash.

2.2 ***Target Shares.*** *The Offer is extended to all Target Shares, including any and all Target Shares owned, controlled or agreed to be acquired by any party acting or deemed to be acting in concert with the Offeror in connection with the Offer.*

2.3 ***No Encumbrances.*** *The Target Shares will be acquired (i) fully paid; (ii) free from all liens, equities, claims, charges, pledges, mortgages, encumbrances, options, powers of sale, declarations of trust, hypothecations, retentions of title, rights of pre-emption, rights of first refusal, moratorium or any other third party rights or security interests of any nature whatsoever or any agreements, arrangements or obligations to create any of the foregoing ("**Encumbrances**"); and (iii) together with all rights, benefits and entitlements attached thereto as at the Announcement Date and thereafter attaching thereto, including the right to receive and retain all dividends, rights and other distributions and/or return of capital (if any) ("**Distributions**") declared, paid or made by the Company in respect of the Target Shares on or after the Announcement Date.*

2.4 ***Adjustment for Distributions.*** *Without prejudice to the foregoing, the Offer Price has been determined on the basis that the Target Shares will be acquired with the right to receive any Distribution that may be declared, paid or made by the Company on or after the Announcement Date.*

*Accordingly, in the event any Distribution is or has been declared, paid or made by the Company in respect of the Target Shares on or after the Announcement Date to a Shareholder who validly accepts or has accepted the Offer (the "**Accepting Shareholder**"), the Offer Price payable to such Accepting Shareholder shall be reduced by an amount which is equal to the amount of such*

Distribution, depending on when the settlement date in respect of the Target Shares tendered in acceptance of the Offer by the Accepting Shareholder falls.

2.5 ***Acceptance Condition.*** *The Offer will be subject to the Offeror having received, by the Closing Date, valid acceptances (which have not been withdrawn) in respect of such number of Target Shares which, together with the Target Shares acquired or agreed to be acquired before or during the Offer, will result in the Offeror and parties acting in concert with the Offeror holding Target Shares representing not less than 90 per cent. (the "**Offer Threshold**") of all the Target Shares in issue as at the Closing Date (the "**Acceptance Condition**").*

2.6 ***Offeror's Right to Revise Acceptance Condition.*** *The Offeror reserves the right to revise the Acceptance Condition, subject to the consent of the SIC, by reducing the Offer Threshold to more than 50 per cent. Of the total number of Target Shares. In the event that the Acceptance Condition is revised, the revised Offer will remain open for a further 14 days following such revision and Shareholders who have accepted the initial Offer will be allowed to withdraw their acceptance within 8 days of the notification of such revision.*

2.7 ***Save for the Acceptance Condition, the Offer is unconditional in all other respects.***

3. WARRANTY

A Shareholder who tenders his Target Shares in acceptance of the Offer will be deemed to unconditionally and irrevocably warrant that he sells such Target Shares as or on behalf of the beneficial owner(s) thereof, (i) fully paid; (ii) free from all Encumbrances; and (iii) together with all rights, benefits and entitlements attached thereto as of the Announcement Date and thereafter attaching thereto, including but not limited to all voting rights, the right to receive and retain all Distributions declared, paid or made by the Company in respect of the Target Shares on or after the Announcement Date."

2.2 Details of the Offer

Further details on (i) the duration of the Offer; (ii) the settlement of the consideration for the Offer; (iii) requirements relating to announcement of the level of acceptances of the Offer; and (iv) the right of withdrawal of acceptances of the Offer have been extracted from Appendix 1 to the Offer Document and are set out in italics below. All terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document.

*"**APPENDIX 1 – DETAILS OF THE OFFER***

1. DURATION OF THE OFFER

Closing Date. *The Offer is open for acceptance by Shareholders for at least 28 days from the Dissemination Date, unless the Offer is withdrawn with the consent of the SIC and every person released from any obligation incurred thereunder. Accordingly, the Offer will close at 5.30 p.m. on 24 March 2023, or such later date(s) as may be announced from time to time by or on behalf of the Offeror.*

Subsequent Closing Date(s). *As the Offer is conditional, if the Offer is extended, the announcement of the extension will state the next Closing Date. In such a case, the Offeror must give Shareholders at least 14 days' prior notice in writing before it may close the Offer.*

Offer to Remain Open for 14 Days after Being Declared Unconditional as to Acceptances. *In order to give Shareholders who have not accepted the Offer the opportunity to accept the Offer after the Offer has become or is declared unconditional as to acceptances, the Offer will remain open for a period (the "**Rule 22.6 Period**") of not less than 14 days after the date on which it would otherwise have closed.*

*This requirement does not apply if, before the Offer has become or is declared unconditional as to acceptances, the Offeror has given Shareholders at least 14 days' notice in writing ("**Shut-Off Notice**") that the Offer will not be open for acceptance beyond a specified Closing Date, provided that:*

1.1.1 *the Offeror may not give a Shut-Off Notice in a competitive situation; and*

1.1.2 *the Offeror may not enforce a Shut-Off Notice, if already given, in a competitive situation.*

*If a declaration that the Offer is unconditional as to acceptances is confirmed in accordance with **paragraph 3** of this **Appendix 1**, the Rule 22.6 Period will run from the date of such confirmation or the date on which the Offer would otherwise have closed, whichever is later.*

***Revision of Offer.** Pursuant to Rule 20.1 of the Code, the terms of the Offer, if revised, will remain open for acceptance for a period of at least 14 days from the date of despatch of the written notification of the revision to Shareholders. In any case, where the terms are revised, the benefit of the Offer (as so revised) will be made available to each of the Shareholders, including who had previously accepted the Offer.*

***Last day for Offer to become unconditional.** Unless otherwise permitted by the SIC, the Offer (whether revised or not) will not be capable of becoming or being declared unconditional as to acceptances after 5.30 pm on 25 April 2023 nor of being kept open after the expiry of such period unless it has previously become or been declared unconditional as to acceptances.*

2. SETTLEMENT

***When Settlement is Due for All Shareholders.** Subject to the Offer becoming or being declared to be unconditional in all respects and the receipt by the Offeror from Accepting Shareholders of valid acceptances and all relevant documents required by the Offeror which are complete in all respects and in accordance with the instructions given in this Offer Document and in the Relevant Acceptance Forms, and in the case of a depositor, the receipt by the Offeror of a confirmation satisfactory to it that the number of Target Shares tendered by the depositor in acceptance of the Offer are standing to the credit of the "Free Balance" of the depositor's Securities Account at the relevant time, then pursuant to Rule 30 of the Code, in the case of Accepting Shareholders who are depositors, payment of the aggregate Offer Price in respect of their Target Shares validly tendered in acceptance of the Offer will be credited directly into their designated bank account for Singapore Dollars via CDP's Direct Crediting Service ("**DCS**") within 7 Business Days of the later of: (a) the Unconditional Date; or (b) the Date of Receipt of such acceptance. In the event an Accepting Shareholder who is a depositor is not subscribed to CDP's DCS, any monies to be paid shall be credited to such Accepting Shareholder's Cash Ledger and subject to the same terms and conditions as Cash Distributions under the CDP Operation of Securities Account with the Depository Terms and Conditions (Cash Ledger and Cash Distributions are defined therein), or in such other manner as they may have agreed with CDP for payment of any cash distribution, as soon as practicable and in any case, in respect of acceptances of the Offer which are complete and valid in all respects, within 7 Business Days of the later of: (a) the Unconditional Date; or (b) the Date of Receipt of such acceptance.*

3. ANNOUNCEMENTS

***Timing and Contents.** Pursuant to Rule 28.1 of the Code, by 8.00 a.m. on the Market Day immediately after the day on which the Offer is due to expire, or the Offer becomes or is declared to be unconditional as to acceptances, or the Offer is revised or extended (the "**Relevant Day**"), the Offeror will announce and simultaneously inform the SGX-ST of the total number of Target Shares (as nearly as practicable):*

3.1.1 *for which valid acceptances of the Offer have been received;*

3.1.2 *held by the Offeror and parties acting in concert with the Offeror before the Offer Period (as defined under the Code); and*

3.1.3 *acquired or agreed to be acquired by the Offeror and parties acting in concert with the Offeror during the Offer Period (as defined under the Code),*

and will specify the percentages of the total number of Target Shares in issue represented by such numbers.

Suspension. *If the Offeror is unable, within the time limit, to comply with any of the requirements in paragraph 3 of this Appendix 1, the SIC will consider requesting the SGX-ST to suspend dealings in the Target Shares until the relevant information is given.*

Valid Acceptances of Target Shares. *Under Rule 28.1 of the Code, subject to Section 17.1 of the Letter to Shareholders in this Offer Document, in computing the number of Target Shares represented by acceptances, the Offeror will, at the time of making an announcement, take into account acceptances which are valid in all respects.*

Acceptances of the Offer will only be treated as valid for the purposes of the Acceptance Condition if the relevant requirements of Note 2 on Rule 28.1 of the Code are met.

4. WITHDRAWAL OF ACCEPTANCES

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

Pursuant to Rule 29 of the Code, a Shareholder who has accepted the Offer will be entitled to withdraw his acceptance after 14 days from the first closing date of the Offer, if the Offer has not by then become unconditional as to acceptances. Such entitlement to withdraw will be exercisable until the Offer becomes unconditional as to acceptances.

If the Offer has become or been declared unconditional as to acceptances, but the Offeror fails by 3.30 pm on the Relevant Day to comply with any of the requirements of Rule 28.1 of the Code, then immediately thereafter any acceptor will be entitled to withdraw his acceptance. Subject to Rule 22.9 of the Code, this right of withdrawal may be terminated not less than 8 days after the Relevant Day by the Offeror confirming (if that be the case) that the Offer is still unconditional as to acceptances and complying with Rule 28.1 of the Code."

2.3 Closing Date

Shareholders should note that the Offer is open for acceptance by the Shareholders for at least 28 days from the Dissemination Date, unless the Offer is withdrawn with the consent of the SIC and every person released from any obligation incurred thereunder.

The Offeror had announced in the Offer Unconditional Announcement that in accordance with Rule 22.6 of the Code, as the Offer has become unconditional as to acceptances, the Offer will remain open for acceptance for not less than 14 days after the date on which the Offer would otherwise have closed. **Accordingly, the closing date was extended from 5.30 p.m. (Singapore time) on 24 March 2023 to 5.30 p.m. (Singapore time) on 7 April 2023 or such later date(s) as may be announced from time to time by or on behalf of the Offeror.**

The Offeror has further announced in the Final Closing Date Announcement that the closing date has been extended from 5.30 p.m. (Singapore time) on 7 April 2023 to 5.30 p.m. (Singapore time) on 10 April 2023. The Offeror does not intend to extend the Offer beyond the Final Closing Date. The Offer shall close at 5.30 p.m. (Singapore time) on 10 April 2023 and the Offer will not be open for acceptance beyond 5.30 p.m. (Singapore time) on the Final Closing Date.

2.4 Procedures for Acceptance of the Offer

The procedures for acceptance of the Offer are set out in Appendix 2 to the Offer Document and in the accompanying FAA and/or FAT (as applicable).

3. INFORMATION ON THE OFFEROR

Details on the Offeror have been extracted from Section 6 of the Offer Document and are set out in italics below. All terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document.

"***6. INFORMATION ON THE OFFEROR***

6.1 The Offeror. *The Offeror is a private company limited by shares incorporated in Singapore on 11 January 2023 and its principal activity is investment holding. As at the Latest Practicable Date:*[2]

6.1.1 *the Offeror has an issued and paid-up share capital of S$1,000,000 comprising 1,000,000 ordinary shares; and*

6.1.2 *KWM is the sole shareholder and director of the Offeror.*

6.2 Further Information. Appendix 3 *to this Offer Document sets out additional information on the Offeror.*"

4. IRREVOCABLE UNDERTAKINGS

The full text of the undertakings provided by JK Global Assets, KLM and TSL has been extracted from Section 8 of the Letter to Shareholders in the Offer Document and is reproduced below. All terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document.

*"**8. IRREVOCABLE UNDERTAKINGS***

8.1 JK Global Assets Irrevocable Undertaking

8.1.1 JK Global Assets Irrevocable Undertaking. *JK Global Assets has provided an irrevocable undertaking (the "**JK Global Assets Irrevocable Undertaking**") to accept the Offer in respect of the Target Shares held by it prior to and up to the Closing Date. As at the Latest Practicable Date, JK Global Assets holds in aggregate 404,381,666 Target Shares, representing approximately 59.30 per cent. of the issued Target Shares. The JK Global Assets Irrevocable Undertaking will lapse if the Offer lapses or is withdrawn.*

8.1.2 Deferred Consideration. *In addition, pursuant to the terms of the Irrevocable Undertaking, JK Global Assets will tender its Target Shares unconditionally in acceptance of the Offer and also waive its right to receive the cash consideration within the stipulated timeline under the Code. JK Global Assets has agreed that payment for its 404,381,666 Target Shares (the "**Deferred Consideration Shares**") shall be deferred to a date after the Closing Date as may be agreed between JK Global Assets and the Offeror, but in any event no earlier than 7 Business Days after the Closing Date, and such payment shall be made on the agreed date, free of interest.*

[2] *Source: ACRA Business Profile of the Offeror dated 22 February 2023.*

8.2 KLM Irrevocable Undertaking

8.2.1 ***KLM Irrevocable Undertaking.*** *KLM, a concert party of KWM, has provided an irrevocable undertaking (the "**KLM Irrevocable Undertaking**") to accept the Offer in respect of the Target Shares held by her prior to and up to the Closing Date.*

As at the Latest Practicable Date, KLM holds in aggregate 60,000,000 Target Shares, representing approximately 8.80 per cent. of the issued Target Shares. The KLM Irrevocable Undertaking will lapse if the Offer lapses or is withdrawn.

8.2.2 ***Cash Consideration.*** *Cash Consideration. Pursuant to the KLM Irrevocable Undertaking, KLM will be tendering the Target Shares held by her for cash, on the same terms as all other Target Shares which will be tendered in acceptance of the Offer.*

8.3 TSL Irrevocable Undertaking

8.3.1 ***TSL Irrevocable Undertaking.*** *TSL, a concert party of KWM, has provided an irrevocable undertaking (the "**TSL Irrevocable Undertaking**", and together with the JK Global Assets Irrevocable Undertaking and the KLM Irrevocable Undertaking, the "**Irrevocable Undertakings**") to accept the Offer in respect of the Target Shares held by her prior to and up to the Closing Date.*

As at the Latest Practicable Date, TSL holds in aggregate 94,681,500 Target Shares, representing approximately 13.88 per cent. of the issued Target Shares. The TSL Irrevocable Undertaking will lapse if the Offer lapses or is withdrawn.

8.3.2 ***Cash Consideration.*** *Pursuant to the TSL Irrevocable Undertaking, TSL will be tendering the Target Shares held by her for cash, on the same terms as all other Target Shares which will be tendered in acceptance of the Offer.*

8.4 ***Further Details.*** *Further details of the Irrevocable Undertakings are set out in* ***paragraph 4*** *of* ***Appendix 5*** *to this Offer Document."*

5. RATIONALE FOR THE OFFER AND THE OFFEROR'S INTENTIONS IN RELATION TO THE COMPANY

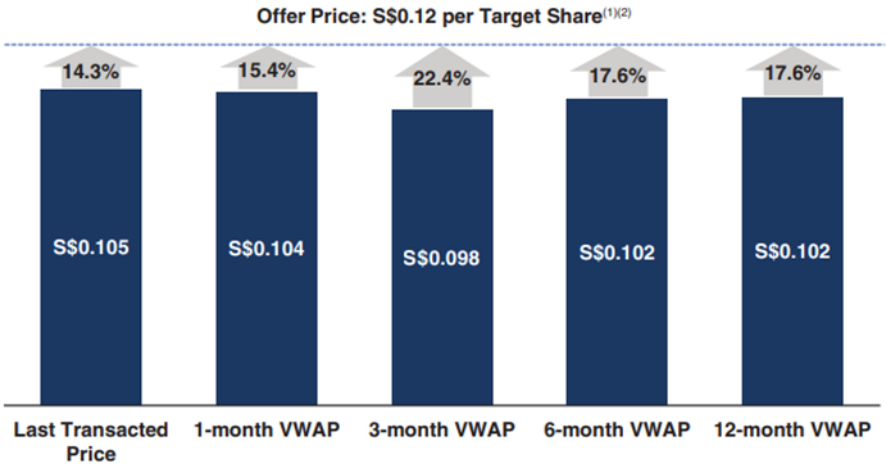
The full text of the rationale for the Offer and the Offeror's intentions in relation to the Company has been extracted from Sections 9 and 10 of the Letter to Shareholders in the Offer Document respectively, and is reproduced below. All terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document. **Shareholders are advised to read the extracts below carefully and note the Offeror's future plans for the Company.**

"9. RATIONALE FOR THE OFFER

9.1 Opportunity for Shareholders to realise their investment at a premium without incurring brokerage fees.

9.1.1 *The Offer presents Shareholders with an opportunity to realise their investment in their Target Shares at a premium of approximately 14.3 per cent. over the Company's closing price of S$0.105 as at the Last Trading Date.*

9.1.2 *Furthermore, this represents a premium of 15.4 per cent., 22.4 per cent., 17.6 per cent., and 17.6 per cent. over the 1-month VWAP of S$0.104, 3-month VWAP of S$0.098, 6-month VWAP of S$0.102 and 12-month VWAP of S$0.102 respectively, up to and including the Last Trading Date.*

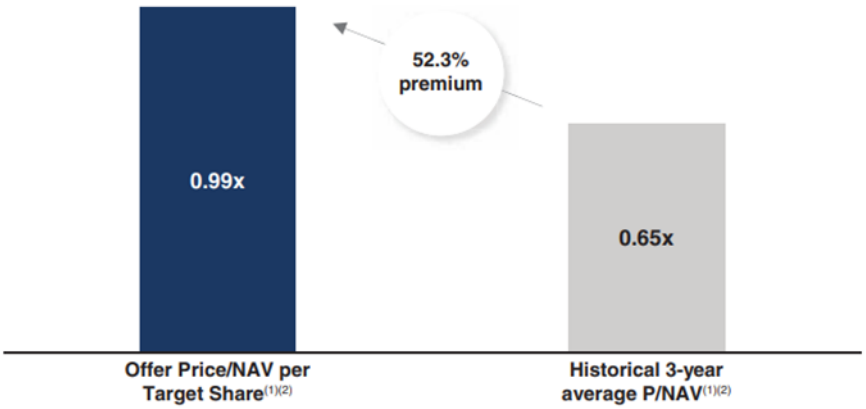


Notes:

(1) The S$ figures (other than the Offer Price) are rounded to the nearest three (3) decimal places and computed on data sourced from Bloomberg L.P. up to and including the Last Trading Day.

(2) The respective premia are rounded to the nearest one (1) decimal place

9.1.3 *The Offer Price implies a P/NAV of 0.99 times,[4] which is 52.3 per cent higher than the Company's 3-year historical average of 0.65 times.*



Notes:

(1) Multiples shown in the chart above are rounded to the nearest two (2) decimal places.

(2) The historical average P/NAV is computed daily up to and including the Last Trading Date and reflects the market capitalisation of the Target Shares at the end of each trading day divided by total net assets for the last reported financial quarter or period, as sourced from Company filings.

[4] The P/NAV implied by the Offer Price is based on the reported NAV per Target Share as at 31 December 2022.

9.1.4 ***Total returns over a 5-year period is close to 100 per cent.*** *The Offer Price implies a total return of 96.2 per cent. and annualised total returns of 14.4 per cent. for a Shareholder who had invested in the Target Shares since 30 January 2018[5] and subscribed for the Company's rights issues.[6]*

Total returns analysis for Shareholders				
Average entry cost of a Shareholder who invested on 30 January 2018 and subscribed for the rights issues[(1)]	Offer Price	Dividends since the 30 January 2018 up to the Last Trading Date[(2)]	Total returns since 30 January 2018[(3)]	Annualised total returns since 30 January 2018[(3)]
S$0.068	S$0.12	S$0.013	96.2%	14.4%

Notes:

(1) Derived from the closing price of the Target Shares on 30 January 2018, being S$0.069, and adjusted for the Company's rights issues.

(2) Refers to the total dividends distributed per Target Share since 30 January 2018.

(3) Rounded to one (1) decimal place and subject to rounding differences.

9.2 ***Opportunity for Shareholders who may otherwise find it difficult to exit their investment in the Company due to low trading liquidity.*** *The trading volume of the Target Shares has been low with no trades being done for the majority of trading days.*

9.2.1 *The average daily trading volumes of the Target Shares over the 1-month, 3-month, 6-month and 12-month periods up to and including the Last Trading Date are detailed in the table below:*

No trades made for the majority of trading days	***1-month***	***3-months***	***6-months***	***12-months***
Number of SGX-ST trading days in the relevant period	*20*	*62*	*126*	*250*
Number of SGX-ST trading days where trades were done for the Target Shares	*3*	*16*	*40*	*64*

9.2.2 *The low trading volumes of the Target Shares over the 1-month, 3-month, 6-month and 12-month periods up to and including the Last Trading Date are also set out in the table below:*

Trading volume has been extremely low	***1-month***	***3-months***	***6-months***	***12-months***
Average daily trading volume	*3,535*	*2,858*	*12,987*	*10,257*
Average daily trading volume as a percentage (%) of the total number of issued Target Shares[(1) (2)]	*0.001%*	*0.000%*	*0.002%*	*0.002%*

[5] Representing the closing date of the mandatory unconditional cash offer made by JK Global Assets for the Company.
[6] This refers to the renounceable non-underwritten rights issue at a rights issue price of S$0.0675 per Target Share announced on 27 February 2018 and the renounceable non-underwritten rights issue at a rights issue price of S$0.0675 per Target Share announced on 31 December 2018.

Notes:

(1) The average daily trading volume is based on data extracted from Bloomberg L.P. as at the Last Trading Day and calculated using the daily total volume of Target Shares traded divided by the total number of Target Shares in issue.

(2) The percentage figures are rounded to the nearest three (3) decimal places.

9.3 The Offer Price of S$0.12 is higher than the Company's 52-week highest closing price of S$0.119.



Source: Bloomberg L.P. as at the Last Trading Date

9.4 Only Offer capable of turning unconditional or succeeding. *Given that JK Global Assets, TSL and KLM, which hold Target Shares representing approximately 81.98 per cent. of the issued Target Shares, have, as at the date of the Offer Announcement, undertaken to accept the Offer, no other general offer will be capable of turning unconditional or succeeding. In addition, KWM, who holds 7,742,400 Target Shares representing approximately 1.14 per cent. of the issued Target Shares as at the Last Practicable Date, has indicated to the Offeror that he intends to accept the Offer. Should the Offer fail to become or be declared unconditional, the Offeror is not permitted under the Code to make another general offer for the Company for 12 months following the lapse of the Offer.*

9.5 Greater management flexibility and optimisation of resources. *The current operating environment is challenging due to rising interest rates and inflation. This is exacerbated by geopolitical uncertainties stemming from the ongoing Russia-Ukraine conflict. The Offeror believes that privatising the Company will provide its management with more flexibility to manage the business and to better navigate this challenging operating environment going forward.*

9.6 Compliance costs of maintaining listing status. *In maintaining its listed status, the Company incurs compliance and associated costs. In the event that the Company is delisted from the SGX-ST, the Company will be able to save on expenses relating to the maintenance of a listed status and focus its resources on its business operations.*

10. OFFEROR'S INTENTIONS FOR THE COMPANY

The Offeror intends for the Company to continue with its existing activities and has no intention to (i) introduce any major changes to the business of the Company; (ii) re-deploy the fixed assets of the Company; or (iii) discontinue the employment of any of the existing employees of the Group, other than in the ordinary course of business. However, the board of directors of the Offeror retains the flexibility at any time to consider any options in relation to the Group which may present themselves and which it may regard to be in the Offeror's interests."

6. LISTING STATUS AND COMPULSORY ACQUISITION

The full text of the Offeror's intentions relating to the listing status and compulsory acquisition of the Company has been extracted from Sections 11 and 12 of the Letter to Shareholders in the Offer Document, and is reproduced below. All terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document. **Shareholders are advised to read the extract below carefully.**

"11. LISTING STATUS

11.1 ***Free Float Requirement.*** *Pursuant to Rule 723 of the Catalist Rules, the Company must ensure that at least 10 per cent. of the total number of issued Target Shares (excluding preference shares, convertible equity securities and treasury shares) is at all times held by the public (the "**Free Float Requirement**"). Pursuant to Rule 1104 of the Catalist Rules, in the event that the Offeror and parties acting in concert with the Offeror should, as a result of the Offer or otherwise, own or control more than 90 per cent. of the total number of issued Target Shares (excluding treasury shares), the SGX-ST may suspend the trading of the Target Shares on the SGX-ST until such time when the SGX-ST is satisfied that at least 10 per cent. of the total number of issued Target Shares (excluding treasury shares) are held by at least 200 Shareholders who are members of the public. Under Rule 1303(1) of the Catalist Rules, where the Offeror succeeds in garnering acceptances exceeding 90 per cent. of the total number of issued Target Shares (excluding treasury shares), thus causing the percentage of the total number of issued Target Shares (excluding treasury shares) held in public hands to fall below 10 per cent., the SGX-ST will suspend trading of the listed securities of the Company at the Closing Date.*

In addition, under Rule 724(1) of the Catalist Rules, if the Free Float Requirement is not complied with, the Company must, as soon as practicable, notify its sponsor of that fact and announce that fact. The SGX-ST may suspend trading of all the Target Shares on the SGX-ST. Rule 724(2) of the Catalist Rules states that the SGX-ST may allow the Company a period of 3 months, or such longer period as the SGX-ST may agree, to raise the percentage of Target Shares in public hands to at least 10 per cent., failing which the Company may be removed from the Official List of the SGX-ST.

11.2 ***Intention of the Offeror.*** *The Offeror is making the Offer with the intention of privatising the Company. In the event the Company does not meet the Free Float Requirement as at the Closing Date and the SGX-ST suspends trading of the Target Shares,* ***the Offeror does not intend to maintain the present listing status of the Company and, accordingly, does not intend to place out any Target Shares held by the Offeror to members of the public to meet the Free Float Requirement. In addition, the Offeror does not intend to support any action by the Company to meet the Free Float Requirement.***

The Offeror hereby reserves its right, to take steps at an appropriate time, whether during or after the Offer, to seek a voluntary delisting of the Company from the SGX-ST, where permitted by, and in accordance with, the relevant requirements of the Listing Manual and the Code.

12. COMPULSORY ACQUISITION

12.1 ***Compulsory Acquisition.*** *Pursuant to Section 215(1) of the Companies Act, if the Offeror receives valid acceptances pursuant to the Offer or acquires Target Shares from the Dissemination Date otherwise than through valid acceptances of the Offer, in respect of not less than 90 per cent. of the total number of Target Shares in issue as at the Closing Date (other than shares already held at the Dissemination Date, and excluding any shares in the Company held as treasury shares), the Offeror will be entitled to exercise its right to compulsorily acquire, at the Offer Price, all the Target Shares held by Shareholders who have not accepted the Offer (the "**Dissenting Shareholders**").*

In the event that the Offeror becomes entitled to exercise its right under Section 215(1) of the Companies Act, the Offeror intends to exercise its right to compulsorily acquire all the Target Shares not acquired under the Offer. The Offeror will then proceed to delist the Company from the SGX-ST.

12.2 Section 215(3). *In addition, pursuant to Section 215(3) of the Companies Act, if the Offeror acquires such number of Target Shares which, together with the Target Shares held by it, its related corporations and their respective nominees, comprise 90 per cent. or more of the total number of issued Target Shares, the Dissenting Shareholders have the right to require the Offeror to acquire their Target Shares at the Offer Price. Dissenting Shareholders who wish to exercise such a right are advised to seek their own independent legal advice.*"

As stated in the Offer Unconditional Announcement, *inter alia*, the total number of Target Shares owned, controlled or agreed to be acquired by the Offeror and its concert parties (including valid acceptances of the Offer) as at 6.00 p.m. (Singapore time) on 8 March 2023 amount to an aggregate of 620,333,062 Target Shares, representing approximately 90.96%[7] of the total number of issued Target Shares.

The Company had on 9 March 2023 announced, *inter alia*, that:

(a) the Offeror has received valid acceptances pursuant to the Offer that bring the holdings owned, controlled or agreed to be acquired by the Offeror to above 90% of the total number of issued Target Shares (excluding treasury shares); and

(b) the percentage of Target Shares held by the public as at 6.00 p.m. (Singapore time) on 8 March 2023 is therefore less than the requisite 10% under the Free Float Requirement.

Pursuant to Rule 1303(1) of the Catalist Rules, as the Offeror had succeeded in garnering acceptances exceeding 90% of the total number of Target Shares (excluding treasury shares), thus causing the percentage of the total number of Target Shares (excluding treasury shares) held in public hands to fall below 10%, **the SGX-ST will suspend trading of the Target Shares on the SGX-ST only at the close of the Offer**.

7. DISCLOSURES

Section 13 and Appendix 5 of the Letter to Shareholders in the Offer Document sets out information relating to disclosure of holdings, dealings and other arrangements, details of which have been extracted from the Offer Document and are set out in italics below. All terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document.

"***13. DISCLOSURES***

13.1 Holdings. *As at the Latest Practicable Date, based on the latest information available to the Offeror, and save as disclosed in Appendix 5 to this Offer Document and in this Offer Document, none of the Offeror or its concert parties owns, controls or has agreed to acquire any Target Securities.*

13.2 Dealings. *As at the Latest Practicable Date, save as disclosed in Appendix 5 to this Offer Document and in this Offer Document, none of the Offeror or its concert parties has dealt for value in any Target Securities during the Reference Period.*

13.3 Other Arrangements. *As at the Latest Practicable Date, based on the latest information available to the Offeror, and save as disclosed in Appendix 5 to this Offer*

[7] As stated in the Offer Unconditional Announcement, this is calculated as a percentage of the total number of issued Target Shares in issue as at the date of the Offer Unconditional Announcement.

Document and in this Offer Document, none of the Offeror or its concert parties has:

13.3.1 *entered into any arrangement with any person, including any indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature, relating to any Target Securities which may be an inducement to deal or refrain from dealing of Target Securities;*

13.3.2 *received any irrevocable commitment (other than the Irrevocable Undertakings) to accept the Offer in respect of any Target Securities;*

13.3.3 *granted a security interest in respect of any Target Securities to another person, whether through a charge, pledge or otherwise;*

13.3.4 *borrowed any Target Securities from another person (excluding borrowed securities which have been on-lent or sold); or*

13.3.5 *lent any Target Securities to another person.*

…

APPENDIX 5 – DISCLOSURES

1. HOLDINGS OF TARGET SHARES

As at the Latest Practicable Date, based on disclosures made to the Offeror, the Offeror and its concert parties' interests in the Target Shares as at the Latest Practicable Date are as follows:

	Direct Interests		***Deemed Interests***		***Total interests***	
	No. of Target Shares	***%(1)***	***No. of Target Shares***	***%(1)***	***No. of Target Shares***	***%(1)***
JK Global Assets	*404,381,666*	*59.30*	*–*	*–*	*404,381,666*	*59.30*
KWM	*7,742,400*	*1.14*	*404,381,666(2)*	*59.30*	*412,124,066*	*60.43*
KLM	*60,000,000(3)*	*8.80*	*–*	*–*	*60,000,000*	*8.80*
KKS	*–*	*–*	*60,000,000(4)*	*8.80*	*60,000,000*	*8.80*
TSL	*94,681,500*	*13.88*	*–*	*–*	*94,681,500*	*13.88*
Other Concert Parties						
Periakaruppan Aravindan	*14,955,000(5)*	*2.19*	*–*	*–*	*14,955,000*	*2.19*
Total	***581,760,566***	***85.31***				

Notes:

(1) As a percentage of the total number of Target Shares in issue as at the Latest Practicable Date. For the purposes of the table above, all percentage figures are rounded to the nearest two (2) decimal places.

(2) As disclosed in the annual report of the Company for the financial year ended 30 June 2022, KWM's deemed interest arises through 404,381,666 Target Shares held by JK Global Assets, of which he is the sole shareholder and director.

(3) Of these Target Shares, 60,000,000 Target Shares representing approximately 8.80 per cent. of the issued Target Shares are held through nominee(s) accounts.

(4) As disclosed in the annual report of the Company for the financial year ended 30 June 2022, KKS's deemed interest arises through 60,000,000 Target Shares held by KLM, his spouse.

(5) Of these Target Shares, 14,938,000 Target Shares representing approximately 2.19 per cent. of the issued Target Shares are held through nominee(s) accounts.

2. DEALINGS IN TARGET SHARES

The details of the dealings in Target Shares by the Offeror and parties acting in concert with it during the Reference Period are set out below:

Name of Party	*No. of Target Shares Bought/(Sold)*	*Price per Target Share (S$)*	*Dealing Date*
KWM	*1,583,100*	*0.12*	*13 February 2023*
KWM	*1,088,900*	*0.12*	*14 February 2023*
KWM	*1,466,000*	*0.12*	*15 February 2023*
KWM	*3,278,700*	*0.12*	*16 February 2023*
KWM	*295,700*	*0.12*	*17 February 2023*
KWM	*30,000*	*0.12*	*20 February 2023*

3. OTHER ARRANGEMENTS

The Offeror intends to charge the Target Shares to be acquired by it pursuant to or in connection with the Offer in favour of DBS Bank as security for, inter alia, the financing arrangements for the Offer.

KWM has also indicated to the Offeror that he intends to tender the Target Shares he has acquired in paragraph 2 above in acceptance of the Offer."

8. CONFIRMATION OF FINANCIAL RESOURCES

The full text of the confirmation of financial resources has been extracted from Section 14 of the Letter to Shareholders in the Offer Document, and is reproduced below. All terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document.

"14. CONFIRMATION OF FINANCIAL RESOURCES

DBS Bank, as financial adviser to the Offeror in connection with the Offer, confirms that sufficient financial resources are available to the Offeror to satisfy in full, all acceptances of the Offer by Shareholders on the basis of the Offer Price (excluding the deferred consideration payable for the Deferred Consideration Shares, as described in ***Section 8.1.2*** *of this Letter to Shareholders and* ***Appendix 5*** *to this Offer Document)."*

9. DIRECTORS' INTERESTS

Details of the Directors including, *inter alia*, the Directors' direct and deemed interests in Target Shares and shares in the Offeror as at the Latest Practicable Date are set out in Appendix II to this Circular.

10. ADVICE AND RECOMMENDATION IN RELATION TO THE OFFER

10.1 Independence of Directors

As at the Latest Practicable Date, all of the Directors consider themselves independent for the purposes of making a recommendation to Shareholders in respect of the Offer.

10.2 Key factors taken into consideration by the IFA

The key factors relied upon by the IFA in arriving at its advice to the Independent Directors in respect of the Offer are set out in paragraph 8 of the IFA Letter.

Shareholders should read and carefully consider the key factors relied upon by the IFA in arriving at its advice to the Independent Directors in conjunction with, and in the context of, the full text of the IFA Letter.

10.3 IFA's Opinion and Advice to the Independent Directors on the Offer

The IFA Letter setting out the opinion and advice of the IFA to the Independent Directors in relation to the Offer is set out in Appendix I to this Circular.

The opinion and advice of the IFA to the Independent Directors in relation to the Offer, based on the IFA's evaluation and assessment of the financial terms of the Offer, has been extracted from the IFA Letter and is set out below. Shareholders should read the following extract in conjunction with, and in the context of, the full text of the IFA Letter. All terms and expressions used in the extract below shall have the same meanings as those defined in the IFA Letter.

"9. OUR OPINION

In arriving at our opinion in relation to the Offer, we have considered the views and representations made by the Directors and Management, and reviewed and deliberated on the factors which we consider to be relevant and to have a significant bearing on our assessment of the financial terms of the Offer. We have carefully considered factors which we deem essential and balanced them before reaching our opinion. Accordingly, it is important that our IFA Letter, in particular, all the considerations and information which we have taken into account, be read in its entirety.

In determining the fairness of the Offer, we have considered, inter alia, the following factors:

(i) the Offer Price represents premia of 17.6%,17.6%, 22.4% and 15.4% to the VWAP of the Target Shares for the 12-month, 6-month, 3-month and 1-month periods prior to the Last Traded Date respectively;

(ii) the Offer Price represents a premium of 15.4% to the VWAP of the Target Shares on the Last Traded Date;

(iii) The Offer Price represents a discount of 1.5% and 26.6% to the unaudited NAV and RNAV per Target Share as at 31 December 2022, respectively;

(iv) The EV/EBITDA, PER, P/NAV and P/RNAV of the Group of 23.83 times, 22.85 times, 0.99 time, and 0.73 time respectively, as implied by the Offer Price, are above the range of the relevant ratios of the Comparable Companies;

(v) The premia over the last transacted price on the Last Traded Date, the 1-month VWAP, 3-month VWAP and 6-month VWAP of the Target Shares prior to the Last Traded Date of 14.3%, 15.4%, 22.4% and 17.6% respectively are within range, but below the average and median, of the corresponding statistics of the Precedent Privatisation Transactions;

(vi) The premia over the last transacted price on the Last Traded Date, the 1-month VWAP and 3-month VWAP of the Target Shares prior to the Last Traded Date of 14.3%, 15.4% and 22.4% respectively are within the range, but below the average and median, of the corresponding premia of the Precedent Real Estate Privatisation Transactions;

(vii) The premium over the 6-month VWAP of the Target Shares prior to the Last Traded Date of 17.6% is lower than the range of the corresponding premia of the Precedent Real Estate Privatisation Transactions;

(viii) The P/RNAV of the Group of 0.73 time, as implied by the Offer Price, is within the range, but below the average and median of the relevant ratios for the Precedent Privatisation Transactions;

(ix) The P/RNAV of the Group of 0.73 time, as implied by the Offer Price, is within the range, and above the average and median of the relevant ratios for the Precedent Real Estate Privatisation Transactions; and

(x) The Offer Price is above the estimated range of values of the Target Shares set out in paragraph 8.6 of this IFA Letter.

In determining the reasonableness of the Offer, we have considered, inter alia, the following factors:

(i) The Target Shares (a) consistently traded below the Offer Price from 17 February 2022 to the Last Traded Date; and (b) traded close to and slightly above the Offer Price from the Announcement Date to the Latest Practicable Date. The market price of the Target Shares after the Announcement Date appears to have been supported by the Offer Price;

(ii) The Target Shares were not actively traded in the 12-month, 6-month, 3-month and 1-month periods prior to and including the Last Traded Date. The average daily trading volume of the Target Shares for the respective 12-month, 6-month, 3-month and 1-month periods prior to the Last Traded Date were in the range of 0.0029% to 0.0132% of the Free Float. As at the Last Traded Date, the average daily trading volume of the Target Shares represents 0.0697% of the Free Float;

The average daily trading volume of the Target Shares for the period after the Announcement Date to the Latest Practicable Date represents 0.6125% of the Free Float, and the average daily trading volume of the Target Shares on the Latest Practicable Date represents 0.0152% of the Free Float. The aforementioned average daily trading volume of Target Shares appears to have been supported by the Offer; and

(iii) Other considerations for the Offer as set out in paragraph 8.8 of this IFA Letter.

Having considered carefully the information available to us as at the Latest Practicable Date, and based on our analyses, we are of the opinion that the financial terms of the Offer are on balance, fair and reasonable. *Accordingly, we advise the Independent Directors to recommend Shareholders to* ***ACCEPT*** *the Offer.*

In arriving at our opinion, we did not have regard to the specific investment objectives, financial situation, tax position, risk profiles or particular needs and constraints of any individual Shareholder. As different Shareholders would have different investment profiles and objectives, we recommend that any Shareholder who may require specific advice in relation to his/ her investment objectives or portfolio should consult his/ her legal, financial, tax or other professional adviser immediately.

We wish to emphasise that the Directors have not provided us with any financial projections or forecasts in respect of the Company or the Group and we have, inter alia, relied on the relevant statements contained in the Offer Document, Circular, confirmations, advice and representations by the Directors, the Management and/or their professional advisers (where applicable), and the Company's announcements in relation to the Offer. In addition, Directors should note that we have arrived at our recommendation based on information made available to us prior to and including the Latest Practicable Date. We assume no responsibility to update, review or reaffirm our opinion in light of any subsequent development after the Latest Practicable Date, unless otherwise stated.

We would like to highlight that we do not express any opinion on the rationale for, as well as the legal and commercial risks and/or merits (if any) of the Offer, which remains the sole responsibility of the Directors. It is also not within our terms of reference to provide an opinion on the relative merits of the Offer vis-à-vis any alternative transactions previously considered by the Company or transactions that the Company may consider in the future."

Shareholders should read and consider carefully the key considerations relied upon by the IFA in arriving at its opinion and advice to the Independent Directors in conjunction with, and in the context of, the full text of the IFA Letter.

10.4 Recommendation of the Independent Directors

The Independent Directors have reviewed and considered carefully the terms of the Offer, and the opinion and advice of the IFA in the IFA Letter. The Independent Directors **concur** with the IFA's opinion and advice, as extracted from the IFA Letter and reproduced in Section 10.3 above. Accordingly, the Independent Directors recommend that Shareholders **accept** the Offer, unless Shareholders are able to obtain a price higher than the Offer Price

in the open market, taking into account all the brokerage and transaction costs in connection with open market transactions.

Shareholders are advised to read the terms and conditions of the Offer Document, carefully. Shareholders are advised to read the IFA Letter set out in Appendix I to this Circular carefully before deciding whether to accept or reject the Offer. Shareholders should note that the IFA's opinion and advice to the Independent Directors in relation to the Offer should not be relied upon by any Shareholder as the sole basis for deciding whether to accept or reject the Offer.

In making their recommendations, the IFA and Independent Directors have not had regard to the specific investment objectives, financial situation, tax status, risk profiles or unique needs and constraints of any individual Shareholder. Accordingly, the Independent Directors recommend that any individual Shareholder who may require advice in the context of his specific investment portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

Shareholders should note that there is no assurance that the price of the Shares will remain at current levels after the close of the Offer and the current price performance of the Shares is not indicative of the future price performance levels of the Shares.

11. OVERSEAS SHAREHOLDERS

Overseas Shareholders should refer to Section 15 of the Letter to Shareholders in the Offer Document, which is reproduced below. All terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document.

"***15. OVERSEAS SHAREHOLDERS***

15.1 ***Overseas Shareholders.*** *This Offer Document does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful. The Offer is not being proposed in any jurisdiction in which the introduction or implementation of the Offer would not be in compliance with the laws of such jurisdiction. As there may be potential restrictions on sending this Offer Document and the Relevant Acceptance Forms and/or any related documents to any overseas jurisdictions, the Offeror and DBS Bank reserve the right not to send this Offer Document and the Relevant Acceptance Forms and/or any related documents to overseas jurisdictions. The availability of the Offer to Shareholders whose addresses are outside Singapore as shown in the Register or, as the case may be, in the records of CDP ("Overseas Shareholders") may be affected by the laws of the relevant overseas jurisdictions. Accordingly, Overseas Shareholders should inform themselves about and observe any applicable legal requirements in their own jurisdictions. For the avoidance of doubt, the Offer is made to all Shareholders, including those to whom this Offer Document and the Relevant Acceptance Forms and/or any related documents have not been, or will not be, sent.*

15.2 ***Copies of Offer Document.*** *Shareholders (including Overseas Shareholders) may (subject to compliance with applicable laws) obtain electronic copies of this Offer Document, the Relevant Acceptance Forms and/or any related documents from the website of the SGX-ST at www.sgx.com. To obtain a copy of this Offer Document, please select the section "***Securities***", select "**Company Information**" and then "**Company Announcements**" from the drop-down menu list and type the name of the Company: "**Global Dragon Limited**" in the box titled "**Filter by Company/Security Name**". "**Global Dragon Limited**" will appear as a drop-down item below the filter box.*

Thereafter, please select the announcement dated 24 February 2023 titled "Electronic dissemination of Offer Document". This Offer Document and its related documents can be accessed by clicking on the link under the section titled "Attachments" at the bottom of the announcement.

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

15.4 ***Compliance with Applicable Laws.*** *It is the responsibility of any Overseas Shareholder who wishes to (i) request for this Offer Document, the Relevant Acceptance Forms and/or any related documents; or (ii) accept the Offer, to satisfy himself as to the full observance of the laws of the relevant jurisdictions in that connection, including the obtaining of any governmental or other consent which may be required, or compliance with all other necessary formalities or legal requirements, or the payment of any taxes, imposts, duties or other requisite payments due in such jurisdiction. Such Overseas Shareholder shall be liable for any taxes, imposts, duties or other requisite payments payable and the Offeror and any person acting on his behalf (including DBS Bank, CDP and the Registrar) shall be fully indemnified and held harmless by such Overseas Shareholder for any such taxes, imposts, duties or requisite payments that may be required to be paid and the Offeror shall be entitled to set-off any such amounts against any sum payable to the Overseas Shareholder pursuant to the Offer and/or any exercise of the rights described in this Offer Document. In (a) requesting for this Offer Document, the Relevant Acceptance Forms and/or any related documents; and/or (b) accepting the Offer, the Overseas Shareholder represents and warrants to the Offeror, CDP, the Registrar and DBS Bank that he is in full observance of the laws of the relevant jurisdiction in that connection, and that he is in full compliance with all necessary formalities or legal requirements. If any Shareholder is in any doubt about his position, he should consult his professional adviser in the relevant jurisdiction.*"

In downloading this Circular and any related documents, each of the Overseas Shareholders represents and warrants to the Company that each of them is in full observance of the laws of the relevant jurisdiction in that connection, and that each of them is in full compliance with all necessary formalities or legal requirements.

12. INFORMATION RELATING TO CPFIS INVESTORS AND SRS INVESTORS

Section 16 of the Letter to Shareholders in the Offer Document sets out information relating to CPFIS Investors and SRS Investors, details of which have been extracted from the Offer Document and are set out in italics below. All terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document.

"***16. INFORMATION RELATING TO CPFIS INVESTORS AND SRS INVESTORS***

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

CPFIS Investors and SRS Investors who wish to accept the Offer are to reply to their respective CPF Agent Banks and SRS Agent Banks by the deadline stated in the letter from their respective CPF Agent Banks and SRS Agent Banks. Subject to the Offer becoming or being declared to be unconditional in all respects in accordance with its terms, CPFIS Investors and SRS Investors who accept the Offer will receive the payment for their Target Shares in their CPF investment accounts and SRS investment accounts, in respect of their Target Shares validly tendered in acceptance of the Offer, within 7 Business Days of the later of: (a) the Unconditional Date; or (b) the Date of Receipt of such acceptance."

13. ACTION TO BE TAKEN BY SHAREHOLDERS

Acceptances should be completed and returned as soon as possible and, in any event, so as to be received, on behalf of the Offeror:

(a) by CDP (in respect of the FAA); or

(b) by the Share Registrar (in respect of the FAT),

as the case may be, not later than 5:30 p.m. (Singapore time) on the Final Closing Date abiding by the procedures as set out in Appendix 2 to the Offer Document and in the accompanying FAA and/or FAT (as applicable).

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

14. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors (including those who may have delegated detailed supervision of this Circular) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Circular (other than (a) the IFA Letter for which the IFA has taken responsibility, (b) information extracted from the Offer Announcement, the Offer Document, the Offer Unconditional Announcement and the Final Closing Date Announcement, and (c) information relating to the Offeror and its concert parties) are fair and accurate and that no material facts have been omitted from this Circular, the omission of which would make any statement in this Circular (other than (a) the IFA Letter for which the IFA has taken responsibility, (b) information extracted from the Offer Announcement, the Offer Document, the Offer Unconditional Announcement and the Final Closing Date Announcement, and (c) information relating to the Offeror and its concert parties) misleading, and they jointly and severally accept responsibility accordingly.

Where any information in this Circular (other than (a) the IFA Letter for which the IFA has taken responsibility, (b) information extracted from the Offer Announcement, the Offer Document, the Offer Unconditional Announcement and the Final Closing Date Announcement, and (c) information relating to the Offeror and its concert parties) has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Offeror (including, without limitation, the Offer Announcement, the Offer Document, the Offer Unconditional Announcement and the Final Closing Date Announcement), the sole responsibility of the Directors has been to ensure, through reasonable enquiries, that such information is accurately extracted from such sources or, as the case may be, accurately reflected or reproduced herein.

15. ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the Appendices to this Circular which form part of this Circular.

Yours faithfully
For and on behalf of the Board
GLOBAL DRAGON LIMITED

Mr Koh Kian Soo
Executive Chairman

10 March 2023

Global Dragon Limited
456 Alexandra Road
#02-09 Fragrance Empire Building
Singapore 119962

To : The directors of Global Dragon Limited (the "**Company**" or "**GDL**") who are considered independent for the purposes of making a recommendation to shareholders of the Company in respect of the voluntary unconditional cash offer by JK Global Wealth Pte. Ltd. for all the issued ordinary shares in the capital of the Company ("**Independent Directors**")

Dear Sirs,

VOLUNTARY UNCONDITIONAL CASH OFFER BY DBS BANK LTD. FOR AND ON BEHALF OF JK GLOBAL WEALTH PTE. LTD., FOR ALL THE ISSUED ORDINARY SHARES IN THE CAPITAL OF THE COMPANY

*Unless otherwise defined or the context otherwise requires, all capitalised terms used in this letter shall have the same meaning as defined in the circular to shareholders of the Company ("**Shareholders**") dated 10 March 2023 (the "**Circular**"). For the purposes of this letter, the Latest Practicable Date is 3 March 2023 as defined in the Circular.*

1. INTRODUCTION

On 10 February 2023 (the "**Announcement Date**"), DBS Bank Ltd. announced, for and on behalf of JK Global Wealth Pte. Ltd. ("**Offeror**") that, in accordance with section 139 of the Securities and Futures Act 2001 of Singapore and the Singapore Code on Take-overs and Mergers ("**Code**"), the Offeror intends to make a voluntary conditional cash offer ("**Offer**") for all the issued ordinary shares in the capital of the Company ("**Target Shares**"), including any Target Shares owned, controlled or agreed to be acquired by parties acting or deemed to be acting in concert with the Offeror in connection with the Offer.

The Company has appointed ZICO Capital Pte. Ltd. ("**ZICO Capital**") as the independent financial adviser (the "**IFA**") to advise the Independent Directors, for the purpose of making a recommendation to Shareholders in respect of the Offer.

This IFA Letter is addressed to the Independent Directors and sets out, *inter alia*, our evaluation and opinion on whether the financial terms of the Offer are fair and reasonable, and our recommendation thereon. This letter forms part of the Circular to be despatched to Shareholders in relation to the Offer, which provides, *inter alia,* the details of the Offer as well as the recommendation of the Independent Directors in respect of the Offer.

2. TERMS OF REFERENCE

ZICO Capital has been appointed as IFA to opine on whether the financial terms of the Offer are fair and reasonable, and to provide our recommendation thereon.

We were not involved in or responsible for, any aspect of the negotiations pertaining to the Offer, nor were we involved in the deliberations leading up to the Offer. We were not required, instructed or authorised, to solicit, and we have not solicited, any indications of interest from any third party with respect to any other proposals for transactions similar to or in lieu of the Offer. It is also not within our terms of reference to compare the relative merits of the Offer *vis-à-vis* any alternative transactions previously considered by the directors of the Company ("**Directors**") or transactions that the Directors may consider in the future. Such comparison and consideration shall remain the responsibility of the Directors. We do not, by this IFA Letter, warrant the merits of the Offer other than to express an opinion on whether the financial terms of the Offer are fair and reasonable, and to provide our recommendation thereon.

We have confined our evaluation and analysis of the Offer strictly and solely to the financial terms of the Offer. Our terms of reference do not require us to evaluate or comment on the rationale for, as well as the legal, strategic, commercial and financial risks and/or merits (if any) of the Offer, or on the future financial performance or prospects of the Company and its subsidiaries ("**Group**"). Accordingly, we have not made such evaluations or comments. Such evaluations or comments shall remain the sole responsibility of the Directors and the management of the Company ("**Management"**), although we may draw upon their views or make such comments in respect thereof (to the extent deemed necessary or appropriate by us) in arriving at our opinion and recommendation as set out in this IFA Letter.

It is also not within the scope of our appointment to express any view herein as to the prices at which the Target Shares may trade or on the future performance of the Company and/or the Group upon the completion or expiry of the Offer. We have not relied upon any financial projections or forecasts in respect of the Company or the Group. We are not required to express, and we do not express, any views on the growth prospects, earnings potential, future financial performance, or future financial position of the Company or the Group arising from the Offer or otherwise (including without limitation any implication or uncertainty arising from the COVID-19 pandemic). No financial or profit forecasts, business plans or management accounts of the Company and/or the Group have been specifically prepared for the purpose of evaluating the Offer.

In the course of our evaluation of the financial terms of the Offer, we have held discussions with the Directors, the Management and/or their professional advisers (where applicable) and have examined and relied to a considerable extent on the information set out in the Circular, other publicly available information collated by us as well as information, representations, opinions, facts and statements provided to us, whether written or verbal, by the Directors, the Management and/or their professional advisers (where applicable). Whilst care has been exercised in reviewing the information upon which we have relied, we have not independently verified such information or representations, whether written or verbal, and accordingly cannot and do not make any warranty or representation, expressed or implied, in respect of, and do not accept any responsibility for the accuracy, completeness or adequacy of such information or representations. We have nevertheless made such reasonable enquiries and exercised judgement on the reasonable use of such information, as were deemed necessary, and have found no reason to doubt the accuracy or reliability of the information and representations.

We have relied upon the assurances from the Directors and the Management (including those who may have delegated detailed supervision of the Circular), who have accepted full responsibility for the accuracy and completeness of the information provided to us, that, to the best of their knowledge and belief, they have taken reasonable care to ensure that the facts stated and opinions expressed by them or the Company in the Circular are true, complete and accurate in all material aspects. The Directors and Management have confirmed to us that, to the best of their knowledge and belief, the Circular constitutes full and true disclosure of all material facts about the Offer, the Company and the Group, and the Directors and the Management are not aware of any facts, the omission of which would cause any statement in the Circular in respect of the Company, the Group and the Offer to be inaccurate, incomplete or misleading in any material respect. The Directors have jointly and severally accepted full responsibility for such information described herein.

We have not made any independent evaluation or appraisal of the assets and liabilities (including without limitation, the property, plant and equipment, investment properties and development properties) of the Group. The Company has commissioned Savills Valuation and Professional Services (S) Pte Ltd (the "**Valuer**") to value its hotel under construction and all of its investment properties in connection with the Offer, and we have been furnished with the desktop valuation reports ("**Valuation Documents**") by the Valuer. The Valuation Documents are set out in Appendix IV to the Circular.

We are not experts in the evaluation and appraisal of assets and have placed sole reliance on the Valuer for the valuation and/or information contained in the Valuation Documents. We are not involved in the preparation of, and assume no responsibility for, the Valuation Documents. In particular, we do not assume any responsibility to enquire about the basis of the valuation and appraisal as contained in the Valuation Documents or if the contents thereof have been prepared and/or included in the Circular in accordance with all applicable regulatory requirements. We have also not made any independent verification of the matters or bases set out in the Valuation Documents. Accordingly, no representation or warranty, express or implied is made and no responsibility is accepted by us concerning the accuracy, completeness or adequacy of the Valuation Documents.

Our opinion and recommendation set out in this IFA Letter are based on market, economic, industry, monetary and other conditions (if applicable) prevailing, as well as information and representations provided to us as at the Latest Practicable Date. Such conditions and information may change significantly over a short period of time. We assume no responsibility to update, revise or reaffirm our opinion and recommendation in light of any subsequent developments after the Latest Practicable Date that may affect our opinion and/or our recommendation contained herein. Shareholders should take note of any announcements relevant to their consideration of the Offer, which may be released after the Latest Practicable Date.

In rendering our advice and providing our opinion and recommendation, we did not have regard to the specific investment objectives, financial situation, tax position, risk profiles or unique needs and constraints of any Shareholder or any specific group of Shareholders. As different Shareholders would have different investment profiles and objectives, we would advise the Independent Directors to recommend that any individual Shareholder or group of Shareholders who may require specific advice in the context of his or their investment objective(s) or portfolio(s) consult his or their legal, financial, tax or other professional advisers immediately.

The Company has been separately advised by its own professional advisers in the preparation of the Circular (other than this IFA Letter). We have had no role or involvement, and have not provided any advice (financial or otherwise) whatsoever, in the preparation, review and verification of the Circular (other than this IFA Letter). Accordingly, we take no responsibility for, and express no views, whether expressed or implied, on the contents of the Circular (except for this IFA Letter and the extract of our opinion and recommendation in the Circular).

We have prepared this IFA Letter for the use by the Independent Directors in connection with their consideration of the Offer, but any recommendations made by the Independent Directors in respect of the Offer shall remain their sole responsibility.

Whilst a copy of this IFA Letter may be reproduced in the Circular, neither the Company, the Directors nor any other persons may reproduce, disseminate or quote this IFA Letter (or any part thereof) for any other purposes other than for the consideration of the Offer at any time and in any manner without the prior written consent of ZICO Capital in each specific case.

Our opinion and recommendation in relation to the Offer should be considered in the context of the entirety of this IFA Letter and the Circular.

3. THE OFFER

The Offeror is making an offer to acquire all the Target Shares on the terms and subject to the conditions set out in the offer document dated 24 February 2023 ("**Offer Document**"), including the FAA and the FAT. The principal terms of the Offer are set out in Section 2 of the Letter to Shareholders in the Offer Document, and in Section 2 of the Circular. We recommend that Shareholders read the terms and conditions of the Offer contained therein carefully.

The key terms of the Offer are set out below for your reference.

3.1 Offer Price

The consideration for each Target Share is as follows:

For each Target Share: S$0.12 in cash ("**Offer Price**")

3.2 Target Shares

The Offer is extended to all Target Shares, including any and all Target Shares owned, controlled or agreed to be acquired by any party acting or deemed to be acting in concert with the Offeror in connection with the Offer.

3.3 No Encumbrances

The Target Shares will be acquired (i) fully paid; (ii) free from all liens, equities, claims, charges, pledges, mortgages, encumbrances, options, powers of sale, declarations of trust, hypothecations, retentions of title, rights of pre-emption, rights of first refusal, moratorium or any other third party rights or security interests of any nature whatsoever or any agreements, arrangements or obligations to create any of the foregoing ("**Encumbrances**"); and (iii) together with all rights, benefits and entitlements attached thereto as at the Announcement Date and thereafter attaching thereto, including the right to receive and retain all dividends, rights and other distributions and/or return of capital (if any) ("**Distributions**") declared, paid or made by the Company in respect of the Target Shares on or after the Announcement Date.

3.4 Adjustment for Distributions

Without prejudice to the foregoing, the Offer Price has been determined on the basis that the Target Shares will be acquired with the right to receive any Distribution that may be declared, paid or made by the Company on or after the Announcement Date.

Accordingly, in the event any Distribution is or has been declared, paid or made by the Company in respect of the Target Shares on or after the Announcement Date to a Shareholder who validly accepts or has accepted the Offer ("**Accepting Shareholder**"), the Offer Price payable to such Accepting Shareholder shall be reduced by an amount which is equal to the amount of such Distribution, depending on when the settlement date in respect of the Target Shares tendered in acceptance of the Offer by the Accepting Shareholder falls.

3.5 Acceptance Condition

The Offer will be subject to the Offeror having received, by the Closing Date, valid acceptances (which have not been withdrawn) in respect of such number of Target Shares which, together with the Target Shares acquired or agreed to be acquired before or during the Offer, will result in the Offeror and parties acting in concert with the Offeror holding Target Shares representing not less than 90 per cent. ("**Offer Threshold**") of all the Target Shares in issue as at the Closing Date ("**Acceptance Condition**").

Save for the Acceptance Condition, the Offer is unconditional in all other respects.

3.6 Offeror's Right to Revise Acceptance Condition

The Offeror reserves the right to revise the Acceptance Condition, subject to the consent of the SIC, by reducing the Offer Threshold to being more than 50 per cent. of the total number of Target Shares. In the event that the Acceptance Condition is revised, the revised Offer will remain open for a further 14 days following such revision and Shareholders who have accepted the initial Offer will be allowed to withdraw their acceptance within 8 days of the notification of such revision.

3.7 Details of the Offer

Further details on (i) the duration of the Offer; (ii) the settlement of the consideration for the Offer; (iii) requirements relating to announcements of the level of acceptances of the Offer; and (iv) the right of withdrawal of acceptances of the Offer are set out in Appendix 1 to the Offer Document.

4. IRREVOCABLE UNDERTAKINGS

4.1 JK Global Assets Irrevocable Undertaking

JK Global Assets Pte. Ltd. ("**JK Global Assets**") has provided an irrevocable undertaking ("**JK Global Assets Irrevocable Undertaking**") to accept the Offer in respect of the Target Shares held by it prior to and up to the Closing Date. As at 22 February 2023, the latest practicable date of the Offer Document ("**Offer Document LPD**"), JK Global Assets holds in aggregate 404,381,666 Target Shares, representing approximately 59.30 per cent. of the issued Target Shares. The JK Global Assets Irrevocable Undertaking will lapse if the Offer lapses or is withdrawn.

In addition, pursuant to the terms of the Irrevocable Undertaking, JK Global Assets will tender its Target Shares unconditionally in acceptance of the Offer and also waive its right to receive the cash consideration within the stipulated timeline under the Code. JK Global Assets has agreed that payment for its 404,381,666 Target Shares shall be deferred to a date after the Closing Date as may be agreed between JK Global Assets and the Offeror, but in any event no earlier than 7 Business Days after the Closing Date, and such payment shall be made on the agreed date, free of interest.

4.2 KLM Irrevocable Undertaking

Ms Ko Lee Meng ("**KLM**"), a concert party of Mr Koh Wee Meng ("**KWM**"), has provided an irrevocable undertaking ("**KLM Irrevocable Undertaking**") to accept the Offer in respect of the Target Shares held by her prior to and up to the Closing Date. As at the Offer Document LPD, KLM holds in aggregate 60,000,000 Target Shares, representing approximately 8.80 per cent. of the issued Target Shares. The KLM Irrevocable Undertaking will lapse if the Offer lapses or is withdrawn.

Pursuant to the KLM Irrevocable Undertaking, KLM will be tendering the Target Shares held by her for cash, on the same terms as all other Target Shares which will be tendered in acceptance of the Offer.

4.3 TSL Irrevocable Undertaking

Mdm Tan Su Lan @ Tan Soo Lung ("**TSL**"), a concert party of KWM, has provided an irrevocable undertaking ("**TSL Irrevocable Undertaking**") to accept the Offer in respect of the Target Shares held by her prior to and up to the Closing Date. As at the Offer Document LPD, TSL holds in aggregate 94,681,500 Target Shares, representing approximately 13.88 per cent. of the issued Target Shares. The TSL Irrevocable Undertaking will lapse if the Offer lapses or is withdrawn.

Pursuant to the TSL Irrevocable Undertaking, TSL will be tendering the Target Shares held by her for cash, on the same terms as all other Target Shares which will be tendered in acceptance of the Offer.

Further details of the JK Global Assets Irrevocable Undertaking, the KLM Irrevocable Undertaking and the TSL Irrevocable Undertaking (collectively, the "**Irrevocable Undertakings**") are set out in paragraph 4 of Appendix 5 to the Offer Document and Section 4 of the Circular.

5. INFORMATION ON THE OFFEROR

The Offeror is a private company limited by shares incorporated in Singapore on 11 January 2023. Its principal activity is investment holding. As at the Offer Document LPD, the Offeror has an issued and paid-up share capital of S$1,000,000 comprising 1,000,000 ordinary shares. KWM is the sole shareholder and director of the Offeror. KWM is the controlling shareholder of the Company and holds total direct and indirect interests of 60.59% in the Company as at the Latest Practicable Date. Please refer to Appendix 3 to the Offer Document for additional information on the Offeror.

As at 8 March 2023, the total number of Target Shares owned, controlled, acquired or agreed to be acquired by the Offeror and its concert parties (including valid acceptances of the Offer) amount to an aggregate of 620,333,062 Target Shares, representing approximately 90.96% of the total number of issued Target Shares.

6. INFORMATION ON THE COMPANY

The details on the Company are set out in Section 7 of the Letter to Shareholders in the Offer Document and Appendix 4 to the Offer Document.

7. RATIONALE FOR THE OFFER

Please refer to Section 9 of the Offer Document for the full text of the rationale for the Offer, as articulated by the Offeror. A summary is set out below.

(a) Opportunity for Shareholders to realise their investment at a premium without incurring brokerage fees;

(b) Opportunity for Shareholders who may otherwise find it difficult to exit their investment in the Company due to low trading liquidity;

(c) The Offer Price of S$0.12 is higher than the Company's 52-week highest closing price of S$0.119;

(d) Given that JK Global Assets, TSL and KLM, which hold Target Shares representing approximately 81.98% of the issued Target Shares, have, as at the Announcement Date, undertaken to accept the Offer, no other general offer will be capable of turning unconditional or succeeding;

(e) Privatisation of the Company will provide its management with greater flexibility to manage the business and better navigate the challenging operating environment going forward; and

(f) In the event the Company is delisted from the SGX-ST, the Company will be able to save on expenses relating to maintenance of a listing status and focus its resources on its business operations.

8. EVALUATION OF THE FINANCIAL TERMS OF THE OFFER

In our evaluation of the financial terms of the Offer, we have given due consideration to the following key factors:

(i) Historical share price performance and trading liquidity of the Target Shares;

(ii) Historical financial performance and position of the Group;

(iii) The Group's net asset value ("**NAV**") and revalued NAV ("**RNAV**");

(iv) Comparison of valuation statistics of the Company against selected listed comparable companies;

(v) Comparison with recent successful privatisation transactions of companies listed on the SGX-ST;

(vi) Estimated range of values of the Target Shares;

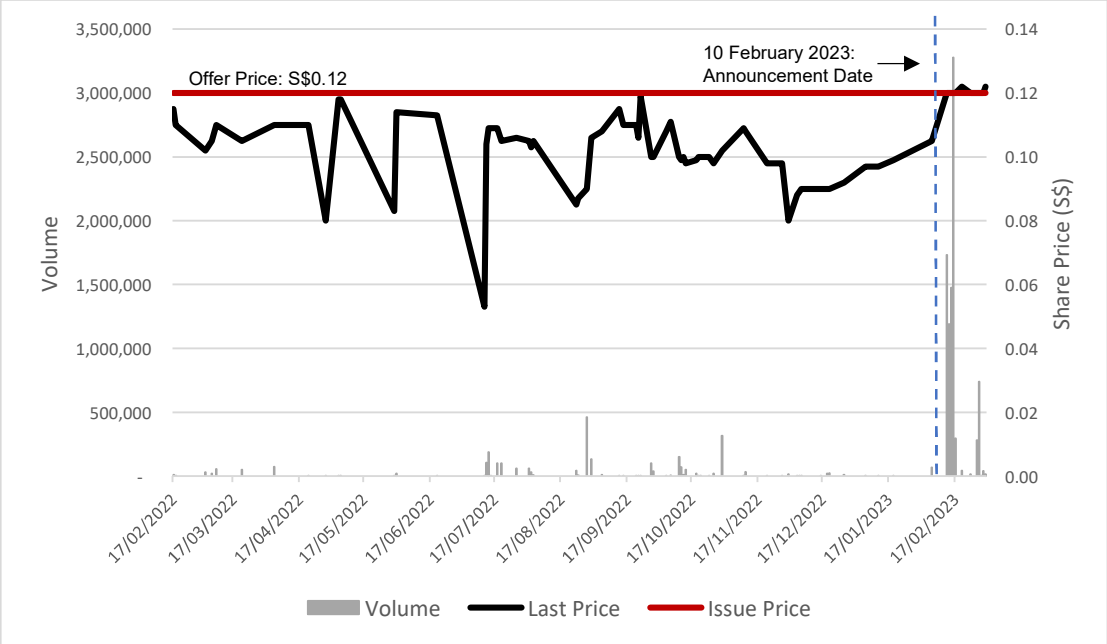
(vii) Dividend track record of the Company; and

(viii) Other considerations.

8.1 Historical Share Price Performance and Trading Liquidity of the Target Shares

We set out below a chart showing the daily closing prices and trading volume of the Target Shares for the period from 17 February 2022 (being the last market day on which the Target Shares were traded on the SGX-ST for the 12-month period prior to 6 February 2023, being the last market day on which the Target Shares were traded on the SGX-ST prior to the trading halt by the Company on 8 February 2023 preceding the Announcement Date ("**Last Traded Date**")) and up to the Latest Practicable Date ("**Period Under Review**").

Daily closing prices and trading volume of the Target Shares for the Period Under Review



Source: Bloomberg L.P.

From the chart above, we note the following:

(a) From 17 February 2022 to the Last Traded Date, the daily closing prices of the Target Shares were at a range of S$0.053 to S$0.119. The Offer Price represents a premium of 126.4% to the low of S$0.053 and a premium of 0.8% to the high of S$0.119;

(b) The last transacted price of the Target Shares was at S$0.105 as at the Last Traded Date; and

(c) From 13 February 2023 (being the first trading day after the Announcement Date) to the Latest Practicable Date, the daily closing prices of the Target Shares were in a range of S$0.120 to S$0.122, which is close to or slightly above the Offer Price. The market price of the Target Shares after the Announcement Date appeared to be supported by the Offer Price.

We have also set out below additional information on the volume weighted average price ("**VWAP**"), trading liquidity, and other trading statistics of the Target Shares for the Period Under Review:

Period Under Review	**Highest Traded Price (S$)**	**Lowest Traded Price (S$)**	**VWAP[(1)] (S$)**	**Premium/ (Discount) of Offer Price over VWAP (%)**	**Average daily trading volume[(2)]**	**Average daily trading volume as a percentage of free float[(3)] (%)**
12-month period preceding the Last Traded Date	0.119	0.053	0.102	17.6	10,257	0.0103
6-month period preceding the Last Traded Date	0.119	0.060	0.102	17.6	13,091	0.0132
3-month period preceding the Last Traded Date	0.109	0.060	0.098	22.4	2,858	0.0029
1-month period preceding the Last Traded Date	0.105	0.097	0.104	15.4	3,721	0.0038
As at the Last Traded Date	0.105	0.099	0.104	15.4	69,100	0.0697
After the Announcement Date and up to the Latest Practicable Date						
From 13 February 2023, (being the first market day on which Target Shares were traded on the SGX-ST after the Announcement Date) up to the Latest Practicable Date	0.122	0.120	0.120	0.0	607,107	0.6125
As at the Latest Practicable Date	0.122	0.120	0.120	0.0	15,100	0.0152

Source: Bloomberg L.P.

Notes:

(1) The VWAP for the respective periods was calculated based on the aggregate daily trading value of the Target Shares divided by the aggregate daily trading volume of the Target Shares, as extracted from Bloomberg L.P.

(2) The average daily trading volume of the Target Shares was computed based on the total volume of the Target Shares traded on SGX-ST during the relevant periods, divided by the number of days which the SGX-ST was open for trading during the relevant periods.

(3) Free float refers to the Target Shares other than those held by the directors, chief executive officer, substantial shareholders, or controlling shareholders of the Company or its subsidiary companies, and their respective associates (as defined in the Catalist Rules). For the purpose of computing the average daily trading volume as a percentage of free float, we have used a free float of 99,122,003 Target Shares or 14.53% of the issued shares of the Company as at the Latest Practicable Date ("**Free Float**").

From the table above, we note the following:

(a) the Offer Price represents premia of 17.6%,17.6%, 22.4% and 15.4% to the VWAP of the Target Shares for the 12-month, 6-month, 3-month and 1-month periods prior to the Last Traded Date respectively;

(b) the Offer Price represents a premium of 15.4% to the VWAP of the Target Shares on the Last Traded Date;

(c) the Offer Price was on par with the VWAP of the Target Shares for the period from 13 February 2023 (being the first market day on which Target Shares were traded on the SGX-ST after the Announcement Date) up to the Latest Practicable Date; and

(d) the Offer Price was on par with the VWAP of the Target Shares as at the Latest Practicable Date.

We observe the following with regard to the trading liquidity of the Target Shares:

(a) the Target Shares were not actively traded during the Period Under Review. The average daily trading volume of the Target Shares for the 12-month, 6-month, 3-month and 1-month periods prior to the Last Traded Date represents 0.0103%, 0.0132%, 0.0029% and 0.0038% of the Free Float respectively;

(b) as at the Last Traded Date, the average daily trading volume of the Target Shares represents 0.0697% of the Free Float;

(c) during the period from 13 February 2023 (being the first market day on which Target Shares were traded on the SGX-ST after the Announcement Date) and up to the Latest Practicable Date, the average trading volume of the Target Shares represents 0.6125% of the Free Float;

(d) as at the Latest Practicable Date, the average daily trading volume of the Target Shares represents 0.0152% of the Free Float.

Based on the above analysis, we note that the Target Shares had consistently traded below the Offer Price during the 12-month period prior to and including the Last Traded Date, and had traded close to or slightly above the Offer Price during the period after the Announcement Date and up to the Latest Practicable Date. We also note that the trading liquidity of the Target Shares during the Period Under Review was relatively low as compared to the Free Float.

We wish to highlight that the above analysis on the historical share price performance and trading liquidity of the Target Shares serves only as an illustrative guide. There is no assurance that the market price and trading volume of the Target Shares will be maintained at the level prevailing as at the Latest Practicable Date. Shareholders are advised that the past trading performance of the Target Shares should not, in any way, be relied upon as an indication or promise of its future trading performance.

8.2 Historical Financial Performance and Position of the Group

A summary of the financial results of the Group based on the audited consolidated financial statements of the Group for the financial years ended 30 June 2021 and 2022 ("**FY2021**" and "**FY2022**", respectively), and the unaudited consolidated interim financial statements of the Group for the 6-month financial periods ended 31 December 2022 ("**1H2022**") and 31 December 2023 ("**1H2023**") is set out below. The following summary financial information should be read in conjunction with the full text of the Company's annual report for FY2022, and the results announcements in respect of the relevant financial years and periods including the notes/commentaries thereto.

8.2.1 Historical Financial Performance of the Group

We set out below a summary of the financial results of the Group for FY2021, FY2022, 1H2022 and 1H2023:

S$'000	FY2021 Audited	FY2022 Audited	1H2022 Unaudited	1H2023 Unaudited
Revenue	35,641	105,882	59,000	19,077
Gross profit	6,772	16,635	8,004	2,644
Gross profit margin	*19.0%*	*15.7%*	*13.6%*	*13.9%*
Profit before tax	3,271	10,071	5,009	88
Profit for the year/financial period	2,730	8,503	5,009	88

Source: The Company's annual report for FY2022 and the Company's financial results announcement for 1H2023 released on SGXNET.

FY2022 vs FY2021

The Group's revenue increased significantly by S$70.24 million (or 197%) to S$105.88 million in FY2022 (FY2021: S$35.64 million) due mainly to the increase in revenue recognition of S$70.24 million from the property development projects located at East Coast Road ("**Project Infini At East Coast**"), Flower Road, Lorong Mydin and Tan Sim Boh Road as well as revenue from marketing services provided to a residential project in Australia of S$34,000. The increase was partially offset by the decrease in rental income of S$31,000 from its investment properties, which was in line with the decrease in property investment portfolio of 999-year leasehold prime office units from 15 units in FY2021 to 13 units in FY2022.

The Group recognised cost of sales of S$89.25 million in FY2022 (FY2021: S$28.87 million) for Project Infini At East Coast and Project Kovan Close.

The Group's profit before tax increased by S$6.80 million to S$10.07 million in FY2022 mainly due to the increase in gross profit arising from the sales of development properties.

1H2023 vs 1H2022

The Group's revenue decreased by S$39.92 million (or 68%) to S$19.08 million in 1H2023 (1H2022: S$59.00 million) due mainly to a reduction in revenue recognition of S$39.91 million from Project Infini At East Coast and the property development projects located at Kovan Close ("**Project Kovan Close**"). The Group obtained the Temporary Occupation Permits ("**TOP**") for Project Infini At East Coast and Project Kovan Close in 1H2023.

The decrease was also due to a decrease in rental income of S$14,000 from its investment properties, which was in line with the decrease in property investment portfolio of 999-year leasehold prime office units from 13 units in 1H2022 to 12 units in 1H2023.

The Group recognised cost of sales of S$16.43 million in 1H2023 (1H2022: S$51.00 million) for Project Infini At East Coast and Project Kovan Close.

The Group's profit before tax decreased by S$4.92 million to approximately S$88,000 in 1H2023 mainly due to the decrease in gross profit arising from lower sales of development properties.

8.2.2 Historical Financial Position of the Group

We set out below a summary of the financial position of the Group as at 30 June 2022 and 31 December 2022:

S$'000	30 June 2022 Audited	31 December 2022 Unaudited
Current assets	108,994	60,199
Non-current assets	134,612	141,372
Total assets	243,606	201,571
Current liabilities	136,076	102,374
Non-current liabilities	17,721	16,120
Total liabilities	153,797	118,494
Net assets	89,809	83,077
Equity attributable to owners of the Company	89,809	83,077
Non-controlling interests	-	-
Total equity	**89,809**	**83,077**
NAV attributable to owners of the Company	**89,809**	**83,077**

Source: The Company's financial results announcement for 1H2023 released on SGXNET.

Equity attributable to the owners of the Company amounted to S$83.08 million as at 31 December 2022 (30 June 2022: S$89.81 million). The decrease was due to the dividends paid of S$6.82 million in 1H2023, partially offset by net profit for the period of S$88,000.

Non-current assets increased by S$6.76 million (or 5%) to S$141.37 million as at 31 December 2022 (30 June 2022: S$134.61 million) due to the increase in property, plant and equipment relating to hotel under construction by S$6.76 million.

The decrease in current assets of S$48.80 million (or 45%) to S$60.20 million as at 31 December 2022 (30 June 2022: S$108.99 million) was due mainly to the decrease in the following items: (a) cash and short-term deposits; (b) contract assets relating to the development properties; (c) development properties due mainly to the recognition of cost of sales of development properties during 1H2023, which was partially offset by the increase in costs capitalised into the development properties; and (d) property held for sale due to the completion of sale of one (1) office unit at Peninsula Plaza recognised as investment property held for sale. The decrease in current assets was partially offset by the increase in the following items: (a) prepayment; and (b) trade and other receivables, tax recoverable and deposits. The increase in trade and other receivables was partially offset by the decrease in conveyancing monies held in escrow accounts relating to the payments from the property purchasers.

Current liabilities decreased by S$33.71 million (or 25%) to S$102.37 million as at 31 December 2022 (30 June 2022: S$136.08 million) due mainly to the decrease in the following items: (a) current borrowings due to the net repayments of development loans, partially offset by the net proceeds from the term loans and interest-free shareholder's loans for the construction of development properties; and (b) trade and other payables due to the decrease in accrued development costs, and retention sum relating to the construction of development properties and deposit received, partially offset by the increase in trade payables, other payable and accrued operating expenses. The decrease in current liabilities was partially offset by the increase in contract liabilities relating to the property development projects.

Non-current liabilities decreased by S$1.60 million (or 9%) to S$16.12 million as at 31 December 2022 (30 June 2022: S$17.72 million) due to the net repayments of development loans and term loans. The Group recorded a decrease of S$34.36 million (or 26%) in total borrowings to S$97.64 million as at 31 December 2022 (30 June 2022: S$132.00 million) mainly due to the loan repayments for its development project loans and working capital loans.

8.3 The Group's NAV and RNAV

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

8.3.1 NAV of the Group

Based on the latest published unaudited financial statements of the Group for 1H2023, the NAV attributable to owners of the Company was S$83.1 million. The NAV per Target Share attributable to owners of the Company as at 31 December 2022 was approximately S$0.1218, based on the issued share capital of 681,975,469 Target Shares (excluding treasury shares) as at the Latest Practicable Date.

The Offer Price represents a discount of 1.5% to the NAV per Target Share as at 31 December 2022.

8.3.2 RNAV of the Group

In our assessment of the financial terms of the Offer, we have considered whether there is any asset which should have been valued at an amount that is materially different from that which was recorded in the consolidated statement of financial position of the Group as at 31 December 2022, and whether there are any factors which have not been otherwise disclosed in the financial statements of the Group that are likely to impact the NAV of the Group as at 31 December 2022.

For the purposes of the Offer, the Company has commissioned the Valuer to value all of its investment properties and its hotel under construction. The Group's investment properties and hotel under construction are at (i) 111 North Bridge Road #06-01/02, #06-05/06, #06-09,#06-10, #06-11, #06-18/19, #06-22/23 and #06-25 Peninsula Plaza Singapore 179098, and at (ii) 448 (formerly known as 412/A to 434/A (Even Nos.)) Telok Blangah Road Singapore 099593 (collectively, the "**Subject Properties**"). The Valuation Documents are set out in Appendix IV to the Circular.

Shareholders are advised to refer to the respective Valuation Documents for full details of the valuation. The Valuation Documents on each of the Subject Properties are available as documents for inspection.

With regard to the development properties held by the Group as at 31 December 2022 ("**Development Properties**"), we have relied on the revaluation surplus determined by the Management, which is based on the sales value of the exercised Options-to-Purchase, the total estimated development costs and potential tax liabilities to be incurred in relation to the development of the Development Properties.

Based on the Valuation Documents, and the revaluation surplus in relation to the Development Properties as determined by the Management, we set out below the adjustments made in determining the RNAV of the Group as at 31 December 2022:

Estimated RNAV of the Group	**S$'000**
NAV of the Group as at 31 December 2022	83,077
Add: Revaluation surplus in relation to the Development Properties as determined by the Management	6,360
Add: Revaluation surplus in relation to the Subject Properties, based on the Valuation Documents	27,871
Less: Potential tax liabilities	(5,819)[(1)]
RNAV of the Group	**111,489**

Note:

(1) Includes provision for tax amounting to S$1.1 million in respect of revenue to be recognised upon completion of the sale of the Development Properties based on the exercised Options-to-Purchase as determined by the Management. As at the Latest Practicable Date, the Group has sold all units of its Development Properties, as such, the aforesaid tax liabilities are likely to be crystallised.

The RNAV per Target Share attributable to owners of the Company as at 31 December 2022 was approximately S$0.1635, based on the issued share capital of 681,975,469 Target Shares (excluding treasury shares) as at the Latest Practicable Date.

The Offer Price represents a discount of 26.6% to the RNAV per Target Share as at 31 December 2022.

Save for the above and as disclosed in the unaudited financial statements of the Group as at 31 December 2022 and the Circular, the Directors and Management have confirmed to us that, to the best of their knowledge and belief, as at the Latest Practicable Date:

(i) there are no material events that have or will likely to have a material impact to the financial position of the Group since 31 December 2022;

(ii) save for the revaluation surplus in relation to the Subject Properties (based on the valuation ascribed by the Valuer in the Valuation Documents) and the revaluation surplus in relation to the Development Properties (as determined by the Management), there are no material differences between the realisable value of the Group's assets and their respective book values as at 31 December 2022 which would have a material impact on the unaudited NAV of the Group;

(iii) the revaluation surplus net of potential tax liabilities in respect of the Development Properties, as determined by the Management, is fair and accurate in all material respects;

(iv) there are no other contingent liabilities, bad or doubtful debts or material events which are likely to have a material impact on the NAV of the Group as at the Latest Practicable Date;

(v) there is no litigation, claim or proceeding pending or threatened against the Company and any of its subsidiaries or of any fact likely to give rise to any proceeding which might materially and adversely affect the financial position of the Group taken as a whole as at 31 December 2022;

(vi) there are no intangible assets which ought to be disclosed in the statement of financial position of the Group in accordance with the SFRS(I) and which have not been so disclosed and where such intangible assets would have had a material impact on the overall financial position of the Group as at 31 December 2022;

(vii) there are no material acquisitions or disposals of assets by the Group between 31 December 2022 and the Latest Practicable Date, and the Group does not have any plans for such impending material acquisition or disposal of assets, conversion of the use of its material assets or material changes in the nature of the Group's business; and

(viii) there are no material changes to the accounting policies and methods of computation which may materially affect the NAV of the Group as at 31 December 2022.

Shareholders should note that the analysis above is solely for illustration purposes and the asset-based analysis of the Group only provides an estimate of the value of the Group based on a hypothetical scenario, wherein such scenario does not take into consideration factors including, but not limited to, liquidation costs, taxes, time value of money, prevailing market conditions, legal and professional fees, regulatory requirements, contractual limitations and obligations, and the availability of buyers, which may affect the value that can be realised by the Group.

8.4 Comparison of Valuation Statistics of the Company against selected listed comparable companies

For the purpose of assessing the financial terms of the Offer, we have compared the valuation statistics of the Company as implied by the Offer Price with those of selected companies listed on the SGX-ST whose revenue is largely derived from property development activities. Such companies can be considered as broadly comparable with the Group ("**Comparable Companies**"). For a more meaningful comparison, we have selected Comparable Companies with market capitalisation of between S$50.0 million and S$150.0 million as at the Latest Practicable Date, as broad proxies to the Group.

We have held discussions with the Management about the suitability and reasonableness of the selected Comparable Companies acting as a basis for comparison with the Group. Relevant information has been extracted from Bloomberg L.P., publicly available annual reports and/or public announcements of the selected Comparable Companies. We make no representations or warranties, expressed or implied, as to the accuracy or completeness of such information.

We wish to highlight that the list of selected Comparable Companies is not exhaustive and it should be noted that there may not be any listed company that is directly comparable with the Group in terms of, *inter alia*, business activities, customer base, size of operations, asset base, geographical markets of activities, track record, financial performance and position, operating and financial leverage, future prospects, liquidity, quality of earnings, accounting policies, risk profile and other relevant criteria. Hence, any comparison made herein is necessarily limited and serves only as an illustrative guide, and any conclusion drawn from the comparison may not necessarily reflect the perceived or implied market valuation (as the case may be) of the Group as at the Latest Practicable Date.

A brief description of the selected Comparable Companies, as extracted from their respective company websites, annual reports and/or Bloomberg L.P. is set out below:

Name of Comparable Company	Business Activities/Description
Amcorp Global Limited ("**Amcorp**")	Amcorp operates as a real estate developer with presence in Singapore, Malaysia and Australia. Amcorp undertakes residential, commercial and industrial property development projects, as well as invests in income generating assets such as hotels in Australia.
Sing Holdings Limited ("**Sing Holdings**")	Sing Holdings and its subsidiaries is a property development and investment group. The group develops residential properties, commercial properties as well as industrial properties, and owns and leases investment properties. Sing Holdings' geographical segments are mainly in Singapore and Australia.
SLB Development Limited ("**SLB**")	SLB is mainly engaged in the development and sale of residential, commercial as well as industrial properties, and provides development management services. SLB also operates as a fund manager through joint ventures and strategic alliance with third parties and invests in funds managed by fund managers.

We have used the following valuation measures in our analysis:

Valuation Measure	Description
Price-to-earnings Ratio ("**PER**")	This ratio is computed by dividing the market capitalisation of a company by the historical consolidated net profits attributable to owners of a company. The PER is affected by, *inter alia*, the capital structure of a company, its tax position as well as its accounting policies relating to among others, depreciation and amortisation.
Price-to-NAV ("**P/NAV**")	This ratio illustrates the market price of a company's shares relative to the NAV per share as recorded in its financial statements. The NAV is defined as total assets less total liabilities, and excludes, where applicable, minority or non-controlling interests. The NAV figure provides an estimate of the value of a company assuming the hypothetical sale of all its assets at its book value and repayment of its liabilities and obligations, with the balance available for distribution to its shareholders. It is an asset-based valuation methodology and this approach is meaningful to the extent that it measures the value of each share that is attached to the net assets of the company. Comparisons of companies using NAV are affected by differences in their respective accounting policies, in particular their depreciation and asset valuation policies.

Enterprise value-to-earnings before interest, tax, depreciation and amortisation expenses ("**EV/EBITDA**")	EV or enterprise value is the sum of the company's market capitalisation, preferred equity, perpetual bonds, minority interests, short and long term debt (inclusive of finance leases) less its cash and cash equivalents. EBITDA refers to the historical consolidated earnings before interest, tax, depreciation and amortisation, inclusive of the share of associates' and joint ventures' income. EBITDA can be used to analyse the profitability between companies as it eliminates the effects of financing and accounting policy decisions. The historical EV/EBITDA ratio illustrates the market value of a company's business relative to its historical consolidated pre-tax operating cash flow performance, and provides an indication of current market valuation relative to operating performance. Unlike the PER, the EV/EBITDA ratio does not take into account the capital structure of a company, its interest, taxation, depreciation and amortisation expenses.

The following table sets out the valuation statistics of the Company (as implied by the Offer Price) with those of Comparable Companies:

Comparable Company	Last Financial Year / Period End	Market Capitalisation[(1)] (S$' million)	PER[(2)] (times)	P/NAV[(3)] (times)	EV/EBITDA[(4)] (times)
Amcorp	30 September 2022	53.6	n.m. [(5)]	0.68	n.m. [(5)]
Sing Holdings	31 December 2022	146.4	13.50	0.46	21.41
SLB	30 November 2022	103.2	4.62	0.50	7.15
Maximum			**13.50**	**0.68**	**21.41**
Average			**9.06**	**0.55**	**14.28**
Median			**9.06**	**0.50**	**14.28**
Minimum			**4.62**	**0.46**	**7.15**
Company (as implied by the Offer Price)	31 December 2022	81.8	22.85	0.99 (P/NAV) 0.73 (P/RNAV)	23.83

Source: Bloomberg L.P., annual reports and latest publicly available financial information on the Comparable Companies as at the Latest Practicable Date.

Notes:

(1) Market capitalisation for the Comparable Companies is based on the outstanding number of shares and the closing price as at the Latest Practicable Date, or the last closing price if there are no trades on the Latest Practicable Date, as extracted from Bloomberg L.P. Market capitalisation for the Company is based on the Offer Price and the total outstanding Target Shares as at the Latest Practicable Date.

(2) The historical PERs of the Comparable Companies and the Company are computed based on their respective latest published trailing 12-month earnings attributable to shareholders of the respective companies as at the Latest Practicable Date.

(3) The P/NAV ratio of the Comparable Companies is computed based on their respective NAV values attributable to shareholders of the respective companies as set out in their latest published financial results as at the Latest Practicable Date. The P/NAV ratio and P/RNAV of the Company is computed based on NAV per Target Share and RNAV per Target Share respectively, as at 31 December 2022.

(4) For the Comparable Companies, EV is computed based on the latest available consolidated financial results and the market capitalisation of the respective companies as at the Latest Practicable Date. EBITDA is computed based on trailing 12-month basis from the latest available consolidated financial results of the Comparable Companies as at the Latest Practicable Date. EV of the Company is based on the market capitalisation implied by the Offer Price, and the Group's latest unaudited consolidated financial results as at 31 December 2022. EBITDA of the Group is computed on a trailing 12-month basis based on the Group's latest published consolidated financial results as at the Latest Practicable Date.

(5) Not meaningful as the company was in a net loss and negative EBITDA position for trailing 12-month period based on its latest announced annual report and financial results.

Based on the above, we note the following:

(a) the PER of the Group as implied by the Offer Price of 22.85 times, is above the range of the PER of the Comparable Companies;

(b) the P/NAV and P/RNAV ratios of the Group as implied by the Offer Price of 0.99 time and 0.73 time respectively, are above the range of the P/NAV ratios of the Comparable Companies; and

(c) the EV/EBITDA ratio of the Group as implied by the Offer Price of 23.83 times is above the range of the EV/EBITDA ratios of the Comparable Companies.

We wish to highlight that the NAV of the Comparable Companies may not have been revalued as the RNAV or adjusted NAV figures of these Comparable Companies are not normally published by the respective Comparable Companies. Hence, the aforesaid comparisons may not be a like-for-like comparison and serve only as an illustrative guide.

8.5 Comparison with recent privatisation transactions of companies listed on the SGX-ST

8.5.1 Recent privatisation transactions for companies listed on the SGX-ST

In assessing the reasonableness of the Offer Price, we have compared the financial terms of the Offer with those of selected privatisation transactions involving companies listed on the SGX-ST, that were announced and completed, and which had resulted in the delisting of such companies from the SGX-ST, since 1 January 2021 and up to the Latest Practicable Date (the "**Precedent Privatisation Transactions**").

This analysis serves as a general indication of the premium or discount of the respective offers, without having regard to their specific transaction rationale, offeror's intention, industry characteristics or other considerations.

We wish to highlight that the Precedent Privatisation Transactions may not be directly comparable to the Group due to differences in, *inter alia*, business activities, scale of operations, geographical markets, risk profile, track record, future prospects, asset base, accounting policies, operating and financial leverage, liquidity, market capitalisation and other relevant criteria. In addition, economic conditions have changed and may differ over the aforementioned period, thus affecting, *inter alia*, the economic terms of the relevant offer prices. Therefore, it should be noted that the comparison made herein serves only as an illustrative guide and the conclusions drawn from such comparisons may not necessarily reflect the perceived or implied market valuation for the Company. Shareholders should also note that the list of Precedent Privatisation Transactions is not exhaustive and information relating to the Precedent Privatisation Transactions was compiled from publicly available information.

The following is a brief description of the Precedent Privatisation Transactions:

Company Name	Type[2]	Announcement date[1]	Premium / (Discount) of offer price over/(to)[1]: Last transacted price (%)	1-month VWAP (%)	3-month VWAP (%)	6-month VWAP (%)	P/NAV or P/RNAV[3] (times)
Chip Eng Seng Corporation Ltd[4]	MGO	24-Nov-2022	5.6	13.1	26.5	33.7	0.56
Informatics Education Ltd.	DD	17-Oct-2022	37.5	8.9	4.8	(6.0)	n.m.[5]
MS Holdings Limited	VGO	3-Oct-2022	nil	nil	25.2	25.5	0.48
Asian Healthcare Specialists Limited	VGO	6-Oct-2022	17.5	18.3	21.3	22.3	2.07
Moya Holdings Asia Limited	VD	14-Sep-2022	41.5	43.8	48.4	48.4	1.39
Singapore Medical Group Limited	VGO	13-Sep-2022	23.1	28.1	28.9	25.8	1.14
Memories Group Ltd	VD	12-Sep-2022	34.3	67.3	72.2	74.7	1.02
Silkroad Nickel Ltd.	VGO	29-Aug-2022	2.4	5.4	5.1	(5.5)	5.07
GYP Properties Limited	VGO	8-Jul-2022	34.2	37.9	33.3	28.2	0.69
Allied Technologies Limited	VGO	17-Jun-2022	n.a.[6]	n.a.[6]	n.a.[6]	n.a.[6]	0.35
T T J Holdings Limited	VGO	20-May-2022	36.1	33.6	28.8	28.0	0.63
Hwa Hong Corporation Limited	VGO	17-May-2022	37.9	36.1	32.0	22.0	0.79
Excelpoint Technology Ltd	SOA	13-Apr-2022	21.4	36.6	31.3	45.9	1.58
Singapore O&G Ltd	VGO	7-Mar-2022	18.0	14.8	12.2	11.3	3.55
Shinvest Holding Ltd	VGO	16-Feb-2022	12.9	8.5	10.2	10.1	0.66
Koufu Group Limited	VGO	29-Dec-2021	15.8	14.5	13.6	15.1	4.00
Roxy-Pacific Holdings Limited	VGO	15-Dec-2021	19.8	21.0	23.5	30.3	0.64
United Global Limited	VGO	10-Dec-2021	12.5	16.7	16.7	16.2	1.06
Starburst Holdings Limited	VGO	10-Nov-2021	5.8	3.9	9.2	12.8	1.84
SingHaiyi Group Ltd	VGO	9-Nov-2021	8.3	7.0	10.7	18.3	0.60
Fragrance Group Limited	VGO	9-Jul-2021	16.9	19.0	19.0	20.0	0.70
Dutech Holdings Ltd	VGO	31-May-2021	74.0	73.3	74.7	73.3	0.74
Cheung Woh Technologies Limited	VGO	6-May-2021	90.0	90.0	92.6	109.6	1.10
Top Global Limited	VGO	30-Apr-2021	122.9	133.6	146.8	148.7	0.32
Sin Ghee Huat Corporation Ltd	VGO	20-Apr-2021	25.6	68.2	68.2	68.8	0.57
Singapore Press Holdings Limited	SOA	30-Mar-2021	57.3	71.5	80.3	94.8	1.05
Neo Group Limited	VGO	30-Mar-2021	20.0	17.9	14.5	15.4	1.22
Singapore Reinsurance Corporation Limited	VGO	19-Mar-2021	17.8	20.6	20.8	21.8	0.79
World Class Global Limited	SOA	12-Mar-2021	112.1	107.9	107.9	89.2	0.83
International Press Softcom Limited	VGO	28-Jan-2021	12.5	25.4	32.0	21.6	1.08
GL Limited	VGO	15-Jan-2021	42.9	46.6	52.4	45.8	0.74
CEI Limited	VGO	11-Jan-2021	15.0	18.1	20.5	23.6	1.89
Maximum			**122.9**	**133.6**	**146.8**	**148.7**	**5.07**
Average			**33.1**	**36.9**	**38.2**	**38.4**	**1.26**
Median			**20.7**	**23.2**	**26.5**	**25.5**	**0.83**
Minimum			**2.4**	**3.9**	**4.8**	**(6.0)**	**0.32**
The Company – Implied by the Offer Price	VGO	10-Feb-2023	14.3[7]	15.4	22.4	17.6	0.73[8]

Source: SGX-ST announcements and circulars to shareholders in relation to the Precedent Privatisation Transactions

Notes:

(1) Date of announcement and premium/(discount) of offer price over the last transacted price and VWAPs refer to the date of the first announcement, including holding announcement, of offers.
(2) MGO – Mandatory General Offer; VGO – Voluntary General Offer; VD – Voluntary Delisting; and SOA – Scheme of Arrangement; DD – Directed Delisting.
(3) Based on the NAV per share or adjusted/RNAV per share, where available, as published in the independent financial adviser's letter set out in the respective circulars of the companies.
(4) The offeror despatched the relevant documents relating to the compulsory acquisition on 27 February 2023, and the delisting process is pending completion.
(5) "n.m." denotes not meaningful as Informatics Education Ltd. and its subsidiaries were in net liabilities position.
(6) "n.a." means not applicable as the shares of Allied Technologies Limited were suspended for more than three years prior to its offer.
(7) Based on the last transacted price of the Company on the Last Traded Date.
(8) Based on the RNAV per Target Share as at 31 December 2022.

Based on the above, we note the following:

(a) the premium of 14.3% implied by the Offer Price over the last transacted price of the Target Share on the Last Traded Date is within the range of premia, but lower than the average and median premia, of the Precedent Privatisation Transactions;

(b) the premia of 15.4%, 22.4% and 17.6% implied by the Offer Price over the respective 1-month, 3-month and 6-month VWAP of the Target Shares prior to the Last Traded Date, is within the range of corresponding statistics of the Precedent Privatisation Transactions, but lower than the average and median premia of the Precedent Privatisation Transactions; and

(c) the P/RNAV as implied by the Offer Price of 0.73 time is within the range of but below the average and median P/NAV or P/RNAV ratios of the Precedent Privatisation Transactions.

8.5.2 Recent privatisation transactions for real estate companies listed on the SGX-ST

In assessing the reasonableness of the Offer Price, we have also reviewed recent privatisation transactions involving listed real estate companies on the SGX-ST, which were announced and completed, and which had resulted in the delisting of such companies from the SGX-ST, in the period between 1 January 2021 and the Latest Practicable Date ("**Precedent Real Estate Privatisation Transactions**"). This analysis serves as a general indication of the premium or discount of the respective offers, without regard to their specific transaction rationale, offeror's intention or other considerations.

We wish to highlight that due to differences in, *inter alia*, composition of business, business activities, scale of operations, geographical markets, risk profile, track record, future prospects, asset base, accounting policies, operating and financial leverage, liquidity and market capitalisation, any comparison made with respect to the Precedent Real Estate Privatisation Transactions are for illustrative purposes only. The Precedent Real Estate Privatisation Transactions are not directly comparable to the terms and conditions of the Offer. Additionally, the premium any offeror is prepared to pay for in any particular offer transaction depends on various factors, including the prevailing market conditions and general economic and business risks. Therefore, the conclusions drawn from such comparisons may not necessarily reflect the perceived or implied market valuation for the Company. In addition, Shareholders should also note that the list of Precedent Real Estate Privatisation Transactions is not exhaustive and information relating to the Precedent Real Estate Privatisation Transactions was compiled from publicly available information.

The following is a brief description of the Precedent Real Estate Privatisation Transactions:

Company Name	Type[2]	Announcement date[1]	Premium / (Discount) of offer price over/(to)[1]: Last transacted price (%)	1-month VWAP (%)	3-month VWAP (%)	6-month VWAP (%)	P/NAV or P/RNAV[3] (times)
Chip Eng Seng Corporation Ltd[4]	MGO	24-Nov-22	5.6	13.1	26.5	33.7	0.56
GYP Properties Limited	VGO	8-Jul-22	34.2	37.9	33.3	28.2	0.69
Roxy-Pacific Holdings Limited	VGO	15-Dec-21	19.8	21.0	23.5	30.3	0.64
SingHaiyi Group Ltd	VGO	9-Nov-21	8.3	7.0	10.7	18.3	0.60
Fragrance Group Limited	VGO	9-Jul-21	16.9	19.0	19.0	20.0	0.70
Top Global Limited	VGO	30-Apr-21	122.9	133.6	146.8	148.7	0.32
World Class Global Limited	SOA	12-Mar-21	112.1	107.9	107.9	89.2	0.83
GL Limited	VGO	15-Jan-21	42.9	46.6	52.4	45.8	0.74
Maximum			**122.9**	**133.6**	**146.8**	**148.7**	**0.83**
Average			**45.3**	**48.3**	**52.5**	**51.8**	**0.64**
Median			**27.0**	**29.5**	**29.9**	**32.0**	**0.67**
Minimum			**5.6**	**7.0**	**10.7**	**18.3**	**0.32**
The Company – Implied by the Offer Price	VGO	10-Feb-23	14.3[5]	15.4	22.4	17.6	0.73[6]

Source: SGX-ST announcements and circulars to shareholders in relation to the Precedent Real Estate Privatisation Transactions

Notes:

(1) Date of announcement and premium/(discount) of offer price over the last transacted price and VWAPs refer to the date of the first announcement, including holding announcement, of offers.
(2) MGO – Mandatory General Offer; VGO – Voluntary General Offer; and SOA – Scheme of Arrangement.
(3) Based on the NAV per share or adjusted/RNAV per share, where available, as published in the independent financial adviser's letter set out in the respective circulars of the companies.
(4) The offeror despatched the relevant documents relating to the compulsory acquisition on 27 February 2023, and the delisting process is pending completion.
(5) Based on the last transacted price of the Company on the Last Traded Date.
(6) Based on the RNAV per Target Share as at 31 December 2022.

Based on the above, we note the following:

(a) the premium of 14.3% implied by the Offer Price over the last transacted price of the Target Shares on the Last Traded Date is within the range of premia, but lower than the average and median premia, of the Precedent Real Estate Privatisation Transactions;

(b) the premia of 15.4% and 22.4% implied by the Offer Price over the respective 1-month and 3-month VWAP of the Target Shares prior to the Last Traded Date, is within the range of premia of the Precedent Real Estate Privatisation Transactions, but lower than the average and median premia of the Precedent Real Estate Privatisation Transactions;

(c) the premium of 17.6% implied by the Offer Price over the 6-month VWAP of the Target Shares prior to the Last Traded Date, is below the range of premia of the Precedent Real Estate Privatisation Transactions; and

(d) the P/RNAV as implied by the Offer Price of 0.73 time is within the range of, and above the average and median P/NAV or P/RNAV ratios of the Precedent Real Estate Privatisation Transactions.

8.6 Estimated range of values of the Target Shares

We have derived a range of values for the Target Shares using the asset-based valuation methodology, given the asset-intensive nature of the Group's property development, property investment and hospitality segments.

Shareholders should note that the asset-based analysis of the Group only provides an estimate of the value of the Group based on a hypothetical scenario, wherein such scenario does not take into consideration factors including, but not limited to, liquidation costs, taxes, time value of money, market conditions, legal and professional fees, regulatory requirements, contractual limitations and obligations, and availability of potential buyers, which may affect the value that can be realised by the Group.

The value of the Target Shares is estimated to be in the range of **S$0.090 and S$0.102**, based on the RNAV per Target Share of the Group of S$0.1635 as at 31 December 2022, as implied by the respective average P/NAV ratio of the Comparable Companies and P/RNAV ratio of the Precedent Real Estate Privatisation Transactions in the 12-month period prior to the Latest Practicable Date. The Offer Price is higher than the estimated value range of the Target Shares.

8.7 Dividend Track Record of the Company

We set out below the information on the dividend per Target Share declared and paid by the Company in respect of FY2020 to FY2022, and 1H2023:

Dividend Declared (S$)	FY2020	FY2021	FY2022	1H2023
Final dividend per Target Share	-	0.003	0.010	-
Average share price[(1)]	0.064	0.053	0.103	0.100
Dividend yield[(2)]	n.a.[(3)]	5.7%	9.7%	n.a.[(3)]

Source: Bloomberg L.P. and the Company's SGXNET announcements

Notes:

(1) Based on the daily closing prices of the Target Shares for the respective financial years/ financial period.
(2) Computed based on dividend per Target Share divided by the average share price of the Company.
(3) Not applicable.

Notwithstanding that the Company does not have a fixed dividend policy, we note that the Company has paid dividends of S$0.003 and S$0.010 per Target Share to its Shareholders in respect of FY2021 and FY2022 respectively. This translates into a dividend yield of 2.5% and 8.3% for FY2021 and FY2022 respectively based on the Offer Price.

We wish to highlight that the above dividend track record analysis only serves as an illustrative guide, and is not an indication of the Company's future dividend pay-out. **There is no assurance that the Company will continue the dividend pay-out in the future.**

8.8 Other Considerations

8.8.1 No Alternative Offer

There is no publicly available evidence of any alternative offer for the Target Shares or the Company from any third party. The Directors have confirmed that, as at the Latest Practicable Date, apart from the Offer proposed by the Offeror, no competing offer or an enhancement or revision of the Offer has been received.

8.8.2 Irrevocable Undertaking

As set out under Section 8 and Appendix 5 of the Offer Document, JK Global Assets, KLM and TSL have provided their Irrevocable Undertakings to accept the Offer in respect of the Target Shares held by them prior to and up to the Closing Date. Details of the number of Target Shares tendered in acceptance of the Offer pursuant to their Irrevocable Undertakings are as follows:

Name	No. of Target Shares to be tendered in acceptance of the Offer	Percentage of Issued Target Shares[(1)]	Amount of Consideration Deferred (S$)
JK Global Assets	404,381,666	59.30	48,525,800
KLM	60,000,000	8.80	Not applicable
TSL	94,681,500	13.88	Not applicable
Total	**559,063,166**	**81.98**	**48,525,800**

Note:

(1) As a percentage of the total number of Target Shares in issue as at the Latest Practicable Date. For the purposes of the table above, all percentage figures are rounded to the nearest two (2) decimal places.

8.8.3 Acceptance Condition

According to Section 2.5 and 2.6 of the Offer Document, the Offer will be subject to the Offeror having received, by the Closing Date, valid acceptances (which have not been withdrawn) in respect of such number of Target Shares which, together with the Target Shares acquired or agreed to be acquired before or during the Offer, will result in the Offeror and parties acting in concert with the Offeror holding Target Shares representing not less than 90 per cent. of all the Target Shares in issue as at the Closing Date.

The Offeror reserves the right to revise the Acceptance Condition, subject to the consent of the SIC, by reducing the Offer Threshold to more than 50 per cent. of the total number of Target Shares. In the event that the Acceptance Condition is revised, the revised Offer will remain open for a further 14 days following such revision and Shareholders who have accepted the initial Offer will be allowed to withdraw their acceptance within 8 days of the notification of such revision.

Save for the Acceptance Condition, the Offer is unconditional in all other respects.

Based on announcement by DBS Bank Ltd. for and on behalf of the Offeror dated 8 March 2023, we note that as at 8 March 2023, the total number of Target Shares owned, controlled, acquired or agreed to be acquired by the Offeror and its concert parties (including valid acceptances of the Offer) amounted to an aggregate of 620,333,062 Target Shares, representing approximately 90.96% of the total number of issued Target Shares. **Accordingly, the Offer has become unconditional as to acceptances and is unconditional in all respects.**

In an announcement dated 10 March 2023 released by DBS Bank Ltd., for and on behalf of the Offeror, acceptances should be received by 5.30 p.m. (Singapore time) on 10 April 2023 ("**Final Closing Date**"). The Offeror does not intend to extend the Offer beyond the Final Closing Date.

Pursuant to Rule 1303(1) of the Catalist Rules, as the Offeror had succeeded in garnering acceptances exceeding 90% of the total number of Target Shares (excluding treasury shares), thus causing the percentage of the total number of Target Shares (excluding treasury shares) held in public hands to fall below 10%, the SGX-ST will suspend trading of the Target Shares on the SGX-ST only at the close of the Offer.

8.8.4 Offeror's intentions relating to the listing status of the Company

We note that the Offeror is making the Offer with the intention of privatising the Company. In the event the Company does not meet the Free Float Requirement as at the Closing Date and the SGX-ST suspends trading of the Target Shares, the Offeror does not intend to maintain the present listing status of the Company and, accordingly, does not intend to place out any Target Shares held by the Offeror to members of the public to meet the Free Float Requirement. In addition, the Offeror does not intend to support any action by the Company to meet the Free Float Requirement. The Offeror hereby reserves its right, to take steps at an appropriate time, whether during or after the Offer, to seek a voluntary delisting of the Company from the SGX-ST, where permitted by and in accordance with the relevant requirements of the Catalist Rules and the Code.

8.8.5 Compulsory Acquisition

According to Section 12 of the Offer Document, if the Offeror receives valid acceptances pursuant to the Offer or acquires Target Shares from the Dissemination Date otherwise than through valid acceptances of the Offer, in respect of not less than 90 per cent. of the total number of Target Shares in issue as at the Closing Date (other than shares already held at the Dissemination Date, and excluding any shares in the Company held as treasury shares), the Offeror will be entitled to exercise its right to compulsorily acquire, at the Offer Price, all the Target Shares held by Shareholders who have not accepted the Offer ("**Dissenting Shareholders**"). In the event that the Offeror becomes entitled to exercise its right under Section 215(1) of the Companies Act, the Offeror intends to exercise its right to compulsorily acquire all the Target Shares not acquired under the Offer. The Offeror will then proceed to delist the Company from the SGX-ST.

In addition, pursuant to Section 215(3) of the Companies Act, if the Offeror acquires such number of Target Shares which, together with the Target Shares held by it, its related corporations and their respective nominees, comprise 90 per cent. or more of the total number of issued Target Shares, the Dissenting Shareholders have the right to require the Offeror to acquire their Target Shares at the Offer Price. Dissenting Shareholders who wish to exercise such a right are advised to seek their own independent legal advice.

8.8.6 Transaction costs in connection with the disposal of the Target Shares

The Offer presents an opportunity for Shareholders to realise their investment and dispose of their shares for cash without any transaction costs as opposed to the sale of the shares in the open market which will incur expenses such as brokerage or other trading costs.

9. OUR OPINION

In arriving at our opinion in relation to the Offer, we have considered the views and representations made by the Directors and Management, and reviewed and deliberated on the factors which we consider to be relevant and to have a significant bearing on our assessment of the financial terms of the Offer. We have carefully considered factors which we deem essential and balanced them before reaching our opinion. Accordingly, it is important that our IFA Letter, in particular, all the considerations and information which we have taken into account, be read in its entirety.

In determining the fairness of the Offer, we have considered, *inter alia*, the following factors:

(i) the Offer Price represents premia of 17.6%,17.6%, 22.4% and 15.4% to the VWAP of the Target Shares for the 12-month, 6-month, 3-month and 1-month periods prior to the Last Traded Date respectively;

(ii) the Offer Price represents a premium of 15.4% to the VWAP of the Target Shares on the Last Traded Date;

(iii) The Offer Price represents a discount of 1.5% and 26.6% to the unaudited NAV and RNAV per Target Share as at 31 December 2022, respectively;

(iv) The EV/EBITDA, PER, P/NAV and P/RNAV of the Group of 23.83 times, 22.85 times, 0.99 time, and 0.73 time respectively, as implied by the Offer Price, are above the range of the relevant ratios of the Comparable Companies;

(v) The premia over the last transacted price on the Last Traded Date, the 1-month VWAP, 3-month VWAP and 6-month VWAP of the Target Shares prior to the Last Traded Date of 14.3%, 15.4%, 22.4% and 17.6% respectively are within range, but below the average and median, of the corresponding statistics of the Precedent Privatisation Transactions;

(vi) The premia over the last transacted price on the Last Traded Date, the 1-month VWAP and 3-month VWAP of the Target Shares prior to the Last Traded Date of 14.3%, 15.4% and 22.4% respectively are within the range, but below the average and median, of the corresponding premia of the Precedent Real Estate Privatisation Transactions;

(vii) The premium over the 6-month VWAP of the Target Shares prior to the Last Traded Date of 17.6% is lower than the range of the corresponding premia of the Precedent Real Estate Privatisation Transactions;

(viii) The P/RNAV of the Group of 0.73 time, as implied by the Offer Price, is within the range, but below the average and median of the relevant ratios for the Precedent Privatisation Transactions;

(ix) The P/RNAV of the Group of 0.73 time, as implied by the Offer Price, is within the range, and above the average and median of the relevant ratios for the Precedent Real Estate Privatisation Transactions; and

(x) The Offer Price is above the estimated range of values of the Target Shares set out in paragraph 8.6 of this IFA Letter.

In determining the reasonableness of the Offer, we have considered, *inter alia*, the following factors:

(i) The Target Shares (a) consistently traded below the Offer Price from 17 February 2022 to the Last Traded Date; and (b) traded close to and slightly above the Offer Price from the Announcement Date to the Latest Practicable Date. The market price of the Target Shares after the Announcement Date appears to have been supported by the Offer Price;

(ii) The Target Shares were not actively traded in the 12-month, 6-month, 3-month and 1-month periods prior to and including the Last Traded Date. The average daily trading volume of the Target Shares for the respective 12-month, 6-month, 3-month and 1-month periods prior to the Last Traded Date were in the range of 0.0029% to 0.0132% of the Free Float. As at the Last Traded Date, the average daily trading volume of the Target Shares represents 0.0697% of the Free Float;

The average daily trading volume of the Target Shares for the period after the Announcement Date to the Latest Practicable Date represents 0.6125% of the Free Float, and the average daily trading volume of the Target Shares on the Latest Practicable Date represents 0.0152% of the Free Float. The aforementioned average daily trading volume of Target Shares appears to have been supported by the Offer; and

(iii) Other considerations for the Offer as set out in paragraph 8.8 of this IFA Letter.

Having considered carefully the information available to us as at the Latest Practicable Date, and based on our analyses, we are of the opinion that the financial terms of the Offer are on balance, fair and reasonable. Accordingly, we advise the Independent Directors to recommend Shareholders to **ACCEPT** the Offer.

In arriving at our opinion, we did not have regard to the specific investment objectives, financial situation, tax position, risk profiles or particular needs and constraints of any individual Shareholder. As different Shareholders would have different investment profiles and objectives, we recommend that any Shareholder who may require specific advice in relation to his/ her investment objectives or portfolio should consult his/ her legal, financial, tax or other professional adviser immediately.

We wish to emphasise that the Directors have not provided us with any financial projections or forecasts in respect of the Company or the Group and we have, *inter alia*, relied on the relevant statements contained in the Offer Document, Circular, confirmations, advice and representations by the Directors, the Management and/or their professional advisers (where applicable), and the Company's announcements in relation to the Offer. In addition, Directors should note that we have arrived at our recommendation based on information made available to us prior to and including the Latest Practicable Date. We assume no responsibility to update, review or reaffirm our opinion in light of any subsequent development after the Latest Practicable Date, unless otherwise stated.

We would like to highlight that we do not express any opinion on the rationale for, as well as the legal and commercial risks and/or merits (if any) of the Offer, which remains the sole responsibility of the Directors. It is also not within our terms of reference to provide an opinion on the relative merits of the Offer *vis-à-vis* any alternative transactions previously considered by the Company or transactions that the Company may consider in the future.

We have prepared this IFA Letter for the use by the Independent Directors in connection with their consideration of the Offer, but any recommendations made by the Independent Directors in respect of the Offer shall remain their sole responsibility. Whilst a copy of this IFA Letter may be reproduced in the Circular, neither the Company, the Directors nor any other persons may reproduce, disseminate or quote this IFA Letter (or any part thereof) for the purposes (other than for the consideration of the Offer) at any time and in any manner without the prior written consent of ZICO Capital.

This opinion is governed by, and construed in accordance with, the laws of Singapore, and is strictly limited to the matters stated herein and does not apply by implication to any other matter.

Yours faithfully
For and on behalf of
ZICO Capital Pte. Ltd.

Alex Tan
Chief Executive Officer

Karen Soh
Managing Director

ADDITIONAL GENERAL INFORMATION

1. DIRECTORS

The names, addresses and appointments of the Directors as at the Latest Practicable Date are set out below:

Name	Address	Appointment
Mr Koh Kian Soo	c/o 456 Alexandra Road #02-09 Fragrance Empire Building Singapore 119962	Executive Chairman
Mr Tan Chee Wee (Chen Zhiwei)	c/o 456 Alexandra Road #02-09 Fragrance Empire Building Singapore 119962	Executive Director and Chief Operating Officer
Dr Kwan Chee Wai	c/o 456 Alexandra Road #02-09 Fragrance Empire Building Singapore 119962	Lead Independent Director
Ms Pan Pei Say	c/o 456 Alexandra Road #02-09 Fragrance Empire Building Singapore 119962	Independent Director
Mr Chia Shee Liang	c/o 456 Alexandra Road #02-09 Fragrance Empire Building Singapore 119962	Independent Director

2. PRINCIPAL ACTIVITIES

The Company is a public company limited by shares incorporated in Singapore on 25 June 1981 and its Shares have been quoted and listed on the Catalist Board of the SGX-ST since 27 September 1999.

The principal business of the Group is real estate development and property investment.

3. SHARE CAPITAL

3.1. Issued Share Capital

As at the Latest Practicable Date, the Company has an issued and fully paid-up capital of S$46,366,722.9956, comprising 681,975,469 Target Shares (excluding treasury shares). The Company has one class of shares, being ordinary shares. The Company does not hold any treasury shares.

3.2. Rights in respect of Capital, Voting and Dividends

The rights of Shareholders in respect of capital, voting and dividends are contained in the Constitution. The provisions in the Constitution relating to the rights of Shareholders in respect of capital, voting and dividends are reproduced in Appendix III to this Circular. Capitalised terms and expressions not defined in the extracts have the meanings ascribed to them in the Constitution.

3.3. Number of Target Shares Issued Since the End of FY2022

As at the Latest Practicable Date, no new Target Shares have been issued by the Company since the end of FY2022.

3.4. Outstanding Instruments Convertible into Target Shares

As at the Latest Practicable Date, the Company has not granted any options or issued any rights, warrants or other securities convertible into, exercisable for or redeemable for any Target Shares.

4. DISCLOSURE OF INTERESTS

4.1. Interests of the Company in Offeror Securities

Neither the Company nor its subsidiaries have any direct or deemed interest in any Offeror Securities as at the Latest Practicable Date.

4.2. Dealings in Offeror Securities by the Company

Neither the Company nor its subsidiaries have dealt for value in any Offeror Securities during the period commencing three (3) months prior to the Announcement Date and ending on the Latest Practicable Date.

4.3. Interests of the Directors in Offeror Securities

None of the Directors has any direct or indirect interests in the Offeror Securities as at the Latest Practicable Date.

4.4. Dealings in Offeror Securities by the Directors

None of the Directors has dealt for value in any Offeror Securities during the period commencing three (3) months prior to the Announcement Date and ending on the Latest Practicable Date.

4.5. Interests of the Directors in Target Securities

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

Name	Number of Target Shares					
	Direct		Deemed		Total	
	No. of Target Shares	%	No. of Target Shares	%	No. of Target Shares	% [(1)]
Mr Tan Chee Wee (Chen Zhiwei)	300,000	0.04	-	-	-	-
KKS	-	-	60,000,000[(2)]	8.80	60,000,000	8.80

Notes:

(1) As a percentage of the total number of 681,975,469 Target Shares in issue as at the Latest Practicable Date. For the purposes of the table above, all percentage figures are rounded to the nearest two decimal places.

(2) KKS's deemed interest arises through 60,000,000 Target Shares held by KLM, his spouse, who has provided the KLM Irrevocable Undertaking as ascribed in Section 8.2.1 of the Letter to Shareholders in the Offer Document and described in Section 4 of this Circular.

4.6. Dealings in Target Securities by the Directors

None of the Directors has dealt for value in any Target Securities during the period commencing three (3) months prior to the Announcement Date and ending on the Latest Practicable Date.

4.7. Target Securities owned or controlled by ZICO Capital Pte. Ltd.

As at the Latest Practicable Date, none of ZICO Capital Pte. Ltd., its related corporations or any funds whose investments are managed by ZICO Capital Pte. Ltd. on a discretionary basis owns or controls any Target Securities.

4.8. Dealings in Target Securities by ZICO Capital Pte. Ltd.

As at the Latest Practicable Date, none of ZICO Capital Pte. Ltd., its related corporations or any funds whose investments are managed by ZICO Capital Pte. Ltd. on a discretionary basis has dealt for value in any Target Securities during the period commencing three (3) months prior to the Announcement Date and ending on the Latest Practicable Date.

4.9. Directors' Intentions

As at the Latest Practicable Date, the Directors who held direct or indirect interests in the Target Shares during the Announcement Date have, taking into account their respective personal investment objectives, have indicated their intentions in respect of accepting or rejecting the Offer in respect of their Target Shares as follows:

(a) Mr Tan Chee Wee (Chen Zhiwei) has informed the Company that he intends to accept the Offer in respect of all the Target Shares held by him prior to and up to the close of the Offer and will be tendering his acceptance of the Offer in respect of all the Target Shares held by him.

(b) KKS's deemed interest arises through 60,000,000 Target Shares held by KLM, his spouse. As set out in the Offer Document, KLM has provided the KLM Irrevocable Undertaking to, *inter alia*, accept the Offer in respect of the Target Shares held by her prior to and up to the close of the Offer.

4.10. Directors' service contracts

As at the Latest Practicable Date, there are no service contracts between any of the Directors or proposed directors with the Company or any of its subsidiaries which have more than 12 months to run and which cannot be terminated by the employing company within the next 12 months without paying any compensation, and there are no such service contracts entered into or amended by the Company or any of its subsidiaries during the period commencing six (6) months prior to the Announcement Date and ending on the Latest Practicable Date.

4.11. Other Disclosures

As at the Latest Practicable Date:

(a) it is not proposed that any payment or other benefit shall be made or given to any Director or director of any other corporation which is by virtue of Section 6 of the Companies Act deemed to be related to the Company, as compensation for loss of office or otherwise in connection with the Offer;

(b) there are no agreements or arrangements made between any Director and any other person in connection with or conditional upon the outcome of the Offer; and

(c) save for the KLM Irrevocable Undertaking and as disclosed in Section 4 of this Circular, none of the Directors has a material personal interest, whether direct or indirect, in any material contract entered into by the Offeror.

5. MATERIAL CONTRACTS WITH INTERESTED PERSONS

As at the Latest Practicable Date, save as disclosed in any information on the Group which is publicly available (including without limitation the announcements, financial statements and annual reports released by the Company on SGXNET), neither the Company nor any of its subsidiaries has entered into material contracts with persons who are Interested Persons (other than those entered into in the ordinary course of business) during the period beginning three (3) years before the Announcement Date and ending on the Latest Practicable Date.

6. MATERIAL LITIGATION

As at the Latest Practicable Date, none of the Company or its subsidiaries is engaged in any material litigation, either as plaintiff or defendant, which might materially and adversely affect the financial position of the Company or the Group, taken as a whole. The Directors are not aware of any material litigation, claims or proceedings pending or threatened against, or made by, the Company or any of its subsidiaries or any facts likely to give rise to any such material litigation, claims or proceedings, which might materially and adversely affect the financial position of the Company or the Group, taken as a whole.

7. SUMMARY OF FINANCIAL INFORMATION

7.1. Consolidated Statement of Comprehensive Income

A summary of the audited consolidated statement of comprehensive income of the Group for FY2020, FY2021 and FY2022 and the unaudited consolidated statement of comprehensive income of the Group for the six (6) months financial period ended 31 December 2022 is set out below.

	Unaudited 6 months ended 31 December 2022	Audited FY2022	Audited FY2021	Audited FY2020
	S$'000	S$'000	S$'000	S$'000
Revenue	**19,077**	**105,882**	**35,641**	**998**
Cost of sales	(16,433)	(89,237)	(28,869)	(567)
Gross profit	**2,644**	**16,635**	**6,772**	**431**
Other income	12	137	688	762
Fair value gain/(loss) on investment properties	–	380	(205)	(640)
Sales and marketing expenses	(680)	(3,703)	(943)	(444)
General and administrative expenses	(715)	(1,694)	(1,653)	(1,586)
Other expenses	(1)	(1)	(126)	(887)
Finance costs	(1,172)	(1,683)	(1,262)	(1,382)
Profit/(loss) before tax	**88**	**10,071**	**3,271**	**(3,746)**
Income tax expense	–	(1,568)	(541)	–
Profit/(loss) for the year/period	**88**	**8,503**	**2,730**	**(3,746)**
Other comprehensive income:				
Items that will not be reclassified to profit or loss				
Revaluation of rights in leasehold land classified as property, plant and equipment	–	3,885	–	50,663
Deferred tax on revaluation of rights in leasehold land classified as property, plant and equipment	–	(660)	–	(8,613)
Item that may be reclassified subsequently to profit or loss				
Currency translation differences – foreign operations, at nil tax	–	–	–	45
Total comprehensive income for the year/period attributable to owners of the Company	**88**	**11,728**	**2,730**	**38,439**
Earnings/(Loss) per share attributable to owners of the Company (cents per share)				
Basic and diluted	0.01	1.25	0.40	(0.55)

The above summary is extracted from, and should be read in conjunction with, the annual reports of the Company for FY2020, FY2021 and FY2022, as well as the Interim Results, and their respective accompanying notes, copies of which are available for inspection at the Company's registered office as mentioned in paragraph 12 of Appendix II to this Circular.

7.2. Statement of financial position

A summary of the audited consolidated statement of financial position of the Group for FY2022 and the half year ended 31 December 2022 is set out below.

S$'000	31 December 2022 Unaudited	30 June 2022 Audited
Non-current assets		
Property, plant and equipment	130,502	123,742
Investment properties	10,870	10,870
Total non-current assets	**141,372**	**134,612**
Current assets		
Trade and other receivables	12,714	11,195
Due from a related company (trade)	34	34
Prepayments	443	27
Contract assets	12,707	27,436
Development properties	23,410	33,072
Property held for sale	–	628
Cash and short-term deposits	10,891	36,602
Total current assets	**60,199**	**108,994**
Total assets	**201,571**	**243,606**
Liabilities and equity		
Current liabilities		
Trade and other payables	5,134	6,290
Contract liabilities	4,200	3,986
Provisions	135	135
Provision for tax	1,050	1,050
Borrowings	91,855	124,615
Total current liabilities	**102,374**	**136,076**
Net current liabilities	**(42,175)**	**(27,082)**
Non-current liabilities		
Deferred tax liabilities	10,332	10,332
Borrowings	5,788	7,389
Total non-current liabilities	**16,120**	**17,721**
Total liabilities	**118,494**	**153,797**
Net assets	**83,077**	**89,809**
Equity attributable to owners of the Company		
Share capital	46,116	46,116
Reserves	36,961	43,693
Total equity	**83,077**	**89,809**
Total equity and liabilities	**201,571**	**243,606**

Note *– The above summary is extracted from, and should be read together with, the annual report of the Company for FY2022, audited consolidated financial statements of the Group for FY2022 and the Interim*

Results and the related notes thereto, copies of which are available for inspection at the Company's registered office as mentioned in paragraph 12 of Appendix II to this Circular.

7.3. Material changes in financial position

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

7.4. Material changes in Information

Save as disclosed in this Circular and publicly available information on the Company (including but not limited to announcements released by the Company on SGXNET, or which may be released by the Company subsequent to the dissemination date of this Circular), there has been no material change in any information previously published by or on behalf of the Company during the period commencing from the Announcement Date and ending on the Latest Practicable Date.

8. SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies of the Group is set out in Note 2 to the audited consolidated financial statements of the Group for FY2022 in the annual report for the Company for FY2022, which are available for inspection at the Company's registered office as mentioned in paragraph 12 of Appendix II to this Circular.

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

9. CHANGES IN ACCOUNTING POLICIES

As at the Latest Practicable Date, save as disclosed in this Circular and publicly available information on the Group, there has been no change in the accounting policies of the Group which will cause the figures disclosed in this Circular not to be comparable to a material extent.

10. VALUATION DOCUMENTS

The Company has commissioned independent valuation of the Subject Properties. As disclosed in the Valuation Documents, the basis of the valuation is (a) As Re-Development Site For Hotel Development At Gross Plot Ratio 2.0 and Gross Development Value Assuming Satisfactory Completion for the Telok Blangah Property and (b) As-Is basis, with vacant possession and free from all encumbrances for the Peninsula Plaza Properties. Copies of the Valuation Documents are set out in Appendix IV to this Circular. The Valuation Documents in respect of the Subject Properties are available for inspection at the Company's registered office as mentioned in paragraph 12 of Appendix II to this Circular.

Under Rule 26.3 of the Code, the Company is required, *inter alia*, to make an assessment of any potential tax liabilities which would arise if the Subject Properties, which are the subject of a valuation given in connection with the Offer, were to be sold at the amount of the valuation. The management of the Company estimates the potential tax liability on a hypothetical sale of the Subject Properties to be approximately S$4,738,000. The Company expects the aforesaid potential tax liability to crystallise (if any) as and when the Company disposes of its interests in the Subject Properties.

The Valuation Documents are available for inspection at the Company's registered office as mentioned in paragraph 12 of Appendix II to this Circular.

11. GENERAL

(a) All expenses and costs incurred by the Company in relation to the Offer will be borne by the Company.

(b) ZICO Capital Pte. Ltd. has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of (i) its name and all references thereto; and (ii) the IFA Letter set out in Appendix I to this Circular, in the form and context in which they appear in this Circular.

(c) Savills Valuation and Professional Services (S) Pte Ltd has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of (i) its name and all references thereto; and (ii) the Valuation Documents set out in Appendix IV to this Circular, which have been made available for inspection at the registered office of the Company, in the form and context in which they appear in this Circular.

12. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 456 Alexandra Road, #02-09 Fragrance Empire Building, Singapore 119962 during normal business hours for the period during which the Offer remains open for acceptance:

(a) the Constitution;

(b) the annual reports of the Company for FY2020, FY2021 and FY2022 (which contain the audited consolidated financial statements of the Group for FY2020, FY2021 and FY2022);

(c) the Interim Results;

(d) the letters of consent referred to in paragraph 11 of Appendix II to this Circular;

(e) the IFA Letter set out in Appendix I to this Circular; and

(f) the Valuation Documents set out in Appendix IV to this Circular.

Shareholders who wish to inspect any of the aforementioned documents are to make an appointment by phone at 6916 1028 or by email to gdl@globaldragon.com.sg.

PROVISIONS IN THE CONSTITUTION RELATING TO THE RIGHTS OF SHAREHOLDERS IN RESPECT OF CAPITAL, VOTING AND DIVIDENDS

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

All capitalised terms and expressions used in the following extract shall have the same meanings ascribed to them in the Constitution, a copy of which is available for inspection at the registered address of the Company at 456 Alexandra Road #02-09 Fragrance Empire Building Singapore 119962 during normal business hours for the period during which the Offer remains open for acceptance.

1. The Rights of Shareholders in respect of Capital

"SHARES

Company's shares as security	*6.*	*Save to the extent permitted by the Act, none of the funds or assets of the Company or of any subsidiary thereof shall be directly or indirectly employed in the purchase or subscription of or in loans upon the security of the Company's shares (or its holding company, if any) and the Company shall not. Except as authorised by the Act give any financial assistance for the purpose of or in connection with any purchase of shares in the Company (or its holding company, if any).*
Issue of New Shares	*7.*	*(1) Subject to the Act, no shares may be issued by the Directors without the prior approval of the Company in General Meeting but subject thereto and to Regulation 52, and to any special rights attached to any shares for the time being issued, the Directors may issue, allot or grant options over or otherwise deal with or dispose of the same to such persons on such terms and conditions and at such time and subject or not to the payment of any part of the amount thereof in cash as the Directors may think fit, and any shares may be issued in such denominations or with such preferential, deferred, qualified or special rights, privileges or conditions as the Directors may think fit, and preference shares may be issued which are or at the option of the Company are liable to be redeemed, the terms and manner of redemption of being determined by the Directors, provided always that:-*

(a) no shares shall be issued which results in a transfer of a controlling interest in the Company without the prior approval of the Members in a General Meeting;

(b) the total number of issued preference shares shall not exceed the total number of the issued ordinary shares at any time;

(c) the rights attaching to shares of a class other than ordinary shares shall be expressed in the resolution creating the same;

(d) where the capital of the Company consists of shares of different monetary denominations, the voting rights shall be prescribed in such manner that a unit of capital in each class when reduced to a common denominator, shall carry the same voting power when such right is exercisable;

(e) any issue of shares for cash to Members holding shares of any class shall be offered to such Members in proportion as nearly as may be to the number of shares of such class then held by them and the second sentence of Regulation 52(1) with such adaptations as are necessary shall apply.

Issue of shares for no consideration

7. *(2) The Company may issue shares for which no consideration is payable to the Company.*

Rights attached to certain shares

8. *(1) The rights attaching to shares of a class other than ordinary shares shall be expressed in the resolution creating the same and in this Constitution.*

(2) The Company has power to issue further preference capital ranking equally with, or in priority to, preference shares from time to time already issued or about to be issued.

(3) Preference shareholders shall have the same right as ordinary shareholders as regards receiving of notices, reports, and financial statements and attending General Meetings of the Company. Preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital or winding up or sanctioning a sale of the undertaking of the Company or where the proposal to be submitted to the meeting directly affects their rights and privileges or when the dividend on the preference shares is more than six months in arrears.

Treasury Shares

9. *The Company shall not exercise any right in respect of Treasury Shares other than as provided by the Act. Subject thereto, the Company may hold or deal with its Treasury Shares in the manner authorised by, or prescribed pursuant to, the Act.*

Variation of rights

10. *(1) If at any time the share capital is divided into different classes, the repayment of preference capital other than redeemable preference and the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, whether or not the Company is being wound up, only be made, varied or abrogated with the sanction of a Special Resolution passed at a separate General Meeting of the holders of the shares of the class and to every such Special Resolution the provisions of Section 184 of the Act shall, with such adaptations as are necessary, apply. To every such separate General Meeting the provisions of this Constitution relating to General Meetings of the Company shall mutatis mutandis apply, but so that the necessary quorum shall be two or more persons at least holding or representing by proxy or by attorney one-third of the issued shares of the class present in person or by proxy may demand a poll. Provided always that where the necessary majority for such a Special Resolution is not obtained at such General Meeting, consent in writing if obtained from the holders of three-fourths of the issued shares of the class concerned within two months of the Meeting shall be as valid and effectual as a Special Resolution carried at the Meeting.*

Rights of Preference Shareholders

(2) The repayment of preference capital other than redeemable preference capital or any other alteration of preference shareholder rights, may only be made pursuant to a special resolution of the preference shareholders concerned. PROVIDED ALWAYS that where the necessary majority for such a special resolution is not obtained at the Meeting, consent in writing if obtained from the holders of three-fourths of the preference shares concerned within two months of the Meeting shall be as valid and effectual as a special resolution carried at the Meeting.

Creation or issued of further

11. *The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall, unless otherwise expressly provided*

shares with special rights

by the terms of issue of the shares of that class or by this Constitution as are in force at the time of such issue, be deemed to be varied by the creation or issue of further shares ranking equally therewith.

Power to pay commissions and brokerage

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

(2) Any expenses (including commissions or brokerage) incurred directly by the Company in the issue of new shares may be paid out of the proceeds of the issue or the Company's share capital. Such payment shall not be taken as reducing the amount of share capital in the Company.

Power to charge interest on capital

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

No trust recognised

14. *Except as required by law, no person other than the Depository shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by or compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except only as by this Constitution or by law otherwise provided) any other rights in respect of any share, except an absolute right to the entirety thereof in the person (other than the Depository) whose name is entered in the Register of Members as the registered holder thereof or (where the person entered in the Register of Members as the registered holder of a share is the Depository) the person whose name is entered in the Depository Register in respect of that share.*

Joint holders

15. *(1) The Company shall not be bound to register more than three persons as joint holders of a share except in the case of executors, trustees or administrators of the estate of a deceased Member.*

(2) If two or more persons are registered as joint holders of any share any one of such person may give effectual receipts for any dividend payable in respect of such share and the join holders of a share shall, subject to the provisions of the Act, be severally as well as jointly liable for the payment of all instalments and calls and interest due in respect of such shares.

(3) Only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive notice from the Company and any notice given to such person shall be deemed notice to all the joint holders. Only the person whose name stands first in the Depository Register shall be entitled to receive notices from the Company and any notice given to such person shall be deemed notice to all the joint holders.

Fractional part of a share

16. *No person shall be recognised by the Company as having a title to a fractional part of a share otherwise than as the sole or a joint holder of the entirety of such share.*

Payment of instalments

17. *If by the conditions of allotment of any shares the whole or any part of the amount of the issue share price thereof shall be payable by instalments every such instalment shall, when due, be paid to the Company by the person who for the time being shall be the registered holder of the share or his personal representative, but this provision shall not affect the liability of any allottee who may have agree to pay the same.*

Share certificates

18. *The certificate of title to shares or debentures in the capital of the Company shall be issued in accordance with the requirements of the Act and be under the Seal or signed in the manner set out in the Act, and may bear the autographic or facsimile signatures of at least of two Directors, or one of the Directors and the Secretary or some other person appointed by the Directors in place of the Secretary for the purpose, and shall specify the number and class of shares to which it relates, whether the shares are fully or partly paid up and the amount (if any) unpaid thereon. The facsimile signatures may be reproduced by mechanical or other means provided the method or system of reproducing signatures has first been approved by the Directors of the Company. No certificate shall be issued representing shares of more than one class.*

Entitlement of certificate

19. (1) *Shares must be allotted and certificates despatched within 10 Market Days of the final closing date of an issue of shares unless the Exchange shall agree to an extension of time in respect of that particular issue. The Depository must despatch statements to successful investor applicants confirming the number of shares held under their Securities Accounts. Persons entered in the Register of Members as registered holders of shares shall be entitled to certificates within 15 Market Days after lodgement of any transfer. Every registered shareholder shall be entitled to receive share certificates in reasonable denominations for his holding and where a charge is made for certificates, such charge shall not exceed S$2 (or such other sum may be approved by the Exchange from time to time). Where a registered shareholder transfers part only of the shares comprised in a certificate or where a registered shareholder requires the Company to cancel any certificate or certificates and issue new certificates for the purpose of subdividing his holding in a different manner, the old certificate or certificates shall be cancelled and a new certificate or certificates for the balance of such shares issued in lieu thereof and the registered shareholder shall pay fee of not exceeding $2 (or such other sum may be approved by the Exchange from time to time) for each new certificate as the Directors may determine. Where the member is a Depositor the delivery by the Company to the Depository of provisional allotments or share certificates in respect of the aggregate entitlements of Depositors to new shares offered by way of rights issue or other preferential offering or bonus issue shall to the extent of the delivery discharge the Company from any further liability to each such Depositor in respect of his individual entitlement.*

Retention of certificate

(2) *The retention by the Directors of any unclaimed share certificates (or stock certificates as the case may be) shall not constitute the Company a trustee in respect thereof. Any share certificate (or stock certificates as the case may be) unclaimed after a period of six years from the date of issue of such share certificate (or stock certificates as the case may be) may be forfeited and if so shall be dealt with in accordance with Regulations 40, 44, 48 and 49, mutatis mutandis.*

New certificates may be issued

20. (1) *Subject to the provisions of the Act, if any share certificate shall be defaced, worn out, destroyed, lost or stolen, it may be renewed on such evidence being produced and a written indemnity (if required)*

being given by the shareholder, transferee, person entitled, purchaser, member firm or member company of the Exchange or on behalf of its or their client or clients as the Directors of the Company shall require, and (in case of defacement or wearing out) on delivery up of the old certificate, and in any case on payment of such sum not exceeding S$2 (or such other sum as may be approved by the Exchange from time to time) as the Directors may from time to time require. In the case of destruction, loss or theft, a shareholder or person entitled to, and to whom such renewed certificate is given shall also bear the loss and pay to the Company all expenses incidental to the investigations by the Company of the evidence of such destruction or loss.

New certificate in place of one not surrendered

(2) When any shares under the powers in this Constitution herein contained are sold by the Directors and the certificate thereof has not been delivered up to the Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they may think fit from the certificate not so delivered up."

TRANSFER OF SHARES

Form of transfer of shares

21. Subject to this Constitution, any Member may transfer all or any of his shares but every instrument of transfer of the legal title in shares must be in writing and in the form for the time being approved by the Directors and the Exchange. Shares of different classes shall not be comprised in the same instrument of transfer. The Company shall accept for registration transfers in the form approved by the Exchange.

Execution

22. The instrument of transfer of a share shall be signed by or on behalf of the transferor and the transferee and be witnessed, provided that an instrument of transfer in respect of which the transferee is the Depository shall not be ineffective by reason of it not being signed or witnessed for by or on behalf of the Depository. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register of Members.

Person under disability

23. No share shall in any circumstances be transferred to any infant, bankrupt or person incapable of managing himself or his affairs.

Directors' power to decline to register

24. (1) Subject to this Constitution, the Act or as required by the Exchange, there shall be no restriction on the transfer of fully paid up shares (except where required by law or by the rules, bye-laws or listing rules of the Exchange) but the Directors may in their discretion decline to register any transfer of shares upon which the Company has a lien and in the case of shares not fully paid up, may refuse to register a transfer to a transferee of whom they do not approve. If the Directors shall decline to register any such transfer of shares, they shall within 10 Market Days beginning with the day on which the transfer was lodged with the Company (or such period as the Exchange may approve) give to both the transferor and the transferee written notice of their refusal to register and the precise reasons therefor as required by the Act and/or the listing rules of the Exchange.

Terms of registration of transfer

(2) The Directors may decline to register any instrument of transfer unless:-

(a) such fee not exceeding S$2 (or such other sum as may be approved by the Exchange from time to time) as the Directors may

from time to time require is paid to the Company in respect thereof;

(b) the instrument of transfer, duly stamped in accordance with any law for the time being in force relating to stamp duty, is deposited at the Office or at such other place (if any) as the Directors appoint accompanied by the certificates of the shares to which it relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer and, if the instrument of transfer is executed by some other person on his behalf, the authority of the person so to do; and

(c) the instrument of transfer is in respect of only one class of shares.

Retention of transfers

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

(2) Subject to any legal requirements to the contrary, the Company shall be entitled to destroy all instruments of transfer which have been registered at any time after the expiration of six years from the date of registration thereof and all dividend mandates and notifications of change of address at any time after the expiration of six years from the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of six years from the date of the cancellation thereof and it shall conclusively be presumed in favour of the Company that every entry in the Register of Members purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company, PROVIDED that:-

(a) the Company shall adequately record for future references the information required to be contained in any company records;

(b) the provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;

(c) nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this Regulation; and

(d) references herein to the destruction of any document include references to the disposal thereof in any manner.

Closing of Register

26. The Registers of Members and of Transfers may be closed at such times and for such periods as the Directors may from time to time determine, provided always that the Registers shall not be closed for more than thirty days in any year. Provided Always that the Company shall give prior notice

of each such closure, as may be required, to the Exchange, stating the period and purpose or purposes for which such closure is made.

Renunciation of allotment

27. *(1) Nothing in this Constitution shall preclude the Directors from recognising a renunciation of the allotment of any share by the allottee in favour of some other person.*

(2) Neither the Company nor its Directors nor any of its Officers shall incur any liability for registering or acting upon a transfer of shares apparently made by sufficient parties, although the same may, by reason of any fraud or other cause not known to the Company or its Directors of other Officers, be legally inoperative or insufficient to pass the property in the shares proposed or professed to be transferred, and although the transfer may, as between the transferor and transferee, be liable to be set aside, and notwithstanding that the Company may have notice that such instrument of transfer was signed or executed and delivered by the transferor in blank as to the name of the transferee or the particulars of the shares transferred, or otherwise in defective manner. And in every such case, the person registered as transferee, his executors, administrators, and assigns, alone shall be entitled to be recognised as the holder of such shares and the previous holder shall, so far as the Company is concerned, be deemed to have transferred his whole title thereto.

TRANSMISSION OF SHARES

Transmission on death

28. *(1) In case of the death of a registered shareholder, the survivor or survivors, where the deceased was a joint holder, and the legal representatives of the deceased, where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his interest in the shares, but nothing herein shall release the estate of a deceased registered shareholder (whether sole or joint) from any liability in respect of any share held by him.*

(2) In the case of the death of a Depositor, the survivor or survivors, where the deceased is a joint holder, and the legal representatives of the deceased, where he was a sole holder and where such legal representatives are entered into the Depository Register in respect of any shares to the deceased, shall be the only persons recognised by the Company as having any title to his interest in the shares, but nothing herein contained shall release the estate of a deceased Depositor (whether sole or joint) from any liability in respect of any share held by him.

Persons becoming entitled on death or bankruptcy of Member, etc. may be registered

29. *(1) Any person becoming entitled to a share in consequence of the death or bankruptcy of a Member, any guardian of an infant becoming entitled to the legal title in a share and whose name is entered in the Register of Members and any person as properly has the management of the estate of a Member whose name is entered in the Register of Members and who is mentally disordered and incapable of managing himself or his affairs, may, upon producing such evidence of title as the Directors shall require, be registered himself as holder of the share upon giving the Company notice in writing or transfer such share to some other person. If the person so becoming entitled elects to be registered himself, he shall send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have another person registered he shall testify his election by executing to that person a transfer of the share. All the limitations, restrictions and provisions of this Constitution relating to the right to*

transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the Member, any guardian of an infant becoming entitled to the legal title in a share and whose name is entered in the Register of Members and any person as properly has the management of the estate of a Member whose name is entered in the Register of Members and who is mentally disordered and incapable of managing himself or his affairs had not occurred and the notice or transfer were a transfer executed by such Member. The Directors shall have, in respect of a transfer so executed, the same power of refusing registration as if the event upon which the transmission took place had not occurred, and the transfer were a transfer executed by the person from whom the title by transmission is derived.

Rights of unregistered executors and trustees

(2) The Directors may at any time give notice requiring any such person to elect whether to be registered himself as a Member in the Register of Members or, (as the case may be), entered in the Depository Register in respect of the share or to transfer the share and if the notice is not complied with within 60 days the Directors may thereafter withhold payment of all dividends or other moneys payable in respect of the share until the requirements of the notice have been complied with.

Rights of unregistered executors and trustees

30. A person entitled to a share by transmission shall be entitled to receive, and may give a discharge for, any dividends or other moneys payable in respect of the share, but he shall not be entitled in respect of it to receive notices of, or to attend or vote at meetings of the Company, or, save as aforesaid, to exercise any of the rights or privileges of a Member, unless and until he shall become registered as a shareholder or have his name entered in the Depository Register as a Depositor in respect of the share.

Fee for registration of probate, etc.

31. There shall be paid to the Company in respect of the registration of any probate or letters of administration or certificate of marriage or death, power of attorney or other document relating to or affecting the title to any share, such fee not exceeding S$2 (or such other sum as may be approved by the Exchange from time to time) as the Directors may from time to time require or prescribe.

CALLS ON SHARES

Calls on shares

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

Time when made

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

Interest on calls

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

Sum due to allotment

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

Power to differentiate

36. *The Directors may on the issue of shares differentiate between the holders as to the amount of calls to be paid and the times of payments.*

Payment in advance of calls

37. *The Directors may, if they think fit, receive from any Member willing to advance the same all or any part of the money uncalled and unpaid upon the shares held by him and such payment in advance of calls shall extinguish (so far as the same shall extend) the liability upon the shares in respect of which it is made and upon the money so received or so much thereof as from time to time exceeds the amount of the calls then made upon the shares concerned, the Company may pay interest at such rate not exceeding without the sanction of the Company in General Meeting ten per cent per annum as the Member paying such sum and the Directors agree upon. Capital paid on shares in advance of calls shall not whilst carrying interest, confer a right to participate in profits and until appropriated towards satisfaction of any call shall be treated as a loan to the Company and not as part of its capital and shall be repayable at any time if the Directors so decide.*

FORFEITURE AND LIEN

Notice requiring payment of calls

38. *If any Member fails to pay in full any call or instalment of a call on or before the day appointed for payment thereof, the Directors may at any time thereafter serve a notice on such Member requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued by reason of such non-payment.*

Notice to state time and place

39. *The notice shall name a further day (not being less than seven days from the date of service of the notice) on or before which and the place where the payment required by the notice is to be made, and shall state that in the event of non-payment in accordance therewith the shares on which the call was made will be liable to be forfeited.*

Forfeiture on noncompliance with notice

40. *If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest and expenses due in respect thereof has been made, be made forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeit share and not actually paid before forfeiture. The forfeiture or surrender of a share shall involve the extinction at the time of forfeiture or surrender of all interest in and all claims and demands against the Company in respect of the share, and all other rights and liabilities incidental to the share as between the Member whose share is forfeited or surrendered and the Company, except only such of those rights and liabilities as are by this Constitution expressly saved, or as are by the Act given or imposed in the case of past Members. The Directors may accept a surrender of any share liable to be made forfeit hereunder.*

Notice of forfeiture to be given and entered

41. *When any share has been forfeited in accordance with this Constitution, notice of the forfeiture shall forthwith be given to the holder of the share or to the person entitled to the share by transmission, as the case may be, and an entry of such notice having been given, and of the forfeiture with the date thereof, shall forthwith be made in the Register of Members or in*

the Depository Register (as the case may be) opposite to the share; but the provisions of this Regulation are directory only, and no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

Directors may allow forfeited share to be redeemed

42. *Notwithstanding any such forfeiture as aforesaid, the Directors, may, at any time before the forfeited share has been otherwise disposed of, annul the forfeiture, upon the terms of payment of all calls and interest due thereon and all expenses incurred in respect of the share and upon such further terms (if any) as they shall see fit.*

Sale of shares forfeited

43. *A share so made forfeit or surrendered shall become the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto or to any other person upon such terms and in such manner as the Directors shall think fit, and at any time before a sale, re-allotment or disposition the forfeiture or surrender may be cancelled on such terms as the Directors shall think fit. To give effect to any such sale, the Directors may, if necessary, authorise some person to transfer a forfeited or surrendered share to any such other person as aforesaid.*

Rights and liabilities of Members whose shares have been forfeited or surrendered

44. *A Member whose shares have been forfeited or surrendered shall cease to be a Member in respect of such shares but shall notwithstanding the forfeiture or surrender remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were payable by him to the Company in respect of the shares with interest thereon at ten per cent per annum (or such lower rate as the Directors may approve) from the date of forfeiture or surrender until payment, but such liability shall cease if and when the Company received payment in full of all such money in respect of the shares and the Directors may waive payment of such interest either wholly or in part.*

Company's lien

45. *The Company shall have a first and paramount lien and charge on every share (not being a fully paid share) in the name of each Member (whether solely or jointly with others) and on dividends declared or payable in respect thereof for all unpaid calls and instalments are due and unpaid and to such amounts as the Company may be called upon by law to pay in respect of the shares of the Member or deceased Member.*

Member not entitled to privileges until all calls paid

46. *No Member shall be entitled to receive any dividend or to exercise any privileges as a Member until he shall have paid all calls for the time being due and payable on every share held by him, whether along or jointly with any other person, together with interest and expenses (if any).*

Sale of shares subject to lien

47. *The Directors may sell in such manner as the Directors think fit any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of seven days after notice in writing stating and demanding payment of the sum presently payable and giving notice of intention to sell in default shall have been given to the Member for the time being in relation to the share or the person entitled thereto by reason of his death or bankruptcy. To give effect to any such sale, the Directors may authorise some person to transfer the shares sold to the purchaser thereof.*

Application of proceeds of such sale

48. *The net proceeds of sale, whether of a share forfeited by the Company or of a share over which the Company has a lien, after payment of the costs of such sale shall be applied in or towards payment or satisfaction of the*

unpaid call and accrued interest and expenses and the residue (if any) paid to the Member entitled to the share at the time of sale or his executors, administrators or assigns, as he may direct.

Title to shares forfeited or surrendered or sold to satisfy a lien

49. *A statutory declaration in writing by a Director of the Company that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts stated therein as against all persons claiming to be entitled to the share and such declaration and the receipt by the Company of the consideration (if any) given for the share on the sale, re-allotment or disposal thereof together with the certificate under Seal for the share delivered to a purchaser or allottee thereof shall (subject to the execution of a transfer if the same be required) constitute a good title to the share and the person to whom the share is sold, re-allotted or disposed of shall be entered in the Register of Members as the holder of the share or (as the case may be) in the Depository Register in respect of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, surrender, sale, re-allotment or disposal of the share.*

ALTERATION OF SHARE CAPITAL

Power to increase capital

50. *The Company in General Meeting may from time to time by Ordinary Resolution, whether all the shares for the time being issued shall have been fully called up or not, increase its capital by the creation of new shares of such amount as may be deemed expedient.*

Rights and privileges of new shares

51. *Subject to any special rights for the time being attached to any existing class of shares, the new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the General Meeting resolving upon the creation thereof shall direct and if no direction be given as the Directors shall determine; subject to the provisions of this Constitution and in particular (but without prejudice to the generality of the foregoing) such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company or otherwise.*

Issue of new shares to Members

52. *(1) Subject to any direction to the contrary that may be given by the Company in General Meeting or except as permitted under the Exchange's listing rules, all new shares shall before issue be offered to the Members in proportion, as nearly as the circumstances admit, to the number of the existing shares to which they are entitled or hold. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may dispose of those shares in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot, in the opinion of the Directors, be conveniently offered under this Regulation.*

(2) Notwithstanding Regulation 52(1) above, the Company may by Ordinary Resolution in General Meeting give to the Directors a general authority, either unconditionally or subject to such conditions as may be specified in the Ordinary Resolution, to:-

(a) *(i) issue shares in the capital of the Company ("shares") whether by way of rights, bonus or otherwise; and/or*

(ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares; and

(b) *(notwithstanding the authority conferred by the Ordinary Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the Ordinary Resolution was in force,*

Provided that:-

(i) the aggregate number of shares to be issued pursuant to the Ordinary Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to the Ordinary Resolution) shall be subject to such limits and manner of calculation as may be prescribed by the Exchange;

(ii) in exercising the authority conferred by the Ordinary Resolution, the Company shall comply with the provisions of the listing rules of the Exchange for the time being in force (unless such compliance is waived by the Exchange) and this Constitution; and

(iii) (unless revoked or varied by the Company in General Meeting) the authority conferred by the Ordinary Resolution shall not continue in force beyond the conclusion of the Annual General Meeting of the Company next following the passing of the Ordinary Resolution, or the date by which such Annual General Meeting of the Company is required by law to be held, or the expiration of such other period as may be prescribed by the Act (whichever is the earliest).

New shares otherwise by these subject to provisions of considered Regulations

53. Except so far as otherwise provided by the conditions of issue or by this Constitution, any capital raised by the creation of new shares shall be considered part of the original capital of the Company and shall be subject to the provisions of this Constitution with reference to allotments, payment of calls, lien, transfer, transmission, forfeiture and otherwise.

Power to consolidate, cancel and subdivide shares

54. (1) The Company may by Ordinary Resolution:-

(a) *consolidate and divide all or any of its share capital;*

(b) *cancel any shares which, at the date of the passing of the Resolution in that behalf have not been taken or agreed to be taken by any person or which have been forfeited and diminish the amount of its share capital by the number of the shares so cancelled;*

(c) *sub-divide its shares or any of them, into shares of a similar amount than is fixed by this Constitution (subject, nevertheless, to the provisions of the Act), provided always that in such subdivision the proportion between the amount paid and the*

amount (if any) unpaid on each reduced share shall be same as it was in the case of the share from which the reduced share is derived; and

(d) subject to the provisions of this Constitution and the Act, convert any class of shares into any other class of shares.

Power to purchase or acquire its issued shares

(2) Subject to an in accordance with the provisions of the Act and the applicable rules of the Exchange, the Company may authorise the Directors in General Meeting to purchase or otherwise acquire any of its issued ordinary shares on such terms as the Company may think fit and in the manner prescribed by the Act. All shares repurchased or otherwise reacquired by the Company shall, unless held in treasury in accordance with the Act, be deemed to be cancelled immediately on purchase or acquisition by the Company. On cancellation of any share as aforesaid, the rights and privileges attached to that share shall expire. In any other instance, the Company may hold or deal with any such share which is so purchased or acquired by it in such manner as my be permitted by, and in accordance with, the Act and the applicable rules of the Exchange. Without prejudice to the generality of the foregoing, upon cancellation of any share purchased or otherwise acquired by the Company pursuant to this Constitution or the Act, the number of issued shares of the Company shall be diminished by the number of shares so cancelled, and where, any such cancelled share was purchased or acquired out of the capital of the Company, the amount of share capital of the Company shall be reduced accordingly.

Power to convert class of shares

(3) The Company may be special resolution, subject to and in accordance with this Constitution, the Act and the Catalist Rules, convert one class of shares into another class of shares.

Power to reduce capital

55. The Company may by Special Resolution reduce its share capital in any manner and subject to any incident authorised and consent required by law.

STOCK

Power to convert into stock

56. The Company may by Ordinary Resolution convert any paid-up shares into stock and may from time to time by like resolution reconvert any stock into paid-up shares of any denomination.

Transfer of stock

57. The holders of stock may transfer the same or any part thereof in the same manner and subject to this Constitution as and subject to which the shares from which the stock arose might previously to conversion have been transferred or as near thereto as circumstances admit but no stock shall be transferable except in such units as the Directors may from time to time determine, provided that such units shall not be greater than the nominal amount of the shares from which the stock arose.

Rights of stockholders

58. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividend, return of capital, voting and other matters as if they held the shares from which the stock arose, but no such privilege or advantage (except as regards participation in the profits or assets on winding up) shall be conferred by the number of stock units which would not if existing in shares, have conferred such privilege or advantage, and no such conversion shall affect or prejudice any preference or other special privileges attached to the shares so converted.

Interpretation	*59.*	*All provisions of this Constitution applicable to paid up shares shall apply to stock and the words "share" and "shareholder" or similar expression herein shall include "stock", "stock units" or "stockholder".*

MEMBERS WHOSE WHEREABOUTS ARE UNKNOWN

Transfer of Shares held by Members whose whereabouts are unknown to Official Receiver	*160.*	*If the Company is unable, for not less than ten (10) years and despite the exercise of reasonable diligence, to discover the whereabouts of a Member, it may exercise its power under the Statutes to transfer the shares of the Member to the official receiver of Singapore for sale by the official receiver and credit of the proceeds thereof into the Singapore Companies Liquidation Account, and thereafter any person claiming the shares otherwise than through the official receiver shall only be entitled to claim against the said Account or the Singapore Consolidated Fund as the case may be, in accordance with the provisions of the Statutes."*

2. The Rights of Shareholders in respect of voting

"GENERAL MEETINGS

Annual General Meetings	*60.*	*(1)*	*Subject to the provisions of the Act and the Catalist Rules, the Company shall in each year hold a General Meeting within 4 months after the end of the Company's financial year end in addition to any other meetings in that year to be called the Annual General Meeting. The interval between the close of a financial year of the Company and the date of the Company's Annual General Meeting shall not exceed such period as may be prescribed by the Act and the Exchange from time to time. The Annual General Meeting shall be held at such time and place as the Directors shall appoint. All General Meetings shall be held in Singapore at such location as may be determined by the Directors, unless prohibited by relevant laws and regulations in the jurisdiction of its incorporation, or unless such requirement is waived by the SGX-ST.*
Extraordinary General Meetings		*(2)*	*All General Meetings other than the Annual General Meetings shall be called Extraordinary General Meetings*
Calling of Extraordinary General Meetings	*61.*		*The Directors may whenever they think fit, convene an Extraordinary General Meeting and Extraordinary General Meetings shall also be convened by such requisitionists as provided by Section 176 of the Act. If at any time there are not within Singapore sufficient Directors capable to form a quorum at a meeting of Directors, any Director may convene an Extraordinary General Meeting in the same manner as nearly as possible as that in which meetings may be convened by the Directors.*
Notice of meetings	*62.*	*(1)*	*Subject to the provisions of the Act as to Special Resolutions and special notice and the calling of meetings at short notice, so long as the shares in the Company are listed on the Exchange, at least 14 days' notice in writing of every General Meeting or 21 days' notice in writing in the case of a General Meeting to pass Special Resolution (exclusive both of the day on which the notice is served or deemed to be served and of the day on which the notice is given) shall be given in the manner hereinafter mentioned to such persons (including the Auditors) as are under the provisions herein contained entitled to receive notice from the Company. At least 14 days' notice of such Meeting shall be given by advertisement in the daily press and in writing to the Exchange, provided always that in the case of any General Meeting at*

which it is proposed to pass a Special Resolution, at least 21 days' notice in writing of such Meeting shall be given to the Exchange.

(2) The accidental omission to give notice to, or the non-receipt by any person entitled thereto shall not invalidate the proceedings at any General Meeting.

Contents of notice

63. (1) Every notice calling a General Meeting shall specify the place in Singapore (unless prohibited by applicable laws or unless such requirements is waived by the Exchange), and the day and hour of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him and that a proxy need not be a Member of the Company.

Notice of Annual General Meeting

(2) In the case of an Annual General Meeting, the notice shall also specify the meeting as such.

Nature of special business to be specified

(3) In the case of any General Meeting at which business other than routine business is to be transacted (special business), the notice shall specify the general nature of the special business, and if any resolution is to be proposed as a Special Resolution, the notice shall contain a statement to that effect.

Special business

64. All business shall be deemed special that is transacted at any Extraordinary General Meeting, and all that is transacted at an Annual General Meeting shall also be deemed special, with the exception of sanctioning a dividend, the consideration of the financial statements, Directors' statement and any other documents required to be annexed to the financial statements, electing Directors in place of those retiring by rotation or otherwise and the fixing of the Directors' remuneration and the appointment and fixing of the remuneration of the Auditors or determining the manner in which such remuneration is to be fixed. Any notice of a meeting called to consider special business shall be accompanied by a statement regarding the effect of any proposed resolution in respect of such special business.

PROCEEDINGS AT GENERAL MEETINGS

Quorum

65. No business shall be transacted at any General Meeting unless a quorum is present at the time the meeting proceeds to business. Save as herein otherwise provided, two Members present shall form a quorum. For the purpose of this Regulation, "Member" includes a person attending by proxy or by attorney or as representing a corporation which is a Member. Provided that (i) a proxy representing more than one Member shall only count as one Member for purpose of determining the quorum; and (ii) where a Member is represented by more than one proxy, such proxies shall only count as one Member for purposes of determining the quorum. In addition, for the purposes of a quorum, joint holders of any share shall be treated as one Member.

Adjournment if quorum not present

66. If within half an hour from the time appointed for the Meeting a quorum is not present, the Meeting if convened on the requisition of Members shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such time or place as the Directors may determine and if at such adjourned Meeting a quorum is not present within half an hour from the time appointed for holding the Meeting, the Meeting shall be dissolved.

Chairman

67. The Chairman of the Board of Directors or, in his absence, the Deputy Chairman (if any), shall preside as chairman at a General Meeting. If there

be no such Chairman or Deputy Chairman, or if at any Meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act, the Members present shall choose one of some Director to be Chairman of the Meeting or, if not Director is present or if all the Directors present declined to take the Chair, some Member present to be Chairman.

Adjournment 68. *The Chairman may, with the consent of any Meeting at which a quorum is present (and shall if so directed by the Meeting), adjourn the Meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the Meeting from which the adjournment took place. When a meeting is adjourned for 14 days or more, notice of the adjourned Meeting shall be given as in the case of the original Meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned General Meeting.*

Method of voting 69. *At any General Meeting a resolution put to the vote of the Meeting shall be (a) decided by poll if it is required by the Act or the Exchange, or (b) if not required by the Act or the Exchange to be decided by poll, decided on a show of hands by the Members present in person and entitled to vote, unless a poll is (before or on the declaration of the result of the show of hands) demanded:-*

(1) by the Chairman of the meeting; or

(2) by at least five Members present in person or by proxy (where a Member has appointed more than one proxy, any one of such proxies may represent that Member) or attorney or in the case of a corporation by a representative and entitled to vote thereat; or

(3) by any Member or Members present in person or by proxy (where a Member has appointed more than one proxy, any one of such proxies may represent that Member) or attorney or in the case of a corporation by a representative or any number or combination of such Members, holding or representing not less than five per cent. of the total voting rights of all the Members having the right to vote at the Meeting; or

(4) by a Member or Members present in person or by proxy, (where a Member has appointed more than one proxy, any one of such proxies may represent that Member) or attorney or in the case of a corporation by a representative or any number or combination of such Members, holding or representing shares in the Company conferring a right to vote at the Meeting, being shares on which an aggregate sum has been paid up equal to not less than five per cent. of the total sum paid on all the shares conferring that right.

Provided always that no poll shall be demanded on the choice of the Chairman of the meeting or on a question of adjournment. Unless a poll is required by the Act or the Exchange or so demanded (and the demand is not withdrawn), a declaration by the Chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded in favour of or against such resolution. A demand for a poll may be withdrawn.

Taking a poll 70. *If a poll is demanded in the manner aforesaid (and the demand is not withdrawn) it shall be taken at such time and place and in such manner (including the use of ballot of voting papers or tickets or electronic means) as the Chairman may direct and the result of a poll shall be deemed to be*

the resolution of the Meeting at which the poll was demanded. The Chairman may, and if so requested or required by the Catalist Rules or if so directed by the Meeting shall, appoint scrutineers whereby, (i) at least one scrutineer shall be appointed for each General Meeting and the appointed scrutineer(s) shall be independent of the persons undertaking the polling process; and (ii) the appointed scrutineer(s) shall (a) ensure that satisfactory procedures of the voting process are in place before the General Meeting; and (b) direct and supervise the count of the votes cast through proxy and in person, and may adjourn the Meeting to some place and time fixed by him for the purpose of declaring the result of the poll, and may adjourn the Meeting to some place and time fixed by him for the purpose of declaring the results of the poll.

Votes counted in error

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

Chairman's casting vote

72. *Subject to the Act and the requirements of the Exchange, in the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the Meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote in addition to the votes to which he may be entitled as a Member or as proxy of a Member.*

Time for taking a poll

73. *A poll demanded on any question shall be taken either immediately or at such subsequent time (not being more than 30 days from the date of the Meeting) and place as the Chairman may direct. No notice need be given of a poll not taken immediately.*

Continuance of business after demand for a poll

74. *The demand for a poll shall not prevent the continuance of a Meeting for the transaction of any business, other than the question on which the poll has been demanded.*

VOTES OF MEMBERS

Voting rights of members

75. *Subject and without prejudice to any special rights or restrictions as to voting for the time being attached to any special class of shares for the time being forming part of the capital of the Company, each Member is entitled to vote in person or by proxy or attorney, and (in the case of a corporation) by a representative. On a show of hands every Member who is present in person or by proxy or attorney, or in the case of a corporation by a representative, shall have one vote provided that if a Member who is not a relevant intermediary and is represented by two proxies, only one of the two proxies as determined by their appointor shall vote on a show of hands and in the absence of such determination, only one of the two proxies as determined by the Chairman (or by a person authorised by him) shall vote on a show of hands and on a poll, every Member who is present in person or by proxy, attorney or representative shall have one vote for each share which he holds or represents. In the case of a Member who is a relevant intermediary and who is represented by two or more proxies, each proxy shall be entitled to vote on a show of hands. Notwithstanding anything contained in this Constitution, a Depositor shall not be entitled to attend any General Meeting and to speak and vote thereat unless his name is certified and supplied by the Depository to the Company as appearing on the Depository Register not more than 72 hours before that General Meeting (the "cut-off time") as a Depositor on whose behalf of the Depository holds shares in the Company. For the purpose of determining the numbers of votes which a Depositor or his proxy may cast a spell on a poll, the Depositor or his proxy shall be deemed to hold or represent that*

number of shares entered in the Depositor's Securities Account at the cutoff time as certified by the Depository to the Company, or where a Depositor has apportioned the balance standing to his Securities Account as at the cut-off time between two proxies, to apportion the said number of shares between the two proxies in the same proportion as specified by the Depositor in appointing the proxies; and accordingly no instrument appointing a proxy of a Depositor shall be rendered invalid merely by reason of any discrepancy between the number of shares standing to the credit of that Depositor's Securities Account at the cut-off time, and the true balance standing to the Securities Account of a Depositor as at the time of the relevant general meeting, if the instrument is dealt with in such manner as aforesaid. A member who is bankrupt shall not, while his bankruptcy continues, be entitled to exercise his rights as a member, or attend, vote or act at any General Meeting.

Voting rights of joint holders

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

Voting rights of Members mentally disordered and incapable of managing himself or his affairs

77. If a Member who is mentally disordered and incapable of managing himself or his affairs in respect of whom an order has been made at any court having jurisdiction, he may vote whether on a show of hands or on a poll by his committee, curator bonis or such other person as properly has the management of his estate and any such other person as properly has the management of his estate and any such committee, curator bonis or other person may vote by proxy or attorney, provided that such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the Office not less than 72 hours before the time appointed for holding the Meeting.

Right to vote

78. Subject to the provisions of this Constitution, every Member either personally or by attorney or in the case of a corporation by a representative and every proxy shall be entitled to be present and to vote at any General Meeting and to be reckoned in the quorum thereat in respect of shares fully paid and in respect of partly paid shares where calls are not due and unpaid.

Objections

79. No objection shall be raised to the qualification of any voter except at the Meeting or adjourned Meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the Meeting whose decision shall be final and conclusive.

Votes on poll

80. On a poll votes may be given either personally or by proxy or by attorney or in the case of a corporation by its representative and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

Appointment of proxies

81. (1) Save as otherwise provided in the Act, a Member who is not a relevant intermediary may appoint not more than two proxies to attend, speak and vote at the same General Meeting. Notwithstanding the foregoing but subject to the Act, a Member who provides nominee or custodial services shall be entitled to appoint any sub-account holder as proxy

to attend and vote at the same General Meeting in respect of such number of shares as are held by each sub-account holder in an account maintained with it.

(2) If a Member is a Depositor, the Company shall be entitled:-

(a) to reject any instrument of proxy lodged if the Depositor is not shown to have any shares entered in its Securities Account as at the cut-off time as certified by the Depository to the Company;

(b) if the Depositor is a Member who provides nominee or custodial services, to reject any instrument or proxy lodged to appoint any sub-account holder as proxy unless the instrument of proxy is accompanies by a confirmation in writing in the common form approved by the Directors assigned by, or on behalf, of that member confirming that such sub-account holder is the holder of an account maintained with the member in respect of the number of shares specified in such instrument of proxy executed by or on behalf of that member; and

(c) to accept as validly cast by the proxy or proxies appointed by the Depositor on a poll that number of votes which corresponds to or is less than the aggregate number of shares entered in its Securities Account of that Depositor as at cut-off time as certified by the Depository to the Company, whether that number is greater or smaller than the number specified in any instrument of proxy executed by or on behalf of that Depositor.

(3) Where a Member who is not a relevant intermediary appoints two proxies, he shall specify the proportion of his shareholding to be represented by each proxy. If no such proportion or number is specified the first named proxy may be treated as representing 100% of the shareholding and any second name proxy as an alternate to the first named.

(4) Where a Member who is a relevant intermediary appoints more than two proxies to attend, speak and vote at the same General Meeting, each proxy must be appointed to exercise the rights attached to a different share or shares held by such Member and the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

(5) Voting right(s) attached to any shares in respect of which a Member has not appointed a proxy may only be exercised at the relevant general meeting by the member personally of by his attorney, or in the case of a corporation by its representative.

(6) Where a Member appoints a proxy in respect of more shares than the shares standing to his name in the Register of Members, or in the case of a Depositor, standing to the credit of that Depositor's Securities Account, such proxy may not exercise any of the votes or rights of the shares not registered to the name of that Member in the Register of Members or standing to the credit of that Depositor's Securities Account as at the cut-off time, as the case may be.

(7) A Member who has deposited an instrument appointing any number of proxies to vote on his behalf at a General Meeting shall not be precluded from attending and coting in person at that General Meeting. Any such appointment of all the proxies concerned shall be deemed to

be revoked upon the attendance of the Member appointing the proxy/proxies at the relevant General Meeting.

Proxy need not be a Member

82. *A proxy or attorney need not be a Member, and shall be entitled to vote on a show of hands on any matter at any General Meeting.*

Instrument appointing a proxy

83. *Any instrument appointing a proxy shall be in writing in the common form approved by the Directors under the hand of the appointor or his attorney duly authorised in writing and shall be deemed to confer authority to include the right to demand or join in demanding a poll, to move any resolution or amendment thereto, and to speak at the General Meeting if the instrument of proxy is delivered personally or sent by post or subject always to Regulation 155, authorised by that Member through such method and in such manner as ay be approved by the Directors, if the instrument is submitted by electronic communication, or, if the appointor is a corporation, under seal (or by signatures of authorised persons in the manner set out under the Act as an alternative to sealing) or under the hand of its attorney duly authorised if the instrument of proxy is delivered personally or sent by post or subject always to Regulation 155, authorised by that Member through such method and in such manner as may be approved by the Directors, if the instrument is submitted by electronic communication, and the Company shall accept as valid in all respects the form of proxy approved by the Directors for use at the date relevant to the General Meeting in question.*

Deposit of proxies

84. *(1) The instrument appointing a proxy, together with the power of attorney or other authority, if any, under which the instrument of proxy is signed or a duly certified copy of that power of attorney or other authority (failing previous registration with the Company) shall be attached to the instrument of proxy:*

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

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

and in either case, not less than 72 hours before the time appointed for the holding of the Meeting or adjourned Meeting (or in the case of a poll before the time appointed for the taking of the poll) at which it is to be used failing which the instrument may be treated as invalid. An instrument appointing a proxy shall, unless the contrary is stated thereon, be valid as well for any adjournment of the Meeting as for the Meeting to which it relates, provided that an instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered for the purposes of any meeting shall not be required again to be delivered for the purposes of any subsequent meeting to which it relates. An instrument of proxy shall be deemed to include the power to demand or concur in demanding a poll on behalf of the appointer. Unless otherwise instructed, a proxy shall vote as he thinks fit. The signatures on an instrument of proxy need not be witnessed.

(2) The Directors may, in their absolute discretion, and in relation to such Members or class of Members as they may determine, specify the means through which instruments appointing a proxy may be submitted by electronic communications, as contemplated in

Regulation 84(1)(b). Where the Directors do not so specify in relation to a Member (whether of a class or otherwise), Regulation 84(1)(a) shall apply.

Intervening death or mental disorder of principal not to revoke proxy

85. A vote given in accordance with the terms of an instrument of proxy (which for the purposes of this Constitution shall also include a power of attorney) shall be valid notwithstanding the previous death or mental disorder of the principal or by the revocation of the proxy or of the authority under which the proxy was executed or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, mental disorder or revocation or transfer shall have been received by the Company at the Office (or such other place as may be specified for the deposit of instrument appointing proxies) before the commencement of the Meeting or adjourned Meeting or (or in the case of a poll before the time appointed for the taking of the poll) at which the proxy is used.

Directors to allow voting in absentia

86. Subject to this Constitution and the Act, the Directors may, at their sole in absentia discretion, approve and implement, subject to such security measures as may be deemed necessary or expedient, such voting methods to allow Members who are unable to vote in person at any General Meeting the option to vote in absentia, including but not limited to voting by mail, electronic mail or facscimile.

Corporations acting by representatives

87. Any corporation which is a Member may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any Meeting of the Company or of any class of Members and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation as the corporation could exercise if it were an individual Member of the Company. The Company shall be entitled to treat a certificate under the seal of the corporation as conclusive evidence of the appointment or revocation of appointment of a representative under this Regulation."

3. The Rights of Shareholders in respect of dividends

"DIVIDENDS AND RESERVES

Payment of dividends

129. The Directors may, with the sanction of the Company, by Ordinary Resolution declare dividends but (without prejudice to the powers of the Company to pay interest on share capital as hereinbefore provided) no dividend shall be payable except out of the profits of the Company.

Apportionment of dividends

130. Subject to the rights of holders of shares with special rights as to dividend (if any), all dividends shall be declared and paid according to the amounts paid on the shares in respect whereof the dividend is paid, but (for the purposes of this Regulation only) an amount paid or credited as paid on a share in advance of a call is to be ignored. Subject to any rights or restrictions attached to any shares or class of shares and except as otherwise permitted under the Act:—

(1) all Dividends in respect of shares must be paid in proportion to the number of shares held by a Member, but where shares are partly paid, all Dividends must be apportioned and paid proportionately to the amounts paid or credited as paid on the partly paid shares; and

(2) all Dividends must be apportioned and paid proportionately to the amounts so paid or credited as paid during any portion or portions of the period in respect of which the Dividend is paid.

Payment of preference and interim dividends

131. *Notwithstanding Regulation 130, if, and so far as in the opinion of the Directors, the profits of the Company justify such payments, the Directors may pay fixed preferential dividends on any express class of shares carrying a fixed preferential dividend expressed to be payable on a fixed date on the half-yearly or other dates (if any) prescribed for the payment thereof by the terms of issue of the shares, and subject thereto may also from time to time pay to the holders of any other class of shares interim dividends thereon of such amounts and on such dates as they may think fit.*

Dividends not to bear interest

132. *No dividend or other moneys payable on or in respect of a share shall Interest bear interest against the Company.*

Deduction from dividend

133. *The Directors may deduct from any dividend or other moneys payable to any Member on or in respect of a share all sums of money (if any) presently payable by him to the Company on account of calls or in connection therewith or any other account which the Company is required by law to withhold or deduct.*

Retention of dividends on shares subject to lien

134. *The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.*

Retention of dividends on shares pending transmission

135. *The Directors may retain the dividends payable on shares in respect of which any person is under this Constitution, as to the transmission of shares, entitled to become a Member, or which any person under this Constitution is entitled to transfer, until such person shall become a Member in respect of such shares or shall duly transfer the same.*

Unclaimed dividends

136. *The payment by the Directors of any unclaimed dividends or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof. All dividends unclaimed after being declared may be invested or otherwise made use of by the Directors for the benefit of the Company and any dividend unclaimed after a period of six years from the date of declaration of such dividend may be forfeited and if so shall revert to the Company but the Directors may at any time thereafter at their absolute discretion annul any such forfeiture and pay the dividend do forfeited to the person entitled thereto prior to the forfeiture. For the avoidance of doubt no Member shall be entitled to any interest, share of revenue or other benefit arising from any unclaimed dividends, howsoever and whatsoever. If the Depository returns any such Dividend or moneys to the Company, the relevant Depositor shall not have any right or claim in respect of such Dividend or moneys against the Company if a period of six years has elapsed from the date of the declaration of such Dividend or the date on which such other moneys are first payable. A payment by the Company to the Depository of any Dividend or other moneys payable to a Depositor shall, to the extent of the payment made, discharge the Company from any liability to the Depositor in respect of that payment.*

Payment of dividend in specie

137. *The Company may, upon the recommendation of the Directors, by Ordinary Resolution direct payment of a dividend in whole or in part by the distribution of specific assets and in particular of paid up shares or debentures of any other company or in any one or more of such ways, and the Directors shall give effect to such Resolution, and where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional certificates and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any*

Members upon footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors.

Dividends payable by cheque

138. Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the Member or person entitled thereto or, if several persons are registered as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder, to any one of such persons or to such person and such address as such persons may be writing direct Provided that where the Member is a Depositor, the payment by the Company to the Depository of any dividend payable to a Depositor shall to the extent of the payment discharge the Company from any further liability in respect of the payment. Every such cheque and warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the share in consequence of the death or bankruptcy of the holder may direct and payment of the cheque if purporting to be endorsed or the receipt of any such person shall be a good discharge to the Company. Every such cheque and warrant shall be sent at the risk of the person entitled to the money represented thereby.

Effect of transfer

139. A transfer of shares shall not pass the right to any dividend declared on such shares before the registration of the transfer.

Scrip dividend scheme

140. (1) Whenever the Directors or the Company in General Meeting have resolved or proposed that a dividend (including an interim, final, special or other dividend) be paid or declared on the ordinary shares of the Company, the Directors may further resolve that members entitled to such dividend be entitled to elect to receive an allotment of ordinary shares credited as fully paid in lieu of cash in respect of the whole or such part of the dividend as the Directors may think fit. In such case, the following provisions shall apply:

(a) the basis of any such allotment shall be determined by the Directors;

(b) the Directors shall determine the manner in which members shall be entitled to elect to receive an allotment of ordinary shares credited as fully paid in lieu of cash in respect of the whole or such part of any dividend in respect of which the Directors shall have passed such a resolution as aforesaid, and the Directors may make such arrangements as to the giving of notice to members, providing for forms of election for completion by members (whether in respect of a particular dividend or dividends or generally), determining the procedure for making such elections or revoking the same and the place at which and the latest date and time by which any forms of election or other documents by which elections are made or revoked must be lodged, and otherwise make all such arrangements and do all such things, as the Directors consider necessary or expedient in connection with the provisions of this Regulation;

(c) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on ordinary shares in respect of which the share election has been duly exercised (the "elected ordinary shares") and in lieu and in satisfaction thereof ordinary shares shall be allotted and credited as fully paid to the holders of the elected ordinary shares on the basis of allotment determined as aforesaid and for such purpose

and notwithstanding any provision of the Regulations to the contrary, the Directors shall be empowered to do all things necessary and convenient for the purpose of implementing the aforesaid, including, without limitation, the making of each necessary allotment of shares and of each necessary appropriation, capitalisation, application, payment and distribution of funds which may be lawfully appropriated, capitalised, applied, paid or distributed for the purpose of the allotment and without prejudice to the generality of the foregoing the Directors may (a) capitalise and apply the amount standing to the credit of any of the Company's reserve accounts or any sum standing to the credit of the financial statements or otherwise available for distribution as the Directors may determine, such sum as may be required to pay up in full the appropriate number of ordinary shares for allotment and distribution to and among the holders of the elected ordinary shares on such basis, or (b) apply the sum which would otherwise have been payable in cash to the holders of the elected ordinary shares towards payment of the appropriate number of ordinary shares for allotment and distribution to and among the holders of the elected ordinary shares on such basis.

(2) The ordinary shares allotted pursuant to the provisions of Regulation 140(1) shall rank pari passu in all respects with the ordinary shares then in issue save only as regards participation in the dividend which is the subject of the election referred to above (including the right to make the election referred to above) or any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneous with the payment or declaration of the dividend which is the subject of the election referred to above, unless the Directors shall otherwise specify.

(3) The Directors may do all acts and things considered necessary or expedient to give effect to any appropriation, capitalisation, application, payment and distribution of funds pursuant to the provisions of Regulation 140(1), with full power to make such provisions as they may think fit in the case of fractional entitlements to shares (including, notwithstanding any provision to the contrary in these Regulations, provisions whereby, in whole or in part, fractional entitlements are disregarded or rounded up or down, or whereby the benefit of fractional entitlements accrues to the Company rather than the members) and to authorise any person to enter on behalf of all the members interested into an agreement(s) with the Company providing for any such appropriation, capitalisation, application, payment and distribution of funds and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

(4) The Directors may, on any occasion when they resolve as provided in Regulation 140(1), determine the rights of election under that paragraph shall not be made available to the persons who are registered as holders of ordinary shares in the Register of Members or (as the case may be) in the Depository Register, or in respect of ordinary shares the transfer of which is registered, after such date as the Directors may fix subject to such exceptions as the Directors think fit and, in such event, Regulations 140(1) to 140(6) shall be read and construed subject to such determination.

(5) The Directors may, on any occasion when they resolve as provided in Regulation 140(1), further determine that no allotment of shares or rights of election for ordinary shares under that paragraph shall be

made available or made to members whose registered addresses entered in the Register of Members or (as the case may be) the Depository Register is outside Singapore or to such other members or class of members as the Directors may in their sole discretion decide and in such event the only entitlements of the members aforesaid shall be to receive in cash the relevant dividend resolved or proposed to be paid or declared.

(6) Notwithstanding the foregoing Regulations 140(1) to 140(5), if at any time after the Directors' resolution to apply the provisions of Regulation 140(1) in relation to any dividend but prior to the allotment of ordinary shares pursuant thereto, the Directors shall consider that by reason of any event or circumstance (whether arising before or after such resolution) or by reason of any matter whatsoever it is no longer expedient or appropriate to implement that proposal, the Directors may at their absolute discretion and without assigning any reason therefore, as they deem fit, cancel the proposed application of Regulation 140(1).

RESERVES

Power to carry profit to reserve

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

BONUS ISSUES AND CAPITALISATION OF PROFITS AND RESERVES

Power to capitalise profits

142. (1) The Company may, upon the recommendation of the Directors, by Ordinary Resolution resolve to:

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

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

(ii) such other date as may be specified therein or determined by the Directors, in proportion to their then holdings of shares; and/or

(b) capitalise any sum for the time being standing to the credit of any of the Company's reserve accounts or other undistributable reserve or any sum standing to the credit of the financial statements (provided that such sum be not required for paying the dividends on any shares carrying a fixed cumulative preferential

dividend) by appropriating such sum to the persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on:

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

(ii) such other date as may be determined by the Directors, in the proportions in which such sum would have been divisible among them had the same been applied or have been applicable in paying dividends and to apply such sum on their behalf in or towards paying up the amounts (if any) for the time being unpaid on any shares held by such Members respectively, or in paying up in full new shares or debentures to be allotted and distributed and credited as fully paid up to and among such Members in the proportion aforesaid or partly in one way and partly in the other. Where any difficulty arises in respect of any such distribution the Directors may settle the same as they think expedient and in particular they may fix the value for any distribution of any fully paid-up shares or debentures, make cash payments to any Members on the footing of the value so fixed in order to adjust rights, and vest any such shares or debentures in trustees upon such trusts for the persons entitled to share in the appropriation and distribution as may seem just and expedient to the Directors. When deemed requisite a proper contract for the allotment and acceptance of any shares to be distributed as aforesaid shall be delivered to the Registrar of Companies for registration in accordance with the Act and the Directors may appoint any person to sign such contract on behalf of the persons entitled to share in the appropriation and distribution and such appointment shall be effective.

(2) *In addition and without prejudice to the powers provided for by this Regulation the Directors shall have power to issue shares for which no consideration is payable and to capitalise any undivided profits or other moneys of the Company not required for the payment or provision of any Dividend on any shares entitled to cumulative or non-cumulative preference Dividends, (including profits or other moneys carried and standing to any reserve or reserves) and to apply such profits or other moneys in paying up in full, in each case on terms that such shares shall, upon issue, be held by or for the benefit of participants of any share incentive or option scheme or plan implemented by the Company and approved by Members in General Meeting and on such terms as the Directors shall think fit.*

Directors to do all acts and things to give effect

143. *Whenever such a resolution as aforesaid shall have been passed the Directors shall make all appropriations and applications of the sum resolved to be capitalised thereby, all allotments and issues of fully paid shares or debentures (if any), and generally shall do all acts and things required to give effect thereto and also to authorise any person to enter on behalf of all the Members entitled thereto into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalisation or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the sum resolved to be capitalised, of the*

amounts or any part of the amounts remaining unpaid on their existing shares and any agreement made under such authority shall be effective and binding on all such Members."

Our Ref : V/2023/301/CORP

3 March 2023

Savills Valuation And
Professional Services (S) Pte Ltd
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Singapore 119962

Attention: Mr Koh Kian Soo / Mr. Jeffrey Kwan

Dear Sirs,

**DESKTOP VALUATION FOR 448 (FORMERLY KNOWN AS 412/A TO 434/A (EVEN NOS.))
TELOK BLANGAH ROAD, SINGAPORE 099593**

We thank you for your instructions to conduct a desktop valuation of the above-mentioned property to determine the current market value for Voluntary General Offer purpose.

As agreed, this valuation is premised on the basic information as per our earlier valuation report dated 2 April 2020 (Our Ref: 2020/868/CORP/CN) and the latest updated information as furnished by goodselves. No recent title searches/request for legal requisitions/soil test/site inspection were conducted. Should the given information be different, a re-valuation is required.

"Market Value is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

The definition of market value is consistent with that as advocated by Singapore Institute of Surveyors and Valuers and is also in line with the Royal Institution of Chartered Surveyors (RICS) Standards and Guidelines and International Valuation Standards Council.

Savills Valuation And Professional Services (S) Pte Ltd has relied upon property data supplied by the Client which we assume to be true and accurate. We take no responsibility for inaccurate client supplied data and subsequent conclusions related to such data. We also accept no responsibility for subsequent changes in information.

This confidential document is for the sole use of persons directly provided with it by Savills Valuation And Professional Services (S) Pte Ltd. Use by, or reliance upon this document by anyone other than the above mentioned party is not authorised by us and we are not liable for any loss arising from such unauthorised use or reliance. This document should not be reproduced without our prior written authority.

The ongoing geo-political headwinds, macro-economic uncertainty and rising interest rate/ inflation may have impact on the Singapore economy and the property market. Our opinions and assessments are based on the information provided and prevailing market data as at the date of this valuation report. More frequent reviews on the market value of the property is encouraged as a precaution in view of the current situation.

Brief details of the property are summarized as follows:-

Type of Property	:	Development site with the benefit of grant of written permission for a proposed 5-storey with attic hotel (194 mid-tied guest rooms) with ancillary facilities and carpark
Legal Description	:	Lot Nos. 3382C and 4198A, Both of Mukim 1
Tenure	:	99-years lease commencing from 20 June 2019
Land Area	:	2,158.20 sm or thereabouts, subject to government's re-survey
Gross Floor Area (GFA)	:	Approximately 4,316.40 sm (inclusive of 211.99 sm commercial GFA), as extracted from URA's grant of written permission dated 24/12/20 and subject to final survey
Construction Cost (Given)	:	Approximately $21,120,000, excludes GST
Property Tax (2023)	:	$390,600 (as provided)
Expected Date of Completion	:	Circa July 2023 (as advised)
Master Plan Zoning (2019 Master Plan)	:	Hotel at gross plot ratio 2.0 The official Master Plan Zoning, Road/Drainage/MRT Interpretation Plans and other legal requisitions have not been applied for and/or made available to us.

Basis of Valuation	:	A) As Re-Development Site For Hotel Development At Gross Plot Ratio 2.0; and B) Gross Development Value Assuming Satisfactory Completion
Methods of Valuation	:	Direct Comparison Method/ Residual Value Method

Having regard to the foregoing and taken into account the prevailing market conditions, we are pleased to re-assess the property on vacant possession and free from all encumbrances basis as follows:-

Date of Valuation : **3 March 2023**

(A) <u>As Hotel Development Site At Gross Plot Ratio 2.0 With All Development Charge Paid</u>

Market Value : **$110,000,000**
(Singapore Dollars One Hundred Ten Million Only)

(B) <u>Gross Development Value Of A Proposed 5-Storey Hotel Development With Roof (Total 194 Rooms) Assuming Satisfactory Completion And Issuance of Temporary Occupation Permit & Certificate Of Statutory Completion</u>

Market Value : **$167,500,000**
(Singapore Dollars One Hundred Sixty-Seven Million And Five Hundred Thousand Only)

Prepared by:
Savills Valuation And Professional Services (S) Pte Ltd

Cynthia Ng
Licensed Appraiser No. AD041-2003388A
Managing Director

Vera Sham
Licensed Appraiser No. AD041-2009803I
Director

CN/VS/ha

LIMITING CONDITIONS

Our valuations are subject to the following limiting conditions unless otherwise stated in our valuation report.

Valuation Standards:	The valuation is carried out in accordance with the Valuation Standards and Practice Guidelines published by the Singapore Institute of Surveyors and Valuers, and/or International Valuation Standards and/or RICS Valuation Standards, subject to variations to comply with local laws, customs and practices.
Valuation Basis:	The valuation is carried out on a basis appropriate to the specific purpose of valuation, in accordance with the relevant definitions, assumptions and qualifications outlined in the valuation report. The opinion expressed in the valuation report applies strictly in accordance with the terms and for the purpose expressed therein. The assessed values need not be applicable in relation to some other assessment.
Currency of Valuation:	Values are reported in local currency unless otherwise stated.
Confidentiality:	Our valuation is confidential and strictly for the use of the addressee of the valuation report only and for the specific purpose(s) stated. Savills disclaim all responsibility and will accept no accountability, obligation or liability to any third parties.
Copyright:	Neither the whole nor any part of the valuation report or any reference to it may be included in any published document, statement, circular or be published in any way, nor in any communication with any third parties, without prior written approval from Savills, including the form and context in which it may appear.
Limitation of Liability:	The liability of Savills and its employees is only limited to the party to whom the valuation report is addressed. No responsibility to any third parties for unauthorized use and reliance is accepted. Any liability arising from the valuers' negligence, breach of contract or otherwise in connection with this engagement shall be limited to the fees received by Savills under this engagement. Savills do not accept liability for any indirect or consequential losses (such as opportunity cost and loss of profits).
Validity Period:	This valuation represents our opinion of value as at the date of valuation. The assessed value may change significantly and unexpectedly over a short period arising from general market movement, possible changes in market forces and circumstances in relation to the property. Savills disclaim all responsibility and accept no liability should the valuation report be relied upon after the expiration of 3 months from the date of valuation, or such earlier date if the addressee of the report becomes aware of any factors that may have an effect on the valuation and has not made known such information to Savills.
Titles:	A brief on-line title search on the property has been carried out only. We are not obliged to inspect and/or read the original title or lease documents, unless they are made available by the client. The valuation shall therefore assume, unless informed to the contrary, that there are no further restrictive covenants, easements or encumbrances not disclosed by this brief title search which may have an effect on the market value. We assume the title of the property is good and marketable and free from all encumbrances, restrictions and other legal impediments.
Planning Information:	Information relating to town planning is obtained from the current Singapore Master Plan which is assumed to be accurate. We do not normally carry out legal requisitions on road, MRT, LRT, drainage and other government proposals, unless specifically requested and Savills is properly reimbursed. In the event that legal requisitions are conducted by our clients which reveal that the information is materially different from the town planning information outlined in the valuation report and/or property is affected by public scheme(s), this report should then be referred back to Savills for review on possible amendment.
Other Statutory Regulations:	Our valuation assumes that the property and any improvements thereon comply with all relevant statutory regulations. We have assumed that the property has been or will be issued with a Temporary Occupation Permit, Certificate of Fitness, Certificate of Statutory Completion or Temporary Occupation License by the competent authority.
Site Condition:	We do not undertake site investigations to ascertain the suitability of the ground conditions and services for the existing or any new development, nor do we carry out any environmental or geotechnical surveys. We have assumed that these aspects are satisfactory and where new development is proposed, no extraordinary expenses or delays will be incurred during the construction period. We have assumed that the load bearing capacity of the site is sufficient to support the building constructed or to be constructed thereon.
Condition of Property:	While due care is exercised in the course of inspection to note any building defects, no structural survey or testing of the services or facilities are carried out nor have we inspected the unexposed or inaccessible portions of the building. As such, we are unable to comment if the building is free from defect, rot, infestation, asbestos or other hazardous material. Our valuation assumes that the building would not have any defects requiring significant capital expenditure and complies with all relevant statutory requirements.
Source of Information:	Where it is stated in the valuation report that the information has been provided to the valuer by the sources listed, this information is presumed to be reliable. Savills takes no responsibility for inaccurate data supplied and subsequent conclusions related to such data. Where information is given without reference to another party in the report, it shall be taken that this information has been obtained or gathered through our best efforts and to our best knowledge. Processed data inferences therefrom shall be taken as the valuer's opinion and shall not be freely quoted without acknowledgement.
Floor Areas:	We have assumed that information contained in the surveyed or architectural floor plans is accurate and has been prepared in accordance with the prevailing Professional Property Practice Guidelines. In the absence of such plans, the floor area is estimated based on available secondary information and such estimates do not provide the same degree of accuracy or certainty. In the event that there is a material variance in areas, we reserve the right to review our valuation.
Plans:	Plans included in the valuation report are for identification purposes only and should not be relied upon to define boundaries or treated as certified copies of areas or other particulars contained therein. All location plans are obtained from OneMap. While we have endeavoured to ensure the maps are updated, we do not vouch for the accuracy of the map and shall not be responsible if it is otherwise.
Tenant:	No enquiries on the financial standing of actual or prospective tenants have been made. Where property is valued with the benefit of lettings, it is assumed that the tenants are capable of meeting their obligations under the lease and there are no arrears of rent or undisclosed breaches of covenant.
Reinstatement Cost:	Our opinion of the reinstatement cost for fire insurance purpose is provided only for guidance and must not be relied upon as the basis for insurance cover. We advise that we are not quantity surveyors and our estimate of the construction cost is based upon published sources. We recommend that verification of the insurance replacement cost be sought from a qualified quantity surveyor, if considered appropriate.
Attendance in Court:	Savills or its employees are not obliged to give testimony or to appear in court or any other tribunal or to any government agency with regards to this valuation report or with reference to the property in question unless prior arrangement has been made and Savills are properly reimbursed.

Our Ref: V/2023/303/CORP

3 March 2023

Savills Valuation And
Professional Services (S) Pte Ltd
Reg No : 200402411G

30 Cecil Street
#20-03 Prudential Tower
Singapore 049712

T : (65) 6836 6888
F : (65) 6536 8611

Savills.com

Global Dragon Limited
456 Alexandra Road
#02-09 Fragrance Empire Building
Singapore 119962

Attention: Mr Koh Kian Soo/Mr Jeffrey Kwan

Dear Sirs,

DESKTOP VALUATION OF 111 NORTH BRIDGE ROAD
#06-01/02, #06-05/06, #06-09/10/11 #06-18/19, #06-22/23 & #06-25
PENINSULA PLAZA, SINGAPORE 179098

We thank you for your instructions to conduct a desktop valuation of the above-mentioned property to determine the current market value for Voluntary General Offer purpose.

As agreed, this valuation is premised on the basic information as per our earlier valuation report dated 1 March 2018 (Our Ref: 2018/93(A to R)/PTE/VS) and the latest updated information as furnished by your goodselves. No recent title searches/request for legal requisitions/soil test/site inspection were conducted. Should the given information be different, a re-valuation is required.

“Market Value is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”.

The definition of market value is consistent with that as advocated by Singapore Institute of Surveyors and Valuers and is also in line with the Royal Institution of Chartered Surveyors (RICS) Standards and Guidelines and International Valuation Standards Council.

Savills Valuation And Professional Services (S) Pte Ltd has relied upon property data supplied by the Client which we assume to be true and accurate. We take no responsibility for inaccurate client supplied data and subsequent conclusions related to such data. We also accept no responsibility for subsequent changes in information.

This confidential document is for the sole use of persons directly provided with it by Savills Valuation And Professional Services (S) Pte Ltd. Use by, or reliance upon this document by anyone other than the above mentioned party is not authorised by us and we are not liable for any loss arising from such unauthorised use or reliance. This document should not be reproduced without our prior written authority.

The ongoing geo-political headwinds, macro-economic uncertainty and rising interest rate/ inflation may have impact on the Singapore economy and the property market. Our opinions and assessments are based on the information provided and prevailing market data as at the date of this valuation report. More frequent reviews on the market value of the property is encouraged as a precaution in view of the current situation.

Brief details of the property are summarized as follows:-

Type of Property	:	Eight strata-titled office units on the 6th storey of a 30-storey commercial development
Tenure	:	Leasehold 999 years with effect from 29 October 1829
Year of Completion	:	Circa 1980s
Condition	:	Assume average
Legal Description/ Strata Floor Area	:	

Unit No.	Strata Lot No.*	Strata Floor Area (sm)
#06-01/02	U2025V	58
#06-05/06	U2022C	58
#06-09	U2030T	39
#06-10	U2031A	44
#06-11	U2032K	81
#06-18/19	U2038W	61
#06-22/23	U2028A	50
#06-25	U2026P	57
Total		**448**

**All of Town Subdivision 10*

Tenancy	:	We were told that #06-05/06 & 09 are let at total monthly gross rental of about $5,963. The tenancies are generally on 1 to 2-year lease term. The rest of the units are vacant. No other detail is provided to us.

Master Plan Zoning (2019 Master Plan)	:	Commercial The official Master Plan Zoning, Road/Drainage/MRT Interpretation Plans and other legal requisitions have not been applied for and/or made available to us.
Basis of Valuation	:	As-Is basis, with vacant possession and free from all encumbrances
Methods of Valuation	:	Direct Comparison Method

Having regard to the foregoing and taken into account the prevailing market conditions, we are pleased to re-assess the property on vacant possession and free from all encumbrances basis as follows:-

Date of Valuation : **3 March 2023**

Market Value :

Unit No.	Market Value
#06-01/02	$1,440,000
#06-05/06	$1,450,000
#06-09	$980,000
#06-10	$1,090,000
#06-11	$1,970,000
#06-18/19	$1,510,000
#06-22/23	$1,240,000
#06-25	$1,410,000
Total	**$11,090,000**

(Singapore Dollars Eleven Million And Ninety Thousand Only)

Prepared by:

Savills Valuation And Professional Services (S) Pte Ltd



Cynthia Ng
Licensed Appraiser No. AD041-2003388A
Managing Director

VS/CN/k

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騰龍國際集團
GLOBAL DRAGON LIMITED

(Incorporated in the Republic of Singapore)
Company Registration No.198102945K and SGX: 586

Founded on 25 June 1981, **GLOBAL DRAGON LIMITED** (the "**Company**", and together with its subsidiaries, the "**Group**"), is a public limited company incorporated in Singapore and was listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") since 27 September 1999.

On 14 December 2017, JK Global Assets Pte. Ltd. became the major shareholder of the Group.

On 23 March 2018, the Company adopted the Chinese name "**騰龍國際集團**" for identification purposes and changed its principal activities to property development and investment.

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YEAR 2023

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42nd anniversary year for incorporation of the Company since June 1981
24th anniversary year as a public company listed on the SGX-ST since September 1999
Young and dynamic property developer and property investor since March 2018

UNAUDITED RESULTS ANNOUNCEMENT

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2022

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A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

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D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

F. OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C

*This announcement has been reviewed by the Company's sponsor, SAC Capital Private Limited (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

The contact person for the Sponsor is Ms Lee Khai Yinn (Telephone no.: (65) 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.

A. CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2022 ("HY2023")

	Note	Group 6 months ended 31 December 2022	2021	% Change Increase / (Decrease)
		S$'000	S$'000	%
Revenue	4	**19,077**	**59,000**	(68%)
Cost of sales		(16,433)	(50,996)	(68%)
Gross profit		**2,644**	**8,004**	(67%)
Other income		12	58	(79%)
Sales and marketing expenses		(680)	(1,441)	(53%)
General and administrative expenses		(715)	(689)	4%
Other expense		(1)	–	N.M.
Finance costs		(1,172)	(923)	27%
Profit before tax	6	**88**	**5,009**	(98%)
Income tax expense	7	–	–	–
Profit for the financial period		**88**	**5,009**	(98%)
Total comprehensive income for the financial period attributable to the owners of the Company		**88**	**5,009**	(98%)
Earnings per ordinary share of the Group for the financial period based on net profit attributable to owners of the Company on weighted average number of ordinary shares in issue (basic) (cents) and fully diluted basis (cents)		**0.01**	**0.73**	(98%)

Note:

* The Company does not have any dilutive equity instruments in HY2023 and the six months financial period ended 31 December 2021 ("**HY2022**").

** N.M. – Not meaningful.

B. CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Note	Group		Company	
		31 December 2022	30 June 2022 (Audited)	31 December 2022	30 June 2022 (Audited)
		S$'000	S$'000	S$'000	S$'000
Assets					
Non-current assets					
Property, plant and equipment	9	130,502	123,742	22	24
Investment properties	10	10,870	10,870	10,870	10,870
Investment in subsidiaries		–	–	6,000	6,000
		141,372	**134,612**	**16,892**	**16,894**
Current assets					
Trade and other receivables		12,714	11,195	47	74
Due from subsidiaries (non-trade)		–	–	35,626	39,359
Due from a related company (trade)		34	34	–	–
Prepayments		443	27	34	25
Contract assets		12,707	27,436	–	–
Development properties	11	23,410	33,072	–	–
Property held for sale		–	628	–	628
Cash and short-term deposits		10,891	36,602	298	1,783
		60,199	**108,994**	**36,005**	**41,869**
Total assets		**201,571**	**243,606**	**52,897**	**58,763**
Liabilities					
Current liabilities					
Trade and other payables		5,134	6,290	612	613
Due to subsidiaries (non-trade)		–	–	1,966	1,974
Contract liabilities		4,200	3,986	–	–
Provisions		135	135	15	15
Provision for tax		1,050	1,050	–	–
Borrowings	12	91,855	124,615	2,948	998
		102,374	**136,076**	**5,541**	**3,600**
Net current (liabilities)/assets		**(42,175)**	**(27,082)**	**30,464**	**38,269**
Non-current liabilities					
Deferred tax liabilities	7	10,332	10,332	–	–
Borrowings	12	5,788	7,389	4,720	5,831
		16,120	**17,721**	**4,720**	**5,831**
Total liabilities		**118,494**	**153,797**	**10,261**	**9,431**
Net assets		**83,077**	**89,809**	**42,636**	**49,332**
Equity attributable to owners of the Company					
Share capital	13	46,116	46,116	46,116	46,116
Reserves		36,961	43,693	(3,480)	3,216
Total equity		**83,077**	**89,809**	**42,636**	**49,332**
Total equity and liabilities		**201,571**	**243,606**	**52,897**	**58,763**

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2022

	Attributable to owners of the Company					
	Share capital S$'000	**Asset revaluation reserve** S$'000	**Exchange fluctuation reserve** S$'000	**Share option reserve** S$'000	**Accumulated losses** S$'000	**Total equity** S$'000
Group						
At 1 July 2022	**46,116**	**45,275**	**285**	**498**	**(2,365)**	**89,809**
Profit for the period	–	–	–	–	88	**88**
Total comprehensive income for the period	**–**	**–**	**–**	**–**	**88**	**88**
Dividends on ordinary shares	–	–	–	–	(6,820)	**(6,820)**
Total transactions with owners, recognised directly in equity	–	–	–	–	**(6,820)**	**(6,820)**
At 31 December 2022	**46,116**	**45,275**	**285**	**498**	**(9,097)**	**83,077**
At 1 July 2021	**46,116**	**42,050**	**285**	**498**	**(8,822)**	**80,127**
Profit for the period	–	–	–	–	5,009	**5,009**
Total comprehensive income for the period	**–**	**–**	**–**	**–**	**5,009**	**5,009**
Dividends on ordinary shares	–	–	–	–	(2,046)	**(2,046)**
Total transactions with owners, recognised directly in equity	–	–	–	–	**(2,046)**	**(2,046)**
At 31 December 2021	**46,116**	**42,050**	**285**	**498**	**(5,859)**	**83,090**

C. CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2022

	Attributable to owners of the Company			
	Share capital S$'000	**Share option reserve** S$'000	**Accumulated profits/(losses)** S$'000	**Total equity** S$'000
Company				
At 1 July 2022	**46,116**	**498**	**2,718**	**49,332**
Profit for the period	–	–	124	**124**
Total comprehensive income for the period	**–**	**–**	**124**	**124**
Dividends on ordinary shares	–	–	(6,820)	**(6,820)**
Total transactions with owners, recognised directly in equity	**–**	**–**	**(6,820)**	**(6,820)**
At 31 December 2022	**46,116**	**498**	**(3,978)**	**42,636**
At 1 July 2021	**46,116**	**498**	**(6,075)**	**40,539**
Profit for the period	–	–	3,401	**3,401**
Total comprehensive income for the period	**–**	**–**	**3,401**	**3,401**
Dividends on ordinary shares	–	–	(2,046)	**(2,046)**
Total transactions with owners, recognised directly in equity	**–**	**–**	**(2,046)**	**(2,046)**
At 31 December 2021	**46,116**	**498**	**(4,720)**	**41,894**

D. CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2022

	Note	Group 6 months ended 31 December 2022 S$'000	2021 S$'000
Operating activities			
Profit before tax		**88**	**5,009**
Adjustments for:			
Depreciation of property, plant and equipment	6	2	40
Interest expense	6	1,172	918
Interest income	6	(8)	(1)
Operating profit before working capital changes		**1,254**	**5,966**
Changes in working capital:			
(Increase)/decrease in trade and other receivables		(1,935)	5,970
Decrease/(increase) in contract assets		14,729	(43,795)
Decrease in development properties and property held for sale		9,810	27,901
(Decrease)/increase in trade and other payables		(1,156)	1,035
Increase in contract liabilities		214	24,005
Cash from operations		**22,916**	**21,082**
Interest paid		(875)	(984)
Net cash flows generated from operating activities		**22,041**	**20,098**
Investing activities			
Interest received		8	1
Interest paid		(954)	(941)
Additions to property, plant and equipment		(5,807)	(2,851)
Proceeds from disposal of investment properties		628	1,071
Net cash flows used in investing activities		**(6,125)**	**(2,720)**
Financing activities			
Interest paid		(446)	(245)
Repayment of lease liabilities		–	(34)
Proceeds from bank loans		13,210	25,577
Proceeds from shareholder's loans		1,970	1,360
Repayment of bank loans		(49,441)	(13,176)
Repayment of shareholder's loans		(100)	(1,600)
Dividends paid		(6,820)	(2,046)
Net cash flows (used in)/generated from financing activities		**(41,627)**	**9,836**
Net (decrease)/increase in cash and cash equivalents		**(25,711)**	**27,214**
Cash and cash equivalents at beginning of financial period		**35,602**	**7,037**
Cash and cash equivalents at end of financial period		**9,891**	**34,251**
Note to the Condensed Interim Consolidated Statement of Cash Flows			
Cash and short-term deposits		**10,891**	**35,251**
Less: Fixed deposits pledged		**(1,000)**	**(1,000)**
Cash and cash equivalents [(1)]		**9,891**	**34,251**

Note:

(1) *Included in cash and cash equivalents is an amount of S$9,263,000 (HY2022: S$33,225,000) deposited in the project accounts. Withdrawals of these monies for expenditures related to specific property under development are governed by the Housing Developers (Control and Licensing) Act.*

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2022

1. Corporate information

Global Dragon Limited (the "**Company**") is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

The registered office and principal place of business are located at 456 Alexandra Road #02-09 Fragrance Empire Building Singapore 119962.

The principal activities of the Company and of the Group are property development and investment.

2. Basis of preparation

The condensed interim financial statements for the six months financial period ended 31 December 2022 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last financial statements for the financial year ended 30 June 2022.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with Singapore Reporting Standards (International) ("**SFRS(I)**s"), except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar (SGD or S$) which is the Company's functional currency and all values in the tables are rounded to the nearest thousand (S$'000), except when otherwise indicated.

The latest audited annual financial statements were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

As at 31 December 2022, the Group's current liabilities exceeded its current assets by S$42,175,000. This is because S$71,677,000 of development loans have been classified as current liabilities because they are due for repayment within the next 12 months, in which S$19,039,000 and S$52,638,000 are to be redeemed in full upon Temporary Occupation Permits ("**TOP**") and converted into term loan upon TOP respectively. Notwithstanding this, the Group's financial statements have been prepared on a going concern basis based on financial and cash flow projections, the Board and management are reasonably confident that the Group will have sufficient cash to pay its debts as and when they fall due.

2.1. New and amended standards adopted by the Group

A number of amendments to SFRS(I)s have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

The accounting policies adopted and methods of computation applied are consistent with those previously applied under SFRS(I)s except that in the current financial year, the Group has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 July 2022.

The adoption of these standards did not have any material effect on the financial performance or position of the Group. The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2022

2. Basis of preparation (cont'd)

2.2. Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the financial year ended 30 June 2022.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

(a) Note 7 - Determination of provision for income taxes
(b) Note 9 - Impairment of non-financial assets

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial period are included in the following notes:

(a) Note 9 - Valuation of rights in leasehold land held as property, plant and equipment ("**PPE**")
(b) Note 10 - Valuation of investment properties
(c) Notes 9 and 10 - Impairment of non-financial assets
(d) Note 11 - Estimation of net realisable value ("**NRV**") for development properties

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2022

4. Segment and revenue information

The Group has several reportable business segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately because they are targeting different market segments and require different marketing strategies. For each strategic business unit, the Group's Executive Chairman reviews internal management reports at least on a monthly basis.

The following summary describes the operations of each of the Group's reportable business segments:

(a) Property development segment relates to the development of residential properties;
(b) Property investment segment relates to the holding of investment properties to earn rental and for capital appreciation; and
(c) Hospitality segment relates to the leasing of hotels to operators with limited variability in rental income.

The Group operates in a single principal geographical segment in Singapore for the six months financial periods ended 31 December 2022 and 31 December 2021. Therefore, no information on geographical segments is disclosed.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit for the financial period, as included in the internal management reports that are reviewed by the Group's Executive Chairman. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments.

4.1 Segment information

	Property development S$'000	**Property investment** S$'000	**Hospitality** S$'000	**Adjustments and eliminations** S$'000	**Consolidated total** S$'000
Group					
1 July 2022 to 31 December 2022					
External revenue	18,946	904	–	(773)	19,077
Depreciation of property, plant and equipment	–	(2)	–	–	(2)
Interest income	–	8	–	–	8
Interest expense	(759)	(109)	(304)	–	(1,172)
Reportable segment (loss)/profit for the period	(1,099)	122	(313)	1,378	88
Capital expenditure	–	–	6,762	–	6,762
Reportable segment assets	58,759	55,839	132,588	(45,615)	201,571
Reportable segment liabilities	(57,944)	(10,988)	(87,111)	37,549	(118,494)
1 July 2021 to 31 December 2021					
External revenue	58,855	608	–	(463)	59,000
Depreciation of property, plant and equipment	(38)	(2)	–	–	(40)
Interest income	–	1	–	–	1
Interest expense	(709)	(95)	(114)	–	(918)
Reportable segment profit/(loss) for the period	5,392	3,358	(119)	(3,622)	5,009
Capital expenditure	–	2	3,784	–	3,786
Reportable segment assets	179,828	55,674	117,142	(46,986)	305,658
Reportable segment liabilities	(173,665)	(11,586)	(74,424)	37,107	(222,568)

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2022

4. Segment and revenue information (cont'd)

4.2 Revenue

	Group 6 months ended 31 December	
	2022	2021
	S$'000	S$'000
Property development revenue recognised over time	8,790	43,795
Property development revenue recognised at a point in time	10,156	15,060
Rental income from investment properties	131	145
	19,077	59,000

(a) Disaggregation of Revenue

	Group 6 months ended 31 December					
	Property development		Investment properties		Total revenue	
	2022	2021	2022	2021	2022	2021
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Primary geographical markets						
Singapore	18,946	58,855	131	145	19,077	59,000
Major product or service lines						
Commercial properties	–	–	131	145	131	145
Residential properties	18,946	58,855	–	–	18,946	58,855
Timing of transfer of goods or services						
At a point in time	10,156	15,060	–	–	10,156	15,060
Over time	8,790	43,795	131	145	8,921	43,940

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2022 and 30 June 2022:

	Group		Company	
	31 December 2022	30 June 2022 (Audited)	31 December 2022	30 June 2022 (Audited)
	S$'000	S$'000	S$'000	S$'000
Financial assets				
Amortised cost	23,639	47,831	35,971	41,216
Financial liabilities				
Amortised cost	102,777	138,294	10,246	9,416

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2022

6. Profit before tax

6.1 Significant items

	Group	
	6 months ended 31 December	
	2022	2021
	S$'000	S$'000
Interest income	(8)	(1)
Deposits forfeited on aborted property sales	–	(18)
Government grants	(3)	(39)
Depreciation of property, plant and equipment	2	40
Employee benefit expense	487	479
Foreign exchange loss	1	–
Interest expense	1,172	918
Operating lease expenses	43	44

6.2 Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the financial statements.

7. Taxation

7.1 Income tax expense

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings.

7.2 Deferred tax liabilities

	Group	
	As at 31 December 2022	As at 30 June 2022 (Audited)
	S$'000	S$'000
Deferred tax liabilities		
Attributable to profits from the sale of development properties	1,059	1,059
Revaluation gain on rights in leasehold land classified as property, plant and equipment	9,273	9,273
	10,332	10,332

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2022

8. Net asset value

	Group		Company	
	As at 31 December 2022	As at 30 June 2022	As at 31 December 2022	As at 30 June 2022
Net asset value per ordinary share (cents)	12.18	13.17	6.25	7.23

9. Property, plant and equipment

During the six months financial period ended 31 December 2022, additions to the Group's property, plant and equipment amounted to S$6,762,000 (six months financial period ended 31 December 2021: S$3,786,000).

10. Investment properties

The Group's investment properties are commercial properties, held for long-term rental yields and/or capital appreciation and are not substantially occupied by the Group. They are mainly leased to third parties under operating leases.

	Group and Company	
	2022	2021
	S$'000	S$'000
Balance sheet:		
At 1 July	10,870	11,170
Fair value gain on investment properties	–	–
Transfer to property held for sale	–	–
At 31 December	10,870	11,170

	6 months ended 31 December	
	2022	2021
	S$'000	S$'000
Statement of comprehensive income:		
Rental income from investment properties:		
- Minimum lease payments	131	145
Direct operating expenses (including repairs and maintenance) arising from:		
- Rental generating properties	(41)	(28)
- Non-rental generating properties	(4)	(15)
	(45)	(43)

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2022

10. Investment properties (cont'd)

10.1 Valuation

The Group engages external, independent and qualified valuers to determine the fair value of the Group's properties at the end of every year based on the property's highest and best use. Discussions on the valuation process, key inputs applied in the valuation approach and the reasons for the fair value changes are held between the property manager, management and the independent valuer yearly.

The fair value of the Group's investment properties and leasehold land held as property, plant and equipment is determined based on significant unobservable inputs and are categorised under Level 3 of the fair value measurement hierarchy. Level 3 fair value has been derived using valuation techniques (i.e., direct comparison method and/or residual value method) with unobservable inputs (i.e., price per square feet) by the external valuation experts. An increase/decrease in these unobservable inputs based on management's assumptions would result in a higher/lower fair value measurement.

11. Development properties

The Group accounts for its development properties at the lower of cost or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses.

The Group had reviewed the estimated selling prices of its development properties and is of the view that no allowance for net realisable value is required as at 31 December 2022.

12. Borrowings

	Group		Company	
	31 December 2022	30 June 2022	31 December 2022	30 June 2022
	S$'000	S$'000	S$'000	S$'000
Amount repayable within one year or on demand				
Secured	89,985	124,615	1,078	998
Unsecured	1,870	–	1,870	–
	91,855	124,615	2,948	998
Amount repayable after one year				
Secured	5,788	7,389	4,720	5,831
	5,788	7,389	4,720	5,831
	97,643	132,004	7,668	6,829

Details of any collateral:

Secured borrowings

As at 31 December 2022 and 30 June 2022, the secured borrowings of the Group are secured by way of:

(i) legal mortgages over leasehold land and building of the Group, development properties, investment properties and property held for sale held by the Group and the Company;
(ii) corporate guarantees by the Company;
(iii) assignment of developer's rights and benefits in the sale and purchase agreements; and
(iv) personal guarantees by the Executive Chairman and a substantial shareholder of the Company.

Unsecured borrowings

As at 31 December 2022, the unsecured borrowings of the Company comprise of interest-free borrowings from the Executive Chairman of the Company. As at 30 June 2022, the Company does not have any unsecured borrowings.

E. NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2022

13. Share capital

	Group and Company	
	Number of shares	Share capital S$'000
Issued and fully paid:		
As at 31 December 2022 and 30 June 2022	681,975,469	46,116

There has been no change in the Company's share capital since 30 June 2022.

The Company does not hold any treasury shares or convertible instruments as at 31 December 2022, 30 June 2022 and 31 December 2021.

The Company's subsidiaries do not hold any shares in the Company as at 31 December 2022, 30 June 2022 and 31 December 2021.

F. OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2022

1. Review

The condensed consolidated statement of financial position of Global Dragon Limited and its subsidiaries as at 31 December 2022 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

2.1 Statement of Comprehensive Income Review

Review for the performance of the Group is based on the six months financial period ended 31 December 2022 ("**HY2023**") as compared to the six months financial period ended 31 December 2021 ("**HY2022**").

In HY2023, the Group recorded a net profit and total comprehensive income for the period of S$88,000 (HY2022: net profit and total comprehensive income for the period of S$5.01 million), resulting in a basic earnings per share of 0.01 cents (HY2022: basic earnings per share of 0.73 cents).

2.1.1 Revenue, Cost of Sales and Other Income

Revenue
The Group's revenue decreased by S$39.92 million (or 68%) to S$19.08 million in HY2023 (HY2022: S$59.00 million) due mainly to the recognition of less revenue from the property development projects located at East Coast Road ("**Project Infini At East Coast**") and Kovan Close ("**Project Kovan Close**") amounting to S$18.95 million (HY2022: S$58.86 million). The Group obtained the Temporary Occupation Permits ("**TOP**") for Project Infini At East Coast and Project Kovan Close during the financial period under review.

The decrease is also due to a decrease in rental income of S$14,000 from its investment properties to S$131,000 (HY2022: S$145,000) which is in line with the decrease in property investment portfolio of 999-year leasehold prime office units to 12 units in HY2023 (HY2022: 13 units).

Cost of sales
The Group recognised cost of sales of S$16.43 million in HY2023 (HY2022: S$51.00 million) for Project Infini At East Coast and Project Kovan Close.

Other income
The Group's other income decreased by S$46,000 (or 79%) to S$12,000 in HY2023 (HY2022: S$58,000) due mainly to the decrease of S$35,000 in government grants relating to one-off rental support scheme for office rent and that there were no deposits forfeited on aborted property sales recognised of S$18,000 during HY2023. The decrease was offset by the increase in interest income of S$7,000 during HY2023.

2.1.2 Operating Expenses and Other Expenses

Operating expenses
The Group's operating expenses, which comprised sales and marketing expenses and general and administrative expenses, have decreased by S$735,000 (or 35%) to S$1.40 million in HY2023 (HY2022: S$2.13 million), due mainly to the decrease in sales and marketing expenses relating to the development projects as the Group has sold all of its property development units.

F. OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2022

2.1 Statement of Comprehensive Income Review (cont'd)

2.1.2 Operating Expenses and Other Expenses (cont'd)

Sales and marketing expenses

Sales and marketing expenses decreased significantly by S$761,000 (or 53%) to S$680,000 in HY2023 (HY2022: S$1.44 million), due mainly to the decrease in commissions paid, show flat expenses and advertisement and promotional expenses of S$580,000, S$160,000 and S$21,000 respectively for Project Infini At East Coast, Project Flower Road and Project Lorong Mydin.

General and administrative expenses

General and administrative expenses increased by S$26,000 (or 4%) to S$715,000 in HY2023 (HY2022: S$689,000) due mainly to the increase in the following items:

(a) professional fees, compliance expenses and listing expenses of S$15,000;
(b) employee benefits expense of S$8,000 for salary adjustment and bonus;
(c) other administrative expenses of S$3,000; and
(d) maintenance expenses recorded on the investment properties and plant and equipment of S$1,000.

The increase was partly offset by the decrease in operating lease expenses of S$1,000.

Other expenses

The Group recorded foreign exchange loss of S$1,000 during HY2023 due to weakening of Australian dollars over Singapore dollars.

2.1.3 Finance Costs

Finance costs increased by S$250,000 (or 27%) to S$1.17 million in HY2023 (HY2022: S$923,000) due to the increase in loan interest expenses of S$255,000 was in line with the increase in loan interest rate and drawdown of development loans during HY2023. The increase was offset by the decrease in bank facility fees of S$5,000.

2.2 Balance Sheet Review

The comparative performance for both assets and liabilities are based on the Group's consolidated financial statements as at 31 December 2022 and 30 June 2022.

As at 31 December 2022, the Group recorded net assets of S$83.08 million (30 June 2022: S$89.81 million).

2.2.1 Total Equity

Equity attributable to the owners of the Company amounted to S$83.08 million as at 31 December 2022 (30 June 2022: S$89.81 million). The decrease was due to the dividends paid of S$6.82 million during the period under review, partially offset by net profit for the period of S$88,000.

2.2.2 Non-Current Assets

Non-current assets increased by S$6.76 million (or 5%) to S$141.37 million as at 31 December 2022 (30 June 2022: S$134.61 million) due to the increase in property, plant and equipment relating to hotel under construction by S$6.76 million. The increase was offset by the depreciation charges of S$2,000 recognised during the period under review.

F. OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2022

2.2 Balance Sheet Review (cont'd)

2.2.3 Current Assets

The decrease in current assets of S$48.80 million (or 45%) to S$60.20 million as at 31 December 2022 (30 June 2022: S$108.99 million) was due mainly to the decrease in the following items:

(a) cash and short-term deposits of S$25.71 million due to the decrease in cash held in project accounts of S$23.31 million and cash at banks of S$2.40 million;
(b) contract assets of S$14.73 million relating to the development properties;
(c) development properties of S$9.66 million due mainly to the recognition of cost of sales of development properties during HY2023 of S$16.43 million, which was partially offset by the increase in costs capitalised into the development properties of S$6.77 million; and
(d) property held for sale of S$628,000 due to the completion of sale of one (1) office unit at Peninsula Plaza recognised as investment property held for sale.

The decrease in current assets was partially offset by the increase in the following items:

(a) prepayment of S$416,000; and
(b) trade and other receivables of S$1.52 million due to the increase in trade receivables comprising mainly amounts due from the property purchasers of S$5.05 million, other receivables of S$2,000, tax recoverable of S$154,000 and deposits of S$29,000. The increase in trade and other receivables was partially offset by the decrease in conveyancing monies held in escrow accounts of S$3.71 million relating to the payments from the property purchasers.

2.2.4 Current Liabilities

Current liabilities decreased by S$33.71 million (or 25%) to S$102.37 million as at 31 December 2022 (30 June 2022: S$136.08 million) due mainly to the decrease in the following items:

(a) current borrowings of S$32.76 million due to the net repayments of development loans of S$35.91 million, partially offset by the net proceeds from the term loans and interest-free shareholder's loans of S$1.28 million and S$1.87 million respectively for the construction of development properties; and
(b) trade and other payables of S$1.16 million due to the decrease in accrued development costs of S$1.91 million, retention sum of S$188,000 relating to the construction of development properties and deposits received of S$36,000. The decrease was partially offset by the increase in trade payables of S$822,000, other payable of S$83,000 and accrued operating expenses of S$75,000.

The decrease in current liabilities was partially offset by the increase in contract liabilities of S$214,000 relating to the property development projects.

Net current liabilities

The Group recorded net current liabilities of S$42.18 million as at 31 December 2022 (30 June 2022: S$27.08 million) due to a greater decrease in current assets of S$48.80 million than the decrease in current liabilities of S$33.70 million. The Group plans to convert the hotel development loan to term loan upon TOP, consequently, this will change the classification of borrowings amounting to S$67.63 million from current liabilities to non-current liabilities. For the analysis of current assets and current liabilities, please refer to paragraphs 2.2.3 and 2.2.4 above for details.

The Group's financial statements have been prepared on a going concern basis based on financial and cash flow projections, the Board and management are reasonably confident that the Group will have sufficient cash to pay its debts as and when they fall due.

F. OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2022

2.2 Balance Sheet Review (cont'd)

2.2.5 Non-Current Liabilities

Non-current liabilities decreased by S$1.60 million (or 9%) to S$16.12 million as at 31 December 2022 (30 June 2022: S$17.72 million) due to the net repayments of development loans and term loans.

Total borrowings (current and non-current)
The Group recorded a decrease of S$34.36 million (or 26%) in total borrowings to S$97.64 million as at 31 December 2022 (30 June 2022: S$132.00 million) mainly due to the loan repayments for its development project loans and working capital loans.

2.3 Cash Flow Review

Cash and short-term deposits decreased by S$25.71 million to S$10.89 million as at 31 December 2022 (30 June 2022: S$36.60 million), which comprised cash at banks of S$628,000, cash held in project accounts of S$9.26 million and fixed deposits pledged of S$1.00 million. The Group's cash and cash equivalents decreased by S$24.36 million to S$9.89 million as at 31 December 2022 (31 December 2021: S$34.25 million). The decrease in both cash and short-term deposits, and cash and cash equivalents was mainly due to the decrease in cash held in project accounts for loan repayment purpose.

The Group recorded net cash generated from operating activities of S$22.04 million in HY2023 due mainly to cash generated from working capital of S$21.67 million and cash inflows from the operating profit before working capital changes of S$1.25 million, partially offset by interest expenses paid of S$875,000.

The net cash used in investing activities amounted to S$6.13 million in HY2023 due mainly to the additions to property, plant and equipment of S$5.81 million and interest expenses paid of S$954,000 for hotel development loan. The cash outflow was offset by the proceeds from disposal of investment properties of S$628,000 and interest income received of S$8,000.

The Group used net cash of S$41.63 million in its financing activities in HY2023 due mainly to the repayments of bank loans of S$49.44 million, dividends paid of S$6.82 million, interest expenses paid of S$446,000 for working capital loan and repayments of interest-free shareholder's loans of S$100,000. The cash outflow was offset by the proceeds from bank loans of S$13.21 million and interest-free shareholder's loans of S$1.97 million to finance the construction of development properties.

3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

F. OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2022

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

As of the date of this announcement, the Group's reportable business segments comprise the property development segment, property investment segment and hospitality segment.

Property development segment

According to data released by the Urban Redevelopment Authority ("**URA**") on 27 January 2023, for the fourth quarter of 2022, prices of private residential properties increased by 0.4%, compared with the 3.8% increase in the previous quarter, in which prices of landed properties increased by 0.6% while those of non-landed properties increased by 0.3%, compared with the increase of 1.6% and 4.4% respectively in the previous quarter [(1)].

For the whole of 2022, prices of private residential properties increased by 8.6%, compared with the 10.6% increase in 2021, in which, prices of landed properties rose by 9.6% while those of non-landed properties rose by 8.1% [(1)].

The Group's property development projects are summarised as below:

(a) Completed property development projects

(i) *Project Infini At East Coast (Residential non-landed property development project)*
The Group has sold all units and obtained the TOP during HY2023; and

(ii) *Project Kovan Close (Residential landed property development project)*
The Group has sold all units during FY2022 and obtained the TOP during HY2023.

(b) Property development projects under construction

The Group has two (2) property development projects which are currently under construction as set out below:

(i) *Project Jalan Daud (Residential landed property development project)*
The Group issued options to purchase ("**OTPs**") for all units during FY2022. Barring any unforeseen circumstances, the Group targets to obtain the TOP and complete the sales of all units during the second half of the financial year ending 30 June 2023 ("**FY2023**"); and

(ii) *Project Woo Mon Chew Road (Residential landed property development project)*
The Group has issued OTPs for all units during HY2023. Barring any unforeseen circumstances, the Group targets to obtain the TOP and complete the sales of all units during the second half of FY2023.

Property investment segment

The Group's property investment portfolio as at 31 December 2022 consisted of 12 units (30 June 2022: 13 units) of 999-leasehold prime office units located in Singapore's Central Business District ("**CBD**") and achieved an average tenant occupancy rate of 87% during HY2023.

As part of the Group's strategy to unlock the value of the CBD office units, the Group has completed the sale of one (1) unit of the CBD office units during HY2023, which was recorded as property held for sale as at 30 June 2022.

F. OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2022

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months. (cont'd)

Hospitality segment

The Group's hospitality investment portfolio as at 31 December 2022 consists of a 194-room hotel development project located at Telok Blangah Road ("**Project Telok Blangah Road**") which is currently under construction and construction work is targeted to be completed during the second half of FY2023. In addition, the Group expects to obtain the TOP during the first half of the financial year ending 30 June 2024.

Conclusion

Barring any unforeseen circumstances, the Group's current focus is to complete the construction of all its residential and hotel development projects in the pipelines and strengthen its financial fundamentals thereby ensuring sustainable long-term growth for the Group.

In addition, the Group remains proactive in exploring new business opportunities for both its property development and property investment segments.

Reference:

(1) Extracted from the URA Website, which was published on 27 January 2023 (https://www.ura.gov.sg/Corporate/Media-Room/Media-Releases/pr23-02).

5. Dividend Information

5a. Current Financial Period Reported on Any dividend declared/recommended for the current financial period reported?

No dividend was declared for HY2023.

5b. Corresponding Period of the Immediate Preceding Financial Year Any dividend declared/recommended for the corresponding period of the immediately preceding financial year?

No dividend was declared for HY2022.

5c. Date payable

Not applicable. No dividend was declared for HY2023.

5d. Record Date

Not applicable. No dividend was declared for HY2023.

5e. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

No dividend has been declared/recommended for HY2023. The Group will review any proposed dividends during the financial year ending 30 June 2023.

F. OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2022

6. Interested Person Transactions

The Group has not obtained a general mandate from shareholders of the Company in respect of any interested person transaction.

There were no interested person transactions above S$100,000 during the financial period under review.

7. Additional information required pursuant to Rule 706A of the Catalist Rules

There were no acquisition or realisation of shares thereby resulting (i) in a change in the shareholding percentage in any subsidiary or associated company of the Group or (ii) an entity becoming or ceasing to be (as the case may be) a subsidiary or associated company of the Group during financial period under review.

Neither was there any incorporation of new subsidiary or associated company by the Group during the financial period under review.

8. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Rules.

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7H under Rule 720(1) of the Catalist Rules.

9. Confirmation pursuant to the Rule 705(5) of the Catalist Rules

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the six-month period ended 31 December 2022 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Mr Koh Kian Soo
Executive Chairman

Mr Tan Chee Wee
Executive Director and Chief Operating Officer

10 February 2023