

CIRCULAR DATED 7 MARCH 2023

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

The Singapore Exchange Securities Trading Limited (“**SGX-ST**”) assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular. Approval by the SGX-ST is not to be taken as an indication of the merits of the Proposed Expanded IPT Mandate (as defined herein), the Company, its subsidiaries and/or its securities.



LION ASIAPAC LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 196800586R)

CIRCULAR TO SHAREHOLDERS

In relation to

**THE PROPOSED EXPANDED INTERESTED PERSON TRANSACTIONS GENERAL MANDATE
Independent Financial Adviser in relation to The Proposed Expanded IPT Mandate**



XANDAR CAPITAL PTE. LTD.

(Incorporated in the Republic of Singapore)
(Company Registration Number: 200002789M)

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form : 19 March 2023 at 11 a.m.
Date and time of Extraordinary General Meeting : 22 March 2023 at 11 a.m.
Place of Extraordinary General Meeting : The Conference Room
10 Arumugam Road
#10-00 LTC Building A
Singapore 409957

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DEFINITIONS

In this Circular, the following definitions apply throughout unless otherwise stated:

- “Act”** : The Companies Act 1967 of Singapore, as amended, supplemented or modified from time to time.
- “Audit Committee”** : The Audit Committee of the Company as at the date of this Circular.
- “Bonus Essential”** : Bonus Essential Sdn Bhd, an associate of Tan Sri Cheng Heng Jem, a Non-Executive Director and Controlling Shareholder of the Company, is an interested person of the Company within the meaning of Rule 904(4) of the Listing Manual. It is intended that Bonus Essential provide a corporate guarantee to guarantee the obligations of Lion Mining under any contracts entered into by the Group with Lion Mining in connection with the Proposed Additional IPTs.
- “Circular”** : This Circular to Shareholders dated 7 March 2023.
- “Company”** : Lion Asiapac Limited.
- “Controlling Shareholder”** : A person who:
- (i) holds directly or indirectly 15.0% or more of the nominal amount of all voting Shares. The SGX-ST may determine that a person who satisfies this paragraph is not a Controlling Shareholder; or
 - (ii) in fact exercises control over the Company.
- “Directors”** : The directors of the Company for the time being.
- “EGM”** : Extraordinary general meeting of the Company, notice of which is given on pages 44 to 46 of this Circular.
- “FY2022”** : The financial year ended 30 June 2022.
- “Group”** : The Company, its subsidiaries that are not listed on the SGX-ST or an approved exchange and its associated companies that are not listed on the SGX-ST or an approved exchange over which the Company and its subsidiaries, or the Company and its subsidiaries and their interested person(s), have control.

“IFA” or “Independent Financial Adviser”	: Xandar Capital Pte Ltd.
“IFA Letter”	: The letter dated 7 March 2023 from the IFA to the Independent Directors in relation to the Proposed Expanded IPT Mandate, a copy of which is enclosed as Appendix I to this Circular.
“IPT Mandate”	: The general mandate approved by Shareholders and renewed on 31 October 2022, pursuant to Chapter 9 of the Listing Manual for the Group to enter into certain categories of transactions with certain classes of interested persons. The full text of the IPT Mandate (including the proposed amendments as blacklined) are set out in Appendix II to this Circular.
“Latest Practicable Date”	: 7 March 2023.
“Lion Mining”	: Lion Mining Sdn Bhd, an associate of Tan Sri Cheng Heng Jem, a Non-Executive Director and Controlling Shareholder of the Company, is an interested person of the Company within the meaning of Rule 904(4) of the Listing Manual. The Company is seeking to amend the IPT Mandate to include Lion Mining as a mandated interested person as the Company is proposing to enter into the Proposed Additional IPTs with Lion Mining.
“Listing Manual”	: The listing manual of the SGX-ST, as amended, modified or supplemented from time to time.
“Non-Executive Directors”	: The Non-Executive Directors of the Company for the time being.
“Non-Interested Directors”	: The Directors who are independent for the purposes of the Proposed Expanded IPT Mandate, namely Mr Sam Chong Keen, Mr Loh Kgai Mun and Mr Chai Woon Chew.
“Notice of EGM”	: The notice of EGM accompanying this Circular.
“NTA”	: Net tangible assets.
“PRC”	: People’s Republic of China.
“Proposed Additional IPTs”	: The proposed sale of mining equipment, machinery, heavy vehicles and related spare parts to mandated interested persons of the Company.
“Proposed Expanded IPT Mandate”	: The IPT Mandate, as proposed to be expanded and as set out in Appendix II to this Circular.
“Proxy Form”	: The proxy form accompanying this Circular.

“Securities and Futures Act”	: The Securities and Futures Act 2001 of Singapore, as amended, supplemented or modified from time to time.
“SGX-ST”	: Singapore Exchange Securities Trading Limited.
“Shares”	: Ordinary shares in the capital of the Company.
“Shareholders”	: Persons who are registered as holders of Shares in the Register of Members of the Company except that where the registered holder is the Central Depository (Pte) Limited, the term “Shareholders” shall mean the depositors who have Shares credited to their Securities Accounts.
“Substantial Shareholder”	: A person who has an interest or interests in one or more voting Shares in the Company and the total votes attached to that Share, or those Shares, is not less than 5% of the total votes attached to all the voting Shares in the Company, as defined in Section 81 of the Act.
“S\$”	: Singapore dollar.
“%”	: Per centum or percentage

The terms **“Depositor”**, **“Depository Agent”** and **“Depository Register”** shall have the meanings ascribed to them respectively by Section 81SF of the Securities and Futures Act. The term **“subsidiary”** has the meaning ascribed to it in Section 5 of the Act.

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

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

Any reference to a time of a day in the Circular is a reference to Singapore time unless otherwise stated.

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

LETTER TO SHAREHOLDERS

LION ASIAPAC LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 196800586R)

Board of Directors

Sam Chong Keen (Chairman)
Loh Kgai Mun (Executive Director)
Chai Woon Chew
Tan Sri Cheng Heng Jem
Lee Whay Keong

Registered Office:

10 Arumugam Road
#10-00 LTC Building A
Singapore 409957

7 March 2023

To: The Shareholders of Lion Asiapac Limited

Dear Sir/Madam

1. INTRODUCTION

1.1 EGM

The Directors are convening the EGM to seek Shareholders' approval for the Proposed Expanded IPT Mandate.

1.2 Circular to Shareholders

The purpose of this Circular is to provide Shareholders with the information relating to and explaining the rationale for, and benefits of, the Proposed Expanded IPT Mandate to be tabled at the EGM, the notice of which is set out at pages 44 to 46 of this Circular.

If you are in any doubt as to the contents herein or as to the course of action that you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your Shares, you should forward this Circular, together with the Notice of Extraordinary General Meeting and the enclosed Proxy Form immediately to the purchaser or transferee or to the stockbroker, bank or agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

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

WongPartnership LLP is the Singapore legal adviser to the Company for this Circular.

2. REQUIREMENTS OF CHAPTER 9 OF THE LISTING MANUAL FOR INTERESTED PERSONS TRANSACTIONS

2.1 Chapter 9 of the Listing Manual applies to transactions which a company listed on the SGX-ST or any of its subsidiaries or associated companies, which is considered to be an “*entity at risk*” within the meaning of Rule 904(2) of the Listing Manual, proposes to enter into with a counterparty who is an interested person of the listed corporation within the meaning of Rule 904(4) of the Listing Manual.

2.2 Definitions under Chapter 9 of the Listing Manual

- (a) An “**approved exchange**” means a stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles to Chapter 9 of the Listing Manual.
- (b) An “**associate**” in relation to any director, chief executive officer, substantial shareholder or controlling shareholder (being an individual) means his immediate family (i.e. spouse, child, adopted child, step-child, sibling and parent), the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object, and any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more. An “**associate**” in relation to a substantial shareholder or controlling shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more.
- (c) An “**associated company**” means a company in which at least 20% but not more than 50% of its shares are held by the listed company or group.
- (d) The term “**control**” refers to the capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of a company.
- (e) A “**controlling shareholder**” means a person who (a) holds (directly or indirectly) 15% or more of the total voting rights in the company (provided that the SGX-ST may determine that a person who satisfies the foregoing is not a controlling shareholder); or (b) in fact exercises control over a company.
- (f) An “**entity at risk**” means:
 - (i) the listed company;
 - (ii) a subsidiary of the listed company that is not listed on the SGX-ST or an approved exchange; or

- (iii) an associated company of the listed group that is not listed on the SGX-ST or an approved exchange, provided that the listed group, or the listed group and its interested person(s) has control over the associated company.
- (g) An "**interested person**" in the case of a company means (a) a director, chief executive officer or controlling shareholder of the listed company; or (b) an associate of such director, chief executive officer or controlling shareholder.
- (h) An "**interested person transaction**" means a transaction between an entity at risk and interested person.

2.3 **General requirements**

An immediate announcement and/or Shareholders' approval would be required in respect of transactions with interested persons if the value of the transaction is equal to or exceeds certain financial thresholds.

Rule 905 of the Listing Manual states that a listed company must make an immediate announcement of any interested person transaction of a value equal to, or more than, 3% of the group's latest audited consolidated net tangible assets, or if the aggregate value of all transactions entered into with the same interested person during the same financial year amounts to 3% or more of the group's latest audited consolidated net tangible assets, the listed company must make an immediate announcement of the latest transaction and all future transactions entered into with that same interested person during that financial year.

Rule 906 of the Listing Manual states that a listed company must also obtain shareholder approval for any interested person transaction of a value equal to, or more than (i) 5% of the group's latest audited consolidated net tangible assets; or (ii) 5% of the group's latest audited consolidated net tangible assets, when aggregated with other transactions entered into with the same interested person during the same financial year. However, a transaction which has been approved by shareholders, or is the subject of aggregation with another transaction that has been approved by shareholders, need not be included in any subsequent aggregation.

Rule 920 of the Listing Manual also permits a listed company to seek a general mandate from its shareholders for recurrent transactions with interested persons of a revenue or trading nature or those necessary for its day-to-day operations such as the purchase and sale of supplies and materials, but not in respect of the purchase or sale of assets, undertakings or businesses, that may be carried out with the interested persons. Transactions conducted under such a mandate are not subject to Rules 905 and 906 of the Listing Manual. The general mandate is subject to annual renewal.

2.4 **Excluded transactions**

In line with the rules set out in Chapter 9 of the Listing Manual, a transaction with a value of less than S\$100,000 is not considered material and is not taken into account for the purposes of this Circular. However, while transactions below S\$100,000 are not normally aggregated, the SGX-ST may aggregate any such transaction entered into during the same financial year and treat them as if they were one transaction having regard to the objective of Chapter 9 of

the Listing Manual and the economic and commercial substance of the interested person transaction, instead of legal form and technicality.

3. BACKGROUND OF THE COMPANY'S EXISTING IPT MANDATE

- 3.1 The Company's existing IPT Mandate was first approved by Shareholders at a general meeting held on 30 October 2006, where approval was obtained to enable the Company, its subsidiaries and associated companies, or any of them that are "*entities at risk*" within the meaning of Chapter 9 of the Listing Manual, to enter into specified mandated transactions with specified classes of interested persons, as set out in the IPT Mandate. The IPT Mandate was last renewed at the Company's annual general meeting held on 31 October 2022. For more details, Shareholders can refer to the Company's Annual Report for FY2022.
- 3.2 The Group is involved in the business of lime manufacturing, trading of steel consumables and investment holding. The IPT Mandate allows the Group to, *inter alia*, sell lime products as well as steel consumables to interested persons as such transactions occur with some degree of frequency, and could arise at any time in the ordinary course of business of the Group. This has enhanced the ability of the companies in the Group to pursue business opportunities which are time-sensitive in nature, without the need to seek specific Shareholders' approval when such transactions arise.
- 3.3 The IPT Mandate applies to the following classes of interested persons, namely:
- (a) Lion Corporation Berhad, its subsidiaries and associated companies;
 - (b) Lion Industries Corporation Berhad, its subsidiaries and associated companies;
 - (c) Lion Diversified Holdings Berhad (in liquidation), its subsidiaries and associated companies; and
 - (d) ACB Resources Berhad, its subsidiaries and associated companies.
- 3.4 The interested person transactions covered by the IPT Mandate are as follows:
- (a) Sale of lime products: The Group supplies lime products to the interested persons.
 - (b) Sale of consumables required for steel product manufacturing: The Group supplies consumables required for steel product manufacturing to the interested persons.
 - (c) Provision and/or obtaining of services arising from business operations: The Group will in the ordinary course of business provide or obtain, *inter alia*, management, consultancy, leasing or warehousing, internal audit and information technology services relating to its business operations to or from the interested persons.

4. THE PROPOSED AMENDMENTS TO THE IPT MANDATE

4.1 Expansion of the IPT Mandate

As mentioned in the Company's Annual Report for FY2022, the Company has been exploring new business opportunities to expand its revenue base. One such new business opportunity is for the Group to expand its trading business beyond steel consumables and utilise its business contacts and cash resources in the PRC to procure mining equipment, machinery, heavy vehicles and related spare parts from the PRC for sale outside of the PRC. It is envisaged that interested persons of the Company which are involved in mine ownership or mineral exploration and mining activities would have demands for such mining equipment, machinery and heavy vehicles, as well as its related spare parts. Given the Group's established business network in the PRC, the Group would be able to tap on this network to effectively source and procure such mining equipment, machinery, heavy vehicles and related spare parts for the interested persons at competitive prices (the "**Proposed Additional IPTs**"). The Proposed Additional IPTs would therefore allow the Group to expand its revenue base and improve profit margins of the Group.

Since the Proposed Additional IPTs are expected to be recurrent transactions and may occur at any time, to allow the Group to undertake such transactions in a more expeditious manner, the Directors are seeking the approval of Shareholders for the expansion of the scope of the IPT Mandate for the Group to enter into the Proposed Additional IPTs with certain interested persons of the Company. In particular, the Company intends to enter into the Proposed Additional IPTs with Lion Mining, which is in the business of mining and trading of mineral resources. Lion Mining is an associate of Tan Sri Cheng Heng Jem, who is a Non-Executive Director and Controlling Shareholder of the Company, and is therefore an interested person of the Company. Accordingly, the Company is proposing to include Lion Mining as a mandated interested person under the Proposed Expanded IPT Mandate. For the avoidance of doubt, the subsidiaries and associated companies of Lion Mining will not be included as mandated interested persons under the Proposed Expanded IPT Mandate.

The Company understands that mining activities typically have a long gestation period and that commodity markets may be highly volatile. In order to mitigate the risk associated with potential defaults in payment obligations by Lion Mining, the Company will be obtaining a corporate guarantee from Bonus Essential to guarantee the obligations of Lion Mining under any contracts entered into by the Group with Lion Mining in connection with the Proposed Additional IPTs. Bonus Essential is an associate of Tan Sri Cheng Heng Jem, who is a Non-Executive Director and Controlling Shareholder of the Company, and is therefore an interested person of the Company. Accordingly, the Company is also proposing to include Bonus Essential as a mandated interested person under the Proposed Expanded IPT Mandate. For the avoidance of doubt, the subsidiaries and associated companies of Bonus Essential will not be included as mandated interested persons under the Proposed Expanded IPT Mandate.

The IPT Mandate, as proposed to be expanded, and any subsequent renewal on an annual basis will eliminate the need for the Company to convene separate general meetings from time to time to seek Shareholders' approval as and when potential interested person transactions under the Proposed Expanded IPT Mandate arise, thereby reducing substantially the administrative time and expenses in convening such meetings, without compromising the corporate objectives and adversely affecting the business opportunities available to the Group.

The proposed expansion of the IPT Mandate is intended to facilitate the Proposed Additional IPTs, provided that they are carried out on normal commercial terms and are not prejudicial to the Company and its minority Shareholders. The Directors are of the view that the Group will be able to benefit from such transactions with interested persons mandated under the Proposed Expanded IPT Mandate as it will allow the Group access to competitive quotes from, or transacting with, mandated interested persons in respect of the products procured by the Group.

4.2 Streamlining the mandated interested persons under the IPT Mandate

In light of the recent amendments to Rule 920 of the Listing Manual in February 2020, which took effect from 7 February 2020, the Company will be listing the names of the interested persons individually in the Proposed Expanded IPT Mandate. The names of the interested persons covered by the IPT Mandate are set out in Appendix II to this Circular.

The Company is proposing to streamline the list of mandated interested persons under the Proposed Expanded IPT Mandate taking into account the entities which the Group has previously transacted with under the IPT Mandate and entities the Company anticipates to enter into the mandated interested person transactions with. The streamlined list of mandated interested persons in the Proposed Expanded IPT Mandate comprise entities within the classes of mandated interested persons under the IPT Mandate, as set out in Section 3 of this Circular above. They are entities which are involved in the respective industries related to the mandated interested person transactions under the Proposed Expanded IPT Mandate, as set out in Appendix II to this Circular.

4.3 Clarifying the scope of the existing mandated interested person transactions relating to the provision or obtaining of services arising from business operations

The Company is proposing to amend paragraph 4.3 of the IPT Mandate to clarify the scope of the interested person transactions relating to the provision or obtaining of services arising from business operations.

In particular, the amendments seek to elaborate on the types of services arising from business operations which will be covered under the Proposed Expanded IPT Mandate. Such services include management, administrative and operational support services in areas of logistics, information technology, legal, compliance, corporate secretarial, tax, accounting, internal audit and leasing of space for warehousing and office purposes.

4.4 Methods and procedures under the Proposed Expanded IPT Mandate

(a) Methods and procedures for the Proposed Additional IPTs

In relation to the Proposed Additional IPTs, it is proposed that all contracts entered into or transactions with mandated interested persons be carried out on terms which will be no less favourable than those offered by the Group to at least two (2) unrelated third party customers after taking into consideration various relevant factors such as the size of the transaction, the

product specifications, the delivery schedule, the payment milestones as well as freight and installation charges.

Where unrelated third party comparisons are not available, it is proposed that the Company will apply a percentage mark-up from cost (to be determined by taking into account relevant and applicable factors as set out in paragraphs 5.1(a)(ii), (b)(ii), (c)(ii) and (d)(ii) of Appendix II to this Circular, which includes, but is not limited to, specifications, quantity, volume, customer/service requirements, duration of contract, cost of funds to the Group, credit worthiness of the customers, the benefit of such transactions to the Group, delivery schedule, the payment milestones of the transactions, freight and installation charges and terms of suppliers), to ensure that the pricing for such products is in accordance with industry norms and usual business practices, the strategic direction of the Group, pricing policies of the relevant company in the Group and the Group obtains a positive gross margin on the transactions. The Company will also seek the Audit Committee's approval for the percentage mark-up on a quarterly basis.

It is further proposed that prior approval must be sought for contracts and transactions with the following thresholds:

- (i) contracts and transactions amounting to or exceeding S\$100,000 but less than 2% of the Group's latest audited NTA shall be reviewed and approved by the Group Internal Audit Manager;
- (ii) contacts and transactions amounting to or exceeding 2% of the Group's latest audited NTA but less than 5% of the Group's latest audited NTA shall be reviewed and approved by the Group Internal Audit Manager and any one of the members of the Audit Committee (who does not have an interest in the contracts and/or transactions);
or
- (iii) contracts and transactions amounting to or exceeding 5% of the Group's latest audited NTA in value shall be reviewed and approved by the Audit Committee.

(b) Proposed amendments to methods and procedures in relation to the interested person transactions under the existing IPT Mandate

Taking into consideration the latest audited NTA of the Group and the historical transaction values of the existing interested person transactions under the IPT Mandate, the Company is also proposing to amend the approval thresholds for the interested person transactions covered by the existing IPT Mandate to better reflect the transaction values of such interested person transactions.

In particular, the Company is proposing to revise the approval thresholds for the sale of consumables required for steel product manufacturing from S\$2,500,000 and S\$5,000,000 to 2% and 5% of the latest audited NTA of the Group at the relevant point in time, respectively, as the NTA of the Group has fallen over the years. That being the case, an approval threshold determined based on the latest audited NTA of the Group at the relevant point in time is a better reflection of the relative size of the interested person transaction. As a reference, based on the Group's audited NTA of approximately S\$72.01 million as at 30 June 2022, 2% and 5% of the NTA of the Group amounted to S\$1.44 million and S\$3.60 million, respectively. The

transactions amounting to or exceeding S\$100,000 but less than 2% of the Group's latest audited NTA are proposed to be reviewed and approved by the Group Internal Audit Manager. Transactions amounting to or exceeding 2% of the Group's latest audited NTA but less than 5% of the Group's latest audited NTA are proposed to be reviewed and approved by the Group Internal Audit Manager and any one of the members of the Audit Committee who does not have an interest in the transactions. For the avoidance of doubt, no amendment to the approval thresholds for the sale of lime products and the provision and/or obtaining of services arising from business operations is proposed.

The Company is also proposing that the Audit Committee undertake a quarterly review of the percentage mark-up from cost for all interested person transactions under the Proposed Expanded IPT Mandate so that the appropriate percentage mark-up for interested person transactions under the Proposed Expanded IPT Mandate is reviewed on a regular basis.

In addition, the Company is also proposing to delete paragraph 5.2 of the IPT Mandate relating to approvals required for cumulative interested person transactions which does not exceed S\$500,000 or S\$2,500,000 (depending on the category of the interested person transactions) under the IPT Mandate. This is because the procedures set out in paragraph 5.2 of the IPT Mandate have not been applied in recent years since the aggregate value of such interested person transactions have historically been way below the stipulated thresholds. In any event, the Audit Committee will undertake a quarterly review of the percentage mark-up for all interested person transactions under the Proposed Expanded IPT Mandate and the Group Internal Audit Manager will sample review the transactional documents relating to the sale of lime products and provision and/or obtaining of services arising from business operations to or from the mandated interested persons under the Proposed Expanded IPT Mandate (which had occurred at a higher frequency and lower value as compared to the sale of consumables required for steel product manufacturing during the last three completed financial years ended 30 June 2022) once every six (6) months.

Save as disclosed above, the methods and procedures under the Proposed Expanded IPT Mandate are largely similar to the methods and procedures under the IPT Mandate. The full text of the Proposed Expanded IPT Mandate, with the proposed amendments to the IPT Mandate (including the methods and procedures for the Proposed Additional IPTs), as blacklined, can be found in Appendix II to this Circular.

- 4.5 The Proposed Expanded IPT Mandate will cover recurrent transactions of a revenue or trading nature or those necessary for the Group's day-to-day operations, which are entered into in the ordinary course of business. For the avoidance of doubt, any purchase or sale of any assets, undertakings or businesses will not be covered under the Proposed Expanded IPT Mandate.
- 4.6 The Proposed Expanded IPT Mandate will also not cover any transaction by any member of the Group, with mandated interested persons under the Proposed Expanded IPT Mandate, where such transaction is below S\$100,000 in value, as the threshold and aggregation requirements contained in Chapter 9 of the Listing Manual would not apply to such transactions. The Proposed Expanded IPT Mandate would, however, cover interested person transactions with values below S\$100,000 entered into during the same financial year and which are aggregated by the SGX-ST under Chapter 9 of the Listing Manual and treated as if they were one interested person transaction which has a value of S\$100,000 or more.

5. VALIDITY PERIOD OF THE PROPOSED EXPANDED IPT MANDATE

If approved by Shareholders at the EGM, the Proposed Expanded IPT Mandate will take effect from the date of the passing of the ordinary resolution for the approval of the Proposed Expanded IPT Mandate, and will continue to be in force until the conclusion of the next annual general meeting of the Company or the date by which such annual general meeting is required by law to be held, whichever is earlier, unless revoked or varied by the Company in a general meeting. Approval from Shareholders will be sought for the renewal of the Proposed Expanded IPT Mandate at each subsequent annual general meeting subject to the satisfactory review by the Audit Committee of its continued application to the interested person transactions with the mandated interested persons.

6. DISCLOSURE

Pursuant to Rule 920(1)(a) of the Listing Manual:

- (a) disclosure will be made in the annual report of the Company, giving details of the aggregate value of the interested person transactions conducted pursuant to the Proposed Expanded IPT Mandate during the financial year under review and in the annual reports for the subsequent financial years during which the Proposed Expanded IPT Mandate is in force, as required by the provisions of the Listing Manual;
- (b) announcements will be made with regard to the aggregate value of the interested person transactions conducted pursuant to the Proposed Expanded IPT Mandate for the financial periods which the Company is required to report on pursuant to Rule 705 of the Listing Manual within the time required for the announcement of such report; and
- (c) the names of the interested persons and the corresponding aggregate value of the interested person transactions will be presented in the following format (pursuant to Rule 907 of the Listing Manual):

Name of the interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)

7. INDEPENDENT FINANCIAL ADVISER'S OPINION

Xandar Capital Pte Ltd has been appointed by the Company as the IFA pursuant to Rule 920(1)(b)(v) of the Listing Manual as well as to advise the Non-Interested Directors to, *inter alia*, opine on whether the methods and procedures set out in Appendix II to this Circular are

sufficient to ensure that the interested person transactions covered under the Proposed Expanded IPT Mandate will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

Having regard to the matters set out in their IFA Letter, the IFA is of the opinion that the methods and procedures for determining the transaction prices of the interested person transactions as set out in Appendix II to this Circular, if adhered to, are sufficient to ensure that the interested person transactions with mandated interested persons under the Proposed Expanded IPT Mandate will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

The IFA Letter in relation to the Proposed Expanded IPT Mandate is reproduced in Appendix I to this Circular. Shareholders are advised to read the IFA Letter in relation to the Proposed Expanded IPT Mandate carefully.

8. STATEMENT OF THE AUDIT COMMITTEE

The Audit Committee comprises Mr Sam Chong Keen (chairman of the Audit Committee), Mr Chai Woon Chew and Mr Lee Whay Keong.

As set out in Section 11.2 of this Circular, Mr Lee Whay Keong, who is a Non-Executive Director, is also a director of (a) CEDR Corporate Consulting Sdn Bhd; (b) Lion Steelworks Sdn Bhd; (c) Lion Titco Resources Sdn Bhd; (d) Lion Tooling Sdn Bhd; (e) Lion Trading & Marketing Sdn Bhd; (f) Posim Petroleum Marketing Sdn Bhd; and (g) Shanghai AMB Management Consulting Co., Ltd, which are mandated interested persons under the Proposed Expanded IPT Mandate. Mr Lee Whay Keong has abstained from making any recommendation or statement relating to the proposed adoption and approval of the Proposed Expanded IPT Mandate.

Having considered, *inter alia*, the terms, rationale for and benefits of the Proposed Expanded IPT Mandate, the methods and procedures as set out in Appendix II to this Circular for determining the transaction prices of the interested person transactions under the Proposed Expanded IPT Mandate and the opinion of the IFA as set out in the IFA Letter at Appendix I to this Circular, the Audit Committee (excluding Mr Lee Whay Keong) agrees with the views of the IFA and is satisfied that the methods or procedures for determining transaction prices of the interested person transactions under the Proposed Expanded IPT Mandate are sufficient to ensure that the interested person transactions under the Proposed Expanded IPT Mandate will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

If during the periodic reviews by the Audit Committee, it is of the view that the established methods and procedures under the Proposed Expanded IPT Mandate are no longer appropriate or sufficient to ensure that the interested person transactions under the Proposed Expanded IPT Mandate will be carried out on normal commercial terms and would be prejudicial to the interests of the Company and its minority Shareholders, the Company will seek a fresh mandate from the Shareholders based on new methods and procedures.

9. NON-INTERESTED DIRECTORS' RECOMMENDATION

Tan Sri Cheng Heng Jem and Mr Lee Whay Keong have abstained from making any recommendation on the Proposed Expanded IPT Mandate. Please refer to Section 11 of this Circular for their relationship with the mandated interested persons under the Proposed Expanded IPT Mandate.

The Non-Interested Directors are of the opinion that the proposed amendments to the IPT Mandate via the adoption of the Proposed Expanded IPT Mandate is in the best interests of the Company and not prejudicial to the interests of minority Shareholders. Accordingly, the Non-Interested Directors recommend that Shareholders vote in favour of the ordinary resolution relating to the approval and adoption of the Proposed Expanded IPT Mandate at the EGM.

10. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE COMPANY

The interests of Directors and the Substantial Shareholders as at the Latest Practicable Date, based on information as recorded in the Register of Directors' Shareholdings and the Register of Substantial Shareholders maintained under the provisions of the Act are as follows:

	Direct Interest		Deemed Interest	
	No. of Shares	% ⁽⁹⁾	No. of Shares	% ⁽⁹⁾
<u>Directors</u>				
Tan Sri Cheng Heng Jem ⁽¹⁾	-	-	54,062,680	66.66
<u>Substantial Shareholders (other than Directors)</u>				
Omali Corporation Sdn Bhd ⁽²⁾	24,312,552	29.98	-	-
Bright Steel Sdn Bhd ⁽³⁾	-	-	24,312,552	29.98
Total Triumph Investments Limited ⁽³⁾	-	-	24,312,552	29.98
Lion Corporation Berhad ⁽⁴⁾	-	-	24,312,552	29.98
Lion Diversified Holdings Berhad (in liquidation) ⁽⁵⁾	-	-	24,312,552	29.98
AMB Venture Sdn Bhd ⁽⁶⁾	29,750,128	36.68	-	-
Lion AMB Resources Sdn Bhd ⁽⁷⁾	-	-	29,750,128	36.68
Lion Posim Berhad ⁽⁷⁾	-	-	29,750,128	36.68
Amsteel Mills Sdn Bhd ⁽⁷⁾	-	-	29,750,128	36.68
Steelcorp Sdn Bhd ⁽⁷⁾	-	-	29,750,128	36.68
LLB Steel Industries Sdn Bhd ⁽⁷⁾	-	-	29,750,128	36.68
Lion Industries Corporation Berhad ⁽⁸⁾	-	-	54,062,680	66.66

Notes:

- (1) Tan Sri Cheng Heng Jem, by virtue of his interest in Lion Industries Corporation Berhad ("**LICB**") is deemed interested in (a) the 29,750,128 Shares held by AMB Venture Sdn Bhd ("**AMBV**") and (b) the 24,312,552 Shares held by Omali Corporation Sdn Bhd ("**Omali**").
- (2) Omali is the beneficial and registered owner of 24,312,552 Shares.
- (3) Bright Steel Sdn Bhd and Total Triumph Investments Limited are deemed interested in the 24,312,552 Shares held by Omali.
- (4) Lion Corporation Berhad ("**LCB**"), as the ultimate holding company of Omali, is deemed interested in the 24,312,552 Shares held by Omali.
- (5) Lion Diversified Holdings Berhad (in liquidation) is deemed interested in the 24,312,552 Shares held by Omali by virtue of its interest in LCB.
- (6) AMBV is the beneficial and registered owner of 29,750,128 Shares.
- (7) Lion AMB Resources Sdn Bhd, Lion Posim Berhad, Amsteel Mills Sdn Bhd, Steelcorp Sdn Bhd and LLB Steel Industries Sdn Bhd are deemed interested in the 29,750,128 Shares held by AMBV.
- (8) LICB is deemed interested in (a) the 29,750,128 Shares held by AMBV as it is the ultimate holding company of AMBV, and (b) the 24,312,552 Shares held by Omali by virtue of its interest in LCB.
- (9) This is based on the total number of issued Shares, being 81,104,539 Shares (excluding treasury Shares and subsidiary holdings) as at the Latest Practicable Date. As at the Latest Practicable Date, the Company does not have any treasury Shares or subsidiary holdings.

11. ABSTENTIONS

- 11.1 Tan Sri Cheng Heng Jem is a Non-Executive Director and Controlling Shareholder of the Company. By virtue of his interest in the mandated interested persons under the Proposed Expanded IPT Mandate, Tan Sri Cheng will abstain from voting his Shares, if any, in respect of the ordinary resolution relating to the approval and adoption of the Proposed Expanded IPT Mandate.
- 11.2 Mr Lee Whay Keong, who is a Non-Executive Director, is also a director of (a) CEDR Corporate Consulting Sdn Bhd; (b) Lion Steelworks Sdn Bhd; (c) Lion Titco Resources Sdn Bhd; (d) Lion Tooling Sdn Bhd; (e) Lion Trading & Marketing Sdn Bhd; (f) Posim Petroleum Marketing Sdn Bhd; and (g) Shanghai AMB Management Consulting Co., Ltd, which are mandated interested persons under the Proposed Expanded IPT Mandate. Mr Lee Whay Keong will abstain from voting his Shares, if any, in respect of the ordinary resolution relating to the approval and adoption of the Proposed Expanded IPT Mandate.
- 11.3 Further, Tan Sri Cheng Heng Jem and Mr Lee Whay Keong will decline to accept appointment as proxies to vote and attend at the forthcoming EGM in respect of the ordinary resolution relating to the approval and adoption of the Proposed Expanded IPT Mandate unless specific instructions as to voting are given by the Shareholder concerned.
- 11.4 Each of the Substantial Shareholders as set out in Section 10 of this Circular will abstain and will ensure that their associates abstain from voting on the ordinary resolution relating to the approval and adoption of the Proposed Expanded IPT Mandate.

- 11.5 Further, each of the Substantial Shareholders will decline to accept appointment as proxies to vote and attend at the forthcoming EGM in respect of the ordinary resolution relating to the approval and adoption of the Proposed Expanded IPT Mandate unless specific instructions as to voting are given by the Shareholder concerned.

12. CONSENT

The Independent Financial Adviser has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name, its IFA Letter dated 7 March 2023 as set out in Appendix I to this Circular and all references thereto, in the form and context in which they appear in this Circular.

13. EGM

The EGM, notice of which is set out on pages 44 to 46 of this Circular, will be held at The Conference Room, 10 Arumugam Road, #10-00 LTC Building A, Singapore 409957, on 22 March 2023 at 11 a.m. for the purpose of considering and, if thought fit, passing the resolution set out in the Notice of EGM.

14. ACTION TO BE TAKEN BY SHAREHOLDERS

14.1 Notice of EGM, Circular and Proxy Form

Printed copies of the Notice of EGM, this Circular and the Proxy Form will not be sent to Shareholders. Instead, the Notice of EGM, this Circular and the Proxy Form may be accessed at the Company's website at the URL <http://www.lionasiapac.com/index.php/investors> and on the SGX-ST's website at the URL <http://www.sgx.com/securities/company-announcements>.

14.2 Attendance at the EGM

If a Shareholder is unable to attend the EGM and wishes to appoint a proxy to attend and vote on his behalf, he should complete, sign and return the proxy form attached to the Notice of EGM in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach:

- (a) the registered office of the Company at 10 Arumugam Road, #10-00 LTC Building A, Singapore 409957; or
- (b) the office of the Company's Share Registrar at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896,

in each case, not less than 72 hours before the time appointed for holding the EGM, *i.e.* by 11 a.m. on 19 March 2023. The completion and return of a proxy form by a Shareholder do not preclude him from attending and voting in person at the EGM if he wishes to do so. In such an event, the relevant proxy form will be deemed to be revoked. A depositor shall not be regarded as a member entitled to attend and vote at the EGM unless his name appears in the Depository Register as at 72 hours before the time appointed for holding the EGM.

15. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Expanded IPT Mandate, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular 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 Circular in its proper form and context.

16. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 10 Arumugam Road, #10-00 LTC Building A, Singapore 409957, during normal business hours from the date of this Circular up to and including the date of the EGM:

- (a) the Constitution;
- (b) the Company's Annual Report for FY2022;
- (c) the IFA Letter; and
- (d) the letter of consent referred to in Section 12 of this Circular.

Yours faithfully,

For and on behalf of the
**Board of Directors of
Lion Asiapac Limited**

APPENDIX I – IFA LETTER



7 March 2023

Lion Asiapac Limited
10 Arumugam Road
#10-00 LTC Building A
Singapore 409957

Attention: The Non-Interested Directors

Dear Sirs

PROPOSED AMENDMENTS TO AND RENEWAL OF THE GENERAL MANDATE FOR RECURRENT INTERESTED PERSON TRANSACTIONS

Unless otherwise defined or the context otherwise requires, all terms used herein have the same meaning as defined in the circular of Lion Asiapac Limited dated 7 March 2023 (the “Circular”).

1. INTRODUCTION

Lion Asiapac Limited (the “**Company**”) first obtained a general mandate at an extraordinary general meeting of the Company held on 30 October 2006, to enable the Company, its subsidiaries and associated companies (collectively, the “**Group**”), or any of the companies in the Group, to enter into certain recurrent transactions with the interested persons of the Company (the “**2006 IPT Mandate**”).

The Company is proposing amendments to the 2006 IPT Mandate and wishes to seek the approval of the shareholders of the Company (the “**Shareholders**”) for the proposed amendments to, and renewal of, the 2006 IPT Mandate (the “**Proposed Expanded IPT Mandate**”) permitting the Group to enter into recurrent interested person transactions as set out in the Section 4 entitled “Categories of Mandated Interested Person Transactions” in Appendix II to the Circular (the “**Mandated IPTs**”) with the mandated interested persons as named in the Section 3 entitled “Names of the Mandated Interested Persons” in Appendix II to the Circular (the “**Mandated Interested Persons**”).

The key amendments to the 2006 IPT Mandate are as follows:

- (a) the expansion of the Mandated IPTs to include a new category of interested person transaction which is to supply mining equipment, machinery, heavy vehicles, and the related spare parts to the interested persons;
- (b) the revision of “classes of Mandated Interested Persons” to “names of Mandated Interested Persons” in line with the amendments to the listing rules in the listing manual of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”);
- (c) clarifying the scope of the existing mandated interested person transactions relating to the provision or obtaining of services arising from business operations; and

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- (d) the amendments to the approval thresholds based on the historical volume and value of the existing Mandated IPTs, the anticipated volume and value of the new Mandated IPTs, as well as the latest audited net tangible assets (“**NTA**”) of the Group.

To comply with the requirements of Chapter 9 of the Listing Manual of the SGX-ST (the “**Listing Manual**”), Xandar Capital Pte. Ltd. (“**Xandar Capital**”) has been appointed as the independent financial adviser to provide an opinion on whether the methods and procedures of the Proposed Expanded IPT Mandate as set out in Appendix II to the Circular are sufficient to ensure that the Mandated IPTs between the Group and the Mandated Interested Persons will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

This IFA letter sets out our evaluation of the Proposed Expanded IPT Mandate and our opinion thereof. This IFA Letter has been prepared pursuant to Rule 920(1)(b)(v) of the Listing Manual as well as for the use of the Directors of the Company, who as at the date of the Circular, are considered to be independent for the purpose of the Proposed Expanded IPT Mandate (namely Mr Sam Chong Keen, Loh Kgai Mun and Mr Chai Woon Chew, collectively the “**Non-Interested Directors**”), and this IFA Letter forms part of the Circular.

2. TERMS OF REFERENCE

Xandar Capital has been appointed to opine on whether the methods or procedures for the Mandated IPTs, if adhered to, are sufficient to ensure that the Mandated IPTs will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

We are and were not involved in any aspect of the negotiations pertaining to the Proposed Expanded IPT Mandate or the Mandated IPTs contemplated under the Proposed Expanded IPT Mandate, nor were we involved in the deliberations leading to the Company’s decision to amend and renew the Proposed Expanded IPT Mandate and to enter into the Mandated IPTs contemplated under the Proposed Expanded IPT Mandate. We do not, by this IFA Letter, make any representation or warranty in relation to the merits of the Proposed Expanded IPT Mandate or the transactions contemplated under the Proposed Expanded IPT Mandate.

Our terms of reference do not require us to evaluate or comment on the legal, strategic or commercial merits and/or risks of the Proposed Expanded IPT Mandate and the Mandated IPTs contemplated under the Proposed Expanded IPT Mandate. We have also not conducted any review of the business, operations or financial condition of the Company and the Group, and we have not relied on any financial projections or forecasts in respect of the Company or the Group, nor did we have access to their business plans, financial projections and forecasts. We are not required to express and we do not express any view herein on the growth prospects, financial position and earnings potential of the Company or the Group pursuant to the adoption of the Proposed Expanded IPT Mandate or the Mandated IPTs contemplated under the Proposed Expanded IPT Mandate. We are also not expressing any view herein as to the prices at which the shares of the Company may trade with or without the Proposed Expanded IPT Mandate. Such evaluation shall remain the sole responsibility of the Directors.

We were also not required or authorised to obtain, and we have not obtained, any quotation or transacted price from third parties for products or services similar to those which are to be covered by the Proposed Expanded IPT Mandate, and are therefore not able to, and will not comment on the Mandated IPTs.

In the course of our evaluation, we have held discussions with certain Directors and management of the Group and have examined information provided and representations made to us by the aforesaid parties, including information in the Circular for which the Directors have collectively and individually accept full responsibility as set out in the paragraph below. We have not independently verified such information, whether written or verbal, and accordingly cannot and do not warrant, and do not accept any responsibility for the accuracy, completeness or adequacy of such information, representation and assurance. Nonetheless, we have made reasonable enquiries and exercised our judgement on the reasonable use of such information (including the information given in the Circular) and have found no reason to doubt the accuracy and reliability of the information.

We have relied upon the assurance of the Directors that they collectively and individually accept full responsibility for the accuracy of the information given in the Circular and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, the Circular constitutes full and true disclosure of all material facts about the Proposed Expanded IPT Mandate, the Company and the Group as at the date of the Circular. The Directors are not aware of any facts the omission of which would make any statement in the Circular misleading. Where information in the Circular has been extracted from published or otherwise publicly available sources or this IFA Letter, 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 the Circular in its proper form and context. In relation to this IFA Letter, the Directors have confirmed that the facts stated, with respect to the Company, the Group and the Proposed Expanded IPT Mandate are to the best of their knowledge and belief, fair and accurate in all material aspects. Accordingly, no representation or warranty, express or implied, is made and no responsibility is accepted by us concerning the accuracy, completeness or adequacy of all such information about the Company and the Group as at the date of the Circular, provided or otherwise made available to us or relied on by us as described above.

The Company has been separately advised by its own advisers in the preparation of the Circular (other than this IFA Letter). We have 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, express or implied, on the contents of the Circular (other than this IFA Letter).

Whilst a copy of this IFA Letter may be reproduced in the Circular, save for the purpose of any matter relating to the Proposed Expanded IPT Mandate, neither the Company, the Directors nor the Shareholders may reproduce, disseminate or quote this IFA Letter (or any part thereof) for any other purposes at any time and in any manner without our prior written consent in each specific case. Our opinion in relation to the Proposed Expanded IPT Mandate should be considered in the context of the entirety of this IFA Letter and the Circular.



3. THE PROPOSED EXPANDED IPT MANDATE

3.1 THE PROPOSED EXPANDED IPT MANDATE

Information on the Proposed Expanded IPT Mandate is set out in Appendix II to the Circular.

3.2 THE MANDATED INTERESTED PERSONS

Information on the Mandated Interested Person of the Proposed Expanded IPT Mandate is set out in Section 3 entitled “Names of Mandated Interested Persons” in Appendix II to the Circular.

We note that there are, in total, 17 Mandated Interested Persons in the Proposed Expanded IPT Mandate. All the Mandated Interested Persons are corporate entities which are associates of Tan Sri Cheng Heng Jem, the Non-Executive Director and controlling shareholder of the Company (by virtue of his interest in Lion Industries Corporation Berhad). Lion Industries Corporation Berhad holds 66.66% deemed interest in the Company through AMB Venture Sdn Bhd and Omali Corporation Sdn Bhd. AMB Venture Sdn Bhd is an indirect subsidiary of Lion Industries Corporation Berhad while Omali Corporation Sdn Bhd is a subsidiary of Lion Corporation Berhad, an associated company of Lion Industries Corporation Berhad.

3.3 CATEGORIES OF MANDATED IPTs

Information on the categories of Mandated IPTs is set out in Section 4 entitled “Categories of Mandated Interested Person Transactions” of Appendix II to the Circular.

We note that there are four (4) categories of Mandated IPTs as follows:

- (a) sale of lime products;
- (b) sale of consumables required for steel product manufacturing;
- (c) provision and/or obtaining of management, administrative and operational support services in areas of logistics, information technology, legal, compliance, corporate secretarial, tax, accounting, internal audit and leasing of space for warehousing and office purposes relating to its business operations; and
- (d) supply of mining equipment, machinery, heavy vehicles, and the related spare parts,

collectively, the “**Mandated IPTs**”.

3.4 RATIONALE FOR AND BENEFITS OF THE PROPOSED EXPANDED IPT MANDATE

Information on the rationale for and benefits of the Proposed Expanded IPT Mandate is set out in the Sections 1 and 2 entitled “Rationale for the renewal of the IPT Mandate” and “Benefits of the Proposed Expanded IPT Mandate” of Appendix II to the Circular.

We note that the IPT Mandate is intended to facilitate the carrying out of the Mandated Interested Person Transactions in the normal course of business of the Group which are transacted, from time to time, with the Mandated Interested Persons, provided that they are carried out on an arm’s length basis and on the Group’s normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders.

Specifically, the sale of lime products, consumables required for steel product manufacturing and mining equipment, machinery, heavy vehicles, and the related spare parts to the Mandated Interested Persons represent an additional source of revenue for the Group while having access to and providing management, administrative and operational support services in areas of logistics, information technology, legal, compliance, corporate secretarial, tax, accounting, internal audit and leasing of space for warehousing and office purposes relating to its business operations allows the Group to derive operational and financial leverage in its dealings with third parties as well as benefits from the global network of its Mandated Interested Persons. Such management, administrative and operational support are necessary for the day-to-day operations of the Group.

3.5 METHODS AND PROCEDURES FOR THE MANDATED IPTs

Detailed information on the methods and procedures is set out in Section 5 entitled “Methods and Procedures for Mandated Interested Person Transactions” of Appendix II to the Circular.

We note that the methods and procedures involve:

(a) In relation to the sale of lime products to the Mandated Interested Persons

All contracts entered into or transactions with Mandated Interested Persons are to be carried out at the prevailing market prices determined by market conditions on terms which are no more favourable to the Mandated Interested Persons than the usual commercial terms extended to unrelated third parties.

Where the prevailing market prices or rates are not available due to lack of demand from unrelated third parties, the Company will apply a reasonable percentage mark-up (pre-approved by the Audit Committee on a quarterly basis) from cost to ensure that the pricing for such products or services to a Mandated Interested Person is in accordance with industry norms and usual business practices, the strategic direction of the Group and pricing policies of the relevant company in the Group and the Group obtains positive gross margin on the transactions.

In determining the percentage mark-up for such products, the Audit Committee will take into account factors such as, but not limited to, specifications, quantity, volume, customer requirements, duration of contract, cost of funds to the Group and credit worthiness.

(b) In relation to the sale of consumables required for steel product manufacturing to the Mandated Interested Persons

All contracts entered into or transactions with Mandated Interested Persons are to be carried out at the prevailing market prices determined by market conditions on terms which are no more favourable to the Mandated Interested Persons than the usual commercial terms extended to unrelated third parties.

Where the prevailing market prices or rates are not available due to lack of demand from unrelated third parties, the Company will apply a reasonable percentage mark-up (pre-approved by the Audit Committee on a quarterly basis) from cost to ensure that the pricing for such products or services to a Mandated Interested Person is in accordance with industry norms and usual business practices, the strategic direction of the Group and pricing policies of the relevant company in the Group and the Group obtains positive gross margin on the transactions.

In determining the percentage mark-up for such products, the Audit Committee will take into account factors such as, but not limited to, specifications, quantity, volume, customer requirements, duration of contract, cost of funds to the Group and credit worthiness.

- (c) In relation to the provision and/or obtaining of management, administrative and operational support services in areas of logistics, information technology, legal, compliance, corporate secretarial, tax, accounting, internal audit and leasing of space for warehousing or office purposes relating to its business operations to or from the Mandated Interested Persons

All contracts entered into or transactions with Mandated Interested Persons are to be carried out at the prevailing market prices determined by market conditions on terms which are no more favourable to the Mandated Interested Persons than the usual commercial terms extended to or obtained from unrelated third parties.

Where the prevailing market prices or rates for services provided to the Mandated Interested Persons are not available due to lack of demand from unrelated third parties (such as the provision of information technology services by the Group to the Mandated Interested Persons or the supply of utilities by the Group to the Mandated Interested Persons as the Group is the main account holder for such services utilised by the entities within the Group and Mandated Interested Persons), the Company will apply a reasonable percentage mark-up (pre-approved by the Audit Committee on a quarterly basis) from cost or through a formula, to ensure that the pricing for such services to the Mandated Interested Person is in accordance with industry norms and usual business practices, the transfer pricing guidelines issued by the relevant tax authorities (if applicable), the strategic direction of the Group and pricing policies of the relevant company in the Group and the Group obtains positive gross margin on the transactions.

In determining the percentage mark-up for such services, the Audit Committee will take into account factors such as but not limited to, service requirements, duration of contract, credit worthiness, cost of funds to the Company and the benefit of such transactions to the Group.

Where the prevailing market prices or rates for services obtained from the Mandated Interested Persons are not available due to the nature of the services to be obtained from an Mandated Interested Person (for example, where the Mandated Interested Person is the sole provider of such services such as the obtaining of administrative services for bookkeeping and statutory filing purposes from the Mandated Interested Persons for the Group's subsidiary in PRC), the Company will assess and ensure that the pricing for such services from the Mandated Interested Person is not prejudicial to the interests of the Company and its minority Shareholders and/or is in accordance with industry norms and usual business practices.

In determining the transaction price or rate payable by the Group for such services, the Audit Committee will take into account factors such as, but not limited to, service requirements, duration of contract, credit worthiness, cost of funds to the Company and the benefit of such transactions to the Group.

In the event that the Mandated IPTs are in relation to leasing arrangements, the rental fees will be determined based on third party valuations.



- (d) In relation to the supply of mining equipment, machinery, heavy vehicles, and the related spare parts to the Mandated Interested Persons

All contracts entered into or transactions with the Mandated Interested Persons are to be carried out at terms which will be no less favourable than those offered by the Group to at least two (2) unrelated third party customers after taking into consideration various factors including *inter alia*, the size of the transaction, the product specifications, the delivery schedule, the payment milestones as well as freight and installation charges (the “**Relevant Factors**”).

Where such unrelated third party comparisons are not available, the Company will apply a percentage mark-up (pre-approved by the Audit Committee on a quarterly basis) from cost, to ensure that the pricing for such products to the Mandated Interested Person is in accordance with industry norms and usual business practices, the strategic direction of the Group and pricing policies of the relevant company in the Group and the Group obtains positive gross margin on the transactions.

In determining the percentage mark-up for such products, the Company will take into account the Relevant Factors as well as other applicable factors (such as the terms offered by suppliers and cost of funds to the Group) to ensure that the Group will always achieve a better return from such transactions.

The Company will also be implementing the following approval thresholds:

Categories of Mandated Interested Person Transactions	Approval threshold	Approving authority who must have no interest, direct or indirect, in the Mandated IPTs
- Sale of lime products	Transaction below S\$500,000 ⁽¹⁾	Group Internal Audit Manager
- Provision and/or obtaining of services arising from business operations to or from the Mandated Interested Persons	Transaction equals to or exceeding S\$500,000 but less than S\$1,000,000	Group Internal Audit Manager and a member of the Audit Committee
	Transaction equals to or exceeding S\$1,000,000	Audit Committee

Categories of Mandated Interested Person Transactions	Approval threshold	Approving authority who must have no interest, direct or indirect, in the Mandated IPTs
<ul style="list-style-type: none"> - Sale of consumables required for steel product manufacturing to the Mandated Interested Persons - Supply of mining equipment, machinery, heavy vehicles, and the related spare parts to the Mandated Interested Persons 	Transaction below 2% of the Group's latest audited NTA ⁽¹⁾	Group Internal Audit Manager
	Transaction equals to or exceeding 2% of the Group's latest audited NTA but less than 5% of the Group's latest audited NTA	Group Internal Audit Manager and a member of the Audit Committee
	Transaction equals to or exceeding 5% of the Group's latest audited NTA	Audit Committee

Note:

(1) Excluding transaction less than S\$100,000.

The Company will also implement additional review procedures including the sample review of the transactional documents relating to the sale of lime products and provision and/or obtaining of services arising from business operations by the Group internal Audit Manager every six (6) months, a register of all interested person transactions (including the Mandated IPTs) to facilitate the review of the interested person transactions (including the Mandated IPTs) by the Audit Committee, as well as the review of internal audit reports by the Audit Committee to ascertain that the methods and procedures established to monitor interested person transactions (including the Mandated IPTs) have been adhered to.

4. VALIDITY PERIOD OF THE PROPOSED EXPANDED IPT MANDATE

Pursuant to Rule 920(2) of the Listing Manual, the Proposed Expanded IPT Mandate will be effective from the date of the passing of the ordinary resolution for the approval of the Proposed Expanded IPT Mandate, and will continue to be in force until the conclusion of the next annual general meeting of the Company or the date by which such annual general meeting is required by law to be held, whichever is earlier, unless revoked or varied by the Company in a general meeting.

Approval from independent Shareholders will be sought for the renewal of the Proposed Expanded IPT Mandate at each subsequent AGM or the date by which the next AGM of the Company is required by law to be held, subject to the satisfactory review by the Audit Committee of its continued application to the Mandated IPTs.

5. ABSTENTION BY DIRECTORS AND MANDATED INTERESTED PERSONS

In accordance with Rule 920(1)(b)(viii) of the Listing Manual, the Mandated Interested Persons and its Associates shall abstain from voting on resolutions involving themselves and the Group. Furthermore, such Mandated Interested Persons shall not act as proxies in relation to such resolutions unless voting instructions have been given by the appointing Shareholder.

We note from Sections 9 and 11 of the Circular that:

- (a) two Directors, namely, Tan Sri Cheng Heng Jem and Mr Lee Whay Keong, have abstained from making any recommendation on the Proposed Expanded IPT Mandate;
- (b) Tan Sri Cheng Heng Jem and Mr Lee Whay Keong will abstain from voting their Shares, if any, in respect of the ordinary resolution relating to the approval and adoption of the Proposed Expanded IPT Mandate, and will decline to accept appointment as proxies to vote and attend at the forthcoming EGM in respect of the ordinary resolution relating to the approval and adoption of the Proposed Expanded IPT Mandate unless specific instructions as to voting are given by the Shareholder concerned; and
- (c) Each of the substantial shareholders of the Company as set out in Section 10 of the Circular will abstain and will ensure that their associates abstain from voting on the ordinary resolution relating to the approval and adoption of the Proposed Expanded IPT Mandate. They will decline to accept appointment as proxies to vote and attend at the forthcoming EGM in respect of the ordinary resolution relating to the approval and adoption of the Proposed Expanded IPT Mandate unless specific instructions as to voting are given by the Shareholder concerned.

6. ROLE OF AUDIT COMMITTEE

We note that the Audit Committee will:

- (a) review and approve the maximum value (“**Pre-Approved Cap**”) of Mandated Interested Person Transactions for each category of Mandated Interested Person Transactions for the forthcoming 12 months or for a shorter period. The Pre-Approved Cap shall be determined based on historical values of the Mandated Interested Person Transactions, the indicative pricing of future Mandated Interested Person Transactions and the latest audited NTA of the Group;
- (b) in respect of the sale of lime products and provision and/or obtaining of services arising from business operations to or from the Mandated Interested Persons, review and approve transaction which individually has a value equal to or exceeds S\$1,000,000 (representing approximately 1.4% of the Group’s latest audited NTA of S\$72.0 million as at 30 June 2022);
- (c) in respect of the sale of consumables required for steel product manufacturing to the Mandated Interested Persons and supply of mining equipment, machinery, heavy vehicles, and the related spare parts to the Mandated Interested Persons, review and approve transaction which individually has a value equal to or exceeds 5.0% of the Group’s then latest audited NTA;

- (d) the Group Internal Audit Manager shall report to the Audit Committee on all Mandated IPTs (except where Mandated IPTs are required under the methods and procedures of the Proposed Expanded IPT Mandate to be approved by our Audit Committee prior to the entry thereof) and the Audit Committee will review the register of interested person transactions on a quarterly basis;
- (e) conduct periodic reviews of the established review methods and procedures for Mandated IPTs every six months;
- (f) review the internal audit reports submitted by the internal auditors on whether the methods and procedures established to monitor the Mandated IPTs have been adhered to; and
- (g) if, during these reviews by the Audit Committee, the Audit Committee is of the view that the established methods and procedures for the Mandated IPTs with the Mandated Interested Persons are no longer appropriate or sufficient to ensure that the Mandated Interested Person Transactions are transacted on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders, the Group will seek a fresh general mandate for Mandated IPTs based on new methods and procedures so that Mandated IPTs will be carried out on an arm's length basis and on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

7. OUR OPINION

In arriving at our opinion in respect of the Proposed Expanded IPT Mandate, we have considered, among other things, (i) the methods and procedures as well as the approval procedures and thresholds set out in the Proposed Expanded IPT Mandate; (ii) the frequency of review of Interested Person Transactions by the Group Internal Audit Manager, the Audit Committee and the internal auditors; (iii) the role of the Audit Committee in relation to the Proposed Expanded IPT Mandate; and (iv) the rationale for and benefits of the Proposed Expanded IPT Mandate.

Having regard to the considerations set out in this IFA Letter and the information available to us as at the Latest Practicable Date, Xandar Capital is of the opinion that the methods and procedures for determining the transaction prices of the Mandated IPTs, if adhered to, are sufficient to ensure that the Mandated IPTs will be carried out on normal commercial terms, and will not be prejudicial to the interests of the Company and its minority Shareholders.

8. THIS IFA LETTER

This IFA Letter is addressed to the Non-Interested Directors in connection with and for the purposes of their consideration of the Proposed Expanded IPT Mandate and forms part of the Circular. Our opinion in relation to the Proposed Expanded IPT Mandate should be considered in the context of the entirety of this IFA Letter and the Circular, as required under Rule 920(1)(b)(v) of the Listing Manual.

Whilst a copy of this IFA Letter may be reproduced in the Circular, save for the purpose of any matter relating to the Proposed Expanded IPT Mandate, neither the Company, the Directors nor the Shareholders may reproduce, disseminate or quote this IFA Letter (or any part thereof) for



any other purpose at any time and in any manner without the prior written consent of Xandar Capital in each specific case.

This IFA Letter is governed by, and construed in accordance with, the laws of Singapore, and is strictly limited to the matters stated herein in compliance with the requirements under the Listing Manual.

Yours truly
For and on behalf of
XANDAR CAPITAL PTE. LTD.

LOO CHIN KEONG
EXECUTIVE DIRECTOR

PAULINE SIM POI LIN
HEAD OF CORPORATE FINANCE

APPENDIX II – THE IPT MANDATE (AS AMENDED)

The amendments proposed to be made to the IPT Mandate which was approved for renewal by Shareholders on 31 October 2022 are set out below in blackline.

GENERAL MANDATE FOR INTERESTED PERSON TRANSACTIONS

1. RATIONALE FOR THE ~~RENEWAL~~ AMENDMENT AND EXPANSION OF THE IPT MANDATE

It is envisaged that the Company, its subsidiaries that are not listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”) or an approved exchange and its associated companies that are not listed on the SGX-ST or an approved exchange over which the Company and its subsidiaries, or the Company and its subsidiaries and their interested person(s), have control (collectively, the “**Group**”), or any company within the Group, will, in the ordinary course of their businesses, enter into transactions (the “**Mandated Interested Person Transactions**”) with mandated interested persons (the “Mandated Interested Persons”) for mutual benefit. Such Mandated Interested Person Transactions are likely to occur with some degree of frequency, and could arise at any time. Such Mandated Interested Person Transactions would include the provision of goods and services in the ordinary course of business of the Group to the Mandated Interested Persons or the obtaining of services from such Mandated Interested Persons.

In particular, it is expected that the Group will, from time to time, receive management, administrative and operational support services from, or provide management, administrative and operational support services to, its Mandated Interested Persons in areas of logistics, information technology, legal, compliance, corporate secretarial, tax, accounting, internal audit and leasing of space for warehousing or office purposes. By having access to and providing such management, administrative and operational support, the Group will derive operational and financial leverage in its dealings with third parties as well as benefits from the global network of its Mandated Interested Persons. Such management, administrative and operational support services are necessary for the day-to-day operations of the Group and are thus in the ordinary course of business of the Group.

Given that the Mandated Interested Person Transactions are expected to be recurrent transactions and may occur at any time, and to allow the Group to undertake such transactions in a more expeditious manner, the directors of the Company (the “Directors”) are seeking the approval of the Shareholders for the ~~renewal~~ amendment and expansion of the IPT Mandate for the purposes of Chapter 9 of the listing manual of the SGX-ST (“Listing Manual”) and for the Group to enter into the categories of Mandated Interested Person Transactions with ~~certain classes of~~ the Mandated Interested Persons as set out in paragraphs 4 and 3 below, respectively.

2. BENEFITS OF THE IPT MANDATE

The IPT Mandate is intended to facilitate ~~specified categories~~ the carrying out of the Mandated Interested Person Transactions in the normal course of business of the Group which are

transacted, from time to time, with ~~the specified classes of~~ the Mandated Interested Persons, provided that they are carried out on an arm's length basis and on the Group's normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders.

The IPT Mandate will enhance the ability of the companies in the Group to pursue business opportunities which are time-sensitive in nature, and will eliminate the need to convene separate general meetings from time to time to seek Shareholders' approval as and when the need to enter into a specified category of Mandated Interested Person Transactions with an Mandated Interested Person arises. This will reduce the expenses associated with convening of general meetings on an *ad hoc* basis, improve administrative efficiency considerably, and allow manpower resources and time to be channelled towards attaining other corporate objectives available to the Group.

3. CLASSES NAMES OF MANDATED INTERESTED PERSONS

The IPT Mandate will apply to the Mandated Interested Person Transactions (as described in paragraph 4 below) with the following ~~classes of~~ Mandated Interested Persons, ~~namely:~~

- (a) ~~Lion Corporation Berhad ("LCB"), its subsidiaries and associated companies;~~
- (b) ~~Lion Industries Corporation Berhad ("LICB"), its subsidiaries and associated companies;~~
- (c) ~~Lion Diversified Holdings Berhad ("LDHB"), its subsidiaries and associated companies; and~~
- (d) ~~ACB Resources Berhad ("ACB"), its subsidiaries and associated companies.~~

<u>S/No.</u>	<u>Name of the Mandated Interested Person</u>	<u>Principal activities</u>
<u>1.</u>	<u>Amsteel Mills Sdn Bhd</u>	<u>It is involved in the manufacture of billets, steel bars and wire rods, for use in construction, fabrication and manufacturing industries.</u>
<u>2.</u>	<u>Bonus Essential Sdn Bhd</u>	<u>It is involved in property investment and property development.</u>
<u>3.</u>	<u>CEDR Corporate Consulting Sdn Bhd</u>	<u>It provides competency-based human resource development solutions and systems for training and development of human resources (training provider).</u>
<u>4.</u>	<u>Lion Industries Corporation Berhad</u>	<u>It is an investment holding company and is involved in property development.</u>

<u>S/No.</u>	<u>Name of the Mandated Interested Person</u>	<u>Principal activities</u>
<u>5.</u>	<u>Lion Mining Sdn Bhd</u>	<u>It is involved in the mining and trading of mineral resources.</u>
<u>6.</u>	<u>Lion Steel Sdn Bhd</u>	<u>It is involved in the production of flat steel products.</u>
<u>7.</u>	<u>Lion Steelworks Sdn Bhd</u>	<u>It is involved in the manufacture of quality custom-made furniture, steel office furniture, home office desk furniture, physical security products, industrial steel storage system, industrial.</u>
<u>8.</u>	<u>Lion Titco Resources Sdn Bhd</u>	<u>It is a slag processing and metal extraction business.</u>
<u>9.</u>	<u>Lion Tooling Sdn Bhd</u>	<u>It is involved in the manufacturing and reconditioning of knives, rollers, machinery and engineering parts for various industries and precision electrical discharge machining and vacuum heat treatment for special steel.</u>
<u>10.</u>	<u>Lion Trading & Marketing Sdn Bhd</u>	<u>It is involved in the sale and marketing of steel office furniture, physical security products, industrial steel storage system and other steel related fabricated products.</u>
<u>11.</u>	<u>Parkson Investment Holding Co., Ltd</u> <u>金狮百盛投资有限公司</u>	<u>It is an investment holding company. It also provides bookkeeping and accounting services to the Company's subsidiary in Shanghai.</u>
<u>12.</u>	<u>Parkson Supplies Pte Ltd</u>	<u>It is involved in the wholesale and trade of a variety of goods without a dominant product and other holding company. It leases office space from the Company.</u>
<u>13.</u>	<u>Posim Petroleum Marketing Sdn Bhd</u>	<u>It is involved in the trading of building materials, petroleum-based products including automotive and industrial lubricants under the 'Hi-Rev' and 'T-Trax' brands, and automotive components.</u>
<u>14.</u>	<u>Secom (M) Sdn Bhd</u>	<u>It is a security solutions provider.</u>
<u>15.</u>	<u>Shanghai Hongqiao Parkson Development Co Ltd.</u> <u>上海虹桥百盛商贸有限公司</u>	<u>Its operates and owns a departmental store. It also leases office space to the Company's subsidiary in Shanghai.</u>

<u>S/No.</u>	<u>Name of the Mandated Interested Person</u>	<u>Principal activities</u>
16.	<u>Shanghai DEbier Management Consulting Co., Ltd. 上海华狮管理咨询有限公司</u>	<u>It provides investment consulting, business consulting, market research and business development planning (operating under license involving licensed business) services.</u>
17.	<u>Shanghai AMB Management Consulting Co., Ltd. 上海银狮管理咨询有限公司</u>	<u>It provides enterprise management consulting, investment consulting, business consulting, international economic information consulting, trade information consulting, science and technology consulting and market research (involving licensed business on the basis of license) services.</u>

All of the Mandated Interested Persons are associates of Tan Sri Cheng Heng Jem, who is the Non-Executive Director and controlling shareholder of the Company.

Transactions with ~~Interested P~~ersons that do not fall within the ambit of the IPT Mandate will be subject to the relevant provisions of Chapter 9 and/or other applicable provisions of the Listing Manual.

4. CATEGORIES OF MANDATED INTERESTED PERSON TRANSACTIONS

The transactions entered into by the Group with the Mandated Interested Persons which will be covered by the IPT Mandate are as follows:

4.1 Sale of Lime Products

The Group will supply lime products to the Mandated Interested Persons. The basis of determining the contract and/or transaction terms are defined herein below.

4.2 Sale of Consumables Required for Steel Product Manufacturing

The Group will supply consumables required for steel product manufacturing to the Mandated Interested Persons. The basis of determining the contract and/or transaction terms are defined herein below.

4.3 Provision and/or Obtaining of Services arising from Business Operations

The Group will in the ordinary course of business provide or obtain, *inter alia*, management, ~~consultancy, leasing or warehousing,~~ administrative and operational support services in areas of logistics, information technology, legal, compliance, corporate secretarial, tax, accounting, internal audit and ~~information technology services~~ leasing of space for warehousing and office purposes relating to its business operations. The basis of determining the contract and/or transaction terms are defined herein below.

4.4 Supply of Mining Equipment, Machinery, Heavy Vehicles and Related Spare Parts

The Group intends to supply mining equipment, machinery, heavy vehicles and related spare parts to the Mandated Interested Persons. The basis of determining the contact and/or transaction terms are defined herein below.

The IPT Mandate will not cover any transaction by a company in the Group with an Mandated Interested Person that is below S\$100,000 in value as the threshold and aggregation requirements of Chapter 9 of the Listing Manual would not apply to such transactions.

5. **REVIEW METHODS AND PROCEDURES FOR MANDATED INTERESTED PERSON TRANSACTIONS**

To ensure that the Mandated Interested Person Transactions are conducted on normal commercial (or, in the absence of other similar comparable transactions, fair and reasonable) terms and will not be prejudicial to the interests of the Company and its minority Shareholders, as a general rule the Group will only enter into transactions with the Mandated Interested Persons if the terms offered by or extended to the Mandated Interested Persons are respectively no less favourable or more favourable than the terms that may be obtainable from or extended to unrelated third parties.

5.1 In general, the Group has internal control procedures to ensure that the Mandated Interested Person Transactions are undertaken at arm's length, on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

(a) Sale of Lime Products

The ~~review~~ methods and procedures are as follows:

- (i) all contracts entered into or transactions with Mandated Interested Persons are to be carried out at the prevailing market prices determined by market conditions on terms which are no more favourable to the Mandated Interested Persons than the usual commercial terms extended to unrelated third parties (including, where applicable, preferential prices/rates/discounts accorded to a class of customers or for bulk purchases and long-term contracts where the giving of such preferential prices/rates/discounts are commonly practised within the applicable industry and may be extended to unrelated third parties), or otherwise in accordance with applicable industry norms. The Company will source for documented evidences of market prices and quotations, where practicable, for ascertaining the reasonableness of the pricing;
- (ii) where the prevailing market prices or rates are not available due to the ~~nature of the products to be sold or the services to be provided,~~ lack of demand for the lime products from unrelated third parties (as it may not be economically viable for such unrelated third parties to purchase from the Group after taking into account transportation costs) or ~~and~~ the then prevailing business conditions, the Company will ~~apply determine~~ a reasonable percentage mark-up from cost to ensure that the pricing for such products or services to an

Mandated Interested Person is in accordance with industry norms and usual business practices, the strategic direction of the Group, and pricing policies of the relevant company in the Group and the Group obtains a positive gross margin on the transactions. ~~The reasonable percentage mark-up from cost as determined by the Company shall be subject to the Audit Committee's concurrence.~~ The Company will seek the Audit Committee's prior approval for the percentage mark-up on a quarterly basis. In determining the ~~transaction price or rate payable by the Interested Person~~ percentage mark-up for such products and services, the Audit Committee will take into account factors such as, but not limited to, specifications, quantity, volume, customer requirements, duration of contract, cost of funds to the Group and credit worthiness, ~~will be taken into consideration;~~ and

- (iii) notwithstanding the aforementioned, prior approval will have to be sought for contracts and transactions in accordance with the following thresholds:
 - (A) contracts and transactions amounting to or exceeding S\$100,000 but less than S\$500,000 in value to be reviewed and approved by the Group Internal Audit Manager;
 - (B) contracts and transactions amounting to or exceeding S\$500,000 but less than S\$1,000,000 in value to be reviewed and approved by the Group Internal Audit Manager and any one of the ~~Non-Executive Directors~~ members of the Audit Committee (who does not have an interest in the contracts and/or transactions); or
 - (C) contracts and transactions amounting to or exceeding S\$1,000,000 in value to be reviewed and approved by the Audit Committee.

(b) Sale of Consumables Required for Steel Product Manufacturing

The ~~review~~ methods and procedures are as follows:

- (i) all contracts entered into or transactions with Mandated Interested Persons are to be carried out at the prevailing market prices determined by market conditions on terms which are no more favourable to the Mandated Interested Persons than the usual commercial terms extended to unrelated third parties (including, where applicable, preferential prices/rates/discounts accorded to a class of customers or for bulk purchases and long-term contracts where the giving of such preferential prices/rates/discounts are commonly practised within the applicable industry and may be extended to unrelated third parties), or otherwise in accordance with applicable industry norms. The Company will source for documented evidences of market prices and quotations, where practicable, for ascertaining the reasonableness of the pricing;
- (ii) where the prevailing market prices or rates are not available due to the ~~nature of the products to be sold or the services to be provided~~ lack of demand for the same or substantially similar products by unrelated third parties (as it may not

be economically viable for such unrelated third parties to purchase from the Group after taking into account transportation costs) or ~~and~~ the then prevailing business conditions, the Company will apply ~~determine~~ a reasonable percentage mark-up from cost to ensure that the pricing for such products or services to an Mandated Interested Person is in accordance with industry norms and usual business practices, the strategic direction of the Group, ~~and~~ pricing policies of the relevant company in the Group and the Group obtains a positive gross margin on the transactions. The reasonable percentage mark-up from cost as determined by the Company shall be subject to the Audit Committee's concurrence. The Company will seek the Audit Committee's prior approval for the percentage mark-up on a quarterly basis. In determining the transaction price or rate payable by the Interested Person percentage mark-up for such products ~~and services~~, the Audit Committee will take into account factors such as, but not limited to, specifications, quantity, volume, customer requirements, duration of contract, cost of funds to the Group and credit worthiness, ~~will be taken into consideration~~; and

(iii) notwithstanding the aforementioned, prior approval will have to be sought for contracts and transactions in accordance with the following thresholds:

(A) contracts and transactions amounting to or exceeding S\$100,000 but less than ~~S\$2,500,000 in value~~ 2% of the Group's latest audited net tangible assets ("NTA") to be reviewed and approved by the Group Internal Audit Manager;

(B) contracts and transactions amounting to or exceeding ~~S\$2,500,000~~ 2% of the Group's latest audited NTA but less than ~~S\$5,000,000 in value~~ 5% of the Group's latest audited NTA to be reviewed and approved by the Group Internal Audit Manager and any one of the ~~Non-Executive Directors~~ members of the Audit Committee (who does not have an interest in the contracts and/or transactions); or

(C) contracts and transactions amounting to or exceeding ~~S\$5,000,000 in value~~ 5% of the Group's latest audited NTA to be reviewed and approved by the Audit Committee.

(c) Provision and/or Obtaining of Services arising from Business Operations

The ~~review methods and~~ procedures are as follows:

(i) all contracts entered into or transactions with Mandated Interested Persons are to be carried out at the prevailing market prices determined by market conditions on terms which are no more favourable to the Mandated Interested Persons than the usual commercial terms extended to or obtained from unrelated third parties (including, where applicable, preferential prices/rates/discounts accorded to a class of customers and long-term contracts where the giving of such preferential prices/rates/discounts are commonly practised within the applicable industry and may be extended to or

obtained from unrelated third parties), or otherwise in accordance with applicable industry norms. The Company will source for documented evidences of market prices, where practicable, for ascertaining the reasonableness of the pricing;

- (ii) where the prevailing market prices or rates are not available due to the nature of the services to be provided to an Mandated Interested Person, the lack of demand for the same or substantially similar services by unrelated third parties or the then prevailing business conditions (such as the provision of information technology services by the Group to the Mandated Interested Persons or the supply of utilities by the Group to the Mandated Interested Persons as the Group is the main account holder for such services utilised by the entities within the Group and Mandated Interested Persons), the Company will ~~apply~~ determine a reasonable percentage mark-up from cost or through a formula, to ensure that the pricing for such services to the Mandated Interested Person is in accordance with industry norms and usual business practices, the transfer pricing guidelines issued by the relevant tax authorities (if applicable), the strategic direction of the Group, and pricing policies of the relevant company in the Group and the Group obtains a positive gross margin on the transactions. The reasonable percentage mark-up from cost as determined by the Company shall be subject to the Audit Committee's concurrence. The Company will seek the Audit Committee's prior approval for the percentage mark-up on a quarterly basis. In determining the ~~transaction price or rate payable by the Interested Person~~ percentage mark-up for such services, the Audit Committee will take into account factors such as but not limited to, service requirements, duration of contract, credit worthiness, cost of funds to the Group and the benefit of such transactions to the Group;
- (iii) where the prevailing market prices or rates are not available due to the nature of the services to be obtained from an Mandated Interested Person (for example, where the Mandated Interested Person is the sole provider of such services which includes administrative services for bookkeeping and statutory filing purposes, which are provided by the Mandated Interested Persons in the PRC to the Group's subsidiary in the PRC), the Company will assess and ensure that the pricing for such services from the Mandated Interested Person is not prejudicial to the interests of the Company and its minority Shareholders and/or is in accordance with industry norms and usual business practices. In determining the transaction price or rate payable by the Group for such services, the Audit Committee will take into account factors such as, but not limited to, service requirements, duration of contract, credit worthiness, cost of funds to the Group and the benefit of such transactions to the Group; and
- (iv) In relation to leasing arrangements entered into between the Company and Mandated Interested Persons, the rental fees will be determined based on third party valuations.
- ~~(iv)~~(v) notwithstanding the aforementioned, prior approval will have to be sought for contracts and transactions in accordance with the following thresholds:

- (A) contracts and transactions amounting to or exceeding S\$100,000 but less than S\$500,000 in value to be reviewed and approved by the Group Internal Audit Manager;
- (B) contracts and transactions amounting to or exceeding S\$500,000 but less than S\$1,000,000 in value to be reviewed and approved by the Group Internal Audit Manager and any one of the ~~Non-Executive Directors~~ members of the Audit Committee (who does not have an interest in the contracts and/or transactions); or
- (C) contracts and transactions amounting to or exceeding S\$1,000,000 in value to be reviewed and approved by the Audit Committee.

(d) Supply of Mining Equipment, Machinery, Heavy Vehicles, and Related Spare Parts

- (i) all contracts entered into or transactions with the Mandated Interested Persons are to be carried out at terms which will be no less favourable than those offered by the Group to at least two (2) unrelated third party customers after taking into consideration various factors including, *inter alia*, the size of the transaction, the product specifications, the delivery schedule, the payment milestones as well as freight and installation charges (the "Relevant Factors");
- (ii) where such unrelated third party comparisons are not available (for example, due to the lack of sale of the same or similar products to unrelated third party customers, customisation of the products required by the Mandated Interested Persons according to the requirements of their mines or the then prevailing business conditions), the Company will apply a percentage mark-up from cost, to ensure that the pricing for such products to the Mandated Interested Person is in accordance with industry norms and usual business practices, the strategic direction of the Group and pricing policies of the relevant company in the Group and the Group obtains a positive gross margin on the transactions. The Company will seek the Audit Committee's prior approval for the percentage mark-up on a quarterly basis. In determining the percentage mark-up for such products, the Audit Committee will take into account the Relevant Factors as well as other applicable factors (such as the terms offered by suppliers and cost of funds to the Group) to ensure that the Group will always achieve a better return from such transactions;
- (iii) notwithstanding the aforementioned, prior approval will have to be sought for contracts and transactions in accordance with the following thresholds:
 - (A) contracts and transactions amounting to or exceeding S\$100,000 but less than 2% of the Group's latest audited NTA shall be reviewed and approved by the Group Internal Audit Manager;
 - (B) contacts and transactions amounting to or exceeding 2% of the Group's latest audited NTA but less than 5% of the Group's latest

audited NTA shall be reviewed and approved by the Group Internal Audit Manager and any one of the members of the Audit Committee (who does not have an interest in the contracts and/or transactions);
or

(C) contracts and transactions amounting to or exceeding 5% of the Group's latest audited NTA in value shall be reviewed and approved by the Audit Committee.

The thresholds as set out above are determined by factors which include, *inter alia*, the potential frequency of the contracts/transactions, the market prices of the products/services indicative cost of the products and the anticipated contract/transaction volume.

~~5.2 Notwithstanding paragraph 5.1 above, prior approval will have to be sought for any contracts and transactions, in accordance with the following:~~

~~where the aggregate value for all the Interested Person Transactions which are not required under the review procedures set out in paragraph 5.1 above to be approved by either (a) the Group Internal Audit Manager and any one of the Non-Executive Directors (who does not have an interest in the contracts and/or transactions); or (b) the Audit Committee, for any particular year,~~

~~(i) amounts to or exceeds S\$10,000,000, any subsequent contracts and transactions with any Interested Person amounting to or exceeding S\$2,500,000 in aggregate value, shall require the approval of the Audit Committee;~~

~~(ii) amounts to or exceeds S\$15,000,000 any subsequent contracts and transactions with any Interested Person amounting to or exceeding S\$1,500,00 in aggregate value, shall require the approval of the Audit Committee; or~~

~~(iii) amounts to or exceeds S\$20,000,000 any subsequent contracts and transactions with any Interested Person amounting to or exceeding S\$500,000 in aggregate value, shall require the approval of the Audit Committee.~~

~~5.3~~ 5.2 Additional Controls

(a) The Company will maintain a register of transactions carried out with Mandated Interested Persons pursuant to the IPT Mandate (recording the basis, including the quotations obtained to support such basis, on which they were entered into) and those transactions that are below S\$100,000.

(b) The Group Internal Audit Manager shall sample review the transactional documents relating to the sale of lime products and provision and/or obtaining of services arising from business operations to or from the Mandated Interested Persons once every six (6) months.

~~(b)(c)~~ The Company's annual internal audit plan shall incorporate a review of (i) all Mandated Interested Person Transactions; and (ii) the established review methods and

procedures for monitoring of such Mandated Interested Person Transactions, in the relevant financial year pursuant to the IPT Mandate.

- (e)(d) The Audit Committee shall review and approve the maximum value (“**Pre-Approved Cap**”) of Mandated Interested Person Transactions for each category of Mandated Interested Person Transactions for the forthcoming 12 months or for a shorter period, as may be determined by the Audit Committee. The Pre-Approved Cap shall be determined based on historical values of the Mandated Interested Person Transactions, the indicative pricing of future Mandated Interested Person Transactions and the latest audited NTA of the Group. Notwithstanding that a contract or a transaction is within the thresholds set out in paragraphs 5.1(a)(iii), 5.1(b)(iii), or 5.1(c)(iv) or 5.1(d)(iii) above, ratification shall be sought from the Audit Committee should the Pre-Approved Cap for that contract or transaction be breached.
- (d)(e) The Group Internal Audit Manager shall report to the Audit Committee on all Mandated Interested Person Transactions, and the basis of such transactions, entered into with Mandated Interested Persons during the preceding period ~~at least once every six~~ three (63) months ~~(subject to adjustment in frequency, depending on factors such as, *inter alia*, substantial increment of aggregate transactional value).~~ The Audit Committee shall review such Mandated Interested Person Transactions at its periodic meetings except where the Mandated Interested Person Transactions are required under the established ~~review methods and~~ procedures to be approved by the Audit Committee prior to the entry thereof.
- (e)(f) The Audit Committee will conduct periodic reviews at least once every six (6) months, of the established ~~review methods and~~ procedures for Mandated Interested Person Transactions. If, during these periodic reviews, the Audit Committee is of the view that these methods and procedures are not longer appropriate or sufficient to ensure that the Mandated Interested Person Transactions are transacted on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders, the Company will seek a fresh IPT Mandate from the Shareholders based on new ~~review methods and~~ procedures for Mandated Interested Person Transactions. While a fresh IPT Mandate is being sought from the Shareholders, the Audit Committee shall review and approve all Mandated Interested Person Transactions prior to the entry thereof.
- (f)(g) For the purposes of the above review and approval process, any Director who is not considered independent for the purposes of the IPT Mandate and/or any Mandated Interested Person Transactions will abstain from voting on any resolution relating thereof, and/or abstain from participating in the Audit Committee’s decision during its review of the established ~~review methods and~~ procedures for the Mandated Interested Person Transactions or during its review or approval of any Mandated Interested Person Transaction.

5.4 5.3 Further Compliance

The Directors will ensure that all relevant disclosures, approvals and other requirements on Mandated Interested Person Transactions, including those required by prevailing legislation, the Listing Manual and accounting standards are complied with.

NOTICE OF EGM

LION ASIAPAC LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 196800586R)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of the Company (“**EGM**”) will be held at The Conference Room, 10 Arumugam Road, #10-00 LTC Building A, Singapore 409957 on 22 March 2023 at 11 a.m., for the purpose of considering and, if thought fit, passing (with or without any modifications) the following resolution set out below.

All capitalised terms used in this Notice of EGM which are not defined shall have the same meaning ascribed to them in the circular to shareholders of the Company dated 7 March 2023 (the “**Circular**”).

ORDINARY RESOLUTION: THE PROPOSED EXPANDED INTERESTED PERSON TRANSACTIONS MANDATE

That:

- (a) approval be and is hereby given, for the purposes of Chapter 9 of the Listing Manual, for the Company, its subsidiaries or associated companies that are considered “*entities at risk*” under Chapter 9 of the Listing Manual or any of them, to enter into any of the transactions falling within the categories of interested person transactions and with interested persons set out in the Circular, provided that such transactions are made on normal commercial terms and in accordance with the methods and procedures for interested person transactions as set out in the Circular (the “**Proposed Expanded IPT Mandate**”);
- (b) the Proposed Expanded IPT Mandate shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next annual general meeting or when the next annual general meeting is required by law to be held, whichever is earlier;
- (c) the Audit Committee be and is hereby authorised to take such actions as it deems proper in respect of the methods and procedures for the Proposed Expanded IPT Mandate and/or to modify or implement such methods and procedures as may be necessary to take into consideration any amendment to Chapter 9 of the Listing Manual which may be prescribed by the Singapore Exchange Securities Trading Limited from time to time; and
- (d) the Directors and each of them be and are hereby authorised to take such steps, approve all matters and enter into all such transactions, arrangements and agreements and execute all such documents and notices as may be necessary or expedient for the purposes of giving effect to the approval and adoption of the Proposed Expanded IPT Mandate as such Directors or any of them may deem fit or expedient or give effect to the Proposed Expanded IPT Mandate and/or this Resolution.

By Order of the Board

Gan Chi Siew
Company Secretary

Singapore
7 March 2023

Important Notes:

Printed copies of this notice, the Circular and Proxy Form will not be sent to members. Instead, these documents will be sent to members solely by electronic means via publication on the Company's website at <http://www.lionasiapac.com/index.php/investors> and will also be made available on the Singapore Exchange's website at <https://www.sgx.com/securities/company-announcements>.

Submission of Questions in Advance:

Members (including CPF and SRS Investors) may submit questions relating to the business of the EGM in advance (i) at <http://www.lionasiapac.com/index.php/contact-lap> or (ii) by post to the registered office of the Company at 10 Arumugam Road #10-00 LTC Building A, Singapore 409957. All questions must be submitted by 11 a.m. on 14 March 2023.

A member who wishes to submit his/her/its questions by post is required to indicate his/her/its full name (for individuals)/company name (for corporates), NRIC/passport number/company registration number, contact number, shareholding type and number of shares held together with his/her/its submission of questions, to the office address provided.

The Company will endeavour to address the substantial and relevant questions prior to and/or at the EGM. The responses to questions from members will be posted on the Singapore Exchange's website at <https://www.sgx.com/securities/company-announcements> and the Company's website at <http://www.lionasiapac.com/index.php/sgx-announcements> soonest possible before the EGM, or if answered during the EGM, to be included in the minutes of the EGM which will be published on the Singapore Exchange's website and the Company's website within one month after the date of the EGM.

Where substantially similar questions are received, the Company will consolidate such questions and consequently, not all questions may be individually addressed.

Submission of Proxy Forms to Vote:

Members (whether individual or corporate) appointing a proxy or proxies (including the Chairman) to attend, speak and vote at the EGM must give specific instructions as to voting, or abstentions from voting, in the Proxy Form, failing which the appointment will be treated as invalid. A proxy need not be a member of the Company.

The instrument appointing a proxy or proxies must be signed by the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, it must be executed either under its common seal or signed by its attorney or officer duly authorised.

The instrument appointing a proxy or proxies, duly executed together with the power of attorney or other authority, if any, under which the instrument of proxy is signed or a notarially certified copy of that power of attorney or other authority, must be submitted:

- (a) by post to the registered office of the Company at 10 Arumugam Road, #10-00 LTC Building A, Singapore 409957; or
- (b) by post to the office of the Company's Share Registrar at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896

in each case, not less than 72 hours before the time appointed for holding the EGM, i.e. by 11 a.m. on 19 March 2023. A member who wishes to submit the Proxy Form must first download, complete and sign the Proxy Form, before submitting it by post to the address provided above.

Persons who hold shares through relevant intermediaries (as defined in Section 181 of the Companies Act 1967), including CPF and SRS Investors, who wish to exercise their votes by appointing the Chairman of the EGM as proxy should approach their

respective relevant intermediaries (including CPF Agent Banks and SRS Operators) to submit their voting instructions by 11 a.m. on 10 March 2023.

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

A Depositor's name must appear on the Depository Register maintained by The Central Depository (Pte) Limited as at 72 hours before the time appointed for holding the EGM in order for the Depositor to be entitled to attend and vote at the EGM.

Personal Data Privacy:

By (a) submitting a form appointing the Chairman of the EGM or any other person(s) as proxy to attend, speak and vote at the EGM and/or any adjournment thereof, (b) submitting any question prior to the EGM in accordance with this notice, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the following purposes:

- (i) processing and administration by the Company (or its agents or service providers) of proxies and/or representatives appointed for the EGM (including any adjournment thereof);
- (ii) preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the EGM (including any adjournment thereof);
- (iii) processing of the registration for purpose of granting access to members (or their representatives in the case of members which are legal entities) and providing them with any technical assistance where necessary;
- (iv) addressing substantial and relevant questions from members received prior to and/or at the EGM and if necessary, following up with the members in relation to such questions; and
- (v) enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines by the relevant authorities.

The member's personal data, his proxy's and/or representative's personal data may be disclosed or transferred by the Company to its subsidiaries, its share registrar and/or other agents or bodies for any of the abovementioned purposes and retained for such period as may be necessary for the Company's verification and record purposes.

LION ASIAPAC LIMITED
(Co. Reg. No. 196800586R)
(Incorporated in the Republic of Singapore)

**PROXY FORM
EXTRAORDINARY GENERAL
MEETING**

IMPORTANT
1. Relevant intermediaries as defined in Section 181 of the Companies Act 1967 of Singapore may appoint more than 2 proxies to attend, speak and vote at the Extraordinary General Meeting.
2. For CPF/SRS investors who have used their CPF/SRS monies to buy Lion Asiapac Limited shares, this Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF/SRS investors should contact their respective Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies.
PERSONAL DATA PRIVACY
By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Extraordinary General Meeting dated 7 March 2023.

I / We _____ (Name), _____ (NRIC/Passport/Registration No.)
of _____ (Address),
being a member(s) of Lion Asiapac Limited (the “**Company**”) hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him/her, the Chairman of the Meeting, as my/our proxy/proxies to attend, speak and vote for me/us on my/our behalf at the Extraordinary General Meeting of the Company (“**EGM**”) to be held at The Conference Room, 10 Arumugam Road, #10-00 LTC Building A, Singapore 409957, on 22 March 2023 at 11 a.m. and at any adjournment thereof.

I/We direct my/our proxy/proxies to vote for or against, or abstain from voting on the ordinary resolution to be proposed at the EGM as indicated hereunder.

ORDINARY RESOLUTION	No. of Shares For*	No. of Shares Against*	No. of Shares Abstained*
Proposed Approval and Adoption of the Proposed Expanded IPT Mandate			

* Voting will be conducted by poll. If you wish to exercise all your votes “For” or “Against” or abstain from voting on the Ordinary Resolution, please tick (✓) within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _____ day of March 2023.

Shares in:	Total Number of Shares
1) Depository Register	
2) Register of Members	

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

IMPORTANT: Please read notes overleaf.

Notes:

1. (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the Meeting. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
- (b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

"**Relevant intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act 1967 of Singapore.

2. A proxy need not be a member of the Company.
3. Completion and return of this instrument appointing a proxy or proxies shall not preclude a member from attending, speaking and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the Meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy, to the Meeting.
4. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (maintained by The Central Depository (Pte) Limited), he should insert that number of shares. If the member has shares registered in his name in the Register of Members (maintained by or on behalf of the Company), he should insert that number of shares. If the member has shares entered against his name in the Depository Register and shares registered in his name in the Register of Members, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member.
5. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 10 Arumugam Road, #10-00 LTC Building A, Singapore 409957 or the office of the Company's Share Registrar at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896 not less than 72 hours before the time set for the Meeting.
6. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney.
7. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy or proxies, failing which the instrument may be treated as invalid.

General:

The Company shall be entitled to reject an instrument appointing a proxy or proxies which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument appointing a proxy or proxies (including any related attachment). In addition, in the case of shares entered in the Depository Register, the Company may reject an instrument appointing a proxy or proxies if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

EGM
Proxy Form

AFFIX POSTAGE STAMP

The Company Secretary
LION ASIAPAC LIMITED
10 Arumugam Road
#10-00 LTC Building A
Singapore 409957
