TRICKLESTAR LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 201837106C)

PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE

1. INTRODUCTION

1.1. **Rights Issue.** The board of directors ("**Board**" or "**Directors**") of TrickleStar Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Company is proposing to undertake a renounceable non-underwritten rights issue (the "**Proposed Rights Issue**"), at an issue price of S$0.015 for each Rights Share (as defined herein) (the "**Issue Price**"), on the basis of four (4) Rights Shares for every five (5) existing ordinary shares in the capital of the Company (the "**Shares**") held by shareholders of the Company ("**Shareholders**") as at a date and time to be determined by the Directors for the purposes of determining the entitlements of the Shareholders under the Proposed Rights Issue (the "**Record Date**"), fractional entitlements to be disregarded.

1.2. **Principal Terms.** The principal terms of the Proposed Rights Issue are summarised below:

Issue Price of each Rights Share	The Issue Price for each Rights Share is S$0.015, to be paid in full on acceptance and/or application by Shareholders who are eligible to participate in the Proposed Rights Issue ("**Entitled Shareholders**").
Discount (specifying benchmarks and periods)	The Issue Price represents a discount of approximately: (i) 39.5% to the volume weighted average price of S$0.0248 per Share and 42.3% to the closing price of S$0.0260 per Share for the trades done on the Catalist ("**Catalist**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 9 December 2024 ("**Closing Price**"), being the last full market day on which the Shares were traded on the Catalist immediately prior to the date of this announcement ("**Last Trading Day**"); and (ii) 28.9% to the theoretical ex-rights price ("**TERP**") of S$0.0211 per Share[1]. The Issue Price and the discount have been determined taking into account, *inter alia*, the size of the Proposed Rights Issue, the prevailing market conditions (being general economics, interest rate, market conditions, sentiments and uncertainties), the Issue Price, market price and also the discounts from / premiums to the relevant market prices and theoretical ex-rights prices for such past rights issue transactions on the Catalist for the past three (3) years, and the rationale for the Proposed Rights Issue as stated in paragraph 5 of this announcement.
Allotment Ratio	Four (4) Rights Shares for every five (5) existing Shares held by Shareholders as at the Record Date, fractional entitlements to be disregarded**.**

[1]The TERP is the theoretical market price of each Share assuming the completion of the Proposed Rights Issue, and is calculated based on the Closing Price, and assuming that the maximum number of Shares are issued pursuant to the Proposed Rights Issue.

Use of Proceeds	Please refer to paragraph 6 of this announcement for details on the use of proceeds arising from the Proposed Rights Issue.
Purpose of Issue	Please refer to paragraph 5 of this announcement for details on the rationale for the Proposed Rights Issue.

1.3. **Rights Issue Manager.** The Company has appointed PrimePartners Corporate Finance Pte. Ltd. as the manager for the Proposed Rights Issue (the "**Manager**").

1.4. **Legal Adviser.** The Company has engaged RHTLaw Asia LLP as its legal adviser as to Singapore law in relation to the Proposed Rights Issue.

2. TERMS OF THE PROPOSED RIGHTS ISSUE

2.1. **Issue Size.** As at the date of this announcement, the Company has an issued and paid-up share capital comprising 84,282,592 Shares (excluding treasury shares) ("**Existing Issued Share Capital**"). In addition, pursuant to the TrickleStar Performance Share Plan approved and adopted by Shareholders on 17 May 2019, there are 160,949 outstanding share awards (the "**Awards**") granted under the plan. Notwithstanding the foregoing, as disclosed in the Company's announcement dated 10 January 2024 and 11 January 2023, the outstanding awards will vest after the Record Date. Save for the Awards which remain outstanding, the Company has no existing warrants or other convertible securities.

2.2. Accordingly, based on the Existing Issued Share Capital and assuming no new Shares are issued on or prior to the Record Date and all Entitled Shareholders subscribe in full and pay for their *pro-rata* entitlements of Rights Shares, the Company will allot and issue up to 67,426,073 new ordinary shares in the capital of the Company (the "**Rights Shares**") under the Proposed Rights Issue ("**Maximum Scenario**"). In the Maximum Scenario, the Rights Shares will represent approximately 80.0% of the Existing Issued Share Capital and 44.4% of the enlarged issued share capital of the Company comprising 151,708,665 Shares.

As at the date of this announcement, the Company does not hold any treasury shares and does not have any subsidiary holdings.

2.3. **Authority to Issue the Rights Shares.** The issue and allotment of the Rights Shares is proposed to be made pursuant to the authority under the general share issue mandate (the "**General Mandate**") granted by the Shareholders at the annual general meeting of the Company held on 27 March 2024 ("**2024 AGM**"), pursuant to Section 161 of the Companies Act 1967 of Singapore and Rule 806 of Section B of the Listing Manual: Rules of Catalist of the SGX-ST ("**Catalist Rules**"), and will therefore not be subject to further approval of Shareholders.

The General Mandate authorises the Directors to allot and issue Shares not exceeding 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the 2024 AGM, of which the aggregate number of Shares to be issued other than on a *pro-rata* basis to the existing shareholders of the Company shall not exceed 50% (excluding treasury shares and subsidiary holdings).

As at the date of approval for the General Mandate, the Company's issued share capital comprised 83,599,761 Shares (excluding treasury shares). As of the date of this announcement, the Company has not issued any Shares pursuant to the General Mandate. Accordingly, as the proposed allotment and issue of up to 67,426,073 Rights Shares will be within the limits of the General Mandate, specific shareholders' approval for the issuance and allotment of the Rights Shares will not be required.

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

2.5. **Non-underwritten.** The Proposed Rights Issue will not be underwritten. The Directors are of the opinion that there is no minimum amount which must be raised from the Proposed Rights Issue taking into consideration the intended use of the Net Proceeds (as defined herein) and that the Company will look for alternative sources of funding such as equity funding through the placement of securities of the Company to investors or other fund raising opportunities to raise further funds, if required based on the Board's assessment. Accordingly, the Company has decided to undertake the Proposed Rights Issue on a non-underwritten basis in view of the savings in costs enjoyed by the Company as a result of not having to bear any underwriting fees and commission. The Proposed Rights Issue will not be withdrawn after commencement of the ex-rights trading of the Shares pursuant to Rule 820(1) of the Catalist Rules.

2.6. **Option to Scale Down Subscription**. Depending on the level of subscription for the Rights Shares, the Company will, if necessary and, if required, upon the approval of the SGX-ST, scale down the subscription for the Rights Shares and/or excess applications for the excess Rights Shares by any Shareholder (if such Shareholder chooses to subscribe for its *pro-rata* Rights Shares entitlement and/or apply for excess Rights Shares) to avoid:

(a) placing the relevant Shareholder and parties acting in concert with him in the position of incurring a mandatory general offer obligation under the Singapore Code on Take-overs and Mergers as a result of other Shareholders not taking up their Rights Shares entitlement fully;

(b) the transfer of a controlling interest in the Company, which is prohibited under Rule 803 of the Catalist Rules, unless prior approval of Shareholders is obtained in a general meeting; or

(c) any independent director from becoming a substantial shareholder[2], which may interfere with his ability to exercise independent business judgement in the best interests of the Company.

2.7. **Offer Information Statement**. The terms and conditions of the Proposed Rights Issue are subject to such changes as the Directors, after consultation with the Manager, may deem fit. The final terms and conditions of the Proposed Rights Issue, including the procedures for acceptances and applications for the Rights Shares, will be contained in the offer information statement ("**Offer Information Statement**") and its accompanying documents to be lodged with the SGX-ST, acting as agent on behalf of the Monetary Authority of Singapore ("**MAS**"). In accordance with the Securities and Futures (Offers of Investments) (Temporary Exemption from Sections 277(1)(c) and 305B(1)(b)) Regulations 2020, printed copies of the Offer Information Statement and accompanying documents will NOT be despatched to any person. A notification letter ("**OIS Notification Letter**") containing, among other things, instructions on how to view, download and print the electronic version of the Offer Information Statement and accompanying documents will be physically despatched to Entitled Shareholders in due course.

2.8. **Undertaking to subscribe.** As at the date of this announcement, the Company has not received any undertaking from any of its substantial shareholders to subscribe for their *pro-rata* entitlements of Rights Shares. The Company will update Shareholders as and when it has received any undertaking from any Shareholder and in any case, prior to the lodgement and despatch of the Offer Information Statement.

[2] A "substantial shareholder" means a person who has an interest or interests in one (1) or more voting Shares (excluding treasury 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 (excluding treasury shares) in the Company.

3. CONDITIONS OF THE PROPOSED RIGHTS ISSUE

3.1. **Conditions.** The Proposed Rights Issue is subject to and conditional upon, *inter alia*:

(a) the receipt of LQN (as defined herein) from the SGX-ST (and such notice not having been withdrawn or revoked on or prior to the completion of the Proposed Rights Issue) for the dealing in, listing of and quotation for the Rights Shares on the Catalist and, where the LQN is subject to conditions, such conditions being acceptable to and fulfilled by the Company;

(b) the lodgement of the Offer Information Statement, together with all other necessary accompanying documents pursuant to the Securities and Futures Act 2001, in connection with the Proposed Rights Issue with the SGX-ST, acting as an agent on behalf of the MAS; and

(c) all other necessary approvals, consents and/or waivers required from any person, financial institution or regulatory body or authority of Singapore or elsewhere under any and all agreements applicable to the Company and/or applicable laws for the Proposed Rights Issue and to give effect to the Proposed Rights Issue, being obtained and not having been withdrawn or revoked before the completion of the Proposed Rights Issue.

3.2. **LQN**. The sponsor of the Company, PrimePartners Corporate Finance Pte. Ltd., will be making an application on behalf of the Company to the SGX-ST for the dealing in, listing of and quotation for the Rights Shares on the Catalist. An appropriate announcement will be made in due course when the Company receives the listing and quotation notice for the dealing in, listing of and quotation for the Rights Shares on the Catalist ("**LQN**") from the SGX-ST.

3.3. **Record Date Announcement**. The Record Date will also be fixed in due course after obtaining the LQN from the SGX-ST, for which an announcement on the Record Date will be separately made by the Company in due course.

4. ELIGIBILITY TO PARTICIPATE IN THE PROPOSED RIGHTS ISSUE

4.1. **Eligibility.** The Company proposes to provisionally allot the Rights Shares to the Entitled Shareholders comprising the Entitled Depositors and the Entitled Scripholders (both as defined herein). Entitled Shareholders will be entitled to participate in the Proposed Rights Issue and receive the Offer Information Statement together with the appropriate application forms and accompanying documents at their respective Singapore addresses as maintained with the records of The Central Depository (Pte) Limited ("**CDP**") or the Share Registrar (as defined herein), as the case may be.

4.2. **Entitled Depositors.** Entitled Depositors are Shareholders with Shares standing to the credit of their securities accounts maintained with CDP (excluding securities sub-accounts maintained with a depository agent) ("**Securities Accounts**") and whose registered addresses with CDP are in Singapore as at the Record Date or who have, at least three (3) market days ("**Market Day**" being a day on which the SGX-ST is open for securities trading) prior to the Record Date provided CDP, at 4 Shenton Way, #02-01, SGX Centre 2, Singapore 068807, with addresses in Singapore for the service of notices and documents.

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

4.3. **Entitled Scripholders.** Entitled Scripholders are Shareholders whose share certificates are not deposited with CDP and who have tendered to the Company's share registrar, Tricor Barbinder Share Registration Services ("**Share Registrar**"), at 9 Raffles Place, #26-01 Republic Plaza, Tower 1, Singapore 048619, valid transfers of their Shares and the share certificates relating thereto for registration up to 5.00 p.m. (Singapore time) on the Record Date and whose registered addresses with the Company are in Singapore as at the Record Date or who have, at least three (3) Market Days prior to the Record Date provided the Share Registrar with addresses in Singapore for the service of notices and documents.

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

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

Foreign Shareholders will not be entitled to participate in the Proposed Rights Issue. The OIS Notification Letter, the Offer Information Statement and its accompanying documents will NOT be despatched or disseminated to Foreign Shareholders or into any jurisdictions outside Singapore. Accordingly, no provisional allotment of Rights Shares will be made to Foreign Shareholders and no purported acceptance or application for Rights Shares by Foreign Shareholders will be valid.

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

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

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

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

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

Shareholders with registered addresses outside Singapore who wish to participate in the Proposed Rights Issue should provide CDP or the Share Registrar, as the case may be, with addresses in Singapore for the service of notices and documents, at least three (3) Market Days prior to the Record Date.

4.6. **Trading of odd lots.** For the purposes of trading on the Catalist, each board lot comprises 100 Shares. In connection with the Proposed Rights Issue, Shareholders who hold odd lots of Rights Shares and who wish to trade in odd lots on the Catalist may do so on the Unit Share Market of the SGX-ST. The Unit Share Market is a ready market for trading of odd lots of Shares with a minimum size of one (1) Share. Shareholders should note that the market for trading of such odd lots of Shares may be illiquid. There is no assurance that Shareholders who hold odd lots of Shares will be able to acquire such number of Shares required to make up a board lot, or to dispose of their odd lots (whether in part or in whole) on the SGX-ST's Unit Share Market.

5. RATIONALE FOR THE PROPOSED RIGHTS ISSUE

5.1. Notwithstanding the present sufficiency of the Group's working capital, the Company is of the view that the Proposed Rights Issue will strengthen the financial position and capital base of the Group. The Net Proceeds (as defined below) will enhance the financial resources available to the Group and may be used to support strategic growth initiatives and provide additional liquidity to the Group for future opportunities. This will provide greater financial flexibility for the Group's existing and future operations, allowing the Group to seize opportunities for business growth in a timely manner as they arise. A stronger financial position will also enhance the Group's ability to formulate, strategise and execute business plans and contribute to the improvement of the Group's financial performance.

5.2. In addition, the Proposed Rights Issue is priced to encourage participation of all Shareholders in the Company's capital and would also provide current Shareholders who are confident of the prospects of the Company with the opportunity to further participate in the equity of the Company and maintain their equity stake in the Company at a discounted price. The Issue Price and discount were arrived at after taking into consideration factors stated in paragraph 1.2 above.

5.3. For the foregoing reasons, the Board is of the view that the Proposed Rights Issue would be in the interests of the Group and its Shareholders.

6. USE OF PROCEEDS

6.1. In the Maximum Scenario, the estimated net proceeds from the Proposed Rights Issue ("**Net Proceeds**") (after deducting estimated expenses of approximately S$0.1 million) will be approximately S$0.9 million. Estimated fee and expenses of S$0.1 million constitute approximately 10.8% of the gross proceeds in the Maximum Scenario.

6.2. The Company intends to use the Net Proceeds raised from the Proposed Rights Issue in the following manner:

Maximum Scenario

Use of Net Proceeds	Approximate Allocation of the Net Proceeds	Approximate Percentage Allocation of the Net Proceeds
General working capital requirements	S$0.9 million	100.0%
Total	**S$0.9 million**	**100.0%**

6.3. In relation to the Net Proceeds to be utilised for general working capital purposes, it includes but is not limited to, corporate administrative expenses, operating expenses and other payables of the Group's various businesses. Pending deployment of the Net Proceeds for the purposes stated, the Net Proceeds will, subject to relevant laws and regulations, be deposited with banks and/or financial institutions, invested in short-term money markets or marketable securities or used for other purposes on a short-term basis as the Directors may, in their absolute discretion, deem fit in the interests of the Group.

6.4. The Company will make periodic announcements on the utilisation of Net Proceeds as and when such proceeds are materially disbursed and whether such disbursements are in accordance with the use of proceeds as stated in the Offer Information Statement and provide a status report on the use of the Net Proceeds in the Company's interim and full year results announcement(s) and in the Company's annual report(s) until such time the Net Proceeds have been fully utilised. Where the proceeds have been used for general corporate and/or working capital purposes, the Company will also provide a breakdown with specific details on the use of the Net Proceeds in the announcements and status reports. Where there is a material deviation in the use of the Net Proceeds, the Company will announce the reasons for such deviation.

7. DIRECTORS' STATEMENT AND OPINION

7.1. The Group does not have any bank facilities as at the date of this announcement. For the purposes of Catalist Rule 814(1)(f), as at the date of this announcement, the Directors are of the opinion that:

(a) after taking into consideration the internal resources and the operating cashflows of the Group, the working capital available to the Group is sufficient to meet its present requirements; and

(b) after taking into consideration the internal resources and the operating cashflows of the Group and the Net Proceeds arising from the Proposed Rights Issue, the working capital available to the Group is sufficient to meet its present requirements.

7.2. Notwithstanding the present sufficiency of working capital, the Directors are of the opinion that the Proposed Rights Issue shall be undertaken for the reasons stated in paragraph 5 (Rationale for the Proposed Rights Issue) of this announcement.

8. PREVIOUS EQUITY FUND RAISING

The Company has not undertaken any equity fundraising exercise in the past twelve (12) months.

9. NOTIFICATION UNDER SECTION 309B OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE

The provisional allotments of Rights Shares and the Rights Shares are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in the MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

10. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS OF THE COMPANY

Save for their interests arising by way of their respective shareholding interest in the Company, none of the Directors or substantial Shareholders of the Company has any direct or indirect interest in the Proposed Rights Issue.

11. DIRECTORS' RESPONSIBILITY STATEMENT

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

12. CAUTION IN TRADING AND FURTHER ANNOUNCEMENTS

Shareholders are advised to exercise caution in trading their Shares as there is no certainty or assurance as at the date of this announcement that the Proposed Rights Issue announced herein will proceed to completion. Shareholders and potential investors are also advised to read this announcement and any further announcements by the Company carefully, and where in doubt as to the action that they should take, they should consult their financial, tax, legal or other professional adviser(s) immediately.

BY ORDER OF THE BOARD

Ling Hee Keat
Non-Executive Independent Chairman
10 December 2024

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*This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"). This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

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