

MEMIONTEC HOLDINGS LTD.
(Company Registration No. 201305845W)
(Incorporated in the Republic of Singapore)

THE PROPOSED RENOUNCEABLE RIGHTS CUM WARRANTS ISSUE ON THE BASIS OF 2 RIGHTS SHARES FOR EVERY 3 EXISTING SHARES IN THE CAPITAL OF THE COMPANY HELD BY THE ENTITLED SHAREHOLDERS AS AT A RECORD DATE TO BE DETERMINED, AND 8 WARRANTS FOR EVERY 5 RIGHTS SHARES SUBSCRIBED, FRACTIONAL ENTITLEMENTS TO BE DISREGARDED (THE “PROPOSED RIGHTS CUM WARRANTS ISSUE”)

1. INTRODUCTION

1.1 The Board of Directors (the “**Board**” or the “**Directors**”) of Memiontec Holdings Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company is proposing to undertake a renounceable non-underwritten rights cum warrants issue of up to 440,514,000 new ordinary shares in the capital of the Company (“**Rights Shares**”) at an issue price of S\$0.009 for each Rights Share (the “**Issue Price**”), with up to 704,822,398 free detachable warrants (“**Warrants**”), each Warrant carrying the right to subscribe for one (1) new ordinary share in the capital of the Company (“**New Share**”) at an exercise price of S\$0.003 for each New Share (the “**Exercise Price**”), on the basis of 2 Rights Shares for every 3 existing ordinary shares in the capital of the Company (“**Shares**”) held by all shareholders of the Company (the “**Shareholders**”) who are eligible to participate in the Proposed Rights cum Warrants Issue (the “**Entitled Shareholders**”) as at a time and date to be determined by the Directors, at and on which the register of members of the Company and the transfer books of the Company will be closed to determine the provisional allotments under the Rights cum Warrants Issue (the “**Record Date**”), with 8 Warrants for every 5 Rights Shares subscribed by the Shareholder, fractional entitlements to be disregarded (the “**Proposed Rights cum Warrants Issue**”).

For the avoidance of doubt, no Record Date will be fixed until the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) has issued the listing and quotation notice for the dealing in, listing of and quotation for the Rights Shares, Warrants and New Shares on the Catalist board of the SGX-ST (“**Catalist**”) (“**LQN**”). A separate announcement will be made regarding the Record Date.

1.2 The Company has appointed ZICO Capital Pte. Ltd. (“**ZICO**”) as the issue manager of the Proposed Rights cum Warrants Issue (the “**Issue Manager**”). For the avoidance of doubt, the Proposed Rights cum Warrants Issue will not be underwritten by the Issue Manager.

1.3 The Rights Shares and the New Shares will be allotted and issued pursuant to Shareholders’ approval to be obtained at an Extraordinary General Meeting to be convened in connection with the Proposed Rights cum Warrants Issue (the “**EGM**”). Please refer to Paragraph 2.6 of this announcement for further details.

1.4 The principal terms of the Proposed Rights cum Warrants Issue are summarised below:

<u>Principal Terms</u>	<u>Description</u>
Price	Issue Price of S\$0.009 per Rights Share Exercise Price of S\$0.003 per New Share
Discount (specifying benchmarks and periods)	The Issue Price represents a discount of approximately: (a) 76.9% to the volume-weighted average price (“ VWAP ”) of S\$0.039 per Share for trades done on the SGX-ST on 18 December 2024 (being the last trading

	<p>day on which the Shares were traded on the Catalist Board of SGX-ST prior to the release of this announcement); and</p> <p>(b) 66.7% to the theoretical ex-rights price (“TERP”) of approximately S\$0.027 per Share based on the VWAP¹.</p> <p>The Exercise Price represents:</p> <p>(a) approximately 92.3% to the VWAP of S\$0.039 per Share for trades done on the SGX-ST on 18 December 2024; and</p> <p>(b) approximately 88.9% to the TERP.</p> <p>The Issue Price, Exercise Price and such discount to the VWAP and TERP have been determined taking into account, <i>inter alia</i>, the prevailing market conditions (being general economic, interest rate, market conditions, sentiments and uncertainties), and the market price of the Shares.</p>
Allotment Ratio	<p>The Rights Cum Warrants Issue will be offered on a renounceable basis to the Entitled Shareholders on the following basis:</p> <p>2 Rights Shares for every 3 existing Shares held by Entitled Shareholders as at the Record Date.</p> <p>8 Warrants for every 5 Rights Shares subscribed, fractional entitlements to be disregarded.</p>
Use of Proceeds	<p>Please refer to Paragraph 7 of this announcement for details on the use of proceeds arising from the Proposed Rights cum Warrants Issue.</p>
Purpose of Issue	<p>Please refer to Paragraph 4 of this announcement for details on the rationale for the Proposed Rights cum Warrants Issue.</p>

2. TERMS OF THE PROPOSED RIGHTS CUM WARRANTS ISSUE

2.1. Issue Size

As at the date of this announcement, there are 660,771,000 Shares (excluding nil treasury shares and nil subsidiary holdings) in issue (the “**Existing Share Capital**”). As at the date of this announcement, the Company does not have any share option or long-term incentive scheme in place, nor any outstanding warrants or options.

Based on the Existing Share Capital, assuming no new Shares are issued on or prior to the Record Date and all Entitled Shareholders subscribe in full and pay for their *pro rata* entitlements of Rights Shares, 440,514,000 Rights Shares and 704,822,398 Warrants will be issued

¹ TERP of each Share is the theoretical market price of each Share assuming the completion of the Proposed Rights cum Warrants Issue, and is calculated based on the VWAP, and the number of Shares following completion of the Proposed Rights cum Warrants Issue. For the avoidance of doubt, the TERP computation does not include the New Shares to be issued from the exercise of the Warrants.

(“**Maximum Scenario**”). In the Maximum Scenario, the enlarged share capital of the Company will increase to:

- (a) 1,101,285,000 Shares upon the allotment and issuance of such number of Rights Shares at completion of the Proposed Rights cum Warrants Issue but before the exercise of the Warrants, and the Rights Shares will represent approximately 66.7% and 40.0% respectively of the Existing Share Capital and the enlarged issued share capital of the Company; and
- (b) 1,806,107,398 Shares upon the exercise of all the Warrants, and the aggregate of such number of Rights Shares and New Shares will represent approximately 173.3% and 63.4% respectively of the Existing Share Capital and the enlarged issued share capital of the Company.

Based on the Existing Share Capital, assuming that only the Undertaking Shareholder (as defined in Paragraph 6) will subscribe for his *pro rata* entitlements of Rights Shares with Warrants and 135,548,741 Excess Rights Shares with Warrants (defined in Paragraph 5.5), 333,333,333 Rights Shares and 533,333,333 Warrants will be issued (“**Minimum Scenario**”). In the Minimum Scenario, the enlarged share capital of the Company will increase to:

- (c) 994,104,333 Shares upon the allotment and issuance of such number of Rights Shares at completion of the Proposed Rights cum Warrants Issue but before the exercise of the Warrants, and the Rights Shares will represent approximately 50.4% and 33.5% respectively of the Existing Share Capital and the enlarged issued share capital of the Company; and
- (d) 1,527,437,666 Shares upon the exercise of 533,333,333 Warrants, and the aggregate number of such Rights Shares and New Shares will represent approximately 131.2% and 56.7% respectively of the Existing Share Capital and the enlarged issued share capital of the Company.

2.2. **Status and Ranking**

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

The New Shares arising from the exercise of Warrants will, upon allotment and issue, rank *pari passu* in all respects with the then existing issued Shares for any dividends, rights, allotments or other distributions, the record date of which falls on or after the date of issue of the New Shares, save as may be otherwise provided in a deed poll to be executed by the Company for the purposes of constituting the Warrants (the “**Deed Poll**”).

For the purpose of this Paragraph 2.2, “**record date**” means, in relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time as may have been notified by the Company) on which Shareholders must be registered with the Central Depository (Pte) Limited (“**CDP**”) or the Company, as the case may be, in order to participate in such dividends, rights, allotments or other distributions in respect of the Rights Shares or New Shares, as the case may be.

2.3. **Option to Scale Down Subscription**

Depending on the level of subscription for the Rights Shares with Warrants, the Company will, if necessary, scale down the subscription for the Rights Shares with Warrants and/or excess applications for the Excess Rights Shares with Warrants (as defined in Paragraph 5.55.5) by any Shareholder (if such Shareholder chooses to subscribe for its *pro rata* Rights Shares with Warrants entitlement and/or apply for Excess Rights Shares with Warrants) to avoid placing the relevant Shareholder and parties acting in concert with him in the position of incurring a

mandatory general offer obligation under the Singapore Code on Take-Overs and Mergers (“**Code**”) as a result of other Shareholders not taking up their Rights Shares entitlement fully; or to avoid the transfer of a controlling interest in the Company, which is prohibited under Rule 803 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the “**Catalist Rules**”), unless prior approval of Shareholders is obtained in a general meeting.

2.4. **Warrants**

The Warrants are immediately detachable from the Rights Shares upon issue, and will be issued in registered form.

Subject to the terms and conditions governing the Warrants to be set out in the Deed Poll, each Warrant will carry the right to subscribe for one (1) New Share at the Exercise Price at any time during the period commencing on and including the date of issue of the Warrants and expiring on 36 months from the date of issue (“**Exercise Period**”). The Warrants that remain unexercised at the expiry of the Exercise Period shall lapse and cease to be valid for any and all purposes, subject to the terms and conditions of the Warrants as set out in the Deed Poll.

The Exercise Price and the number of Warrants to be held by each holder of the Warrants will be subject to adjustments under certain circumstances as provided for in the Deed Poll and appropriate announcements on the adjustments will be made by the Company. Any material amendment to the terms of the Warrants after issue to the advantage of the holders of such Warrants shall be approved by Shareholders, except where the amendment is made pursuant to the terms of the Warrants. In the event that additional Shares are issued as a result of the aforementioned circumstances, the Company will make a separate application to the SGX-ST through the Company’s continuing sponsor, ZICO (the “**Sponsor**”) for the dealing in, listing and quotation of the additional Shares on the Catalist. The Company will make the necessary announcement upon the receipt of the LQN from the SGX-ST.

The Company shall, not later than one (1) month before the expiry of the Exercise Period (the “**Expiry Date**”), announce the expiry of the Exercise Period on SGXNET. In addition, the Company shall, not later than one (1) month before the Expiry Date, take reasonable steps to notify all holders of the Warrants in writing of the Expiry Date, and such notice shall be delivered by post to the address of the relevant holders of the Warrant(s).

2.5. **Non-Underwritten**

The Proposed Rights cum Warrants Issue will not be underwritten. In view of (i) the savings in costs as a result of not having to bear any underwriting fees; (ii) there being no minimum amount that must be raised from the Proposed Rights cum Warrants Issue; and (iii) the Irrevocable Undertaking (as defined in Paragraph 6) to be provided by Mr Tay Kiat Seng, further details which are set out in Paragraph 6 of this announcement, the Company has decided to proceed with the Proposed Rights cum Warrants Issue on a non-underwritten basis.

Accordingly, the Proposed Rights cum Warrants Issue will not be withdrawn after the commencement of the ex-rights trading of the Shares pursuant to Rule 820(1) of the Catalist Rules.

2.6. **Authority to issue the Rights Shares and the New Shares**

The Rights Shares will be allotted and issued subject to shareholders’ approval obtained at the EGM.

The general mandate that was approved at the Annual General Meeting held by the Company on 24 April 2024 (the “**2024 AGM**”) authorises the Directors to allot and issue Shares not exceeding 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the 2024 AGM, of which the aggregate number of Shares to be issued other than on a *pro rata* basis to the existing shareholders of the Company shall not exceed 50% (excluding treasury shares and subsidiary holdings) (the “**General Mandate**”).

The number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of 2024 AGM is 660,771,000 Shares. As at the date of the 2024 AGM, the maximum number of Shares that can be issued on a *pro rata* basis is 660,771,000 Shares pursuant to the General Mandate. As there has been no prior allotment and issuance of Shares since the 2024 AGM, the maximum number of Shares to be issued on a *pro rata* basis as of the date of this announcement is 660,771,000 Shares.

As the proposed allotment and issue of up to 440,514,000 Rights Shares and 704,822,398 New Shares will exceed the limits of the General Mandate, specific shareholders' approval for the issuance and allotment of the Rights Shares and New Shares is required and will be sought at the EGM.

2.7. **Offer Information Statement**

The terms and conditions of the Proposed Rights cum Warrants Issue are subject to such changes and such other terms and conditions as the Directors may deem fit. The final terms and conditions of the Proposed Rights cum Warrants Issue, including the procedures for acceptances and applications for the Rights Shares with Warrants, will be contained in the offer information statement ("**Offer Information Statement**") and its accompanying documents to be lodged with the SGX-ST, acting as agent on behalf of the Monetary Authority of Singapore ("**MAS**"), and to be despatched or disseminated by the Company to the Entitled Shareholders in due course.

3. **CONDITIONS OF THE PROPOSED RIGHTS CUM WARRANTS ISSUE**

- 3.1. The Proposed Rights cum Warrants Issue is subject to and conditional upon, *inter alia*:
- (a) the receipt of the LQN from the SGX-ST (and such notice not having been withdrawn or revoked on or prior to completion of the Proposed Rights cum Warrants Issue) for the dealing in, listing of and quotation for the Rights Shares, Warrants and New Shares on the Catalist and where the LQN is subject to conditions, such conditions being acceptable to the Company;
 - (b) shareholders' approval that will be sought at the EGM;
 - (c) the lodgement of the Offer Information Statement, together with all other necessary accompanying documents, in connection with the Proposed Rights cum Warrants Issue with the SGX-ST, acting as an agent on behalf of the MAS; and
 - (d) all other necessary consents, approval and waivers from any person, financial institution or regulatory body or authority of Singapore or elsewhere under any and all agreements applicable to the Company and/or applicable laws for the Proposed Rights cum Warrants Issue and to give effect to the Proposed Rights cum Warrants Issue being obtained and not having been revoked or amended before the completion of the Proposed Rights cum Warrants Issue.
- 3.2. An application will be made by the Company, through the Sponsor, to the SGX-ST for the listing and quotation for the Rights Shares, Warrants and the New Shares on the Catalist.
- 3.3. Appropriate announcements in relation to, *inter alia*, receipts of the LQN and the lodgement and despatch or dissemination of the Offer Information Statement will be made in due course.

4. **RATIONALE FOR THE PROPOSED RIGHTS CUM WARRANTS ISSUE**

- 4.1. The Company is proposing the Proposed Rights cum Warrants Issue to raise proceeds for general corporate and working capital purposes.
- 4.2. The Proposed Rights cum Warrants Issue is intended to (i) strengthen the financial position and capital base of the Group; (ii) fortify its balance sheet; and (iii) enhance its financial flexibility.

5. ELIGIBILITY TO PARTICIPATE IN THE PROPOSED RIGHTS CUM WARRANTS ISSUE

The Company proposes to provisionally allot the Rights Shares and Warrants to the Entitled Shareholders, comprising Entitled Depositors and Entitled Scripholders (each as defined herein), on the basis of their shareholdings as at the Record Date. Entitled Shareholders will be entitled to participate in the Proposed Rights cum Warrants Issue and receive the Offer Information Statement together with the appropriate application forms and accompanying documents at their respective Singapore addresses as maintained with the records of The Central Depository (Pte) Limited (the “**CDP**”) or the Share Registrar (as defined below), as the case may be.

5.1 Entitled Depositors

Entitled Depositors are Shareholders with Shares standing to the credit of their securities accounts (the “**Securities Account**”) with CDP and whose registered addresses with CDP are in Singapore as at the Record Date or who have provided CDP with addresses in Singapore for the service of notices and documents not later than 5.00 p.m. (Singapore time) on the date falling three (3) Market Days² prior to the Record Date (the “**Entitled Depositors**”).

Entitled Depositors will be provisionally allotted the Rights Shares with Warrants on the basis of the number of Shares standing to the credit of their Securities Accounts as at 5.00 p.m. (Singapore time) on the Record Date.

5.2 Entitled Scripholders

Entitled Scripholders are Shareholders whose (i) share certificates are not deposited with CDP, (ii) Shares are registered in their own names, and (iii) registered addresses with the Company’s share registrar, Boardroom Corporate & Advisory Services Pte Ltd (the “**Share Registrar**”), are in Singapore as at the Record Date or who have provided the Share Registrar with addresses in Singapore for the service of notices and documents not later than 5.00 p.m. (Singapore time) on the date falling three (3) Market Days prior to the Record Date, and who have tendered to the Share Registrar valid transfers of their Shares and the certificates relating thereto for registration up to the Record Date (the “**Entitled Scripholders**”).

Entitled Scripholders will have to submit duly completed and stamped transfers in respect of Shares not registered in the name of CDP, together with all relevant documents of title, so as to be received up to 5.00 p.m. (Singapore time) on the Record Date by the Share Registrar, in order to be registered to determine provisional allotments of Rights Shares with Warrants.

5.3 Supplementary Retirement Scheme

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

² “**Market Day**” means a day on which the SGX-ST is open for trading in securities.

5.4 Foreign Shareholders

The distribution of the Offer Information Statement and its accompanying documents may be prohibited or restricted (either absolutely or subject to various securities laws requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. For practical reasons and in order to avoid any violation of the securities legislation applicable in jurisdictions other than Singapore, the Offer Information Statement and its accompanying documents will **NOT** be despatched to Shareholders with registered addresses outside Singapore and who have not, at least three (3) Market Days prior to the Record Date, provided CDP or the Share Registrar, as the case may be, with addresses in Singapore for the service of notices and documents (the “**Foreign Shareholders**”) and accordingly, the Rights Shares with Warrants will **NOT** be offered to Foreign Shareholders.

The Offer Information Statement and its accompanying documents will not be despatched, lodged, registered or filed in any jurisdiction other than Singapore. Accordingly, Foreign Shareholders will not be entitled to participate in the Proposed Rights cum Warrants Issue. As Foreign Shareholders will not be entitled to participate in the Proposed Rights cum Warrants Issue, no provisional allotment of Rights Shares with Warrants will be made to Foreign Shareholders and no purported acceptance thereof or application for any excess Rights Shares with Warrants therefor by any Foreign Shareholder will be valid.

The Offer Information Statement and its accompanying documents will also NOT be despatched to persons purchasing entitlements to Rights Shares with Warrants through the book-entry (scripless) settlement system if their registered addresses with CDP are outside Singapore (the “**Foreign Purchasers**”). Foreign Purchasers may not accept any “nil-paid” rights credited to their Securities Account unless the Company and its counsel are satisfied that such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.

Entitlements to Rights Shares with Warrants which would otherwise have been provisionally allotted to Foreign Shareholders will, if practicable to do so and at the absolute discretion of the Company, be sold “nil-paid” on Catalist, as soon as practicable, after dealings in the provisional allotments of Rights Shares with Warrants commence. Such sales may, however, only be effected if the Company, in its absolute discretion, determines that a premium can be obtained from such sales, after taking into account expenses to be incurred in relation thereto. The net proceeds from all such sales, after deduction of all expenses therefrom, will be pooled and thereafter distributed to Foreign Shareholders in proportion to their respective shareholdings or, as the case may be, the number of Shares entered against their names in the depository register maintained by CDP as at the Record Date and sent to them at their own risk by ordinary post. If the amount of net proceeds to be distributed to any single Foreign Shareholder is less than S\$10.00, such amount shall be dealt with as the Directors may, in their absolute discretion, deem fit in the interests of the Company and no Foreign Shareholder shall have any claim whatsoever against the Company and/or CDP in connection therewith.

Where the provisional allotments of Rights Shares with Warrants are sold “nil-paid” on Catalist, they will be sold at such price or prices as the Company may, in its absolute discretion, decide and no Foreign Shareholder shall have any claim whatsoever against the Company, the Directors, the Issue Manager, the Sponsor, CDP, the Share Registrar and/or their respective officers in connection therewith. If such provisional allotments of Rights Shares with Warrants cannot be sold or are not sold on Catalist as aforesaid for any reason by such time as the SGX-ST shall have declared to be the last day for trading in the provisional allotments of Rights Shares with Warrants, the Rights Shares with Warrants represented by such provisional allotments will be allotted and issued to satisfy applications for excess Rights Shares with Warrants or disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company and no Foreign Shareholder shall have any claim whatsoever against the Company, the Directors, the Issue Manager, the Sponsor, CDP, the Share Registrar and/or their respective officers in connection therewith.

SHAREHOLDERS WITH REGISTERED ADDRESSES OUTSIDE SINGAPORE WHO WISH TO PARTICIPATE IN THE PROPOSED RIGHTS CUM WARRANTS ISSUE MAY PROVIDE AN ADDRESS IN SINGAPORE FOR THE SERVICE OF NOTICES AND DOCUMENTS BY NOTIFYING IN WRITING, AS THE CASE MAY BE, (I) CDP AT 2 SHENTON WAY, #02- 02, SGX CENTRE I, SINGAPORE 068804 OR (II) MEMIONTEC HOLDINGS LTD. C/O THE SHARE REGISTRAR, BOARDROOM CORPORATE & ADVISORY SERVICES PTE LTD, AT 1 HARBOURFRONT AVENUE, KEPPEL BAY TOWER #14-07, SINGAPORE 098632, IN EACH CASE, AT LEAST THREE (3) MARKET DAYS PRIOR TO THE RECORD DATE.

5.5 **Provisional Allotments and Excess Applications**

Entitled Shareholders will be at liberty to accept in full or in part, decline or otherwise renounce or, in the case of Entitled Depositors only, trade (during the “nil-paid” rights trading period prescribed by the SGX-ST) their provisional allotments of the Rights Shares with Warrants and will also be eligible to apply for Rights Shares with Warrants in excess of their provisional allotments under the Proposed Rights cum Warrants Issue (“**Excess Rights Shares with Warrants**”).

Entitlements which are not allotted or taken up for any reason will be aggregated and issued to satisfy applications, if any, for Excess Rights Shares with Warrants or otherwise disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company, subject to applicable laws and the Catalist Rules.

In the allotment of Excess Rights Shares with Warrants, preference will be given to the rounding of odd lots, and Directors and substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Proposed Rights cum Warrants Issue, or have representation (direct or through a nominee) on the Board will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares with Warrants.

The Company will not make any issuance and allotment of any Excess Rights Shares with Warrants that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in a general meeting.

The procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sales of the provisional allotments of the Rights Shares with Warrants and for the applications for Excess Rights Shares with Warrants, including each different mode of acceptance or application and payment, will be contained in the Offer Information Statement and the relevant application forms.

5.6 **Trading of Odd Lots**

Shareholders who hold odd lots of the Rights Shares and the New Shares, and who wish to trade in odd lots on the Catalist should note that they will be able to do so on the Unit Share Market of the SGXST.

6. **IRREVOCABLE UNDERTAKING AND SET OFF ARRANGEMENTS**

Irrevocable Undertaking

- 6.1. To show support for the Proposed Rights cum Warrants Issue and to demonstrate commitment to and confidence in the prospects of the Group, a controlling shareholder of the Company who is also the Executive Director and Chief Executive Officer of the Company, Mr Tay Kiat Seng (“**Undertaking Shareholder**”) has given an undertaking to, amongst others, subscribe for his *pro rata* entitlement of 197,784,592 Rights Shares with Warrants for an aggregate subscription amount of approximately S\$1,780,100, and to subscribe and pay for 135,548,741 Excess Rights Shares with Warrants for an aggregate subscription amount of approximately S\$1,220,000 (collectively, the “**Undertaking Shareholder’s Subscription Amount**”). Notwithstanding the Undertaking Shareholder’s Subscription Amount, the Undertaking Shareholder shall only subscribe for such maximum number of his *pro rata* entitlement of Rights Shares with Warrants

and/or the Excess Rights Shares with Warrants to the extent that the Company would not lose its free float as defined in Catalist Rule 723 (i.e., to the extent that the aggregate shareholding interest of the Company's directors, chief executive officer, current substantial shareholders, or current controlling shareholders of the Company or its subsidiaries, as well as their associates, do not exceed 90%) (the "**Irrevocable Undertaking**").

- 6.2. As at the date of this announcement, the shareholdings of the Undertaking Shareholder (excluding any other Shares in which he is deemed to be interested in) and his *pro rata* entitlement of Rights Shares and Warrants are as follows:

Name of Undertaking Shareholder	Number of Shares (Direct Interest)	Percentage of Existing Share Capital (%)	<i>Pro rata</i> entitlement of Rights Shares	Entitlement of Warrants assuming subscription of Rights Shares
Tay Kiat Seng	296,676,888	44.90	197,784,592	316,455,347

- 6.3. The Irrevocable Undertaking is subject to and conditional upon, *inter alia*:

- (a) the Company not losing its free float status as set out in Paragraph 6.1 above;
- (b) the receipt of the LQN of the SGX-ST for the dealing in, listing of and quotation for the Rights Shares, Warrants and New Shares on the Catalist, and where the LQN is subject to conditions, such conditions being acceptable to the Company;
- (c) shareholders' approval that will be sought at the EGM;
- (d) the lodgement of the Offer Information Statement, together with all other necessary accompanying documents, in connection with the Proposed Rights cum Warrants Issue with the SGX-ST, acting as an agent on behalf of the MAS; and
- (e) all other necessary approvals, consents and/or waivers required from any person, financial institution or regulatory body or authority of Singapore or elsewhere under any and all agreements applicable to the Company and/or applicable laws for the Proposed Rights cum Warrants Issue and to give effect to the Proposed Rights cum Warrants Issue, being obtained and not having been withdrawn or revoked before the completion of the Proposed Rights cum Warrants Issue.

- 6.4. The Undertaking Shareholder shall procure confirmations from financial institutions that he has sufficient financial resources to fulfil his obligations under the Irrevocable Undertaking.

- 6.5. Assuming the Minimum Scenario, the aggregate interest in Shares for the Undertaking Shareholder and his concert parties, namely Ms Soelistyo Dewi Soegiharto and Unity Strength Pte. Ltd. (collectively, the "**Concert Group**") after the close of the Proposed Rights cum Warrants Issue will increase from approximately 72.71% as at the date of this announcement to approximately 81.86% (assuming that none of the Warrants are exercised) or approximately 88.20% (assuming that all the Warrants are exercised) of the enlarged share capital of the Company after the Proposed Rights cum Warrants Issue.

- 6.6. Assuming the Maximum Scenario, the aggregate interest in Shares of the Concert Group will remain unchanged at approximately 72.71% of the enlarged share capital of the Company after the Proposed Rights cum Warrants Issue.

- 6.7. Under Rule 14.1 of the Code, where (a) any person acquires whether by a series of transactions over a period of time or not, shares which (taken together with shares held or acquired by persons acting in concert with him) carry 30% or more of the voting rights of a company; or (b) any person who, together with persons acting in concert with him, holds not less than 30% but not more than 50% of the voting rights and such person, or any person acting in concert with him, acquires in any period of six (6) months additional shares carrying more than 1% of the voting rights, such

person is required to make a general offer for all the shares in the Company which he does not already own or control.

- 6.8. As at the date of this announcement, the Concert Group collectively holds Shares which carry more than 50% of the voting rights of the Company. Accordingly, the Concert Group will not be required to make a general offer under Rule 14.1 of the Code pursuant to the Irrevocable Undertaking.

Set Off Arrangements

- 6.9. The Undertaking Shareholder had previously extended an interest-bearing loan of S\$2,000,000 to the Company (the “**Shareholder’s Loan**”). As of the date of this announcement, the amount owing to the Undertaking Shareholder under the Shareholder’s Loan is approximately S\$2,043,000 (representing principal and interest). For the avoidance of doubt, the value at risk of the transaction (i.e. the interest of the Shareholder’s Loan) when aggregated with transactions entered into with the same interested person (as defined in the Catalist Rules) is less than 3% of the Group’s latest audited net tangible assets.
- 6.10. Pursuant to the Irrevocable Undertaking, the Undertaking Shareholder has agreed that the Company shall be entitled to apply and set off part of the Undertaking Shareholders’ Subscription Amount against all of the outstanding principal amount and accrued interest, or any part thereof, under the Shareholder’s Loan.

7. USE OF PROCEEDS

- 7.1. In the Maximum Scenario, the estimated net proceeds from the Proposed Rights cum Warrants Issue (“**Net Proceeds**”) (after deducting estimated expenses of approximately S\$190,000) will be (i) approximately S\$3,775,000 (assuming none of the Warrants are exercised); and (ii) approximately S\$5,889,000 (assuming all of the Warrants are exercised during the Exercise Period).
- 7.2. The estimated fee and expenses of S\$190,000 constitutes approximately 4.8% and 3.1% of the gross proceeds from the Proposed Rights cum Warrants Issue in the Maximum Scenario of approximately S\$3,965,000 (assuming none of the Warrants are exercised) and S\$6,079,000 (assuming all of the Warrants are exercised during the Exercise Period), respectively.
- 7.3. In the Minimum Scenario, the estimated Net Proceeds (after deducting estimated expenses of approximately S\$190,000) will be (i) approximately S\$2,810,000 (assuming none of the Warrants are exercised); and (ii) approximately S\$4,410,000 (assuming all of the Warrants are exercised during the Exercise Period).
- 7.4. The estimated fee and expenses of S\$190,000 constitutes approximately 6.3% and 4.1% of the gross proceeds from the Proposed Rights cum Warrants Issue in the Minimum Scenario of approximately S\$3,000,000 (assuming none of the Warrants are exercised) and S\$4,600,000 (assuming all of the Warrants are exercised during the Exercise Period), respectively.
- 7.5. The Company intends to utilise the Net Proceeds as follows:

Maximum Scenario (assuming none of the Warrants are exercised)

Use of Net Proceeds	Approximate Allocation of the Net Proceeds	Approximate Percentage Allocation of the Net Proceeds
General working capital requirements	3,775,000	100
Total	3,775,000	100

Maximum Scenario (assuming all the Warrants are exercised during the Exercise Period)

Use of Net Proceeds	Approximate Allocation of the Net Proceeds	Approximate Percentage Allocation of the Net Proceeds
General working capital requirements	5,889,000	100
Total	5,889,000	100

Minimum Scenario (assuming none of the Warrants are exercised)

Use of Net Proceeds	Approximate Allocation of the Net Proceeds	Approximate Percentage Allocation of the Net Proceeds
General working capital requirements	2,810,000	100
Total	2,810,000	100

Minimum Scenario (assuming all the Warrants are exercised during the Exercise Period)

Use of Net Proceeds	Approximate Allocation of the Net Proceeds	Approximate Percentage Allocation of the Net Proceeds
General working capital requirements	4,410,000	100
Total	4,410,000	100

- 7.6. Upon Completion, and pending the deployment of the Net Proceeds for the abovementioned purposes, such proceeds may be deposited with banks and/or financial institutions, invested in short-term money market instruments and/or marketable securities, and/or used for any other purposes on a short-term basis as the Directors may, in their absolute discretion, deem appropriate in the interests of the Company.
- 7.7. The Company will make periodic announcements on the utilisation of the Net Proceeds as and when such proceeds are materially disbursed and whether such disbursements are in accordance with the use of proceeds as stated in the Offer Information Statement, and provide a status report on the use of the Net Proceeds in the Company's annual reports until such time the Net Proceeds have been fully utilised. Where the proceeds have been used for general corporate and/or working capital purposes, the Company will also provide a breakdown with specific details on the use of the Net Proceeds in the announcements and status reports. Where there is a material deviation in the use of the Net Proceeds, the Company will announce the reasons for such deviation.

8. OPINION OF THE DIRECTORS

- 8.1 The Directors are of the opinion that after taking into consideration the present bank facilities and operating cash flows of the Group, the working capital available to the Group is sufficient to meet its present requirements. Notwithstanding the above, the reasons for undertaking the Proposed Rights cum Warrants Issue are set out in Paragraph 4 of this announcement.
- 8.2 The Directors are also of the opinion that after taking into consideration the present bank facilities and operating cash flows of the Group as well as the Net Proceeds, the working capital available to the Group is sufficient to meet its present requirements.
- 8.3 After taking into consideration the rationale relating to the Proposed Rights cum Warrants Issue as set out in Paragraph 4 of this announcement, and the terms and conditions of the Proposed Rights cum Warrants Issue, the Directors are of the opinion that the Proposed Rights cum Warrants Issue is beneficial for and in the best interests of the Company.

9. PREVIOUS EQUITY FUND RAISING IN THE LAST 12 MONTHS

The Company has not undertaken any equity fundraising exercise in the past twelve (12) months prior to the date of this announcement.

10. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save as disclosed in this announcement, none of the Directors and substantial Shareholders, as well as their respective associates, has any interest, direct or indirect, in the Proposed Rights cum Warrants Issue (other than through their respective shareholdings in the Company).

11. DIRECTORS' RESPONSIBILITY STATEMENT

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

12. CAUTIONARY STATEMENT AND FURTHER ANNOUNCEMENTS

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

BY ORDER OF THE BOARD

Tay Kiat Seng
Executive Director and Chief Executive Officer

18 December 2024

This announcement has been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "Sponsor").

This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited ("SGX-ST") and the SGX-ST 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. Goh Mei Xian, ZICO Capital Pte. Ltd., at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.