

THIS SCHEME DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.  
PLEASE READ IT CAREFULLY.

**SCHEME DOCUMENT  
DATED 31 JULY 2024**



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information**

# RE&S

**RE&S HOLDINGS LIMITED**

(Company Registration No.: 201714588N)  
(Incorporated in Singapore)



**PROPOSED ACQUISITION BY RELISH INVESTMENTS  
OF ALL THE ISSUED ORDINARY SHARES IN THE  
CAPITAL OF RE&S HOLDINGS LIMITED BY WAY OF A  
SCHEME OF ARRANGEMENT**

**Scheme Consideration Options  
per Share**

**1** **S\$0.360 in cash**

**OR**

**2** **S\$0.330 in cash and  
0.083143 Offeror Shares**

**Financial Adviser to the Offeror**



**DBS Bank Ltd.**

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

**Independent Financial Adviser to the  
Non-Conflicted Directors**



**SAC Capital Private Limited**

(Company Registration No.: 200401542N)  
(Incorporated in Singapore)

**IMPORTANT DATES AND TIMES**

**Last date and time for  
lodgement of Proxy Form  
for the Scheme Meeting**

**Monday,  
12 August 2024  
at 10.00 a.m.**

**Date and time of the  
Scheme Meeting**

**Thursday,  
15 August 2024  
at 10.00 a.m.**

**Venue of the Scheme  
Meeting**

**32 Tai Seng  
Street, #07-01  
RE&S Building,  
Singapore 533972**

**IF YOU ARE IN ANY DOUBT ABOUT THIS SCHEME OR THE COURSE OF ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT, TAX ADVISER OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.**

**THIS SCHEME DOCUMENT IS NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION AND DOES NOT CONSTITUTE AN OFFER OR SOLICITATION TO ANY PERSON, DIRECTLY OR INDIRECTLY OR IN WHOLE OR IN PART, IN OR INTO, ANY JURISDICTION OUTSIDE SINGAPORE IN WHICH THE INTRODUCTION OR IMPLEMENTATION OF THE SCHEME WOULD NOT BE IN COMPLIANCE WITH THE LAWS OR REGULATIONS OF SUCH JURISDICTION.**

This Scheme Document is issued by RE&S Holdings Limited (the "Company"). The information presented in this section is qualified in its entirety by, and should be read in conjunction with, the full text of this Scheme Document. Unless otherwise defined, all capitalised terms appearing on the cover of this Scheme Document shall bear the same meanings as ascribed to them in this Scheme Document. All references to dates and times are to Singapore dates and times.

This Scheme Document (together with the Notice of Scheme Meeting, the Proxy Form and the Request Form) has been made available on SGXNet at <https://sgx.com/securities/company-announcements> and the Company's corporate website at <https://res.listedcompany.com>. A printed copy of this Scheme Document will **NOT** be despatched to Shareholders (unless upon request). Instead, only printed copies of the Notice of Scheme Meeting, the Proxy Form and the Request Form will be despatched to Shareholders.

If you have sold or transferred all or any of your shares in the capital of the Company, you should immediately inform the purchaser or the transferee or the bank, stockbroker or agent through whom you effected the sale or transfer for onward notification to the purchaser or the transferee, that this Scheme Document (together with the Notice of Scheme Meeting, the Proxy Form and the Request Form) may be accessed on SGXNet at <https://sgx.com/securities/company-announcements> and the Company's website at <https://res.listedcompany.com>.

This Scheme Document has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It 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 document, including the correctness of any of the statements or opinions made or reports contained in this document. The contact person for the Sponsor is Ms. Lim Hui Ling, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, [sponsorship@ppcf.com.sg](mailto:sponsorship@ppcf.com.sg).

## 1. Transaction Overview

- On 19 May 2024, RE&S Holdings Limited and Relish Investments jointly announced the proposed acquisition (the “**Acquisition**”) of all the issued ordinary shares in the capital of the Company (excluding treasury shares) by the Offeror.
- The Acquisition will be effected by the Company by way of a scheme of arrangement (the “**Scheme**”).
- If the Scheme becomes effective and binding in accordance with its terms, the Company will become a wholly-owned subsidiary of the Offeror, and will, subject to the approval of the SGX-ST, be delisted from the Official List of the SGX-ST.

## 2. Information on the Offeror and its shareholders

- The Offeror is a special purpose vehicle incorporated in the Cayman Islands for the purpose of the Acquisition and the Scheme with no other business, operations or liabilities.
- The sole shareholder of the Offeror is Euphoria Investments, a special purpose vehicle incorporated in the Cayman Islands which is an indirect wholly-owned subsidiary of a fund that is advised and managed by Southern Capital Group Private Limited (“**SCG**”), a leading Singapore-headquartered private equity firm that focuses on investments into high growth middle market businesses across Southeast Asia.

## 3. Offeror’s Future Intentions for the Company

- The Offeror intends to retain Mr Foo Kah Lee (Executive Director and Chief Executive Officer) and Mr Lim Shyang Zheng (Executive Director and Chief Operating Officer) to ensure continuity of management and minimal interruption of the Company’s business.
- There is presently no intention by the Offeror to (i) introduce any major changes to the business of the Company, (ii) re-deploy the fixed assets of the Company, or (iii) discontinue the employment of the employees of the Company, save in the ordinary course of business or as a result of any internal reorganisation or restructuring within the Company which may be implemented after the Effective Date.
- However, the Offeror Board retains and reserves the right and flexibility at any time to consider any options in relation to the Company which may present themselves and which it may regard to be in the interest of the Company.



Kuriya Dining



Ichiban Boshi

## 4. What will Shareholders receive as consideration for their Shares?

- If the Scheme is approved by the Shareholders at the Scheme Meeting and subsequently sanctioned by the Court:
- There will be an Election process whereby each Entitled Shareholder may elect to receive the Cash Consideration OR the Cash and Securities Consideration, by completing, signing and submitting an Election Form to indicate their preference in accordance with the instructions therein.

### Cash Consideration

**S\$0.360 in cash**  
for each Share

OR

### Cash and Securities Consideration<sup>1</sup>

**S\$0.330 in cash  
and 0.083143  
Offeror Shares<sup>2</sup>**  
for each Share

**An Entitled Shareholder who wishes to receive the Cash Consideration does not need to complete and return the Election Form.**

For illustration purposes only, the below examples set out the options for the Scheme Consideration.

<b>10,000 Shares</b> For Illustration Only	=	<b>S\$3,600 in cash</b> For Illustration Only	OR	<b>S\$3,300 in cash and 831 Offeror Shares</b> For Illustration Only
<b>100,000 Shares</b> For Illustration Only	=	<b>S\$36,000 in cash</b> For Illustration Only	OR	<b>S\$33,000 in cash and 8,314 Offeror Shares</b> For Illustration Only
<b>500,000 Shares</b> For Illustration Only	=	<b>S\$180,000 in cash</b> For Illustration Only	OR	<b>S\$165,000 in cash and 41,571 Offeror Shares</b> For Illustration Only

For the avoidance of doubt, each Entitled Shareholder is only entitled to receive the Cash Consideration or, in lieu thereof, the Cash and Securities Consideration, for all the Shares registered in the Shareholder's name, but not a mixture of both. In the absence or failure of any valid Election, an Entitled Shareholder shall be deemed to have elected for the Cash Consideration for all the Shares registered in such Entitled Shareholder's name.

Shareholders who wish to elect for the Cash and Securities Consideration should assess for themselves the risks and should also be prepared to accept the risks associated with an investment as a minority shareholder of an unlisted private company incorporated in the Cayman Islands.

Shareholders will be subject to the governance arrangements of the Offeror set out in the memorandum and articles of association of the Offeror, including certain transfer restrictions in respect of Offeror Shares. The key terms relating to the governance arrangements of the Offeror are set out in **Schedule B** of the Offeror's Letter.

Shareholders are advised to read the Scheme Document, in particular **Schedule C** of the Offeror's Letter on some of the risks relating to the Offeror Shares, in its entirety.

#### Notes:

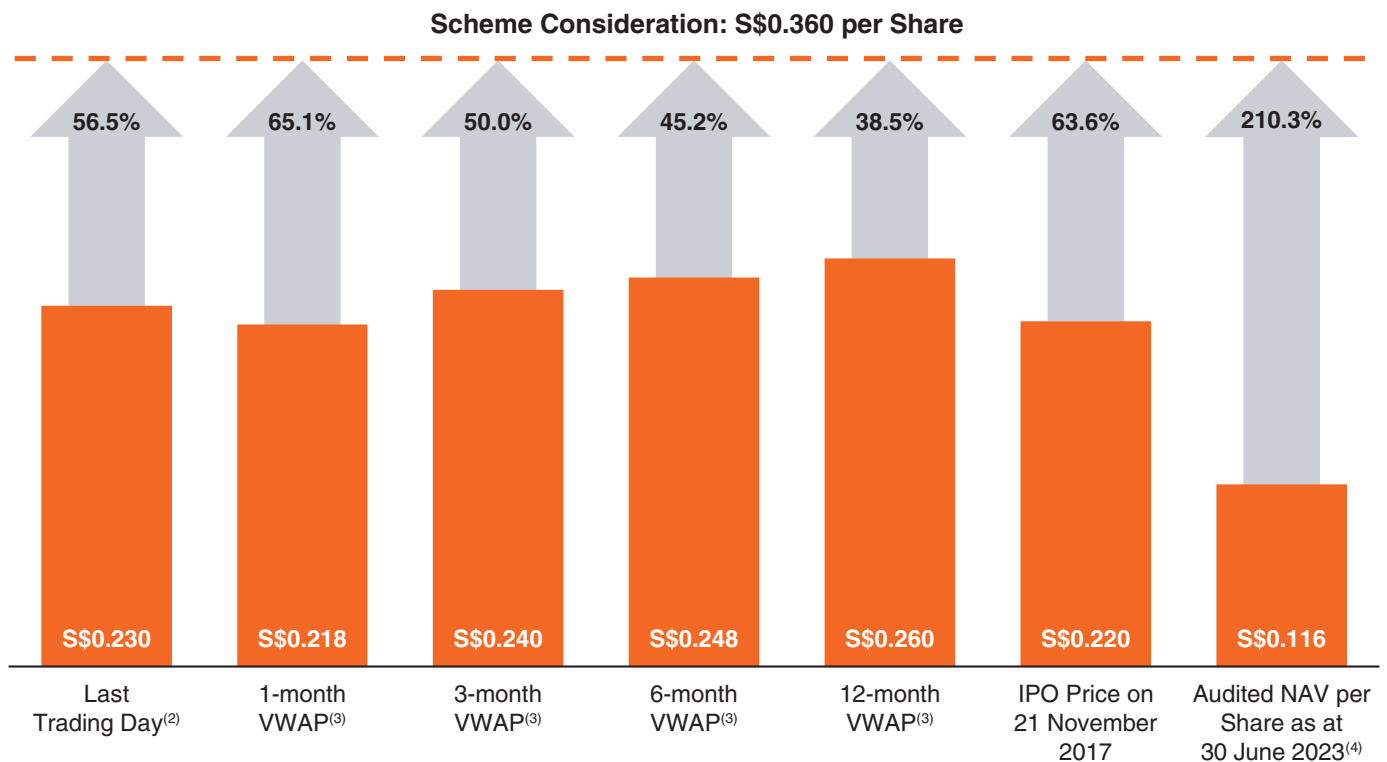
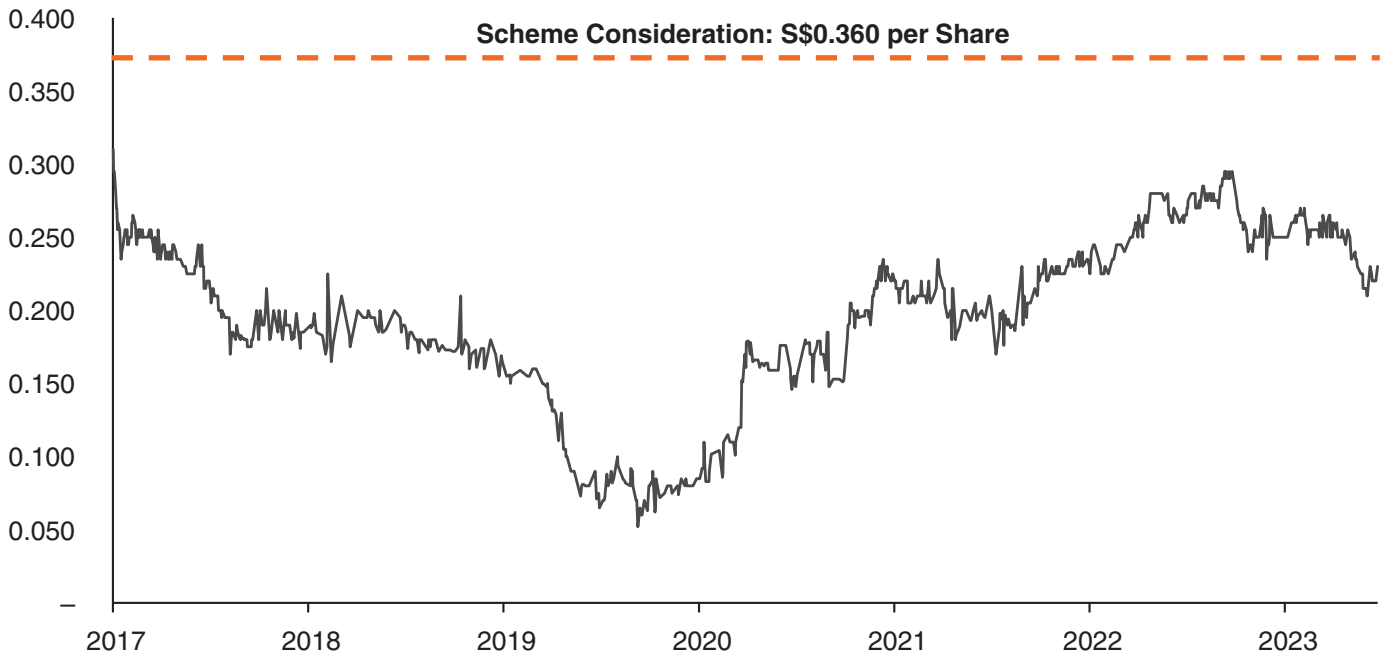
- In respect of the securities component of the Cash and Securities Consideration, the aggregate number of the Offeror Shares that are issuable to any Entitled Shareholder in respect of Shares held by such Entitled Shareholder will be rounded down to the nearest whole number. Fractional entitlements shall be disregarded in the calculation of the Offeror Shares to be issued to any Shareholder pursuant to the Scheme and no payment will be made for any such fractional entitlements disregarded.
- The Offeror shall allot and issue each Offeror Share, duly authorised, fully paid and free from all Encumbrances, at the Issue Price of S\$0.360 per Offeror Share.



## 5. Financial Evaluation of the Scheme

- The Scheme Consideration presents an opportunity for Shareholders to realise their investment in the Shares at the following premia<sup>(1)</sup>:

Share Price (S\$)



### Notes:

- Rounded to the nearest one (1) decimal place.
- Last traded price per Share as quoted on the SGX-ST on 13 May 2024 (the “**Last Trading Day**”), being the last full trading day immediately before the Joint Announcement Date.
- Based on data extracted from Bloomberg Finance L.P.. The volume-weighted average prices (“**VWAPs**”) of the Shares are calculated by using the total value over the total volume of Shares traded in the relevant period prior to and including the Last Trading Day.
- Based on the audited net asset value (“**NAV**”) per Share as at 30 June 2023 as disclosed in the Company’s annual report for the financial year ended 30 June 2023, rounded to the nearest three (3) decimal places.



## 6. Key Considerations of the Scheme

### A Opportunity for the Offeror to Invest in a Premier Japanese Cuisine F&B Business

- The Acquisition presents an opportunity for the Offeror to invest in the Company, a premier multi-concept owner and operator in the Japanese cuisine F&B sector, with a strong foothold in Singapore and a direct presence in Malaysia.
- The Company has a diverse portfolio of popular brands such as Ichiban Boshi, Kuriya Japanese Market and Gokoku, with a track record of resilient performance and steady growth in the competitive F&B industry.
- By leveraging SCG's expertise, resources and network, the Offeror aims to accelerate the Company's growth trajectory, capitalise on emerging opportunities, and strengthen its market position.
- The Offeror believes that the privatisation of the Company will provide the business with the necessary flexibility to focus on long-term execution whilst helping it save costs and resources associated with maintaining its listed status.

### B Opportunity for Shareholders to Realise their Investment in the Shares at a Premium Over Market Price without incurring Brokerage Costs

- Despite the current headwinds in the F&B market and overall macroeconomic uncertainty, the Acquisition represents an opportunity for the Shareholders to realise their investment in the Shares at a compelling premium over historical market prices without incurring brokerage and trading costs.

### C Low Trading Liquidity

- The trading volume of the Shares has been low, with an average daily trading volume of approximately 15,065 Shares, 15,369 Shares, 15,523 Shares and 21,795 Shares during the one (1)-month, three (3)-month, six (6)-month and 12-month periods respectively, up to and including the Last Trading Day. Each of these represents 0.006% or less<sup>(1)</sup> of the total number of issued Shares for any of the aforementioned relevant periods.
- The Scheme therefore provides Shareholders who may find it difficult to exit the Company as a result of the low trading volume in Shares with an opportunity to liquidate and realise their investment in the Shares at a premium to the prevailing market prices which would otherwise not be available given the low trading liquidity.



Ichiban Sushi



Shimbashi Soba



Yaki Yaki Bo

**Note:**  
(1) The average daily trading volume as a percentage of total number of the Shares is based on data extracted from Bloomberg L.P. as at the Last Trading Day and calculated using the total volume of Shares traded divided by the number of market days with respect to the one (1)-month period, three (3)-month period, six (6)-month period and 12-month period up to and including the Last Trading Day, rounded to the nearest three (3) decimal places.

## 7. What is required for the Scheme to be approved at the Scheme Meeting?

- Two conditions must be met for the Scheme to be approved by the Shareholders at the Scheme Meeting

### Headcount Condition

**> 50%**

Of all the Shareholders present and voting (in person or by proxy) at the Scheme Meeting, more than 50% in number of Shareholders must vote to approve the Scheme

### Value Condition

**≥ 75%**

Of all the Shares voted by Shareholders present and voting (in person or by proxy) at the Scheme Meeting, at least 75% of the Shares must vote to approve the Scheme

### Irrevocable Undertakings

As at the Latest Practicable Date, the Undertaking Shareholders have each given irrevocable undertakings to the Offeror in respect of 297,503,130 Shares held legally and/or beneficially by the Undertaking Shareholders, representing approximately **84.1%**<sup>(1)</sup> of all the Shares, to vote, or where applicable, procure the voting, of their shares, **in favour** of the Scheme at the Scheme Meeting



Idaten Udon



Wadori

**Note:**  
(1) Based on the total number of issued Shares (excluding treasury shares) as at the Latest Practicable Date and rounded to the nearest one (1) decimal place.

## 8. What is the opinion of the Independent Financial Adviser?

### IFA Opinion on the Scheme



*“In conclusion, we are of the opinion that, on balance, the financial terms of the Scheme are **fair and reasonable**. Accordingly, we advise the Non-Conflicted Directors to recommend Shareholders to vote **in favour** of the Scheme.”*

**SAC Capital Private Limited**  
**IFA**

## 9. What do the Non-Conflicted Directors recommend?

### Recommendation by Non-Conflicted Directors on the Scheme



*“The Non-Conflicted Directors, having considered carefully the terms of the Scheme and the advice given by the IFA in the IFA Letter as set out in Appendix B to this Scheme Document, recommend that Shareholders **VOTE IN FAVOUR** of the Scheme at the Scheme Meeting.”*

**Non-Conflicted Directors**

**IT IS IMPORTANT THAT YOU READ THE ABOVE EXTRACT TOGETHER WITH AND IN THE CONTEXT OF THE LETTER TO SHAREHOLDERS AND THE IFA LETTER, WHICH CAN BE FOUND ON PAGES 17 TO 39 AND APPENDIX B TO THIS SCHEME DOCUMENT, RESPECTIVELY. YOU ARE ADVISED AGAINST RELYING SOLELY ON THESE EXTRACTS, WHICH ARE ONLY MEANT TO DRAW ATTENTION TO THE OPINION OF THE IFA AND RECOMMENDATIONS OF THE NON-CONFLICTED DIRECTORS ON THE SCHEME.**



## 10. How do I vote on the Scheme Resolution?



You now have the Notice of Scheme Meeting and Proxy Form



### VOTE IN PERSON on the Scheme Resolution

- i. Attend the Scheme Meeting in person to cast your vote



### VOTE BY PROXY on the Scheme Resolution by submitting Proxy Form: (See Next Page for further instructions)

- i. Via email to [srs.proxy@boardroomlimited.com](mailto:srs.proxy@boardroomlimited.com) by **NO LATER THAN 10.00 A.M. on MONDAY, 12 AUGUST 2024**
- ii. Via post to the Share Registrar at Boardroom Corporate & Advisory Services Pte. Ltd., 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632



Scheme Meeting to be held at 10.00 a.m. on 15 August 2024 at 32 Tai Seng Street, #07-01 RE&S Building, Singapore 533972

### Two possible outcomes of the Scheme Meeting

#### Outcome 1

Shareholders vote **FOR** the Scheme Resolution **AND** the Scheme is approved by the Court

- For every Share that you hold as at the Record Date, you will receive, at your election, either:
  - i. the Cash Consideration of S\$0.360 in cash; or
  - ii. the Cash and Securities Consideration of S\$0.330 in cash and 0.083143 Offeror Shares.
- The Election Forms and instructions on how to submit the Election Forms will be despatched after the Scheme is approved by the Court.

#### Outcome 2

Shareholders vote **AGAINST** the Scheme Resolution **OR** the Scheme is not approved by the Court

- You will NOT receive any payment of the Scheme Consideration for your Shares.
- You will continue to be a Shareholder. The Company will remain listed on the SGX-ST.

## 10. How do I vote on the Scheme Resolution? (cont'd)

- To exercise your votes at the Scheme Meeting, you **MUST** vote in person at the Scheme Meeting OR appoint a proxy to vote on your behalf at the Scheme Meeting by completing and returning the Proxy Form.
- To vote in person, attend the Scheme Meeting to be held at 10.00 a.m. on Thursday, 15 August 2024 at 32 Tai Seng Street, #07-01 RE&S Building, Singapore 533972.
- To vote by completing and returning the Proxy Form:

### 1. LOCATE PROXY FORM

**Proxy Form is enclosed with the Notice of Scheme Meeting and can also be obtained from the Share Registrar:**

**Boardroom Corporate & Advisory Services Pte.Ltd.**  
1 Harbourfront Avenue  
#14-07 Keppel Bay Tower  
Singapore 098632

Email address:  
[srs.proxy@boardroomlimited.com](mailto:srs.proxy@boardroomlimited.com)

**Operating hours:**  
Monday to Friday, 8.30 a.m. to 5.30 p.m.

An electronic copy of the Proxy Form is also available on the website of the SGX-ST at <https://www.sgx.com/securities/company-announcements> and on the corporate website of the Company at <https://res.listedcompany.com/>

OR



### 2. COMPLETE PROXY FORM

- I** Fill in your name and particulars.
- II** You may fill in the details of the appointee or leave this section blank. The Chairman of the Scheme Meeting will be the appointee if this section is left blank.
- III** If you are a Shareholder who is not a relevant intermediary, you may only cast all the votes you use at the Scheme Meeting **in one way**. If you wish to exercise all your votes **FOR**, **AGAINST** or to **ABSTAIN** on the Scheme Resolution, **please indicate with a tick (✓) within the relevant box provided. DO NOT TICK MORE THAN ONE BOX.**
- IV** If you are an individual, you or your attorney **MUST SIGN** and indicate the date. If you are a corporation, the proxy form must be executed under your common seal or under the hand of your duly authorised officer or attorney.
- V** Indicate the number of Shares you hold.

**PROXY FORM FOR SCHEME MEETING**

**REAS HOLDINGS LIMITED**  
(Incorporated in Singapore)

**PROXY FORM FOR SCHEME MEETING**  
(Please see notes overleaf before completing this Form)

**Notes:**

- A Shareholder who is not a relevant intermediary must indicate in the box marked "FOR" or "AGAINST" or "ABSTAIN" in the box marked "FOR" or "AGAINST" or "ABSTAIN" as set out above. **DO NOT TICK MORE THAN ONE BOX.**
- The Shareholder who has used this Proxy Form to vote must indicate in the box marked "FOR" or "AGAINST" or "ABSTAIN" as set out above. **DO NOT TICK MORE THAN ONE BOX.**
- All signatures must be made in the Proxy Form by the Shareholder or the duly authorised officer or attorney of the Shareholder.
- The Proxy Form must be signed by the Shareholder or the duly authorised officer or attorney of the Shareholder.
- The Proxy Form must be signed by the Shareholder or the duly authorised officer or attorney of the Shareholder.

I of \_\_\_\_\_ (Name) \_\_\_\_\_ (NIC/Passport No.) (CEN No.) of \_\_\_\_\_ (Address) \_\_\_\_\_ (Address) being a member/member(s) of REAS HOLDINGS LIMITED (the "Company"), hereby appoint: \_\_\_\_\_ (Name) \_\_\_\_\_ (Address) \_\_\_\_\_ (NIC/Passport No.) or failing him/her, the Chairman of the Scheme Meeting of the Company, as my/our proxy to attend and vote for me/us on my/our behalf at the Scheme Meeting to be held at 32 Tai Seng Street, #07-01 RE&S Building, Singapore 533972 on 15 August 2024 at 10.00 a.m. and at any adjournment thereof, for the purpose of considering and, if thought fit, approving the Scheme of Arrangement referred to in the notice convening the Scheme Meeting, and at such Scheme Meeting for all my/our adjournment thereof to vote for me/us and on my/our behalf for the said Scheme or against the said Scheme as hereunder indicated.

II I/We "direct my/our" proxy to vote for or against, or abstain from voting on, the Scheme of Arrangement as indicated hereunder, in the specific directions as to voting to exercise my/our proxy only when the resolution shall be my/our proxy to vote, for or against the Scheme of Arrangement to be proposed at the Scheme Meeting, for me/us, and on my/our behalf at the Scheme Meeting and at any adjournment thereof to appointing the Chairman of the Scheme Meeting as proxy. Shareholders must give specific instructions as to voting, or abstentions from voting, in the form of proxy, stating which the appointment will be treated as invalid. Voting will be conducted by poll.

FOR SCHEME RESOLUTION	For	Against	Abstain
To approve the Scheme of Arrangement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

III

IV

V

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2024

Number of Shares (No. of Shares) \_\_\_\_\_

Signature(s) of Shareholder(s) and/or Common Seal \_\_\_\_\_

**IMPORTANT: PLEASE READ NOTES OVERLEAF**

## 10. How do I vote on the Scheme Resolution? (cont'd)

### 3. RETURN THE COMPLETED PROXY FORM

#### A If submitted via post:

Lodge the completed and signed Proxy Form with the Share Registrar by post at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632 so as to arrive by **NO LATER THAN 10.00 A.M. on MONDAY, 12 AUGUST 2024**. Please affix sufficient postage on the envelope.

<p>TO AFFIX ADEQUATE POSTAGE HERE</p>	<p><b>RE&amp;S HOLDINGS LIMITED</b> c/o BOARDROOM CORPORATE &amp; ADVISORY SERVICES PTE. LTD. 1 HARBOURFRONT AVENUE KEPPEL BAY TOWER #14-07 SINGAPORE 098632</p>	<p>NAME AND ADDRESS OF SENDER: Name : _____ Address : _____ Postal Code: ( _____ )</p>
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#### B If submitted via email:

Scan and submit the completed and signed Proxy Form to the Share Registrar via email to [srs.proxy@boardroomlimited.com](mailto:srs.proxy@boardroomlimited.com) by **NO LATER THAN 10.00 A.M. on MONDAY, 12 AUGUST 2024**.

#### REMINDER

The Proxy Form must reach the Share Registrar **NO LATER THAN 10.00 A.M. on 12 AUGUST 2024**, being not less than 72 hours before the time fixed for the Scheme Meeting. SRS Investors who wish to specify their voting instructions to/arrange for their votes to be submitted with their respective SRS operators should approach their respective SRS operators by **10.00 A.M. on 5 AUGUST 2024**, being seven (7) working days before the date of the Scheme Meeting, to ensure their votes are submitted.



## 11. Important information

How do I find out the number of Shares I own?

**You can check your shareholdings with CDP (i) through your online CDP account or (ii) by contacting them at:**

- |          |   |   |
|----------|---|---|
| <b>1</b> | <p><b>The Central Depository</b><br/>                 9 North Buona Vista Drive<br/>                 #01-19/20 The Metropolis<br/>                 Singapore 138588<br/>                 Telephone: +65 6535 7511<br/>                 Fax: +65 6535 0775</p> | <p><b>Opening hours</b><br/>                 Monday to Friday: 8.30 a.m. to 5.00 p.m.<br/>                 Saturday: 8.30 a.m. to 12.00 p.m.<br/>                 Closed on Sundays &amp; Public Holidays</p> |
| <b>2</b> | <p><b>If you own Shares through a bank, broker or any other intermediaries, you can also check by contacting them directly.</b></p>   |   |
| <b>3</b> | <p><b>If you are an SRS Investor, please consult your SRS operator for further information.</b></p>   |   |

### Important Dates and Times

Last date and time for submission of questions in advance of the Scheme Meeting	8 August 2024, 10.00 a.m.
Last date and time for the Company's responses to substantial and relevant questions received from Shareholders	10 August 2024, 10.00 a.m.
Last date and time for lodgement of Proxy Form for the Scheme Meeting	12 August 2024, 10.00 a.m.
Date and time of Scheme Meeting	15 August 2024, 10.00 a.m.
Expected date of Court hearing of the application to sanction the Scheme	On or around 29 August 2024
Expected last day of trading of the Shares	On or around 30 August 2024
Expected Record Date	On or around 6 September 2024, 5.00 p.m.
Expected date of despatch of Election Forms by the Offeror (or on its behalf) to Entitled Shareholders	On or around 11 September 2024
Expected latest date and time for submission of Election Forms	On or around 25 September 2024, 5.30 p.m.
Expected Effective Date	On or around 9 October 2024
Expected date for the payment of the Scheme Consideration	On or prior to 18 October 2024
Expected date for the delisting of the Company	On or around 22 October 2024

The important dates and times relating to the Scheme Meeting and the Expected Timetable are set out on pages 14 and 15 of this Scheme Document.

Save for (a) the last date and time for submission of questions in advance of the Scheme Meeting, (b) the last date and time for the Company's responses to substantial and relevant questions received from the Shareholders, (c) the last date and time for the lodgement of the Proxy Form for the Scheme Meeting and (d) the date and time of the Scheme Meeting, the above timetable is indicative only and may be subject to change.

Your attention is also drawn to the notes under the Expected Timetable set out on pages 14 and 15 of this Scheme Document.

### The Scheme Meeting will be convened and be held physically

#### Who should I contact if I need help?

##### RE&S Holdings Limited

Ms. Winnie Loo/Ms. Jillian Qian  
 Email: [winnie.loo@res.com.sg](mailto:winnie.loo@res.com.sg)/  
[jillian.qianzw@res.com.sg](mailto:jillian.qianzw@res.com.sg)  
 Telephone: +65 6252 0810

##### DBS Bank Ltd.

Strategic Advisory  
 Telephone: +65 6878 8283

THE INFORMATION PRESENTED IN THIS SECTION IS QUALIFIED IN ITS ENTIRETY BY, AND SHOULD BE READ IN CONJUNCTION WITH, THE INFORMATION CONTAINED IN THE REST OF THIS SCHEME DOCUMENT. IF THERE SHOULD BE ANY INCONSISTENCY OR CONFLICT BETWEEN THE INFORMATION CONTAINED IN THIS SECTION AND THE INFORMATION CONTAINED IN THE REST OF THIS SCHEME DOCUMENT, THE INFORMATION CONTAINED IN THE REST OF THIS SCHEME DOCUMENT SHALL PREVAIL. NOTHING IN THIS SECTION IS INTENDED TO BE, OR SHALL BE TAKEN AS, ADVICE, A RECOMMENDATION OR A SOLICITATION TO SHAREHOLDERS OR ANY OTHER PARTY. SHAREHOLDERS ARE ADVISED TO BE CAUTIOUS WHEN DEALING IN THEIR SHARES AND NOT TO TAKE ANY ACTION IN RELATION TO THEIR SHARES WHICH MAY NOT PROVE TO BE IN THEIR BEST INTERESTS.

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## DEFINITIONS

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In this Scheme Document, the following definitions shall apply throughout unless the context otherwise requires:

<b>“1HFY2024”</b>	:	The six months ended 31 December 2023
<b>“Acquisition”</b>	:	The proposed acquisition by the Offeror of all the Shares (excluding treasury shares)
<b>“ACRA”</b>	:	The Accounting and Corporate Regulatory Authority of Singapore
<b>“Business Day”</b>	:	A day (other than a Saturday, Sunday or gazetted public holiday) on which banks in Singapore are generally open for business
<b>“Cash and Securities Consideration”</b>	:	S\$0.330 in cash and 0.083143 Offeror Shares per Share
<b>“Cash Consideration”</b>	:	S\$0.360 in cash per Share
<b>“Catalist Rules”</b>	:	The SGX-ST’s Listing Manual Section B: Rules of Catalist, as amended, modified or supplemented from time to time
<b>“CDP”</b>	:	The Central Depository (Pte) Limited
<b>“CEO”</b>	:	Chief Executive Officer
<b>“Code”</b>	:	The Singapore Code on Take-overs and Mergers
<b>“Companies Act”</b>	:	Companies Act 1967 of Singapore
<b>“Company” or “RE&amp;S”</b>	:	RE&S Holdings Limited
<b>“Company Board”</b>	:	The board of Directors of the Company
<b>“Company Securities”</b>	:	(a) Shares;  (b) securities which carry voting rights in the Company; and  (c) convertible securities, warrants, options or derivatives in respect of such Shares or securities which carry voting rights in the Company
<b>“Company’s Warranties”</b>	:	Warranties of the Company in the Implementation Agreement set out in Appendix L to the Scheme Document

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## DEFINITIONS

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<b>“Competing Offer”</b>	:	<p>Any offer, proposal or expression of interest by any person other than the Offeror pursuant to which such person or any other person may, whether directly or indirectly, and whether by share purchase, scheme of arrangement, merger or amalgamation, capital reconstruction, purchase of assets, tender offer, general offer, partial offer, joint venture, dual listed company structure or otherwise:</p> <p>(a) acquire or become the holder or owner of, or otherwise have an economic interest in: (i) all or any substantial part of the businesses, assets, revenues and/or undertakings of the Company; or (ii) more than 50% of the share capital of the Company;</p> <p>(b) merge with the Company;</p> <p>(c) benefit under any other arrangement having an effect similar to any of the above; or</p> <p>(d) effect a transaction which would preclude or restrict the Acquisition and/or the Scheme</p>
<b>“Constitution”</b>	:	The constitution of the Company, as amended, modified or supplemented from time to time
<b>“COO”</b>	:	Chief Operating Officer
<b>“Court”</b>	:	The General Division of the High Court of the Republic of Singapore or, in the event of an appeal, the Appellate Division of the High Court of the Republic of Singapore or the Court of Appeal of the Republic of Singapore (as may be applicable)
<b>“Court Order”</b>	:	The order of the Court pursuant to Section 210 of the Companies Act sanctioning the Scheme
<b>“Cut-Off Date”</b>	:	The date falling nine (9) months from the Joint Announcement Date or such other date as may be agreed in writing between the Offeror and the Company
<b>“Delisting”</b>	:	The delisting and removal of the Company from the Official List of the SGX-ST upon the Scheme becoming effective and binding in accordance with its terms
<b>“Directly-Held Shares”</b>	:	Shares held by an Entitled Shareholder as a Depositor or in scrip form registered in its name
<b>“Directors”</b>	:	The directors of the Company as at the Latest Practicable Date



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## DEFINITIONS

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<b>“Effective Date”</b>	:	The date on which the Scheme, if approved and sanctioned by the Court, becomes effective in accordance with its terms
<b>“Electing Party”</b>	:	An Entitled Shareholder who holds Directly-Held Shares or the Entitled Depository Agent (for and on behalf of each sub-account holder who holds Indirectly-Held Shares), as more particularly described in paragraph 3.3 of the Letter to Shareholders
<b>“Election”</b>	:	An Entitled Shareholder making an election or electing to receive, for each Share, either the Cash Consideration or the Cash and Securities Consideration
<b>“Election Closing Date”</b>	:	The last day of the Election Period
<b>“Election Form”</b>	:	The election form (to be despatched by the Offeror (or on its behalf)) on the Election Form Despatch Date to Entitled Shareholders by which Entitled Shareholders shall elect to receive either the Cash Consideration or the Cash and Securities Consideration. An Entitled Shareholder who wishes to receive the Cash Consideration does not need to complete and return the Election Form
<b>“Election Form Despatch Date”</b>	:	A date after the Record Date, being no later than three (3) Business Days after the Record Date or such other date as may be agreed between the Parties
<b>“Election Period”</b>	:	A period of 10 Business Days or such other period as may be agreed by the Parties, commencing from the Election Form Despatch Date and ending on the Election Closing Date, during which the duly completed Election Forms, Electronic Elections or Sub-Account Holders Forms (as the case may be) shall be received by the Share Registrar or CDP (as the case may be)
<b>“Electronic Election”</b>	:	Elections by Entitled Depository Agents on behalf of each sub-account holder who holds Shares via the SGX-SFG service provided by the CDP as listed in Schedule 3 of the CDP’s <i>“Terms and Conditions for User Services for Depository Agents”</i>
<b>“Employment Agreement Arrangements”</b>	:	The new employment agreements envisaged to be entered into between the Company and each of the RE&S Executives so as to amend certain terms of their employment agreements

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## DEFINITIONS

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<b>“Encumbrance”</b>	:	Any claim, charge, mortgage, security, pledge, lien, option, restriction, equity, power of sale, hypothecation or other third party rights or interest, retention of title, right of pre-emption, right of first refusal or security interest of any kind or an agreement, arrangement or obligation to create any of the foregoing
<b>“Entitled Depository Agent”</b>	:	An Entitled Shareholder who is a Depository Agent
<b>“Entitled Shareholders”</b>	:	All Shareholders as at 5.00 p.m. on the Record Date
<b>“Explanatory Statement”</b>	:	The explanatory statement in compliance with Section 211 of the Companies Act set out in Appendix A to this Scheme Document
<b>“F&amp;B”</b>	:	Food and beverage
<b>“FKL”</b>	:	Mr. Foo Kah Lee
<b>“FKL and LSZ Arrangements”</b>	:	Collectively, the Irrevocable Undertakings provided by each of FKL and LSZ in favour of the Offeror and the proposed arrangements contemplated by the Term Sheets in relation to FKL and LSZ (including the Management Reinvestments, the Management Incentive Arrangements and the Employment Agreement Arrangements)
<b>“FKL Reinvestment Amount”</b>	:	An agreed amount from the aggregate Scheme Consideration due to FKL pursuant to the Scheme, which FKL will reinvest to subscribe for a certain number of Offeror Shares pursuant to the Irrevocable Undertakings and the Term Sheets
<b>“FY”</b>	:	Financial year ended or ending 30 June, as the case may be
<b>“GKK Contract”</b>	:	The agreement dated 17 April 2024 entered into between RE&S Enterprises Pte. Ltd. and Cascade Co. Ltd. in relation to the operation of the “Gokoku Shichifuku” and “Gokoku Japanese Bakery” franchise
<b>“Group”</b>	:	The Company and its subsidiaries, and each, a <b>“Group Company”</b>
<b>“HoldCo”</b>	:	Euphoria Investments, a special purpose vehicle incorporated in the Cayman Islands
<b>“HT”</b>	:	Mr. Hiroshi Tatara

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## DEFINITIONS

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<b>“IFA”, “Independent Financial Adviser” or “SAC Capital”</b>	:	SAC Capital Private Limited, the independent financial adviser appointed by the Company to advise the Non-Conflicted Directors in connection with the Scheme and the FKL and LSZ Arrangements
<b>“IFA Letter”</b>	:	The letter from the IFA to the Non-Conflicted Directors set out in Appendix B to this Scheme Document
<b>“Implementation Agreement”</b>	:	The implementation agreement dated 19 May 2024 entered into between the Company and the Offeror setting out the terms and conditions on which Acquisition and the Scheme will be implemented
<b>“Indirectly-Held Shares”</b>	:	Shares held by an Entitled Shareholder in its capacity as a Depository Agent on behalf of sub-account holder(s)
<b>“Irrevocable Undertakings”</b>	:	The irrevocable undertakings provided by the Undertaking Shareholders in favour of the Offeror to, <i>inter alia</i> , (a) cast, or where applicable, procure the casting of, all votes in relation to their respective Shares in favour of the Scheme at the Scheme Meeting; and (b) elect to accept, in respect of their respective Shares, either the Cash Consideration or the Cash and Securities Consideration (as the case may be), as more particularly described in paragraph 4 of the Letter to Shareholders
<b>“Issue Price”</b>	:	S\$0.360 per Offeror Share
<b>“Joint Announcement”</b>	:	The joint announcement by the Company and the Offeror dated 19 May 2024 in relation to, <i>inter alia</i> , the Acquisition and the Scheme
<b>“Joint Announcement Date”</b>	:	19 May 2024, being the date of the Joint Announcement
<b>“Last Trading Day”</b>	:	13 May 2024, being the last full trading day of the Shares on the SGX-ST before the Joint Announcement
<b>“Latest Practicable Date”</b>	:	24 July 2024, being the latest practicable date prior to the publication of this Scheme Document
<b>“Letter to Shareholders”</b>	:	The letter from the Company to the Shareholders set out on pages 17 to 39 of this Scheme Document
<b>“LSZ”</b>	:	Mr. Lim Shyang Zheng

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## DEFINITIONS

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<b>“LSZ Reinvestment Amount”</b>	:	An agreed amount from the aggregate Scheme Consideration due to LSZ pursuant to the Scheme, which LSZ will reinvest to subscribe for a certain number of Offeror Shares pursuant to the Irrevocable Undertakings and the Term Sheets
<b>“Major Landlords”</b>	:	The major corporate landlords of the Group being Century Square LLP, DBS Trustee Limited (as trustee of Lendlease Global Commercial REIT), DBS Trustee Limited (as trustee of Mapletree Pan Asia Commercial Trust), DBS Trustee Limited (as trustee of Paragon REIT), FC Retail Trustee Pte. Ltd. (as trustee-manager of Sapphire Star Trust), Frasers Property North Gem Trustee Pte. Ltd. (as trustee-manager of North Gem Trust), Gold Ridge Pte Ltd, GWC Commercial Pte. Ltd., Hougang Mall LLP, HSBC Institutional Trust Services (Singapore) Limited (as trustee of Capitaland Integrated Commercial Trust), HSBC Institutional Trust Services (Singapore) Limited (as trustee of Frasers Centrepoint Trust), Lendlease Retail Investments 3 Pte. Ltd., Magical Leap Limited, Mercatus Alpha Co-operative Limited, Novena Square Investments Ltd, NTUC Club, Prime Asset Holdings Limited, Quintique Investment Pte. Ltd., Tampines 1 LLP and The Seletar Mall Pte. Ltd.
<b>“Management Incentive Arrangements”</b>	:	A management incentive plan to be established by the Offeror after completion of the Acquisition and the Scheme to retain certain key management of the Group
<b>“Management Reinvestments”</b>	:	<p>The reinvestment by:</p> <ul style="list-style-type: none"><li>(a) FKL, of the FKL Reinvestment Amount, to subscribe for a certain number of Offeror Shares, based on the Issue Price; and</li><li>(b) LSZ, of the LSZ Reinvestment Amount, to subscribe for a certain number of Offeror Shares, based on the Issue Price,</li></ul> <p>in each case, pursuant to the Irrevocable Undertakings and the Term Sheets</p>
<b>“Market Day”</b>	:	A day on which the SGX-ST is open for the trading of securities
<b>“NAV”</b>	:	Net asset value

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## DEFINITIONS

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<b>“Non-Conflicted Directors”</b>	:	The Directors who are considered independent for the purposes of making a recommendation to the Shareholders on the Scheme, namely all the Directors excluding FKL and LSZ
<b>“Notice of Scheme Meeting”</b>	:	The notice of the Scheme Meeting as set out in Appendix Q to this Scheme Document
<b>“Offer”</b>	:	A voluntary conditional cash offer or a pre-conditional voluntary cash offer made for or on behalf of the Offeror to acquire all the Shares on such terms and conditions to be set out in the offer document issued for or on behalf of the Offeror
<b>“Offeror”</b>	:	Relish Investments, an exempted company incorporated in the Cayman Islands
<b>“Offeror Board”</b>	:	The board of directors of the Offeror
<b>“Offeror Concert Party Group”</b>	:	The Offeror and persons acting or presumed to be acting in concert with the Offeror in relation to the Acquisition and the Scheme (which, for the avoidance of doubt, includes HoldCo and SCG)
<b>“Offeror M&amp;AA”</b>	:	The memorandum and articles of association of the Offeror, key terms of which are set out in Schedule B of the Offeror’s Letter
<b>“Offeror Securities”</b>	:	(a) Offeror Shares;  (b) securities which carry voting rights in the Offeror; and  (c) convertible securities, warrants, options or derivatives in respect of such Offeror Shares
<b>“Offeror Share Certificates”</b>	:	The share certificates in respect of the Offeror Shares
<b>“Offeror Shareholder”</b>	:	A shareholder of the Offeror holding Offeror Shares
<b>“Offeror Shares”</b>	:	Ordinary shares in the capital of the Offeror
<b>“Offeror Financial Adviser”</b>	:	DBS Bank Ltd., the financial adviser to the Offeror in respect of the Acquisition and the Scheme
<b>“Offeror’s Letter”</b>	:	The letter from the Offeror to the Shareholders set out in Appendix C to this Scheme Document



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## DEFINITIONS

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<b>“Offeror’s Warranties”</b>	:	Warranties of the Offeror in the Implementation Agreement set out in Appendix K to the Scheme Document
<b>“Overseas Shareholders”</b>	:	Shareholders whose addresses are outside Singapore, as shown on the Register of Members, or as the case may be, in the records of CDP
<b>“Parties”</b>	:	The parties to the Implementation Agreement, being the Company and the Offeror, and <b>“Party”</b> means any one of them
<b>“Prescribed Occurrence”</b>	:	The Prescribed Occurrences set out in Appendix J to this Scheme Document
<b>“Property”</b>	:	The property located at the address “32 Tai Seng Street, Singapore 534013” owned by the Group
<b>“Proxy Form”</b>	:	The accompanying proxy form for the Scheme Meeting
<b>“RE&amp;S Executives”</b>	:	The senior executives or key employees of the Group (including FKL and LSZ) and <b>“RE&amp;S Executive”</b> means any one of them
<b>“Record Date”</b>	:	The date to be announced (before the Effective Date) by the Company on which the Transfer Books and Register of Members will be closed in order to determine the entitlements of the Shareholders in respect of the Scheme
<b>“Register of Members”</b>	:	The Register of Members of the Company
<b>“Regulatory Approvals”</b>	:	The Regulatory Approvals set out in Appendix I to this Scheme Document
<b>“Reinvestment Amounts”</b>	:	Collectively, the FKL Reinvestment Amount and the LSZ Reinvestment Amount
<b>“Relevant Date”</b>	:	The date immediately prior to the date on which the Court Order is lodged in accordance with Section 210(5) of the Companies Act
<b>“Request Form”</b>	:	The request form for Shareholders to request for a printed copy of this Scheme Document
<b>“relevant intermediary”</b>	:	(a) a banking corporation licensed under the Banking Act 1970 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;

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## DEFINITIONS

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- (b) a person holding a capital markets services licence to provide custodial services for securities under the SFA, and who holds shares in that capacity; or
  - (c) the Central Provident Fund Board (“**CPF Board**”) established by the Central Provident Fund Act 1953 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation
- “**SCG**” : Southern Capital Group Private Limited, a company incorporated in Singapore
- “**Scheme**” : The scheme of arrangement under Section 210 of the Companies Act dated 31 July 2024 set out in Appendix P to this Scheme Document (as may be amended or modified from time to time)
- “**Scheme Conditions**” : The conditions precedent in the Implementation Agreement which must be satisfied (or, where applicable, waived) by the Cut-Off Date for the Scheme to be implemented and which are reproduced in Appendix I to this Scheme Document
- “**Scheme Consideration**” : For each Share, at the Election of each Entitled Shareholder, either:
- (a) the Cash Consideration; or
  - (b) the Cash and Securities Consideration
- “**Scheme Document**” : This document dated 31 July 2024 (and any other document(s) which may be issued by or on behalf of the Company to the Shareholders to amend, revise, supplement or update the document(s) from time to time) containing, *inter alia*, the Scheme, the Explanatory Statement, the Notice of Scheme Meeting and the Proxy Form
- “**Scheme Meeting**” : The meeting of the Shareholders to be convened at the direction of the Court to consider and, if thought fit, approve the Scheme (including any adjournment thereof), notice of which is set out in Appendix Q to this Scheme Document

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## DEFINITIONS

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<b>“Scheme Resolution”</b>	:	The resolution relating to the Scheme referred to in the Notice of Scheme Meeting dated 31 July set out in Appendix Q to this Scheme Document
<b>“Securities Account”</b>	:	The relevant securities account maintained by a Depositor with CDP but does not include a securities sub-account
<b>“Senior Employees”</b>	:	Collectively, the CEO, the COO and the Chief Financial Officer of the Group immediately prior to completion of the Acquisition, and <b>“Senior Employee”</b> means any one of them
<b>“SFA”</b>	:	Securities and Futures Act 2001 of Singapore
<b>“SGX-ST”</b>	:	Singapore Exchange Securities Trading Limited
<b>“SGX-ST Delisting Approval”</b>	:	The SGX-ST advising that it has no objections to the Company’s application for the Delisting
<b>“SGXNet”</b>	:	Singapore Exchange Network
<b>“Share Registrar”</b>	:	Boardroom Corporate & Advisory Services Pte. Ltd., the share registrar of the Company
<b>“Shareholders”</b>	:	Persons who are registered as holders of the Shares in the Register of Members and Depositors registered in the Depository Register as having Shares credited to their Securities Account
<b>“Shares”</b>	:	The issued and paid-up ordinary shares in the capital of the Company
<b>“SIC”</b>	:	Securities Industry Council of Singapore
<b>“SIC Public Statements on Electronic Despatch”</b>	:	The Public Statement on the Extension of the Temporary Measures to Allow for Electronic Despatch of Take-Over Documents under the Code issued by the SIC on 29 September 2020 and the Public Statement on the Further Extension of the Temporary Measures to Allow for Electronic Despatch of Take-Over Documents under the Code issued by the SIC on 29 June 2021
<b>“SIC Application”</b>	:	The application made by the Offeror to the SIC to seek certain rulings and confirmations in relation to the Acquisition and the Scheme
<b>“SIC Rulings”</b>	:	The rulings obtained from the SIC on 15 May 2024 pursuant to the SIC Application as set out in paragraph 9.2 of the Letter to Shareholders

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## DEFINITIONS

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<b>“Sponsor”</b>	:	PrimePartners Corporate Finance Pte. Ltd.
<b>“SRS”</b>	:	Supplementary Retirement Scheme
<b>“SRS Agent Banks”</b>	:	Agent banks included under the SRS
<b>“SRS Investors”</b>	:	Investors who have purchased Shares using their SRS contributions pursuant to the SRS
<b>“Sub-Account Holders Form”</b>	:	The List of Sub-Account Holders Who Wish to Accept the Cash and Securities Consideration form, which will be provided to Entitled Depository Agents through the SGX-SFG service
<b>“Switch Option”</b>	:	The right of the Offeror at its sole discretion to elect to proceed by way of an Offer (in lieu of proceeding with the Acquisition by way of the Scheme), subject to prior consultation with the SIC, in the event a Competing Offer or an intention to make a Competing Offer is announced (whether or not such Competing Offer is pre-conditional), at any time prior to the date on which the Scheme Meeting is to be held
<b>“S\$” or “SGD” and “cents”</b>	:	Singapore dollars and cents respectively, being the lawful currency of Singapore
<b>“Taxes” or “Taxation”</b>	:	All forms of taxation whether direct or indirect and whether levied by reference to income, profits, gains, net wealth, asset values, turnover, added value or other reference and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions, rates and levies, whenever and wherever imposed (whether imposed by way of a withholding or deduction for or on account of tax or otherwise) and in respect of any person and all penalties, charges, costs and interest relating thereto
<b>“Term Sheets”</b>	:	The term sheets dated 19 May 2024 entered into by the Offeror and each of FKL and LSZ setting out the proposed terms and conditions of (a) the Management Reinvestment and (b) the Management Incentive Arrangements
<b>“Transfer Books”</b>	:	The transfer books of the Company
<b>“Undertaking Shareholders”</b>	:	Collectively, FKL, LSZ, HT and YHLJ, and <b>“Undertaking Shareholder”</b> means any one of them, details of which are set out in Schedule D of the Offeror’s Letter
<b>“Valuer”</b>	:	Cushman & Wakefield VHS Pte. Ltd.

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## DEFINITIONS

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“ <b>Valuation Summary</b> ”	:	The valuation summary issued by the Valuer in respect of the Property, as set out in Appendix H to this Scheme Document
“ <b>VWAP</b> ”	:	Volume-weighted average price
“ <b>YHLJ</b> ”	:	Mr. Yek Hong Liat John
“%” or “ <b>per cent.</b> ”	:	Per centum or percentage

The terms “**acting in concert**” shall have the meanings ascribed to them in the Code, and “**concert party**” of a person means a person acting in concert with the first mentioned person.

The terms “**Depositor**”, “**Depository Agent**”, “**Depository Register**” and “**sub-account holder**” shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

The terms “**subsidiary**” and “**related corporation**” shall have the meaning ascribed to it in Sections 5 and 6 of the Companies Act.

References to Entitled Shareholders having made an Election shall, where applicable, also refer to those who are deemed to have elected the Cash Consideration pursuant to the terms of this Scheme Document.

Words importing the singular only shall, where applicable, include the plural and *vice versa*. 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 to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the SFA, the Catalist Rules or the Code or any modification thereof and used in this Scheme Document shall, where applicable, have the same meaning assigned to it under the Companies Act, the SFA, the Catalist Rules or the Code or any modification thereof, as the case may be, unless otherwise provided.

Any reference to any document or agreement shall include a reference to such document or agreement as amended, modified, supplemented and/or varied from time to time.

Any reference to a time of day and date in this Scheme Document shall be a reference to Singapore time and date respectively, unless otherwise specified.

Any discrepancies in figures included in this Scheme Document between the listed amounts shown and the totals thereof and/or the respective percentages are due to rounding. Accordingly, figures shown as totals in this Scheme Document may not be an arithmetic aggregation of the figures that precede them.

In this Scheme Document, the total number of Shares as at the Latest Practicable Date is 353,837,700 (excluding 162,300 treasury shares). Unless stated otherwise, all references to percentage shareholding in the issued share capital of the Company in this Scheme Document are based on 353,837,700 Shares (excluding 162,300 treasury shares) in the issued share capital of the Company as at the Latest Practicable Date.

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## FORWARD-LOOKING STATEMENTS

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**Forward Looking Statements.** All statements other than statements of historical facts included in this Scheme Document are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “seek”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect the Offeror’s or the Company’s (as the case may be) current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Given the risks and uncertainties that may cause actual results or outcomes to differ materially from those expressed or implied in such forward-looking statements, shareholders and investors of the Offeror and the Company should not place undue reliance on such forward-looking statements, and none of the Offeror and the Company undertakes any obligation to update publicly or revise any forward-looking statements.



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## EXPECTED TIMETABLE

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Last date and time for submission of questions in advance of the Scheme Meeting	:	<b>8 August 2024, 10.00 a.m.</b>
Last date and time for the Company's responses to substantial and relevant questions received from Shareholders	:	<b>10 August 2024, 10.00 a.m.</b>
Last date and time for lodgement of Proxy Form for the Scheme Meeting	:	<b>12 August 2024, 10.00 a.m.</b> <sup>(1)(2)</sup>
Date and time of Scheme Meeting	:	<b>15 August 2024, 10.00 a.m.</b>
Venue of Scheme Meeting	:	<b>32 Tai Seng Street, #07-01 RE&amp;S Building, Singapore 533972</b>
Expected date of Court hearing of the application to sanction the Scheme	:	On or around <b>29 August 2024</b> <sup>(3)</sup>
Expected last day of trading of the Shares	:	On or around <b>30 August 2024</b>
Expected Record Date	:	On or around <b>6 September 2024, 5.00 p.m.</b> <sup>(4)</sup>
Expected date of despatch of Election Forms by the Offeror (or on its behalf) to Entitled Shareholders	:	On or around <b>11 September 2024</b>
Expected latest date and time for submission of Election Forms	:	On or around <b>25 September 2024</b> <sup>(5)</sup> , <b>5.30 p.m.</b>
Expected Effective Date	:	On or around <b>9 October 2024</b> <sup>(6)</sup>
Expected date for payment of the Scheme Consideration	:	On or prior to <b>18 October 2024</b>
Expected date for the Delisting of the Shares	:	On or around <b>22 October 2024</b> <sup>(7)</sup>

**You should note that save for (a) the last date and time for submission of questions in advance of the Scheme Meeting, (b) the last date and time for the Company's responses to substantial and relevant questions received from the Shareholders, (c) the last date and time for the lodgement of the Proxy Form for the Scheme Meeting and (d) the date, time and venue of the Scheme Meeting, the above timetable is indicative only and may be subject to change. For the events listed above which are described as "expected", please refer to future announcement(s) by the Company and/or the SGX-ST for the exact dates of these events.**

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**Notes:**

- (1) Shareholders are requested to lodge the Proxy Form for the Scheme Meeting in accordance with the instructions contained therein not less than 72 hours before the time appointed for the Scheme Meeting.
- (2) All Proxy Forms for the Scheme Meeting must be submitted to the Company in the following manner:
  - (a) if submitted electronically, a clear, scanned completed and signed copy in PDF format be submitted via email to [srs.proxy@boardroomlimited.com](mailto:srs.proxy@boardroomlimited.com); or

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## EXPECTED TIMETABLE

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- (b) if submitted by post, be deposited with the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632.

Shareholders are strongly encouraged to submit their completed Proxy Forms electronically via email. Completion and lodgement of the Proxy Form will not prevent a Shareholder from attending and voting in person at the Scheme Meeting if they subsequently wish to do so. In such event, the Proxy Form will be deemed to be revoked.

- (3) The date of the Court hearing of the application to sanction the Scheme will depend on the date that is allocated by the Court.
- (4) The expected Record Date is subject to the release of the Company's financial results for the full year ended 30 June 2024.
- (5) Entitled Shareholders will be given a period of 10 Business Days to submit their Election Forms.
- (6) On the basis that all the Scheme Conditions have been satisfied (or, where applicable, waived) in accordance with the Implementation Agreement and the Court Order is lodged with ACRA pursuant to Section 210(5) of the Companies Act by the Company on a date to be reasonably agreed between the Parties falling within 15 Business Days from the Election Closing Date. The Scheme will only become effective if all the Scheme Conditions have been satisfied (or, where applicable, waived) in accordance with the Implementation Agreement and a copy of the Court Order has been lodged with ACRA.
- (7) The Delisting is conditional upon the SGX-ST Delisting Approval.

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## CORPORATE INFORMATION

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<b>DIRECTORS OF THE COMPANY</b>	:	Mr. Ben Yeo Chee Seong (Non-Executive Chairman and Independent Director) Mr. Hiroshi Tataru (Executive Director and President) Mr. Foo Kah Lee (Executive Director and Chief Executive Officer) Mr. Lim Shyang Zheng (Executive Director and Chief Operating Officer) Mr. Lee Lap Wah, George (Independent Director) Ms. Heng Mui Mui (Independent Director)
<b>COMPANY SECRETARY</b>	:	Ms. Josephine Toh
<b>REGISTERED OFFICE</b>	:	32 Tai Seng Street #07-00 RE&S Building Singapore 533972
<b>SHARE REGISTRAR</b>	:	Boardroom Corporate & Advisory Services Pte. Ltd. 1 Harbourfront Avenue Keppel Bay Tower #14-07 Singapore 098632
<b>LEGAL ADVISER TO THE COMPANY</b>	:	Rajah & Tann Singapore LLP 9 Straits View #06-07 Marina One West Tower Singapore 018937
<b>INDEPENDENT FINANCIAL ADVISER TO THE NON-CONFLICTED DIRECTORS</b>	:	SAC Capital Private Limited 1 Robinson Road #21-00 AIA Tower Singapore 048542
<b>AUDITOR</b>	:	RSM SG Assurance LLP 8 Wilkie Road #03-08 Wilkie Edge Singapore 228095

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## LETTER TO SHAREHOLDERS

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### RE&S HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration No.: 201714588N)

#### Directors:

Mr. Ben Yeo Chee Seong (Non-Executive Chairman and Independent Director)  
Mr. Hiroshi Tatara (Executive Director and President)  
Mr. Foo Kah Lee (Executive Director and Chief Executive Officer)  
Mr. Lim Shyang Zheng (Executive Director and Chief Operating Officer)  
Mr. Lee Lap Wah, George (Independent Director)  
Ms. Heng Mui Mui (Independent Director)

#### Registered Office:

32 Tai Seng Street  
#07-00 RE&S Building  
Singapore 533972

31 July 2024

To: The Shareholders of RE&S Holdings Limited

Dear Sir/Madam

### PROPOSED ACQUISITION BY RELISH INVESTMENTS OF ALL THE ISSUED ORDINARY SHARES IN THE CAPITAL OF RE&S HOLDINGS LIMITED BY WAY OF A SCHEME OF ARRANGEMENT

#### 1. INTRODUCTION

##### 1.1 Joint Announcement

On 19 May 2024, the respective board of directors of the Company and the Offeror jointly announced the proposed acquisition of all the issued ordinary shares in the capital of the Company by the Offeror, which will be effected by the Company by way of a scheme of arrangement in accordance with Section 210 of the Companies Act and the Code.

A copy of the Joint Announcement is available on the website of SGX-ST at <https://www.sgx.com/securities/company-announcements>.

##### 1.2 Purpose

The purpose of this Scheme Document is to set out information pertaining to the Scheme, to seek Shareholder's approval of the Scheme, and to give Shareholders notice of the Scheme Meeting.

##### 1.3 Explanatory Statement

An Explanatory Statement setting out the key terms of, the rationale for, and the effect of, the Scheme and the procedures for its implementation is set out in Appendix A to this Scheme Document. The Explanatory Statement should be read in conjunction with the full text of this Scheme Document, including the Scheme set out in Appendix P to this Scheme Document.

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## LETTER TO SHAREHOLDERS

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### 1.4 Information on the Company

The Company was incorporated in Singapore on 26 May 2017 under the Companies Act and was listed on the Catalist Board of the SGX-ST on 22 November 2017. The Group is engaged substantially in the business of owning and operating Japanese F&B outlets in Singapore and Malaysia, and a procurement office in Japan.

The board of directors of the Company comprises the following:

- (a) Mr. Ben Yeo Chee Seong (Non-Executive Chairman and Independent Director);
- (b) Mr. Hiroshi Tatara (Executive Director and President);
- (c) Mr. Foo Kah Lee (Executive Director and Chief Executive Officer);
- (d) Mr. Lim Shyang Zheng (Executive Director and Chief Operating Officer);
- (e) Mr. Lee Lap Wah, George (Independent Director); and
- (f) Ms. Heng Mui Mui (Independent Director).

As at the Latest Practicable Date, the Company has an issued and paid-up share capital of S\$32,829,118, comprising 353,837,700 Shares (excluding 162,300 treasury shares).

### 1.5 Information on the Offeror, HoldCo and SCG

As stated in the Offeror's Letter:

- (a) the Offeror and HoldCo are special purpose vehicles incorporated in the Cayman Islands for the purposes of the Acquisition and the Scheme;
- (b) as at the Latest Practicable Date:
  - (i) the sole shareholder of the Offeror is HoldCo, a special purpose vehicle incorporated in the Cayman Islands which is an indirect wholly-owned subsidiary of a fund that is advised and managed by SCG, a leading Singapore-headquartered private equity firm that focuses on investments into high growth middle market businesses across Southeast Asia;
  - (ii) the authorised share capital of the Offeror is S\$50,000 divided into 500,000,000 shares of a par value of S\$0.0001 each; and
  - (iii) the members of the Offeror Board are Mr. Low Yon Jan, Mr. Boh Sang Wei, and Mr. Kenneth Tan Jhu Hwa, who are executives of SCG.

Further details on the Offeror and HoldCo can be found in Schedule A of the Offeror's Letter.

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## LETTER TO SHAREHOLDERS

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### 2. OFFEROR'S RATIONALE FOR THE ACQUISITION AND FUTURE INTENTIONS FOR THE COMPANY

#### 2.1 The Offeror's Rationale

The Offeror's rationale for the Acquisition is stated in paragraphs 3.1 to 3.4 of the Offeror's Letter, an extract of which is reproduced in italics below.

**“3.1 *Rationale for the Acquisition.*** *The Acquisition presents an opportunity for the Offeror to invest in the Company, a premier multi-concept owner and operator in the Japanese cuisine F&B sector, with a strong foothold in Singapore and a direct presence in Malaysia. The Company has a diverse portfolio of popular brands such as Ichiban Boshi, Kuriya Japanese Market and Gokoku, with a track record of resilient performance and steady growth in the competitive F&B industry. By leveraging SCG's expertise, resources and network, the Offeror aims to accelerate the Company's growth trajectory, capitalise on emerging opportunities, and strengthen its market position. The Offeror believes that the privatisation of the Company will provide the business with the necessary flexibility to focus on long-term execution whilst helping it save costs and resources associated with maintaining its listed status.*

**3.2 *Opportunity for Shareholders to Realise their Investment in the Shares at a Premium Over the Market Price without incurring Brokerage Costs.*** *Despite the current headwinds in the F&B market and overall macroeconomic uncertainty, the Acquisition represents an opportunity for the Shareholders to realise their investment in the Shares at a compelling premium over historical market prices without incurring brokerage and trading costs.*

<b>Description</b>	<b>Benchmark Price (S\$)<sup>(2)</sup></b>	<b>Premium over Benchmark Price (%)<sup>(3)</sup></b>
<i>Last traded price of the Shares on the SGX-ST on the Last Trading Day</i>	<i>0.230</i>	<i>56.5%</i>
<i>VWAP of the Shares traded on the SGX-ST for the one (1)-month period prior to and including the Last Trading Day<sup>(1)</sup></i>	<i>0.218</i>	<i>65.1%</i>
<i>VWAP of the Shares traded on the SGX-ST for the three (3)-month period prior to and including the Last Trading Day<sup>(1)</sup></i>	<i>0.240</i>	<i>50.0%</i>
<i>VWAP of the Shares traded on the SGX-ST for the six (6)-month period prior to and including the Last Trading Day<sup>(1)</sup></i>	<i>0.248</i>	<i>45.2%</i>
<i>VWAP of the Shares traded on the SGX-ST for the 12-month period prior to and including the Last Trading Day<sup>(1)</sup></i>	<i>0.260</i>	<i>38.5%</i>
<i>IPO price on 21 November 2017</i>	<i>0.220</i>	<i>63.6%</i>
<i>Audited NAV per Share as at 30 June 2023<sup>(4)</sup></i>	<i>0.116</i>	<i>210.3%</i>



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## LETTER TO SHAREHOLDERS

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**Notes:**

- (1) *Based on data extracted from Bloomberg Finance LP. The VWAPs of the Shares are calculated by using the total value over the total volume of Shares traded in the relevant period prior to and including the Last Trading Day.*
- (2) *Rounded to the nearest three (3) decimal places.*
- (3) *Rounded to the nearest one (1) decimal place.*
- (4) *Based on the audited NAV per Share as at 30 June 2023 as disclosed in the Company's Annual Report 2023, rounded to the nearest three (3) decimal places.*

**3.3 Low Trading Liquidity.** *The trading volume of the Shares has been low, with an average daily trading volume of approximately 15,065 Shares, 15,369 Shares, 15,523 Shares and 21,795 Shares during the one (1)-month, three (3)-month, six (6)-month and 12-month periods respectively, up to and including the Last Trading Day. Each of these represents 0.006% or less of the total number of issued Shares for any of the aforementioned relevant periods.*

*The Scheme therefore provides Shareholders who may find it difficult to exit the Company as a result of the low trading volume in Shares with an opportunity to liquidate and realise their investment in the Shares at a premium to the prevailing market prices which would otherwise not be available given the low trading liquidity.*

**3.4 No Further Approaches and the Only Offer Currently Available to Fully Realise Return.** *Since the release of the Joint Announcement, there have been no other approaches or submissions of interest from potential investors in respect of an alternative proposal for the Company.*

*Accordingly, the Scheme is the only offer available to date which provides Entitled Shareholders the opportunity to achieve a full exit of their investment for cash at a premium to trading value. In the past, the low historical trading volume in the Shares may have presented difficulties for Entitled Shareholders with a large shareholding to fully exit their positions at trading value."*

## 2.2 The Offeror's Future Intentions

As stated in paragraph 3.5 of the Offeror's Letter (an extract of which is reproduced in italics below):

**3.5 The Offeror's Future Plans.**

**3.5.1** *The Offeror intends to retain FKL and LSZ to ensure continuity of management and minimal interruption of the business of the Group. Further details are available at paragraph 7.2 below.*

**3.5.2** *Save as disclosed in this Offeror's Letter, there is presently no intention by the Offeror to (i) introduce any major changes to the business of the Company, (ii) re-deploy the fixed assets of the Company, or (iii) discontinue the employment of the employees of the Company, save in the ordinary course of business or as a result of any internal reorganisation or restructuring within the Company which may be implemented after the Effective Date.*

**3.5.3** *However, the Offeror Board retains and reserves the right and flexibility at any time to consider any options in relation to the Company which may present themselves and which it may regard to be in the interest of the Company."*

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## LETTER TO SHAREHOLDERS

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### 3. THE ACQUISITION AND THE SCHEME

#### 3.1 Terms of the Scheme

The Acquisition will be effected by way of a scheme of arrangement pursuant to Section 210 of the Companies Act and in accordance with the Code and the terms and conditions of the Implementation Agreement.

Under the Scheme:

- (a) all the Shares held by Entitled Shareholders will be transferred to the Offeror:
  - (i) fully paid up;
  - (ii) free from all Encumbrances; and
  - (iii) together with all rights, benefits and entitlements attaching thereto as at the Joint Announcement Date and thereafter attaching thereto, including the right to receive and retain all dividends, rights and other distributions (if any) declared, paid or made by the Company to the Shareholders on or after the Joint Announcement Date.
- (b) In consideration of the transfer of the Shares pursuant to paragraph 3.1(a) of this Letter to Shareholders, each Entitled Shareholder will be entitled to receive for each Share, at their Election:
  - (i) the Cash Consideration, being **S\$0.360 in cash**; or
  - (ii) in lieu of the Cash Consideration, the Cash and Securities Consideration, being **S\$0.330 in cash** and **0.083143 Offeror Shares**, which the Offeror shall allot and issue, duly authorised, fully paid and free from all Encumbrances, at the Issue Price of S\$0.360 per Offeror Share.
- (c) For the avoidance of doubt, each Entitled Shareholder is only entitled to receive the Cash Consideration or, in lieu thereof, the Cash and Securities Consideration, for all the Shares registered in the Entitled Shareholder's name, but not a mixture of both. In the absence or failure of any valid Election, an Entitled Shareholder shall be deemed to have elected for the Cash Consideration for all the Shares registered in such Entitled Shareholder's name. **An Entitled Shareholder who wishes to receive the Cash Consideration does not need to complete and return the Election Form.**
- (d) In respect of the securities component of the Cash and Securities Consideration, the aggregate number of the Offeror Shares that are issuable to any Entitled Shareholder in respect of Shares held by such Entitled Shareholder will be rounded down to the nearest whole number. Fractional entitlements shall be disregarded in the calculation of the Offeror Shares to be issued to any Entitled Shareholder pursuant to the Scheme and no payment will be made for any such fractional entitlements disregarded.

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## LETTER TO SHAREHOLDERS

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- (e) If any dividends, rights or other distributions, are declared, paid or made by the Company to the Shareholders on or after the Joint Announcement Date and before the Effective Date, the Offeror reserves the right to reduce the Scheme Consideration by the amount of such dividends, rights or other distributions.

### 3.2 Offeror Shares

As stated in paragraphs 2.3 and 2.4 of the Offeror's Letter:

#### (a) Offeror Shares

The Offeror Shares to be issued pursuant to the Scheme will, when issued, be validly authorised, validly issued and outstanding, fully paid and non-assessable and free from Encumbrances (other than restrictions arising out of applicable securities laws) and all consents, authorisations, approvals or waivers from any governmental authorities or third parties necessary for such issuance have been or will, prior to such issuance, be obtained.

**The Offeror Shares will not be listed on any securities exchange following completion of the Scheme.**

#### (b) Offeror M&AA

The rights and privileges attaching to the Offeror Shares shall be set out in the Offeror M&AA which shall take effect on and from the Effective Date. Extracts of the Offeror M&AA relating to (i) certain transfer restrictions in respect of Offeror Shares, and (ii) the rights of holders of Offeror Shares in respect of capital, dividends and voting are set out in Schedule B of the Offeror's Letter.

As set out in Schedule B of the Offeror's Letter, certain rights in respect of the Offeror Shares are conferred only on HoldCo, e.g. the right of first refusal, the drag-along right and the right to appoint directors. In addition, all shareholders of the Offeror other than HoldCo are subject to the restrictions on transfer of the Offeror Shares (as set out in Articles 7.3 to 7.4 of the Offeror M&AA) and HoldCo's drag-along right (as set out in Article 7.6 of the Offeror M&AA). Please refer to Schedule B of the Offeror's Letter for more details.

#### (c) Risk Factors

There are risks involved with investing in the Offeror Shares, including the following:

- (i) risks relating to the business of the Offeror, being:
  - (A) the business of the Offeror is different from the business of RE&S;
  - (B) the Offeror is a newly incorporated company and has no track record;
  - (C) the Offeror is subject to risks relating to the economic, political, legal or social environments of the Cayman Islands; and
  - (D) the Offeror is subject to risks associated with debt financing; and

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## LETTER TO SHAREHOLDERS

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- (ii) risks relating to the Offeror Shares, being:
  - (A) the Offeror Shares will not be publicly traded upon the Scheme becoming effective;
  - (B) the Offeror Shares are not freely transferable;
  - (C) there is no assurance that the Offeror will declare dividends on Offeror Shares;
  - (D) control by certain Offeror Shareholders whose interests may differ from that of the other Offeror Shareholders may limit the ability of such other Offeror Shareholders to influence the outcome of decisions requiring the approval of the Offeror Shareholders;
  - (E) the Offeror is not subject to the same corporate disclosure requirements that RE&S has been subject to;
  - (F) Offeror Shareholders may face difficulty in enforcing their rights as shareholders; and
  - (G) Cayman Islands tax laws.

**Further details on some of the risks relating to the Offeror Shares can be found in Schedule C of the Offeror's Letter. Shareholders are advised to carefully consider these risk factors in their entirety.**

### 3.3 Election Process

- (a) Each Entitled Shareholder:
  - (i) who holds Directly-Held Shares, shall only be entitled to elect to receive the Cash Consideration or, in lieu thereof, the Cash and Securities Consideration for all of its Directly-Held Shares, but not a mixture of both; and
  - (ii) who holds Indirectly-Held Shares, shall in respect of each sub-account holder, be entitled to elect to receive the Cash Consideration or, in lieu thereof, the Cash and Securities Consideration for all the Indirectly-Held Shares held on behalf of such sub-account holder, but not a mixture of both,

(each Entitled Shareholder under paragraph 3.3(a)(i) and Depository Agent (for and on behalf of each sub-account holder under paragraph 3.3(a)(ii)) shall be referred to as an "**Electing Party**").

**If an Entitled Shareholder holds both Directly-Held Shares and Indirectly-Held Shares through securities sub-account(s) with Depository Agent(s), such Entitled Shareholder shall elect to receive either the Cash Consideration OR the Cash and Securities Consideration (and not a mixture of both) in respect of all of its Directly-Held Shares, and shall direct its Depository Agent(s) to elect to receive the same form of Scheme Consideration in respect of all of its Indirectly-Held Shares.**

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## LETTER TO SHAREHOLDERS

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- (b) In the event that any Electing Party:
- (i) fails to elect to receive the Cash and Securities Consideration within the Election Period, whether due to the Share Registrar or CDP (as the case may be) (A) failing to receive from the Entitled Shareholder an Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) by the end of the Election Period; or (B) receiving an Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) which does not comply with the instructions contained in the Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) or the terms and conditions contained in this Scheme Document, or which is not complete or is invalid in any other respect;
  - (ii) to the extent applicable under the laws of the Cayman Islands and upon being notified by the Offeror, fails to provide such details and/or information as may be required to satisfy the requirements of the anti-money laundering regulations of the Cayman Islands;
  - (iii) elects to receive the Cash Consideration or the Cash and Securities Consideration in respect of only some and not all of its Shares;
  - (iv) holds both Directly-Held Shares and Indirectly-Held Shares through securities sub-account(s) with Depository Agent(s) and does not elect to receive and direct its Depository Agent(s) to elect to receive the same form of the Scheme Consideration in respect of all of its Directly-Held Shares and Indirectly-Held Shares respectively, and the Offeror is notified of such occurrence; and/or
  - (v) maintains an address recorded in the Register of Members, the Depository Register or in the records of an Entitled Depository Agent (as the case may be) that is not within Singapore and does not provide the Company, the Share Registrar or CDP (as the case may be) with an address in Singapore by the Record Date,
- such Electing Party shall be deemed to have elected to receive the Cash Consideration for all of its Shares, and shall be entitled only to receive the Cash Consideration for all of its Shares as at the Record Date.
- (c) In addition, if the Share Registrar or CDP (as the case may be) fails to receive, from any Electing Party, an Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) by 5.30 p.m. on the Election Closing Date or receives an Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) which does not comply with the instructions contained in the Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) or the terms and conditions contained in this Scheme Document, or which is not complete or is invalid in any other respect, that Electing Party shall be deemed to have elected the Cash Consideration in respect for all of its Shares.
- (d) Further information about the Election process, as well as the settlement and registration of the Scheme Consideration, can be found in paragraph 13 of the Explanatory Statement and paragraphs 13 and 14 of the Offeror's Letter.

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## LETTER TO SHAREHOLDERS

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### 3.4 Switch Option

Pursuant to the terms of the Implementation Agreement, subject to prior consultation with the SIC, in the event a Competing Offer or an intention to make a Competing Offer is announced (whether or not such Competing Offer is pre-conditional), the Offeror shall have the right at its sole discretion to elect to proceed by way of an Offer (in lieu of proceeding with the Acquisition by way of the Scheme) (the “**Switch Option**”), at any time prior to the date on which the Scheme Meeting is to be held.

If the Offeror exercises the Switch Option, the Offeror will make the Offer on the same or better terms as those which apply to the Scheme, including without limitation, the same or a higher consideration than the Scheme Consideration, and conditional upon a level of acceptances to be determined with the SIC’s consent.

In such event, the Company and the Offeror have agreed that the Implementation Agreement shall terminate with effect from the date of announcement by or on behalf of the Offeror of a firm intention to make the Offer, save for certain surviving provisions.

### 3.5 Termination of the Implementation Agreement

In the event of termination of the Implementation Agreement by either the Company or the Offeror pursuant to the terms of the Implementation Agreement:

- (a) the Implementation Agreement shall cease to have any further force or effect (save for certain surviving provisions of the Implementation Agreement); and
- (b) neither the Company nor the Offeror shall have any further liability or obligation to the other Party (save for certain surviving provisions of the Implementation Agreement),

provided always that such termination shall not prejudice the rights of either the Company or the Offeror which have accrued or arisen prior to such termination.

## 4. IRREVOCABLE UNDERTAKINGS

As stated in paragraph 4 of the Offeror’s Letter, each of the Undertaking Shareholders has given an Irrevocable Undertaking to, *inter alia*:

- (a) cast, or where applicable, procure the casting, of all votes in relation to their respective Shares in favour of the Scheme at the Scheme Meeting;
- (b) cast, or where applicable, procure the casting, of all votes in relation to their respective Shares against and reject any Competing Offer, subject to, for FKL, LSZ and HT, their respective fiduciary duties as a director of the Company;
- (c) comply with certain non-solicitation and no-talk provisions, in their capacity as Shareholders;
- (d) in the event that the Offeror exercises its Switch Option and makes the Offer in compliance with paragraph 3.4 of this Letter to Shareholders, tender their respective Shares in acceptance of the Offer;



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## LETTER TO SHAREHOLDERS

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- (e) elect to accept, in respect of their respective Shares:
  - (i) in the case of FKL, LSZ and YHLJ, the Cash Consideration. From the Cash Consideration due to each of FKL and LSZ, each of FKL and LSZ will also undertake to effect the Management Reinvestments; and
  - (ii) in the case of HT, the Cash and Securities Consideration.

As at the Latest Practicable Date, the Undertaking Shareholders have each given the relevant Irrevocable Undertaking to the Offeror in respect of 297,503,130 Shares held legally and/or beneficially by the Undertaking Shareholders in the aggregate, representing approximately 84.1%<sup>1</sup> of all the Shares.

Further details of the Irrevocable Undertakings and the Shares held by the Undertaking Shareholders as at the Latest Practicable Date are set out in paragraph 5 of the Explanatory Statement and paragraph 4 of the Offeror's Letter.

### 5. MANAGEMENT INCENTIVE ARRANGEMENTS

#### 5.1 Term Sheets

As the Offeror intends and desires the continuity of management and minimal interruption of the Group's business, the Offeror had on 19 May 2024 entered into the Term Sheets with FKL and LSZ to set out the proposed terms and conditions of (a) the Management Reinvestments, and (b) the Management Incentive Arrangements. Details of such arrangements are set out in paragraphs 5.2 to 5.5 in this Letter to Shareholders below.

For the avoidance of doubt, following the completion of the Scheme, it is intended that HT will retire from the Company Board and from the management team of the Company. Accordingly, the proposed arrangements in relation to the Management Reinvestments, the Management Incentive Arrangements, and the Employment Agreement Arrangements will not be applicable to HT.

#### 5.2 Management Reinvestments

As set out in the Term Sheets, it is intended that pursuant to:

- (a) the Irrevocable Undertaking given by FKL and a subscription agreement to be entered into between FKL and the Offeror, FKL will reinvest an agreed amount from the aggregate Scheme Consideration due to him pursuant to the Scheme (the "**FKL Reinvestment Amount**"), to subscribe for a certain number of Offeror Shares, based on the Issue Price; and
- (b) the Irrevocable Undertaking given by LSZ and a subscription agreement to be entered into between LSZ and the Offeror, LSZ will reinvest an agreed amount from the aggregate Scheme Consideration due to him pursuant to the Scheme (the "**LSZ Reinvestment Amount**", and together with the FKL Reinvestment Amount, the "**Reinvestment Amounts**"), to subscribe for a certain number of Offeror Shares, based on the Issue Price.

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<sup>1</sup> Rounded to the nearest one (1) decimal place.

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## LETTER TO SHAREHOLDERS

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For the purposes of the Management Reinvestments, each of FKL and LSZ irrevocably authorises, directs and instructs the Offeror to retain the Reinvestment Amounts as the aggregate subscription price payable for the Offeror Shares to be allotted and issued to each of FKL and LSZ.

### 5.3 Board Seats and Management Roles

The Offeror Board, following completion of the Acquisition, the Scheme and the Management Reinvestments, will consist of five (5) directors. It is envisaged that FKL and LSZ will be appointed as directors to the Offeror Board following completion of the Acquisition, the Scheme and the Management Reinvestments. FKL and LSZ shall remain as CEO and COO of the Group respectively and they shall be responsible for the day-to-day management and operations of the Group.

### 5.4 Management Incentive Arrangements

It is the intention and desire of the Offeror that FKL, LSZ and other senior executives or key employees of the Group (the “**RE&S Executives**” and each a “**RE&S Executive**”) continue in their current functions within the Group and contribute to the success of the Group. Accordingly, it is envisaged that the Offeror will establish a management incentive scheme (the “**Management Incentive Arrangements**”) after completion of the Acquisition and the Scheme, to reward the RE&S Executives upon the occurrence of certain prescribed exit events. The specific terms of the Management Incentive Arrangements will be finalised by the Offeror Board after completion of the Acquisition, the Scheme and the Management Reinvestments.

### 5.5 Employment Agreement Arrangements

The Offeror envisages that it may request the RE&S Executives (including FKL and LSZ) to execute new employment agreements with the Company or the Offeror, so as to amend certain terms of their employment agreements (the “**Employment Agreement Arrangements**”). The specific terms of the Employment Agreement Arrangements will be finalised by the Offeror Board after completion of the Acquisition, the Scheme and the Management Reinvestments.

## 6. SHAREHOLDING STRUCTURE OF THE OFFEROR FOLLOWING COMPLETION OF THE ACQUISITION, THE SCHEME AND THE MANAGEMENT REINVESTMENTS

Following completion of the Acquisition, the Scheme and the Management Reinvestments, the expected shareholding structure of the Offeror, subject to the finalised debt/equity capital structure of the Offeror, is envisaged to be as follows<sup>2</sup>:

- (a) assuming that no Entitled Shareholders, other than HT, elect to receive the Cash and Securities Consideration:
  - (i) HoldCo: approximately 87.0%;
  - (ii) HT: approximately 9.9%;

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<sup>2</sup> The percentages for each row are rounded to the nearest one (1) decimal place. The arithmetic sum of the percentages may not add up to 100% due to rounding.

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## LETTER TO SHAREHOLDERS

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- (iii) FKL: approximately 1.5%; and
- (iv) LSZ: approximately 1.5%; and
- (b) assuming that all Entitled Shareholders, other than FKL, LSZ, and YHLJ, elect for the Cash and Securities Consideration:
  - (i) HoldCo: approximately 84.5%;
  - (ii) HT: approximately 9.9%;
  - (iii) FKL: approximately 1.5%;
  - (iv) LSZ: approximately 1.5%; and
  - (v) other Entitled Shareholders who elect to receive the Cash and Securities Consideration (excluding HT): approximately 2.5%.

### 7. NO CASH OUTLAY

Shareholders should note that no cash outlay (including any stamp duties or brokerage expenses) will be required from Entitled Shareholders under the Scheme.

### 8. WAIVER OF RIGHTS TO A GENERAL OFFER

In accordance with the SIC Rulings as set out in paragraph 9.2 of this Letter to Shareholders, Shareholders should note that by voting in favour of the Scheme, Shareholders will be regarded as having waived their rights to a general offer by the Offeror Concert Party Group to acquire the Shares under the Code and are agreeing to the Offeror Concert Party Group acquiring or consolidating effective control of the Company without having to make a general offer for the Company.

### 9. APPROVALS REQUIRED

#### 9.1 Scheme Meeting and Court Sanction

The Scheme will require, *inter alia*, the following approvals:

- (a) the approval of the Scheme by a majority in number representing three-fourths in value of the Shares held by Shareholders present and voting either in person or by proxy at the Scheme Meeting pursuant to the requirements of Section 210(3AB) of the Companies Act; and
- (b) the sanction of the Scheme by the Court.

In addition, the Scheme will only come into effect if all the Scheme Conditions have been satisfied (or, where applicable, waived) in accordance with the Implementation Agreement and a copy of the Court Order has been lodged with ACRA.

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## LETTER TO SHAREHOLDERS

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### 9.2 SIC Rulings

Pursuant to the SIC Application made by the Offeror to the SIC to seek certain rulings in relation to the Acquisition and the Scheme, the SIC had, on 15 May 2024, confirmed, *inter alia*, that:

- (a) the Scheme is exempted from complying with Rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29 and 33.2 and Note 1(b) to Rule 19 of the Code, subject to the following conditions:
  - (i) the common substantial shareholders of the Offeror and its concert parties on the one hand, and the Company on the other hand, abstain from voting on the Scheme;
  - (ii) the Offeror and its concert parties abstain from voting on the Scheme;
  - (iii) the directors of the Company who are also directors of the Offeror or who are acting in concert with those persons in sub-paragraphs (a)(i) and (a)(ii) above abstain from making a recommendation on the Scheme to the Shareholders;
  - (iv) the Scheme Document contains advice to the effect that by voting for the Scheme, the Shareholders are agreeing to the Offeror and its concert parties acquiring or consolidating effective control of the Company without having to make a general offer for the Company;
  - (v) the Scheme Document discloses the names of the Offeror and its concert parties, their current voting rights in the Company as of the Latest Practicable Date and their voting rights in the Offeror and the Company after the Scheme;
  - (vi) the Company appoints an independent financial advisor to advise the Shareholders on the Scheme; and
  - (vii) the Scheme being completed within six (6) months (unless extended with SIC's consent) from the Joint Announcement Date;
- (b) it has no objections to the Scheme Conditions;
- (c) the Irrevocable Undertakings given by each of HT and YHLJ do not amount to an agreement or arrangement between the Offeror and each of HT and YHLJ to co-operate to obtain or consolidate effective control of the Company; and
- (d) in relation to each of FKL and LSZ:
  - (i) the Irrevocable Undertakings given by each of FKL and LSZ and the proposed arrangements contemplated by the Term Sheets in relation to FKL and LSZ (including the Management Reinvestments, the Management Incentive Arrangements, and the Employment Agreement Arrangements) (collectively, the **"FKL and LSZ Arrangements"**) will not constitute special deals for the purposes of Rule 10 of the Code;
  - (ii) the FKL and LSZ Arrangements do not amount to an agreement or arrangement between the Offeror and each of FKL and LSZ to co-operate to obtain or consolidate effective control of the Company; and

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## LETTER TO SHAREHOLDERS

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(iii) FKL and LSZ will be permitted to attend and vote on the Scheme at the Scheme Meeting,

subject to the IFA publicly stating its opinion that the FKL and LSZ Arrangements are fair and reasonable so far as Shareholders are concerned in the context of Rule 10 of the Code.

### 10. ABSTENTION FROM VOTING ON THE SCHEME

In accordance with the SIC Rulings as set out in paragraph 9.2 of this Letter to Shareholders, the Offeror Concert Party Group will abstain from voting on the Scheme.

### 11. DELISTING

Upon the Scheme becoming effective and binding in accordance with its terms, the Company will become a wholly-owned subsidiary of the Offeror, and consequently will not be able to meet the listing requirements of the SGX-ST.

The Company will, through its Sponsor, submit an application in respect of the proposed delisting and removal of the Company from the Official List of the SGX-ST upon the Scheme becoming effective and binding in accordance with its terms (the “**Delisting**”) to the SGX-ST in due course. The Delisting will be conditional upon the SGX-ST advising that it has no objection to the Company’s application for the Delisting (the “**SGX-ST Delisting Approval**”).

Please note that the SGX-ST’s decision is not to be taken as an indication of the merits of the Scheme, the Delisting, the Company, its subsidiaries and/or their securities.

**SHAREHOLDERS SHOULD NOTE THAT BY VOTING IN FAVOUR OF THE SCHEME, THE SHARES WILL, SUBJECT TO THE SGX-ST DELISTING APPROVAL BEING OBTAINED, BE DELISTED FROM THE OFFICIAL LIST OF THE SGX-ST IF THE SCHEME BECOMES EFFECTIVE AND BINDING IN ACCORDANCE WITH ITS TERMS.**

### 12. CONFIRMATION OF FINANCIAL RESOURCES

As stated in paragraph 16.2 of the Offeror’s Letter, DBS Bank Ltd., being the financial adviser to the Offeror in connection with the Acquisition and the Scheme, has confirmed that sufficient financial resources are available to the Offeror to satisfy in full the aggregate cash component of the Scheme Consideration payable by the Offeror for all the Shares to be acquired by the Offeror pursuant to the Scheme (excluding the Reinvestment Amounts), on the basis that HT elects to receive the Cash and Securities Consideration in respect of all his Shares.

For the avoidance of doubt, the confirmation of financial resources above is applicable solely to the Scheme and does not extend to the Offer, in the event the Offeror elects to exercise the Switch Option.

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## LETTER TO SHAREHOLDERS

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### 13. INDEPENDENT FINANCIAL ADVISER TO THE NON-CONFLICTED DIRECTORS

#### 13.1 Appointment of IFA

Pursuant to the SIC Rulings, the Code and Rule 1308(2) of the Catalist Rules, SAC Capital Private Limited has been appointed as the Independent Financial Adviser to advise the Non-Conflicted Directors as to whether:

- (a) the terms of the Scheme are fair and reasonable; and
- (b) FKL and LSZ Arrangements are fair and reasonable so far as Shareholders are concerned in the context of Rule 10 of the Code,

for the purposes of the Non-Conflicted Directors making a recommendation to the Shareholders in connection with the Scheme.

**Shareholders should consider carefully the recommendation of the Non-Conflicted Directors and the advice of the IFA to the Non-Conflicted Directors before deciding whether or not to vote in favour of the Scheme at the Scheme Meeting. The advice of the IFA in relation to the Scheme is set out in the IFA Letter dated 31 July 2024 in Appendix B to this Scheme Document.**

#### 13.2 Factors Taken Into Consideration by the IFA

In arriving at its recommendation, the IFA has taken into account certain considerations (an extract of which is reproduced in italics below). Shareholders should read the following extract in conjunction with, and in the context of, the IFA Letter in its entirety as set out in Appendix B to this Scheme Document. Unless otherwise defined or the context otherwise requires, all capitalised terms below shall bear the same meanings ascribed to them in the IFA Letter.

##### ***“9.1 Key Considerations of the Scheme***

*In arriving at our opinion and advice in respect of the Scheme, we have taken into account, and reviewed the following key considerations, which we consider to be pertinent in our assessment of the Scheme. The following should be read in conjunction with, and in the context of, the full text of this letter:*

- (a) an assessment of the market quotation and trading liquidity of the Shares during the Period Under Review, as set out in paragraph 7.1 of this letter;*
- (b) historical financial performance of the Group, as set out in paragraph 7.2 of this letter;*
- (c) historical financial position of the Group, including the NAV and RNAV of the Group, as set out in paragraph 7.3 of this letter;*
- (d) a comparison with the valuation statistics of the Comparable Companies, as set out in paragraph 7.4 of this letter;*



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- (e) *a comparison with recent successful privatisation transactions and delisting offers of companies listed on the SGX-ST, as set out in paragraph 7.5 of this letter;*
- (f) *a comparison with successful privatisation transactions and delisting offers of F&B companies listed on the SGX-ST, as set out in paragraph 7.6 of this letter;*
- (g) *estimated range of value of the Shares, as set out in paragraph 7.7 of this letter;*
- (h) *Cash and Securities Consideration as an Election, as set out in paragraph 7.8 of this letter;*
- (i) *other relevant considerations as follows:*
  - (i) *historical dividend yields of the Company, as set out in paragraph 7.9.1 of this letter;*
  - (ii) *outlook of the Group, as set out in paragraph 7.9.2 of this letter;*
  - (iii) *the absence of alternative or competing offers from third parties as at the Latest Practicable Date, as set out in paragraph 7.9.3 of this letter;*
  - (iv) *Irrevocable Undertakings received by the Offeror from the Undertaking Shareholders, as set out in paragraph 7.9.4 of this letter;*
  - (v) *the effects of the Scheme and Delisting, as set out in paragraph 7.9.5 of this letter; and*
  - (vi) *no certainty of share price trading performance, as set out in paragraph 7.9.6 of this letter.*

### **9.2 Assessment of the Scheme**

*For the purpose of evaluating the Scheme, we have adopted the approach that the term “fair” and “reasonable” are regarded as two different concepts. The term “fair” relates to an opinion on the value of the offer price against the value of the securities subject to the offer (the “**Securities**”), and an offer is “fair” if the price offered is equal to or greater than the value of the Securities. In considering whether an offer is “reasonable”, other matters as well as the value of the Securities are taken into consideration. Such other matters include, but are not limited to, existing voting rights in the company held by an offeror and its concert parties or the market liquidity of the relevant securities.*

#### **9.2.1 Assessment of Fairness of the Scheme**

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

- (a) *the Shares have never closed at or above the Scheme Consideration since IPO date and up to the Latest Practicable Date;*

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## LETTER TO SHAREHOLDERS

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- (b) *based on the NAV/NTA approach, which provides an estimate of the value of a group assuming the hypothetical sale of all its assets over a reasonable period of time, the Scheme Consideration represents a premium of approximately 233.3% against the adjusted NAV per Share of S\$0.108 as at 31 December 2023. Accordingly, the P/NAV of the Group implied by the Scheme Consideration would be approximately 3.33 times as at 31 December 2023;*
- (c) *the Scheme Consideration represents a premium of approximately 92.5% against the RNAV per Share of S\$0.187 as at 31 December 2023. Accordingly, the P/RNAV of the Group implied by the Scheme Consideration would be approximately 1.93 times as at 31 December 2023;*
- (d) *the historical PER, P/NTA and EV/EBITDA ratios as implied by the Scheme Consideration are all within the range and higher than the corresponding mean and median ratios of the Comparable Companies;*
- (e) *the historical P/NAV ratio as implied by the Scheme Consideration is above the range of historical P/NAV ratios of the Comparable Companies and Take-over Transactions;*
- (f) *the P/RNAV ratio as implied by the Scheme Consideration is within the range and higher than the mean and median historical P/NAV ratios of the Comparable Companies; within the range and higher than the corresponding mean and median Price-to-NAV/NTA ratio of the Take-over Transactions;*
- (g) *the premia of the Scheme Consideration over the VWAP of the Shares for the 6-, 3- and 1-month periods up to and including the Last Trading Day, and the premium of the Scheme Consideration over the last closing price of the Shares on the Last Trading Day are above the range of corresponding premia of the Take-over Transactions;*
- (h) *the premium of the Scheme Consideration over the VWAP of the Shares for the 12-month period up to and including the Last Trading Day is within the range and above the corresponding mean and median premia of the Take-over Transactions;*
- (i) *the historical PER as implied by the Scheme Consideration is above the range of historical PERs of the F&B Take-over Transactions, and the historical P/NAV as implied by the Scheme Consideration is within the range and higher than the corresponding mean and median historical P/NAVs of the F&B Take-over Transactions; and*
- (j) *the Scheme Consideration is above the estimated value range of the Shares of S\$0.212 and S\$0.238 per Share.*

*In view of the above, we are of the opinion that the Scheme is **FAIR**.*

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## LETTER TO SHAREHOLDERS

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### 9.2.2 Assessment of Reasonableness of the Scheme

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

- (a) the trading of the Shares is erratic and appears to be relatively illiquid in the 12-, 6-, 3-, and 1-month period up to and including the Last Trading Day. It is to note that given the low liquidity of the Shares during the periods observed, the Scheme Consideration may represent a realistic exit opportunity for Shareholders to realise their entire investment for cash. In the absence of the Scheme Consideration, such an exit for all Shareholders may not be readily available due to the low trading liquidity for the Shares;*
- (b) the Company's commentary in the 1H2024 results announcement that the F&B industry is expected to be challenging, with factors that may contribute to rising operating costs, rising labor costs and reduction in discretionary spending;*
- (c) as at the Latest Practicable Date, apart from the Scheme, no alternative or competing offer has been received by the Company. In addition, any potential third party may also be discouraged from making a competing offer for the Company at a price higher than the Scheme Consideration in view of the Irrevocable Undertaking; and*
- (d) If the Scheme does not proceed to completion and the Company remains listed on the SGX-ST, there is no certainty that the Company share price will trade at or close to the Scheme Consideration.*

*In view of the above, we are of the opinion that the Scheme is **REASONABLE**."*

### 13.3 Advice of the IFA on the Scheme

After having regard to the considerations set out in the IFA Letter, and based on the information available to the IFA as at the Latest Practicable Date, the IFA has given its advice in respect of the Scheme to the Non-Conflicted Directors (an extract of which is reproduced in italics below).

Shareholders should read the following extract in conjunction with, and in the context of, the IFA Letter in its entirety as set out in Appendix B to this Scheme Document.

*"In conclusion, we are of the opinion that, on balance, the financial terms of the Scheme are **fair and reasonable**. Accordingly, we advise the Non-Conflicted Directors to recommend Shareholders to vote **in favour** of the Scheme."*

## 14. NON-CONFLICTED DIRECTORS' RECOMMENDATION

### 14.1 Independence

The SIC has ruled that the following Directors are exempted from the requirement to make a recommendation on the Scheme to Shareholders:

- (a) FKL, the Executive Director and CEO; and
- (b) LSZ, the Executive Director and COO.

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## LETTER TO SHAREHOLDERS

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Nonetheless, each of FKL and LSZ must still assume responsibility for the accuracy of the facts stated or opinions expressed in documents and advertisements issued by, or on behalf of, the Company in connection with the Scheme.

Save for FKL and LSZ, all other Directors consider themselves to be independent for the purposes of making a recommendation to Shareholders in respect of the Scheme.

### 14.2 Recommendation

The Non-Conflicted Directors, having considered carefully the terms of the Scheme and the advice given by the IFA in the IFA Letter as set out in Appendix B to this Scheme Document, recommend that Shareholders **VOTE IN FAVOUR** of the Scheme at the Scheme Meeting.

Shareholders should also be aware and note that there is no assurance that the trading volumes and market prices of the Shares will be maintained at the current levels prevailing as at the Latest Practicable Date if the Scheme does not become effective and binding for whatever reason. In the event the Scheme becomes effective, it will be binding on all Shareholders whether or not they were present in person or by proxy or voted to approve the Scheme at the Scheme Meeting. Shareholders should also be aware and note that there is currently no certainty that the Scheme will become effective and binding.

Shareholders should read and consider carefully this Scheme Document in its entirety, in particular, the advice of the IFA in the IFA Letter as set out in Appendix B to this Scheme Document before deciding whether or not to vote in favour of the Scheme.

### 14.3 No Regard to Specific Objectives

The Non-Conflicted Directors advise Shareholders, in deciding whether or not to vote in favour of the Scheme, to carefully consider the advice of the IFA and in particular, the various considerations highlighted by the IFA in the IFA Letter as set out in Appendix B to this Scheme Document.

In giving the above recommendation, the Non-Conflicted Directors have not had regard to the specific objectives, financial situation, tax position, tax status, risk profiles or particular needs and constraints and circumstances of any individual Shareholder.

As each Shareholder would have different investment objectives and profiles, the Non-Conflicted Directors recommend that any individual Shareholder who may require advice in the context of his specific investment objectives or portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

## 15. DIRECTORS' INTERESTS AND INTENTIONS WITH RESPECT TO THEIR SHARES

The interests of Directors in the Shares as at the Latest Practicable Date are set out in Appendix D to this Scheme Document.

All the Directors who legally and/or beneficially own Shares (amounting to approximately 67.97%<sup>3</sup> of the total number of Shares), as set out in Appendix D to this Scheme Document,

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<sup>3</sup> Rounded to the nearest two (2) decimal places.

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## LETTER TO SHAREHOLDERS

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have informed the Company that they will **VOTE IN FAVOUR** of the Scheme in respect of all such Shares at the Scheme Meeting.

### 16. OVERSEAS SHAREHOLDERS

#### 16.1 Overseas Shareholders

The applicability of the Scheme to Shareholders whose addresses are outside Singapore, as shown on the Register of Members, or as the case may be, in the records of CDP (the “**Overseas Shareholders**”) may be affected by the laws of the relevant overseas jurisdictions. Accordingly, all Overseas Shareholders should inform themselves about, and observe, any applicable legal requirements in their own jurisdictions.

Where there are potential restrictions on sending this Scheme Document and any related documents to any overseas jurisdiction, the Offeror reserves the right not to send such documents to Shareholders in such overseas jurisdiction. For the avoidance of doubt, the Scheme is being proposed to all Shareholders (including Overseas Shareholders), including those to whom this Scheme Document and any related documents will not be, or may not be, sent, provided that this Scheme Document does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful and the Scheme is not being proposed in any jurisdiction in which the introduction or implementation of the Scheme would not be in compliance with the laws of such jurisdiction.

**Overseas Shareholders who are in doubt as to their positions should consult their own professional advisers in the relevant jurisdictions.**

#### 16.2 Copies of Scheme Document

The Constitution provides that any Shareholder whose registered address is outside Singapore and who has not supplied to the Company or CDP (as the case may be) an address within Singapore for the service of notices and documents shall not be entitled to receive any such notices or documents from the Company. Accordingly, the Offeror and the Company reserve the right not to send the Notice of Scheme Meeting, the Proxy Form and the Request Form to any Overseas Shareholder, including where there are potential restrictions on sending the Notice of Scheme Meeting, the Proxy Form and the Request Form to the relevant overseas jurisdiction. Hence, this Scheme Document and any related documents has not been and will not be sent to any Overseas Shareholder.

Electronic copies of this Scheme Document (together with the Notice of Scheme Meeting, the Proxy Form and the Request Form) have been made available on SGXNet at <https://sgx.com/securities/company-announcements> and the Company’s corporate website at <https://res.listedcompany.com>. A Shareholder will need an internet browser and PDF reader to view these documents on the SGXNet announcement page of the Company and the corporate website of the Company.

Shareholders (including Overseas Shareholders) may obtain printed copies of this Scheme Document by submitting the Request Form to the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. by post at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632 or via email to [srs.proxy@boardroomlimited.com](mailto:srs.proxy@boardroomlimited.com) by no later than **10.00 a.m. on 12 August 2024**. Printed copies of this Scheme Document will be sent to the address in Singapore specified by the Shareholder by ordinary post at its own risk, up to three (3) Market Days prior to the date of the Scheme Meeting.

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## LETTER TO SHAREHOLDERS

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It is the responsibility of any Overseas Shareholder who wishes to request for this Scheme Document and any related documents to satisfy itself as to the full observance of the laws of the relevant jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements. In requesting for this Scheme Document and any related documents or participating in the Scheme, the Overseas Shareholder represents and warrants to the Offeror and the Company that it is in full observance of the laws of the relevant jurisdiction in that connection, and that it is in full compliance with all necessary formalities or legal requirements. **If any Overseas Shareholder is in any doubt about its position, it should consult its professional adviser in the relevant jurisdiction.**

### 16.3 Notice

The Offeror and the Company each reserves the right to notify any matter, including the fact that the Scheme has been proposed, to any or all Shareholders (including Overseas Shareholders) by announcement to the SGX-ST or paid advertisement in a daily newspaper published and circulated in Singapore, in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Shareholder (including any Overseas Shareholder) to receive or see such announcement or advertisement. For the avoidance of doubt, for as long as the Company remains listed on the SGX-ST, the Company will continue to notify all Shareholders (including Overseas Shareholders) of any matter relating to the Scheme by announcement via SGXNet.

**Notwithstanding that any Overseas Shareholder may not receive the Notice of the Scheme Meeting, they shall be bound by the Scheme if the Scheme becomes effective in accordance with its terms.**

### 16.4 Foreign Jurisdiction

It is the responsibility of any Overseas Shareholder who wishes to participate in the Scheme to satisfy itself as to the full observance of the laws of the relevant jurisdiction in connection with the Scheme, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements. In participating in the Scheme, the Overseas Shareholder represents and warrants to the Offeror and the Company that it is in full observance of the laws of the relevant jurisdiction in that connection, and that it is in full compliance with all necessary formalities or legal requirements. **If any Overseas Shareholder is in any doubt about its position, it should consult its professional adviser in the relevant jurisdiction.**



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## LETTER TO SHAREHOLDERS

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### 17. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the Scheme Meeting are requested to complete the Proxy Form in accordance with the instructions printed thereon and lodge them with the Share Registrar via email to [srs.proxy@boardroomlimited.com](mailto:srs.proxy@boardroomlimited.com) or by post at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632, in either case, not less than 72 hours before the time fixed for the Scheme Meeting.

The completion and lodgement of the Proxy Form will not prevent Shareholders from attending and voting in person at the Scheme Meeting if they subsequently wish to do so. In such event, the relevant Proxy Form will be deemed to be revoked.

### 18. INFORMATION RELATING TO SRS INVESTORS

SRS Investors should consult their SRS Agent Banks for further information on the Scheme. If they are in any doubt as to the action they should take, SRS Investors should seek independent professional advice.

### 19. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors (including any who may have delegated detailed supervision of the preparation of this Scheme Document) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Scheme Document which relate to the Company (excluding Appendices B, C and H to this Scheme Document, and any information relating to the Offeror and the Offeror Concert Party Group or any opinion expressed by the Offeror, the Offeror Concert Party Group, the IFA and/or the Valuer) are fair and accurate and that, where appropriate, no material facts which relate to the Company have been omitted from this Scheme Document. The Directors jointly and severally accept full responsibility for the accuracy of the information given in this Scheme Document (excluding Appendices B, C and H to this Scheme Document, and any information relating to the Offeror and the Offeror Concert Party Group or any opinion expressed by the Offeror, the Offeror Concert Party Group, the IFA and/or the Valuer).

The Directors confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Scheme Document constitutes full and true disclosure of all material facts about the Acquisition, the Scheme and the Group, and the Directors are not aware of any facts the omission of which would make any statement in this Scheme Document misleading.

Where any information in this Scheme Document (including information which relates to the Company) has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Offeror, the Offeror Concert Party Group, the IFA or the Valuer, the sole responsibility of the Directors has been to ensure that, through reasonable enquiries, such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Scheme Document in its proper form and context.

In respect of the IFA Letter set out in Appendix B to this Scheme Document and the Valuation Summary set out in Appendix H to this Scheme Document, the sole responsibility of the Directors has been to ensure that the facts stated with respect to the Group are fair and accurate.



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## LETTER TO SHAREHOLDERS

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### 20. GENERAL INFORMATION

Your attention is drawn to the further relevant information in the Explanatory Statement and the Appendices to this Scheme Document.

**In particular, your attention is also drawn to paragraphs 13 to 15 of the Explanatory Statement explaining (a) the Election process, and (b) the procedures and timing for the settlement of the Scheme Consideration.**

Yours faithfully  
For and on behalf of the Board of Directors of  
**RE&S Holdings Limited**

Foo Kah Lee  
Executive Director and CEO

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**APPENDIX A – EXPLANATORY STATEMENT**  
(in compliance with Section 211 of the Companies Act)

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**PROPOSED ACQUISITION OF THE COMPANY BY THE OFFEROR  
BY WAY OF THE SCHEME**

**1. INTRODUCTION**

**1.1 Joint Announcement**

On 19 May 2024, the respective board of directors of Company and the Offeror jointly announced the proposed acquisition of all the issued ordinary shares in the capital of the Company by the Offeror, which will be effected by the Company by way of a scheme of arrangement in accordance with Section 210 of the Companies Act and the Code.

A copy of the Joint Announcement is available on the website of SGX-ST at <https://www.sgx.com/securities/company-announcements>.

**1.2 Effect of the Scheme and Delisting**

Upon the Scheme becoming effective and binding in accordance with its terms, the Company will become a wholly-owned subsidiary of the Offeror, and consequently will not be able to meet the listing requirements of the SGX-ST.

The Company will, through its Sponsor, submit an application in respect of the Delisting to the SGX-ST in due course. The Delisting will be conditional upon the SGX-ST Delisting Approval.

Please note that the SGX-ST's decision is not to be taken as an indication of the merits of the Scheme, the Delisting, the Company, its subsidiaries and/or their securities.

**1.3 Explanatory Statement**

The purpose of this Explanatory Statement is to provide Shareholders with information on the Scheme and to explain the rationale for and effect of the Scheme. This Explanatory Statement should be read in conjunction with the full text of this Scheme Document, including the Scheme as set out in Appendix P to this Scheme Document.

Unless otherwise defined or the context otherwise requires, all capitalised terms used in this Explanatory Statement shall bear the same meanings ascribed to them in this Scheme Document.

**2. GENERAL**

**2.1 What is a scheme of arrangement?**

Under Singapore law, a scheme of arrangement of the kind proposed here is a compromise or arrangement provided for under Section 210 of the Companies Act to take effect between a company and its members or creditors. The arrangement becomes legally binding on **all of the members** or creditors to whom it is intended to apply if a majority in number and representing three-fourths in value of the members or creditors, voting in person or by proxy, vote in favour of it at the meeting convened with the permission of the Court and if the Court subsequently approves it.

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**2.2 What are Shareholders required to do?**

If you are a Shareholder, you are entitled to vote at the Scheme Meeting for the purpose of approving the Scheme. The Scheme Meeting will be held on **15 August 2024 at 10.00 a.m.**, notice of which is set out in Appendix Q to this Scheme Document. You may attend the Scheme Meeting in person or you may vote by proxy in accordance with paragraph 17 of the Letter to Shareholders.

**3. RATIONALE FOR THE ACQUISITION**

The Offeror's rationale for the Acquisition is set out in paragraph 3 of the Offeror's Letter.

**4. THE SCHEME**

**4.1 Terms of the Scheme**

The Scheme is proposed to all Shareholders.

Under the Scheme:

- (a) All the Shares held by Entitled Shareholders will be transferred to the Offeror:
- (i) fully paid up;
  - (ii) free from all Encumbrances; and
  - (iii) together with all rights, benefits and entitlements attaching thereto as at the Joint Announcement Date and thereafter attaching thereto, including the right to receive and retain all dividends, rights and other distributions (if any) declared, paid or made by the Company to the Shareholders on or after the Joint Announcement Date.
- (b) In consideration of the transfer of the Shares pursuant to paragraph 4.1(a) of this Explanatory Statement, each Entitled Shareholder will be entitled to receive for each Share, at their Election:
- (i) the Cash Consideration, being **S\$0.360 in cash**; or
  - (ii) in lieu of the Cash Consideration, the Cash and Securities Consideration, being **S\$0.330 in cash** and **0.083143 Offeror Shares**, which the Offeror shall allot and issue, duly authorised, fully paid and free from all Encumbrances, at the Issue Price of S\$0.360 per Offeror Share.
- (c) For the avoidance of doubt, each Entitled Shareholder is only entitled to receive the Cash Consideration or, in lieu thereof, the Cash and Securities Consideration, for all the Shares registered in the Entitled Shareholder's name, but not a mixture of both. In the absence or failure of any valid Election, an Entitled Shareholder shall be deemed to have elected for the Cash Consideration for all the Shares registered in such Entitled Shareholder's name. **An Entitled Shareholder who wishes to receive the Cash Consideration does not need to complete and return the Election Form.**

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- (d) In respect of the securities component of the Cash and Securities Consideration, the aggregate number of the Offeror Shares that are issuable to any Entitled Shareholder in respect of Shares held by such Entitled Shareholder will be rounded down to the nearest whole number. Fractional entitlements shall be disregarded in the calculation of the Offeror Shares to be issued to any Entitled Shareholder pursuant to the Scheme and no payment will be made for any such fractional entitlements disregarded.
- (e) If any dividends, rights or other distributions, are declared, paid or made by the Company to the Shareholders on or after the Joint Announcement Date and before the Effective Date, the Offeror reserves the right to reduce the Scheme Consideration by the amount of such dividends, rights or other distributions.

#### **4.2 Offeror Shares**

The Offeror Shares to be issued pursuant to the Scheme will, when issued, be validly authorised, validly issued and outstanding, fully paid and non-assessable and free from Encumbrances (other than restrictions arising out of applicable securities laws) and all consents, authorisations, approvals or waivers from any governmental authorities or third parties necessary for such issuance have been or will, prior to such issuance, be obtained.

Further details on the Offeror Shares are set out in paragraphs 2.3 and 2.4 of the Offeror's Letter.

**Shareholders should note that there are risks involved with investing in the Offeror Shares. Further details on some of the risks relating to the Offeror Shares can be found in Schedule C of the Offeror's Letter. Shareholders are advised to carefully consider these risk factors in their entirety.**

#### **4.3 Election Process**

- (a) Each Entitled Shareholder:
  - (i) who holds Directly-Held Shares, shall only be entitled to elect to receive the Cash Consideration or, in lieu thereof, the Cash and Securities Consideration for all of its Directly-Held Shares, but not a mixture of both; and
  - (ii) who holds Indirectly-Held Shares, shall in respect of each sub-account holder, be entitled to elect to receive the Cash Consideration or, in lieu thereof, the Cash and Securities Consideration for all the Indirectly-Held Shares held on behalf of such sub-account holder, but not a mixture of both,

(each Entitled Shareholder under paragraph 4.3(a)(i) and Depository Agent (for and on behalf of each sub-account holder under paragraph 4.3(a)(ii)) shall be referred to as an "**Electing Party**").

**If an Entitled Shareholder holds both Directly-Held Shares and Indirectly-Held Shares through securities sub-account(s) with Depository Agent(s), such Entitled Shareholder shall elect to receive either the Cash Consideration OR the Cash and Securities Consideration (and not a mixture of both) in respect of all of its Directly-Held Shares, and shall direct its Depository Agent(s) to elect to receive the same form of Scheme Consideration in respect of all of its Indirectly-Held Shares.**

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- (b) In the event that any Electing Party:
- (i) fails to elect to receive the Cash and Securities Consideration within the Election Period, whether due to the Share Registrar or CDP (as the case may be) (A) failing to receive from the Entitled Shareholder an Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) by the end of the Election Period; or (B) receiving an Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) which does not comply with the instructions contained in the Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) or the terms and conditions contained in this Scheme Document, or which is not complete or is invalid in any other respect;
  - (ii) to the extent applicable under the laws of the Cayman Islands and upon being notified by the Offeror, fails to provide such details and/or information as may be required to satisfy the requirements of the anti-money laundering regulations of the Cayman Islands;
  - (iii) elects to receive the Cash Consideration or the Cash and Securities Consideration in respect of only some and not all of its Shares;
  - (iv) holds both Directly-Held Shares and Indirectly-Held Shares through securities sub-account(s) with Depository Agent(s) and does not elect to receive and direct its Depository Agent(s) to elect to receive the same form of the Scheme Consideration in respect of all of its Directly-Held Shares and Indirectly-Held Shares respectively, and the Offeror is notified of such occurrence; and/or
  - (v) maintains an address recorded in the Register of Members, the Depository Register or in the records of an Entitled Depository Agent (as the case may be) that is not within Singapore and does not provide the Company, the Share Registrar or CDP (as the case may be) with an address in Singapore by the Record Date,

such Electing Party shall be deemed to have elected to receive the Cash Consideration for all of its Shares, and shall be entitled only to receive the Cash Consideration for all of its Shares as at the Record Date.

- (c) In addition, if the Share Registrar or CDP (as the case may be) fails to receive, from any Electing Party, an Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) by 5.30 p.m. on the Election Closing Date or receives an Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) which does not comply with the instructions contained in the Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) or the terms and conditions contained in this Scheme Document, or which is not complete or is invalid in any other respect, that Electing Party shall be deemed to have elected the Cash Consideration in respect for all of its Shares.
- (d) Further information about the Election process, as well as the settlement and registration of the Scheme Consideration, can be found in paragraph 13 of this Explanatory Statement and paragraphs 13 and 14 of the Offeror's Letter.

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**4.4 Switch Option**

Pursuant to the terms of the Implementation Agreement, subject to prior consultation with the SIC, in the event a Competing Offer or an intention to make a Competing Offer is announced (whether or not such Competing Offer is pre-conditional), the Offeror shall have the right at its sole discretion to elect to exercise the Switch Option, at any time prior to the date on which the Scheme Meeting is to be held.

If the Offeror exercises the Switch Option, the Offeror will make the Offer on the same or better terms as those which apply to the Scheme, including without limitation, the same or a higher consideration than the Scheme Consideration, and conditional upon a level of acceptances to be determined with the SIC's consent.

In such event, the Company and the Offeror have agreed that the Implementation Agreement shall terminate with effect from the date of announcement by or on behalf of the Offeror of a firm intention to make the Offer, save for certain surviving provisions.

**4.5 No Cash Outlay**

Shareholders should note that no cash outlay (including any stamp duties or brokerage expenses) will be required from Entitled Shareholders under the Scheme.

**4.6 Waiver of Rights to a General Offer**

In accordance with the SIC Rulings as set out in paragraph 9.2 of the Letter to Shareholders, Shareholders should note that by voting in favour of the Scheme, Shareholders will be regarded as having waived their rights to a general offer by the Offeror Concert Party Group to acquire the Shares under the Code and are agreeing to the Offeror Concert Party Group acquiring or consolidating effective control of the Company without having to make a general offer for the Company.

**5. IRREVOCABLE UNDERTAKINGS**

**5.1 Irrevocable Undertakings**

As stated in paragraph 4 of the Offeror's Letter, each of the Undertaking Shareholders has given an Irrevocable Undertaking to, *inter alia*:

- (a) cast, or where applicable, procure the casting, of all votes in relation to their respective Shares in favour of the Scheme at the Scheme Meeting;
- (b) cast, or where applicable, procure the casting, of all votes in relation to their respective Shares against and reject any Competing Offer, subject to, for FKL, LSZ and HT, their respective fiduciary duties as a director of the Company;
- (c) comply with certain non-solicitation and no-talk provisions, in their capacity as Shareholders;
- (d) in the event that the Offeror exercises its Switch Option and makes the Offer in compliance with paragraph 4.4 of this Explanatory Statement above, tender their respective Shares in acceptance of the Offer;



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- (e) elect to accept, in respect of their respective Shares:
  - (i) in the case of FKL, LSZ and YHLJ, the Cash Consideration. From the Cash Consideration due to each of FKL and LSZ, each of FKL and LSZ will also undertake to effect the Management Reinvestments; and
  - (ii) in the case of HT, the Cash and Securities Consideration.

As at the Latest Practicable Date, the Undertaking Shareholders have each given the relevant Irrevocable Undertaking to the Offeror in respect of 297,503,130 Shares held legally and/or beneficially by the Undertaking Shareholders, representing approximately 84.1%<sup>4</sup> of all the Shares.

Further details of the Irrevocable Undertakings and the Shares held by the Undertaking Shareholders as at the Latest Practicable Date are set out in paragraph 4 to the Offeror's Letter.

## **5.2 Termination of the Irrevocable Undertakings**

The Irrevocable Undertakings will terminate on the earliest of any of the following dates:

- (a) if the Implementation Agreement is not terminated, the Effective Date; or
- (b) if the Implementation Agreement lapses or is terminated, the earliest of:
  - (i) the date on which the Implementation Agreement lapses or is terminated for any reason without the Scheme becoming effective (other than as a result of the Switch Option being exercised by the Offeror or a breach of the Undertaking Shareholders' respective obligations under their respective Irrevocable Undertakings), if the Switch Option is not exercised by the Offeror;
  - (ii) the date the Offer lapses or is withdrawn for any reason, if the Switch Option is exercised by the Offeror; or
  - (iii) the date on which the Offer becomes unconditional, if the Switch Option is exercised by the Offeror and the Offer does not lapse or is not withdrawn for any reason; or
- (c) in the event that a Competing Offer for the Company is announced by a third party after the Joint Announcement Date, and such offer is declared unconditional in all respects in accordance with its terms (other than by reason of the Undertaking Shareholders' Shares being validly tendered in acceptance of such offer), the date on which the Competing Offer becomes unconditional.

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<sup>4</sup> Rounded to the nearest one (1) decimal place.

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### **5.3 No Other Irrevocable Undertakings**

Save for the Irrevocable Undertakings, as at the Latest Practicable Date, none of (a) the Offeror, the HoldCo, and SCG, (b) the directors of each of the Offeror, HoldCo and SCG and (c) the Offeror Financial Adviser has received any irrevocable undertaking from any party to vote in favour of the Scheme at the Scheme Meeting.

### **5.4 SIC Rulings**

In accordance with the SIC Rulings, the SIC has confirmed, *inter alia*, that:

- (a) the Irrevocable Undertakings given by each of HT and YHLJ do not amount to an agreement or arrangement between the Offeror and each of HT and YHLJ to co-operate to obtain or consolidate effective control of the Company; and
- (b) in relation to each of FKL and LSZ:
  - (i) the FKL and LSZ Arrangements (which include the Irrevocable Undertakings given by each of FKL and LSZ) will not constitute special deals for the purposes of Rule 10 of the Code;
  - (ii) the FKL and LSZ Arrangements (which include the Irrevocable Undertakings given by each of FKL and LSZ) do not amount to an agreement or arrangement between the Offeror and each of FKL and LSZ to co-operate to obtain or consolidate effective control of the Company; and
  - (iii) FKL and LSZ will be permitted to attend and vote on the Scheme at the Scheme Meeting,

subject to the IFA publicly stating its opinion that the FKL and LSZ Arrangements are fair and reasonable so far as Shareholders are concerned in the context of Rule 10 of the Code.

Accordingly, subject to the conditions imposed by the SIC being satisfied, each of the Undertaking Shareholders will not be precluded from attending and voting at the Scheme Meeting by virtue of their respective Irrevocable Undertakings.

## **6. MANAGEMENT INCENTIVE ARRANGEMENTS**

### **6.1 Term Sheets**

As the Offeror intends and desires the continuity of management and minimal interruption of the Group's business, the Offeror had on 19 May 2024 entered into the Term Sheets with FKL and LSZ to set out the proposed terms and conditions of (a) the Management Reinvestments, and (b) the Management Incentive Arrangements. Details of such arrangements are set out in paragraphs 6.2 to 6.5 in this Explanatory Statement below.

For the avoidance of doubt, following the completion of the Scheme, it is intended that HT will retire from the Company Board and from the management team of the Company. Accordingly, the proposed arrangements in relation to the Management Reinvestments, the Management Incentive Arrangements, and the Employment Agreement Arrangements will not be applicable to HT.

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**6.2 Management Reinvestments**

As set out in the Term Sheets, it is intended that pursuant to:

- (a) the Irrevocable Undertaking given by FKL and a subscription agreement to be entered into between FKL and the Offeror, FKL will reinvest the FKL Reinvestment Amount to subscribe for a certain number of Offeror Shares, based on the Issue Price; and
- (b) the Irrevocable Undertaking given by LSZ and a subscription agreement to be entered into between LSZ and the Offeror, LSZ will reinvest the LSZ Reinvestment Amount to subscribe for a certain number of Offeror Shares, based on the Issue Price.

For the purposes of the Management Reinvestments, each of FKL and LSZ irrevocably authorises, directs and instructs the Offeror to retain the Reinvestment Amounts as the aggregate subscription price payable for the Offeror Shares to be allotted and issued to each of FKL and LSZ.

**6.3 Board Seats and Management Roles**

The Offeror Board, following completion of the Acquisition, the Scheme and the Management Reinvestments, will consist of five (5) directors. It is envisaged that FKL and LSZ will be appointed as directors to the Offeror Board following completion of the Acquisition, the Scheme and the Management Reinvestments. FKL and LSZ shall remain as CEO and COO of the Group respectively and they shall be responsible for the day-to-day management and operations of the Group.

**6.4 Management Incentive Arrangements**

It is the intention and desire of the Offeror that the RE&S Executives continue in their current functions within the Group and contribute to the success of the Group. Accordingly, it is envisaged that the Offeror will establish the Management Incentive Arrangements after completion of the Acquisition and the Scheme, to reward the RE&S Executives upon the occurrence of certain prescribed exit events. The specific terms of the Management Incentive Arrangements will be finalised by the Offeror Board after completion of the Acquisition, the Scheme and the Management Reinvestments.

**6.5 Employment Agreement Arrangements**

The Offeror envisages that it may request the RE&S Executives (including FKL and LSZ) to execute the Employment Agreement Arrangements. The specific terms of the Employment Agreement Arrangements will be finalised by the Offeror Board after completion of the Acquisition, the Scheme and the Management Reinvestments.

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**6.6 SIC Rulings**

In accordance with the SIC Rulings, the SIC has confirmed, *inter alia*, that in relation to each of FKL and LSZ:

- (a) the FKL and LSZ Arrangements (which includes the proposed arrangements contemplated by the Term Sheets in relation to FKL and LSZ (including the Management Reinvestments, the Management Incentive Arrangements and Employment Agreement Arrangements)) will not constitute special deals for the purposes of Rule 10 of the Code;
- (b) the FKL and LSZ Arrangements (which includes the proposed arrangements contemplated by the Term Sheets in relation to FKL and LSZ (including the Management Reinvestments, the Management Incentive Arrangements and Employment Agreement Arrangements)) do not amount to an agreement or arrangement between the Offeror and each of FKL and LSZ to co-operate to obtain or consolidate effective control of the Company; and
- (c) FKL and LSZ will be permitted to attend and vote on the Scheme at the Scheme Meeting,

subject to the IFA publicly stating its opinion that the FKL and LSZ Arrangements are fair and reasonable so far as Shareholders are concerned in the context of Rule 10 of the Code.

Accordingly, subject to the conditions imposed by the SIC being satisfied, each of the FKL and LSZ will not be precluded from attending and voting at the Scheme Meeting by virtue of the FKL and LSZ Arrangements.

**7. SHAREHOLDING STRUCTURE OF THE OFFEROR FOLLOWING COMPLETION OF THE ACQUISITION, THE SCHEME AND THE MANAGEMENT REINVESTMENTS**

Following completion of the Acquisition, the Scheme and the Management Reinvestments, the expected shareholding structure of the Offeror, subject to the finalised debt/equity capital structure of the Offeror, is envisaged to be as follows<sup>5</sup>:

- (a) assuming that no Entitled Shareholders, other than HT, elect to receive the Cash and Securities Consideration:
  - (i) HoldCo: approximately 87.0%;
  - (ii) HT: approximately 9.9%;
  - (iii) FKL: approximately 1.5%; and
  - (iv) LSZ: approximately 1.5%; and

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<sup>5</sup> The percentages for each row are rounded to the nearest one (1) decimal place. The arithmetic sum of the percentages may not add up to 100% due to rounding.

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- (b) assuming that all Entitled Shareholders, other than FKL, LSZ, and YHLJ, elect to receive the Cash and Securities Consideration:
  - (i) HoldCo: approximately 84.5%;
  - (ii) HT: approximately 9.9%;
  - (iii) FKL: approximately 1.5%;
  - (iv) LSZ: approximately 1.5%; and
  - (v) other Entitled Shareholders who elect to receive the Cash and Securities Consideration (excluding HT): approximately 2.5%.

**8. INFORMATION ON THE OFFEROR, HOLDCO AND SCG**

Information on the Offeror, HoldCo and SCG, as well as the Offeror's rationale for the Acquisition and future intentions for the Group, can be found in the Offeror's Letter.

**9. SCHEME MEETING**

**9.1 Scheme Meeting**

The Scheme, which is proposed pursuant to Section 210 of the Companies Act, is required to be approved by the Shareholders at the Scheme Meeting. By an order of the Court, the Scheme Meeting was directed to be convened for the purpose of considering, and if thought fit, approving the Scheme.

By proposing that the Acquisition be implemented by way of a scheme of arrangement under Section 210 of the Companies Act, the Company is providing Shareholders with the opportunity to decide at the Scheme Meeting whether they consider the Scheme to be in their best interests.

The Scheme must be approved at the Scheme Meeting by a majority in number of Shareholders, present and voting, either in person or by proxy at the Scheme Meeting, such majority representing not less than three-fourths in value of the Shares voted at the Scheme Meeting.

If and when the Scheme becomes effective, it will be binding on all Shareholders, whether or not they were present in person or by proxy or voted to approve the Scheme at the Scheme Meeting. Shareholders should also be aware and note that there is currently no certainty that the Scheme will become effective and binding.

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**9.2 Convening of Scheme Meeting**

Pursuant to an application by the Company to the Court, the Court has ordered, amongst other things, that:

- (a) the Company be at liberty to convene the Scheme Meeting within three (3) months of 24 July 2024, for the purpose of considering, and if thought fit, approving (with or without modification) the Scheme; and
- (b) the Scheme Meeting shall be convened in the manner set out in Appendix O to this Scheme Document.

The Scheme Meeting will be held on **15 August 2024 at 10.00 a.m.** and convened in the manner set out in Appendix O to this Scheme Document for the purpose of considering, and if thought fit, approving (with or without modification) the Scheme Resolution.

**9.3 Voting at the Scheme Meeting**

As set out in Appendix O to this Scheme Document:

- (a) each Shareholder who is not a relevant intermediary may only appoint one (1) proxy and may only cast all the votes it uses at the Scheme Meeting (whether in person or by proxy) in one (1) way;
- (b) in relation to any Shareholder who is a relevant intermediary:
  - (i) subject to paragraph 9.3(b)(ii) below, a Shareholder who is a relevant intermediary need not cast all the votes it uses in the same way provided that each vote is exercised in relation to a different Share; and
  - (ii) a Shareholder who is a relevant intermediary may appoint more than two (2) proxies in relation to the Scheme Meeting to exercise all or any of the Shareholder's rights to attend and to speak and vote at the Scheme Meeting, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by the Shareholder (which number and class of shares must be specified). Each proxy appointed in accordance with this paragraph 9.3(b)(ii) may only cast all the votes it uses at the Scheme Meeting in one (1) way; and
- (c) for the purposes of determining whether the condition under Section 210(3AB)(a) of the Companies Act is satisfied:
  - (i) the Company shall treat each proxy appointed in accordance with paragraphs 9.3(a) or 9.3(b)(ii) and who casts a vote for or against the Scheme as casting one (1) vote. Where a person has been appointed as proxy of more than one Shareholder to vote at the Scheme Meeting, the votes of such person shall be counted as the votes of the number of appointing Shareholders; and

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- (ii) where a Shareholder who is a relevant intermediary casts votes both for and against the Scheme otherwise than in accordance with paragraph 9.3(b)(ii) above, without prejudice to the treatment of any proxies appointed in accordance with paragraph 9.3(b)(ii) above:
- (A) the Company shall treat the relevant intermediary as casting one (1) vote in favour of the Scheme if the relevant intermediary casts more votes for the Scheme than against the Scheme;
  - (B) the Company shall treat the relevant intermediary as casting one (1) vote against the Scheme if the relevant intermediary casts more votes against the Scheme than for the Scheme; and
  - (C) the Company shall treat the relevant intermediary as casting one (1) vote for and one (1) vote against the Scheme if the relevant intermediary casts equal votes for and against the Scheme.

*For example, to illustrate – a Shareholder who is a relevant intermediary holds 100 Shares on behalf of 10 beneficial owners who each beneficially own 10 Shares.*

*Two (2) of these beneficial owners ask to attend the Scheme Meeting in person, one to vote “for” the Scheme and the other to vote “against” the Scheme. The relevant intermediary submits one (1) proxy form on behalf of each of these two (2) beneficial owners appointing each of them as proxies. Pursuant to paragraph 9.3(b)(ii) above, the Company shall treat the proxy who casts a vote “for” the Scheme as casting one (1) vote “for” for purposes of the condition under Section 210(3AB)(a) of the Companies Act (representing 10 Shares “for” the Scheme for purposes of the condition under Section 210(3AB)(b) of the Companies Act) and the proxy who casts a vote “against” the Scheme as casting one (1) vote “against” for purposes of the condition under Section 210(3AB)(a) of the Companies Act (representing 10 Shares “against” the Scheme for purposes of the condition under Section 210(3AB)(b) of the Companies Act).*

*The remaining eight (8) beneficial owners do not ask to attend the Scheme Meeting in person but:*

- *Scenario 1: Seven (7) of these beneficial owners give instructions to the relevant intermediary to vote “for” the Scheme while the remaining one (1) gives instructions to the relevant intermediary to vote “against” the Scheme. The relevant intermediary submits one (1) proxy form on behalf of these eight (8) beneficial owners collectively indicating 70 shares “for” the Scheme and 10 shares “against” the Scheme in the proxy form. Pursuant to paragraph 9.3(c)(ii)(A) above, the Company shall treat the relevant intermediary as casting one (1) vote for the Scheme (representing 70 Shares “for” the Scheme and 10 Shares “against” the Scheme for purposes of the condition under Section 210(3AB)(b) of the Companies Act).*



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- *Scenario 2: One (1) of these beneficial owners gives instructions to the relevant intermediary to vote “for” the Scheme while the remaining seven (7) give instructions to the relevant intermediary to vote “against” the Scheme. The relevant intermediary submits one (1) proxy form on behalf of these eight (8) beneficial owners collectively indicating 10 shares “for” the Scheme and 70 shares “against” the Scheme in the proxy form. Pursuant to paragraph 9.3(c)(ii)(B) above, the Company shall treat the relevant intermediary as casting one (1) vote against the Scheme (representing 10 Shares “for” the Scheme and 70 Shares “against” the Scheme for purposes of the condition under Section 210(3AB)(b) of the Companies Act).*
  
- *Scenario 3: Four (4) of these beneficial owners give instructions to the relevant intermediary to vote “for” the Scheme while the remaining four (4) give instructions to the relevant intermediary to vote “against” the Scheme. The relevant intermediary submits one (1) proxy form on behalf of these eight (8) beneficial owners collectively indicating 40 shares “for” the Scheme and 40 shares “against” the Scheme in the proxy form. Pursuant to paragraph 9.3(c)(ii)(C) above, the Company shall treat the relevant intermediary as casting one (1) vote for and one (1) vote against the Scheme (representing 40 Shares “for” the Scheme and 40 Shares “against” the Scheme for purposes of the condition under Section 210(3AB)(b) of the Companies Act).*

#### **9.4 Notice of Scheme Meeting**

The notice of the Scheme Meeting is set out in Appendix Q to this Scheme Document. Shareholders are requested to take note of the date, time and venue of the Scheme Meeting.

### **10. CONDITIONS OF THE SCHEME**

#### **10.1 Scheme Conditions**

The Scheme is conditional upon the satisfaction (or, where applicable, the waiver) of the Scheme Conditions by the Cut-Off Date.

A list of the Scheme Conditions is set out in Appendix I to this Scheme Document

#### **10.2 Update on Status of Scheme Conditions**

Set out below is an update on the status of the Scheme Conditions as at the Latest Practicable Date:

- (a) the SIC has in the SIC Rulings confirmed, *inter alia*, that:
  - (i) the Scheme is exempted from complying with Rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29 and 33.2 and Note 1(b) to Rule 19 of the Code, subject to certain conditions;
  - (ii) it has no objections to the Scheme Conditions;

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- (iii) the Irrevocable Undertakings given by each of HT and YHLJ do not amount to an agreement or arrangement between the Offeror and each of HT and YHLJ to co-operate to obtain or consolidate effective control of the Company; and
- (iv) in relation to each of FKL and LSZ: (A) the FKL and LSZ Arrangements will not constitute special deals for the purposes of Rule 10 of the Code, (B) the FKL and LSZ Arrangements do not amount to an agreement or arrangement between the Offeror and each of FKL and LSZ to co-operate to obtain or consolidate effective control of the Company, and (C) FKL and LSZ will be permitted to attend and vote on the Scheme at the Scheme Meeting, subject to the IFA publicly stating its opinion that the FKL and LSZ Arrangements are fair and reasonable so far as Shareholders are concerned in the context of Rule 10 of the Code.

Please refer to paragraph 11.1 of this Explanatory Statement for further details; and

- (b) the Sponsor has on 30 July 2024 given its clearance for this Scheme Document.

Other than as set out in this paragraph 10.2, none of the other Scheme Conditions have, as at the Latest Practicable Date, been satisfied (or, where applicable, waived).

### **10.3 Remaining Scheme Conditions**

Accordingly, as at the Latest Practicable Date, the Scheme is conditional upon the satisfaction (or, where applicable, waiver) of the remaining Scheme Conditions as set out in Appendix I to this Scheme Document by the Cut-Off Date.

### **10.4 Non-fulfilment of Scheme Conditions**

The Scheme will only become effective and binding if all the Scheme Conditions have been satisfied or, where applicable, waived, in accordance with the terms of the Implementation Agreement. Shareholders should note that if any of the Scheme Conditions is not satisfied (or, where applicable, waived) on or before 5.00 p.m. on the Cut-Off Date, the Scheme will not become effective and binding.

### **10.5 Benefit of Certain Scheme Conditions**

#### **(a) Offeror's Benefit**

The Offeror alone may waive the Scheme Conditions in paragraph (f) (in relation to any Prescribed Occurrence relating to any Group Company set out in Part 2 of Appendix J to this Scheme Document), paragraph (g) (in relation to any material breach of the Company's Warranties set out in Appendix L to this Scheme Document), paragraph (i) (in relation to material adverse events relating to the Group), paragraph (j) (in relation to termination of the lease agreements), paragraph (k) (in relation to consents from Major Landlords), paragraph (l) (in relation to termination of the GKK Contract) and paragraph (m) (in relation to termination of any Senior Employee) of Appendix I to this Scheme Document.

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(b) **Company's Benefit**

The Company alone may waive the Scheme Conditions in paragraph (f) (in relation to any Prescribed Occurrence relating to the Offeror set out in Part 1 of Appendix J to this Scheme Document) and paragraph (h) (in relation to any material breach of the Offeror's Warranties set out in Appendix K to this Scheme Document) of Appendix I to this Scheme Document.

(c) **Mutual Benefit**

Any non-fulfilment of the Scheme Conditions in paragraph (e) (in relation to there being no illegality) of Appendix I to this Scheme document is capable of being waived with the consent in writing of both Parties (to the extent legally permissible).

(d) **Other Scheme Conditions**

For the avoidance of doubt, the Parties agree that the Scheme Conditions in paragraph (a) (in relation to approval of the Scheme by the Shareholders), paragraph (b) (in relation to the grant of the Court Order), paragraph (c) (in relation to the lodgement of the Court Order) and paragraph (d) (in relation to the Regulatory Approvals set out in Appendix I to this Scheme Document) of Appendix I to this Scheme Document are not capable of being waived by either Party or both Parties.

## 10.6 Termination

(a) **Right to Terminate**

Subject to paragraph 10.6(b) of this Explanatory Statement:

- (i) if any of the Scheme Conditions set out in paragraph (a) (in relation to approval of the Scheme by the Shareholders), paragraph (b) (in relation to the grant of the Court Order), paragraph (c) (in relation to the lodgement of the Court Order) or paragraph (d) (in relation to Regulatory Approvals set out in Appendix I to this Scheme Document) of Appendix I to this Scheme Document is not satisfied, or if the Scheme has not become effective in accordance with its terms on or before 5.00 p.m. on the Cut-Off Date, either Party may immediately terminate the Implementation Agreement by notice in writing to the other Party;
- (ii) if the Scheme Condition set out in paragraph (e) (in relation to there being no illegality) of Appendix I to this Scheme Document is not satisfied, or is incapable of being satisfied, or if applicable, has not been or will not be waived, on or before 5.00 p.m. on the Cut-Off Date, either the Offeror or the Company may immediately terminate the Implementation Agreement by notice in writing to the other;

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- (iii) if any of the Scheme Conditions set out in paragraph (f) (in relation to any Prescribed Occurrences relating to any Group Company set out in Part 2 of Appendix J to this Scheme Document), paragraph (g) (in relation to any material breach of the Company's Warranties set out in Appendix L to this Scheme Document), paragraph (i) (in relation to material adverse events relating to the Group), paragraph (j) (in relation to termination of the lease agreements), paragraph (k) (in relation to consents from Major Landlords), paragraph (l) (in relation to termination of the GKK Contract) or paragraph (m) (in relation to termination of any Senior Employee) of Appendix I to this Scheme Document is not satisfied, or is incapable of being satisfied, or if applicable, has not been or will not be waived, on or before 5.00 p.m. on the Cut-Off Date, the Offeror may terminate the Implementation Agreement by notice in writing to the Company; and
- (iv) if any of the Scheme Conditions set out in paragraph (f) (in relation to any Prescribed Occurrences relating to the Offeror set out in Part 1 of Appendix I to the Scheme Document) or paragraph (h) (in relation to any material breach of the Offeror's Warranties set out in Appendix K to this Scheme Document) under Appendix I to this Scheme Document is not satisfied, or is incapable of being satisfied, or if applicable, has not been or will not be waived, on or before 5.00 p.m. on the Cut-Off Date, the Company may terminate the Implementation Agreement by notice in writing to the Offeror.

(b) **SIC Determination**

The Offeror and/or the Company (as the case may be) may only invoke the non-satisfaction of any of the Scheme Conditions to terminate the Implementation Agreement if it has first consulted the SIC and the SIC gives its approval for, or states that it has no objection to, such termination. For the avoidance of doubt, if the Implementation Agreement is not terminated because the SIC for any reason does not give its approval for, or does not state that it has no objection to, such termination, such non-termination of the Implementation Agreement shall not amount to a waiver of any claims or rights which the Offeror may have against the Company (and *vice versa*) in relation to the non-satisfaction of the relevant Scheme Condition.

(c) **Effect of Termination**

In the event of termination of the Implementation Agreement by either the Company or the Offeror pursuant to the terms of the Implementation Agreement, the Implementation Agreement shall cease to have any further force or effect (save for certain surviving provisions of the Implementation Agreement), and neither Party shall have any further liability or obligation to the other Party provided always that such termination shall not prejudice the rights of either Party which have accrued or arisen prior to such termination.

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**10.7 Obligations of the Offeror and the Company**

Pursuant to the terms of the Implementation Agreement, the Offeror and the Company shall in connection with the implementation of the Scheme, as expeditiously as practicable, comply with the obligations set out respectively in Appendix M and Appendix N to this Scheme Document, including the obligation to use its reasonable endeavours to procure that the Scheme is implemented on the terms set out in the Implementation Agreement and in this Scheme Document.

The obligations of the Company in Appendix N to this Scheme Document are subject to fiduciary duties of its Directors and compliance with all applicable laws.

**11. SCHEME CONDITIONS AND REGULATORY APPROVALS**

**11.1 SIC**

**(a) Code**

Pursuant to the SIC Application, the SIC has, on 15 May 2024 confirmed, *inter alia*, that the Scheme is exempted from complying with Rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29 and 33.2 and Note 1(b) to Rule 19 of the Code, subject to the following conditions:

- (i) the common substantial shareholders of the Offeror and its concert parties on the one hand, and the Company on the other hand, abstain from voting on the Scheme;
- (ii) the Offeror and its concert parties abstain from voting on the Scheme;
- (iii) the directors of the Company who are also directors of the Offeror or who are acting in concert with those persons in sub-paragraphs (a)(i) and (a)(ii) above abstain from making a recommendation on the Scheme to the Shareholders;
- (iv) the Scheme Document contains advice to the effect that by voting for the Scheme, the Shareholders are agreeing to the Offeror and its concert parties acquiring or consolidating effective control of the Company without having to make a general offer for the Company;
- (v) the Scheme Document discloses the names of the Offeror and its concert parties, their current voting rights in the Company as of the Latest Practicable Date and their voting rights in the Offeror and the Company after the Scheme;
- (vi) the Company appoints an independent financial advisor to advise the Shareholders on the Scheme; and
- (vii) the Scheme being completed within six (6) months (unless extended with SIC's consent) from the Joint Announcement Date.

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As at the Latest Practicable Date, in respect of the conditions set out above:

- (A) there are no common substantial shareholders of the Offeror and its concert parties on the one hand, and the Company on the other hand;
- (B) to the extent that any member of the Offeror Concert Party Group holds Shares, such parties will abstain from voting their Shares on the Scheme at the Scheme Meeting;
- (C) paragraph 8 of the Letter to Shareholders and paragraph 4.6 of this Explanatory Statement contain advice to the effect that by voting for the Scheme, the Shareholders are agreeing to the Offeror and its concert parties acquiring or consolidating effective control of the Company without having to make a general offer for the Company;
- (D) paragraphs 7.1 and 11.1 of the Offeror's Letter and Schedule D of the Offeror's Letter disclose the Offeror and its concert parties, their current voting rights in the Company as of the Latest Practicable Date and their voting rights in the Offeror and the Company after the Scheme; and
- (E) the Company has appointed the IFA to advise the Shareholders on the Scheme.

(b) **Scheme Conditions**

The SIC has by way of the SIC Rulings, confirmed, *inter alia*, that it has no objections to the Scheme Conditions.

(c) **FKL and LSZ Arrangements**

Pursuant to the SIC Application, the SIC has, on 15 May 2024 confirmed, *inter alia*, that in relation to each of FKL and LSZ:

- (i) the FKL and LSZ Arrangements will not constitute special deals for the purposes of Rule 10 of the Code;
- (ii) the FKL and LSZ Arrangements do not amount to an agreement or arrangement between the Offeror and each of FKL and LSZ to co-operate to obtain or consolidate effective control of the Company; and
- (iii) FKL and LSZ will be permitted to attend and vote on the Scheme at the Scheme Meeting,

subject to the IFA publicly stating its opinion that the FKL and LSZ Arrangements are fair and reasonable so far as Shareholders are concerned in the context of Rule 10 of the Code.

After having regard to the considerations set out in the IFA Letter, and based on the information available to the IFA as at the Latest Practicable Date, the IFA has given its advice in respect of the FKL and LSZ Arrangements to the Non-Conflicted Directors (an extract of which is reproduced in italics below).

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Shareholders should read the following extract in conjunction with, and in the context of, the IFA Letter in its entirety as set out in Appendix B to this Scheme Document.

*“Overall, based on our evaluation of the terms of the FKL and LSZ Arrangements and the information available to us as at the Latest Practicable Date, we are of the opinion that the terms of the FKL and LSZ Arrangements are **fair and reasonable** in the context of Rule 10 of the Code.”*

### **11.2 Court**

The Scheme is subject to the sanction of the Court as stated in paragraph (b) of Appendix I to this Scheme Document.

### **11.3 SGX-ST**

As set out in paragraph 12 of this Explanatory Statement, the Company will, through its Sponsor, submit an application in respect of the Delisting to the SGX-ST in due course. The Delisting will be conditional upon the SGX-ST Delisting Approval.

## **12. EFFECT OF THE SCHEME AND DELISTING**

Upon the Scheme becoming effective and binding in accordance with its terms, the Company will become a wholly-owned subsidiary of the Offeror, and consequently will not be able to meet the listing requirements of the SGX-ST.

The Company will, through its Sponsor, submit an application in respect of the Delisting to the SGX-ST in due course. The Delisting will be conditional upon the SGX-ST Delisting Approval.

Please note that the SGX-ST’s decision is not to be taken as an indication of the merits of the Scheme, the Delisting, the Company, its subsidiaries and/or their securities.

**SHAREHOLDERS SHOULD NOTE THAT BY VOTING IN FAVOUR OF THE SCHEME, THE SHARES WILL, SUBJECT TO THE SGX-ST DELISTING APPROVAL BEING OBTAINED, BE DELISTED FROM THE OFFICIAL LIST OF THE SGX-ST IF THE SCHEME BECOMES EFFECTIVE AND BINDING IN ACCORDANCE WITH ITS TERMS.**

## **13. IMPLEMENTATION OF THE SCHEME**

### **13.1 Application to Court for Sanction**

Upon the Scheme being approved by a majority in number of Shareholders present and voting, either in person or by proxy, at the Scheme Meeting, such majority representing not less than three-fourths in value of the Shares voted at the Scheme Meeting, an application will be made to the Court by the Company for the sanction of the Scheme.



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**13.2 Election**

(a) **Election Period**

Entitled Shareholders who wish to elect to receive the Cash Consideration, or, in lieu thereof, the Cash and Securities Consideration, in respect of all their Shares, may do so during the Election Period.

The duration of the Election will be a period of 10 Business Days or such other period as may be agreed by the Parties, commencing from the Election Form Despatch Date. The Company will announce the Election Form Despatch Date and the Election Period in due course.

(b) **Election Forms**

Each Entitled Shareholder (other than Entitled Depository Agents) may elect to receive the Cash Consideration, or, in lieu thereof, the Cash and Securities Consideration, in respect of all their Shares, but not a mixture of both.

The Election Forms will be despatched by the Offeror (or on its behalf) on the Election Form Despatch Date to all Entitled Shareholders (other than Entitled Depository Agents), at their respective addresses shown in the records of CDP (in respect of Entitled Shareholders being Depositors) or the Register of Members (in respect of Entitled Shareholders not being Depositors), as the case may be, at their own risk.

The Election Forms can also be collected at the Share Registrar's office situated at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632 during the Election Period.

Entitled Shareholders (other than Entitled Depository Agents) should complete, sign and return the Election Forms in accordance with the procedures set out below and the provisions and instructions printed on the Election Forms during the Election Period:

(i) **Entitled Shareholders whose Shares are not deposited with CDP**

An Entitled Shareholder (not being a Depositor) who wishes to elect to receive the Cash and Securities Consideration should deliver the completed and signed Election Form to the Company in the following manner:

- (A) if submitted electronically, a clear, scanned, completed and signed copy in PDF format be submitted via email to [srs.teamc@boardroomlimited.com](mailto:srs.teamc@boardroomlimited.com); or
- (B) if submitted by post, be sent using the enclosed pre-addressed envelope at its own risk to the office of the Share Registrar at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632,

in either case, in accordance with the instructions therein, so as to arrive no later than 5.30 p.m. on the Election Closing Date.

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(ii) **Entitled Shareholders whose Shares are deposited with CDP (other than Entitled Depository Agents)**

An Entitled Shareholder (being a Depositor who is not a Depository Agent) who wishes to accept the Cash and Securities Consideration should:

- (A) deliver the completed and signed Election Form to the Company by post, using the enclosed pre-addressed envelope at its own risk to RE&S Holdings Limited c/o The Central Depository (Pte) Limited, Robinson Road Post Office, P.O. Box 1597, Singapore 903147; or
- (B) submit its Election, in electronic form, via the SGX-ST's Investor portal at [investors.sgx.com](http://investors.sgx.com),

in either case, so as to arrive no later than 5.30 p.m. on the Election Closing Date.

**If an Entitled Shareholder wishes to receive the Cash Consideration in respect of all of its Shares, it does not need to complete and return the Election Form.**

(c) **Entitled Depository Agents**

Entitled Depository Agents may make elections on behalf of each sub-account holder who holds Shares via Electronic Election.

Electronic Elections must be submitted no later than 5.30 p.m. on the Election Closing Date. CDP has been authorised by the Offeror to receive Electronic Elections on its behalf. Electronic Elections submitted will be deemed irrevocable and subject to each of the terms and conditions contained in the Election Form for Depositors and this Scheme Document (including the Offeror's Letter) as if the Election Form for Depositors had been completed and delivered to CDP. By submitting their Electronic Election, each Entitled Depository Agent confirms and represents to the Offeror that in relation to each sub-account holder in respect of which such Entitled Depository Agent exercises the Election:

- (i) such Election has been exercised in respect of all (and not some) of the Shares held by the Entitled Depository Agent for such sub-account holder;
- (ii) such sub-account holder has not elected to receive a mixture of the Cash Consideration and the Cash and Securities Consideration in respect of the Shares held by such Depository Agent on its behalf; and
- (iii) such sub-account holder has confirmed to such Entitled Depository Agent that it has not elected to receive a mixture of the Cash Consideration and the Cash and Securities Consideration in respect of, if applicable, any of its Directly-Held Shares or the Indirectly-Held Shares held on its behalf by any Entitled Depository Agent(s).

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If an Entitled Depository Agent wishes to elect to receive the Cash and Securities Consideration in respect of any of its sub-account holder's Shares, such Entitled Depository Agent must, in addition to making the relevant Election via Electronic Election, complete and return the Sub-Account Holders Form which will be provided to Entitled Depository Agents by CDP electronically:

- (A) if submitted electronically, a clear, scanned, completed and signed copy in PDF format be submitted via email to [srs.teamc@boardroomlimited.com](mailto:srs.teamc@boardroomlimited.com); or
- (B) if submitted by post, be sent to the office of the Share Registrar at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632,

in either case, in accordance with the instructions therein, so as to arrive no later than 5.30 p.m. on the Election Closing Date.

**Entitled Depository Agents do not have to complete or return the Sub-Account Holders Form if they wish to elect to receive the Cash Consideration in respect of all of their sub-account holders' Shares.**

(d) **Information Pertaining to SRS Investors**

SRS Investors should consult their SRS Agent Banks for further information on the Scheme. If they are in any doubt as to the action they should take, SRS Investors should seek independent professional advice.

(e) **Receipt**

The Election Forms and Sub-Account Holders Forms must be received no later than 5.30 p.m. on the Election Closing Date. No acknowledgement of receipt of any Election Form or Sub-Account Holders Form will be given by the Offeror, the Company, CDP or the Share Registrar. Each Entitled Shareholder is permitted to submit only one (1) Election Form and any subsequent submission of any Election Forms will be disregarded and deemed invalid. Each Entitled Depository Agent is permitted to submit only one (1) Sub-Account Holders Form and any subsequent submission of any Sub-Account Holders Forms will be disregarded and deemed invalid.

(f) **Deemed Election**

In the event that any Electing Party:

- (i) fails to elect to receive the Cash and Securities Consideration within the Election Period, whether due to the Share Registrar or CDP (as the case may be) (A) failing to receive from the Entitled Shareholder an Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) by the end of the Election Period; or (B) receiving an Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) which does not comply with the instructions contained in the Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) or the terms and conditions contained in this Scheme Document, or which is not complete or is invalid in any other respect;

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- (ii) to the extent applicable under the laws of the Cayman Islands and upon being notified by the Offeror, fails to provide such details and/or information as may be required to satisfy the requirements of the anti-money laundering regulations of the Cayman Islands;
- (iii) elects to receive the Cash Consideration or the Cash and Securities Consideration in respect of only some and not all of its Shares;
- (iv) holds both Directly-Held Shares and Indirectly-Held Shares through securities sub-account(s) with Depository Agent(s) and does not elect to receive and direct its Depository Agent(s) to elect to receive the same form of the Scheme Consideration in respect of all of its Directly-Held Shares and Indirectly-Held Shares respectively, and the Offeror is notified of such occurrence; and/or
- (v) maintains an address recorded in the Register of Members, the Depository Register or in the records of an Entitled Depository Agent (as the case may be) that is not within Singapore and does not provide the Company, the Share Registrar or CDP (as the case may be) with an address in Singapore by the Record Date,

such Electing Party shall be deemed to have elected to receive the Cash Consideration for all of its Shares, and shall be entitled only to receive the Cash Consideration for all of its Shares as at the Record Date.

In addition, if the Share Registrar or CDP (as the case may be) fails to receive, from any Electing Party, an Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) by 5.30 p.m. on the Election Closing Date or receives an Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) which does not comply with the instructions contained in the Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) or the terms and conditions contained in this Scheme Document, or which is not complete or is invalid in any other respect, that Electing Party shall be deemed to have elected to receive the Cash Consideration for all of its Shares as at the Record Date.

(g) **Discretion**

Each of the Offeror and the Company reserves the right to treat Election Forms and Sub-Account Holders Forms as valid if received by or on behalf of it at any place or places determined by it otherwise than as stated in this Scheme Document, the Election Form or the Sub-Account Holders Form, as the case may be, or if made otherwise than in accordance with the provisions of this Scheme Document, the Election Form or the Sub-Account Holders Form. CDP and the Share Registrar take no responsibility for any such decision made by the Offeror and/or the Company.

(h) **Disclaimer**

The Offeror, the Company, CDP and the Share Registrar will each be authorised and entitled, in its absolute discretion, to accept or reject any Election Form, Electronic Election or Sub-Account Holders Form which is not entirely in order or does not comply with this Scheme Document or the provisions and instructions contained in the

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Election Form, the Electronic Election or the Sub-Account Holders Form (as the case may be), or which is otherwise incomplete, incorrect, unsigned or invalid in any respect. The Offeror shall not be required to notify any Entitled Shareholder or Entitled Depository Agent if its Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) is not received or is not in compliance with the instructions contained in the Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) or is otherwise incomplete or invalid in any other respect.

If an Entitled Shareholder wishes to receive the Cash and Securities Consideration, it is such Entitled Shareholder's responsibility to ensure that the Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) is properly completed in all respects, signed and all required supporting documents, where applicable, are provided. Any decision to reject any Election Form, Electronic Election or Sub-Account Holders Form will be final and binding and none of the Offeror, the Company, CDP or the Share Registrar accepts any responsibility or liability in relation to such rejection, including the consequences thereof.

(i) **Correspondences**

All communication, certificates, notices, documents and remittances to be delivered or sent to an Entitled Shareholder (or such Entitled Shareholder's designated agent or, in the case of joint Entitled Shareholders who have not designated any agent, to the one first named in the Register of Members) will be sent by ordinary post to such Entitled Shareholder's mailing address as maintained with the CDP or as it appears in the Register of Members, as the case may be, at the risk of the person entitled thereto.

The attention of Overseas Shareholders is also drawn to paragraphs 17 and 18 of this Explanatory Statement and paragraph 12 of the Offeror's Letter.

### **13.3 Procedure for Implementation**

If the Court sanctions the Scheme, the Offeror and the Company will (subject to the Scheme Conditions having been satisfied (or, where applicable, waived) in accordance with the Implementation Agreement on or before 5.00 p.m. on the Cut-Off Date) take the necessary steps to render the Scheme effective and binding in accordance with its terms, and the following will be implemented:

- (a) the Shares held by Entitled Shareholders will be transferred to the Offeror for either (I) the Cash Consideration to be paid by the Offeror, or (II) the Cash and Securities Consideration to be paid and issued by the Offeror, as the case may be, to Entitled Shareholders for each Share, in the following manner:
  - (i) in the case of Entitled Shareholders (not being Depositors), the Company shall authorise any person to execute or effect on behalf of all such Entitled Shareholders an instrument or instruction of transfer of all the Shares held by such Entitled Shareholders and every such instrument or instruction of transfer so executed shall be effective as if it had been executed by the relevant Entitled Shareholder; and

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- (ii) in the case of Entitled Shareholders (being Depositors), the Company shall instruct CDP, for and on behalf of such Entitled Shareholders, to debit, not later than seven (7) Business Days after the Effective Date, all the Shares standing to the credit of the Securities Account of such Entitled Shareholders and credit all of such Shares to the Securities Account of the Offeror or such Securities Account(s) as directed by the Offeror;
- (b) from the Effective Date, all existing share certificates relating to the Shares held by Entitled Shareholders (not being Depositors) will cease to be evidence of title of the Shares represented thereby;
- (c) Entitled Shareholders (not being Depositors) are required to forward their existing share certificates relating to their Shares to the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632 as soon as possible, but not later than seven (7) Business Days after the Effective Date for cancellation; and
- (d) the Offeror shall, not later than seven (7) Business Days after the Effective Date, and against the transfer of the Shares set out in paragraph 13.3(a) of this Explanatory Statement above, make payment of the Scheme Consideration in the manner set out in paragraph 13.4 of this Explanatory Statement.

**13.4 The Scheme Consideration**

**(a) The Cash Consideration**

The Offeror shall, not later than seven (7) Business Days after the Effective Date, and against the transfer of the Shares set out in paragraph 13.3(a) of this Explanatory Statement above, make payment of the aggregate Cash Consideration to Entitled Shareholders who elect (or are deemed to have elected) to receive the Cash Consideration and are entitled to receive the Scheme Consideration in the form of Cash Consideration for their Shares as follows:

**(i) Entitled Shareholders whose Shares are not deposited with CDP**

The Offeror shall pay each Entitled Shareholder (not being a Depositor) by sending a cheque for the Cash Consideration payable to and made out in favour of such Entitled Shareholder by ordinary post to its address as appearing in the Register of Members at the close of business on the Record Date, at the sole risk of such Entitled Shareholder, or in the case of joint Entitled Shareholders, to the first-named Entitled Shareholder made out in favour of such Entitled Shareholder by ordinary post to its address as appearing in the Register of Members at the close of business on the Record Date, at the sole risk of such joint Entitled Shareholders.

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(ii) **Entitled Shareholders whose Shares are deposited with CDP**

The Offeror shall pay each Entitled Shareholder (being a Depositor) by making payment of the aggregate Cash Consideration payable to such Entitled Shareholder to CDP. CDP shall:

- (A) in the case of an Entitled Shareholder (being a Depositor) who has registered for CDP's direct crediting service, credit the Cash Consideration payable to such Entitled Shareholder, to the designated bank account of such Entitled Shareholder; and
- (B) in the case of an Entitled Shareholder (being a Depositor) who has not registered for CDP's direct crediting service, credit the Cash Consideration to such Entitled Shareholder's cash ledger with CDP and such Cash Consideration shall be subject to the same terms and conditions applicable to "Cash Distributions" under "*The Central Depository (Pte) Limited Operation of Securities Account with the Depository Terms and Conditions*" as amended, modified or supplemented from time to time, copies of which are available from CDP.

Assuming that the Scheme becomes effective and binding in accordance with its terms on 9 October 2024, the crediting by CDP of the Cash Consideration into the designated bank accounts of Entitled Shareholders (in the case of Entitled Shareholders being Depositors and who have registered with CDP for its direct crediting service) or, as the case may be, the Entitled Shareholder's cash ledger with CDP (in the case of Entitled Shareholders being Depositors and who have not registered with CDP for its direct crediting service) in the manner set out in paragraphs 13.4(a)(ii)(A) and 13.4(a)(ii)(B) of this Explanatory Statement above is expected to take place on or before 18 October 2024.

The despatch of payment by the Offeror to each Entitled Shareholder's address and/or CDP (as the case may be) in accordance with the above shall discharge the Offeror from any liability in respect of those payments.

(b) **The Cash and Securities Consideration**

In respect of the cash component of the Cash and Securities Consideration, the procedure for settlement shall be as described above in respect of the Cash Consideration.

In respect of the securities component of the Cash and Securities Consideration, the Offeror shall allot and issue new Offeror Shares, credited as fully-paid, on the basis of 0.083143 Offeror Shares at the Issue Price for every one (1) Share held by such Entitled Shareholder who elects to and is entitled to receive the Scheme Consideration in the form of the Cash and Securities Consideration for all of its Shares, and the Offeror Share Certificates shall be delivered to the relevant person/entity recorded in the Register of Members or the Depository Register as at the close of business on the Record Date (or in the case of Entitled Depository Agents, any other person(s) as such Entitled Depository Agents may direct in the Sub-Account Holders Form), regardless of whether such Entitled Shareholder holds the Shares as custodian or nominee or otherwise.



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**APPENDIX A – EXPLANATORY STATEMENT**  
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The Offeror shall, not later than seven (7) Business Days after the Effective Date, and against the transfer of the Shares set out in paragraph 13.3(a) of this Explanatory Statement above, do the following:

(i) **Entitled Shareholders whose Shares are not deposited with CDP**

The Offeror shall send the Offeror Share Certificates representing the relevant number of new Offeror Shares to each Entitled Shareholder (not being a Depositor) by ordinary post to its Singapore address as appearing in the Register of Members at the close of business on the Record Date at the sole risk of such Entitled Shareholder, or in the case of joint Entitled Shareholders, to the first named Entitled Shareholder, by ordinary post to its Singapore address as appearing in the Register of Members at the close of business on the Record Date at the sole risk of such joint Entitled Shareholders, save that in all cases, no Offeror Share Certificates will be despatched in or into any overseas jurisdiction (please refer to paragraph 12 of the Offeror's Letter for more information on the arrangements for Overseas Shareholders).

(ii) **Entitled Shareholders whose Shares are deposited with CDP**

The Offeror shall send the Offeror Share Certificates representing the relevant number of new Offeror Shares to each Entitled Shareholder (being a Depositor) by ordinary post to its Singapore address as appearing in the Depository Register at the close of business on the Record Date (or in the case of Entitled Depository Agents, any other person(s) as such Entitled Depository Agents may direct in the Sub-Account Holders Form) at the sole risk of such Entitled Shareholder, or in the case of joint Entitled Shareholders, to the first named Entitled Shareholder by ordinary post to its Singapore address as appearing in the Depository Register at the close of business on the Record Date at the sole risk of such joint Entitled Shareholders, save that in all cases, no Offeror Share Certificates will be despatched in or into any overseas jurisdiction (please refer to paragraph 12 of the Offeror's Letter for more information on the arrangements for Overseas Shareholders).

Assuming that the Scheme becomes effective and binding in accordance with its terms on 9 October 2024, the posting of the Offeror Share Certificates representing the new Offeror Shares to be allotted and issued pursuant to the Scheme in the manner set out in paragraphs 13.4(b)(i) and 13.4(b)(ii) above, is expected to take place on or before 18 October 2024.

The despatch of the Offeror Share Certificates to each Entitled Shareholder's Singapore address in accordance with the above shall discharge the Offeror from any liability in respect of the delivery of such Offeror Share Certificates.

The new Offeror Shares to be allotted and issued pursuant to the Scheme will, on issue, be duly authorised, fully paid up and validly allotted and issued, and free from all Encumbrances and rank *pari passu* in all respects with one another and with all other shares of the Offeror as at the date of their issue.

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The rights, privileges and restrictions attaching to the Offeror Shares shall be set out in the Offeror M&AA which shall take effect on and from the Effective Date. Extracts of the Offeror M&AA relating to (A) certain transfer restrictions in respect of Offeror Shares, and (B) the rights of holders of Offeror Shares in respect of capital, dividends and voting are set out in Schedule B of the Offeror's Letter.

(c) **Rounding**

In respect of the securities component of the Cash and Securities Consideration, the aggregate number of the Offeror Shares that are issuable to any Entitled Shareholder in respect of the Shares held by such Entitled Shareholder will be rounded down to the nearest whole number. Fractional entitlements shall be disregarded in the calculation of the Offeror Shares to be issued to any Entitled Shareholder pursuant to the Scheme and no payment will be made for any such fractional entitlements disregarded.

(d) **Retention and Release of Proceeds**

- (i) In relation to Entitled Shareholders, on and after the day being six (6) calendar months after the posting of such cheques relating to the Cash Consideration or the cash component of the Cash and Securities Consideration, the Offeror shall have the right to cancel or countermand payment of any such cheque which has not been cashed (or has been returned uncashed) and shall place all such moneys in a bank account in the Company's name with a licensed bank in Singapore selected by the Company.
- (ii) The Company or its successor entity shall hold such moneys until the expiration of six (6) years from the Effective Date and shall prior to such date make payments therefrom of the sums payable pursuant to Clauses 3.3 and 3.4 of the Scheme as set out in Appendix P to this Scheme Document to persons who satisfy the Company or its successor entity that they are respectively entitled thereto and that the cheques referred to in Clauses 3.3 and 3.4 of the Scheme as set out in Appendix P to this Scheme Document for which they are payees have not been cashed. Any such determination shall be conclusive and binding upon all persons claiming an interest in the relevant moneys, and any payments made by the Company hereunder shall not include any interest accrued on the sums to which the respective persons are entitled pursuant to Clause 3.1 of the Scheme as set out in Appendix P to this Scheme Document.
- (iii) On the expiry of six (6) years from the Effective Date, the Company and the Offeror shall be released from any further obligation to make any payments of the Cash Consideration or the cash component of the Cash and Securities Consideration under this Scheme and the Company or its successor entity shall transfer to the Offeror the balance (if any) of the sums then standing to the credit of the bank account referred to in Clause 3.6(a) of the Scheme as set out in Appendix P to this Scheme Document including accrued interest, subject, if applicable, to the deduction of interest, tax or any withholding tax or any other deduction required by law and subject to the deduction of any expenses.

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**14. RECORD DATE**

**14.1 Notice of Record Date**

Subject to the approval by the requisite majority of Shareholders at the Scheme Meeting and the sanction of the Scheme by the Court, notice of the Record Date will be given in due course for the purposes of determining the entitlements of Entitled Shareholders to the Scheme Consideration under the Scheme.

**The Record Date is expected to be on 6 September 2024 at 5.00 p.m. The Company will make a further announcement in due course on the Record Date.**

**14.2 Transfer of Shares after Record Date**

No transfer of the Shares where the share certificates relating thereto are not deposited with CDP may be effected after the Record Date, unless such transfer is made pursuant to the Scheme.

**14.3 Trading in Shares on the SGX-ST**

The Scheme is tentatively scheduled to become effective and binding in accordance with its terms on or about 9 October 2024.

Assuming the Scheme becomes effective and binding in accordance with its terms on 9 October 2024 and subject to the SGX-ST Delisting Approval being obtained, the Shares are expected to be delisted and removed from the Official List of the SGX-ST after the settlement of the Scheme Consideration. It is therefore expected that, subject to the approval of the SGX-ST, the Shares will cease to be traded on the SGX-ST on or about 30 August 2024 at 5.00 p.m., being five (5) Market Days before the expected Record Date on 6 September 2024 at 5.00 p.m.

Shareholders (not being Depositors) who wish to trade in their Shares on the SGX-ST are required to deposit with CDP their share certificates relating to their Shares, together with the duly executed instruments of transfer in favour of CDP, by 12 Market Days prior to the tentative last day for trading of the Shares.

**15. SETTLEMENT AND REGISTRATION PROCEDURES**

Subject to the Scheme becoming effective and binding in accordance with its terms, the following settlement and registration procedures will apply:

**15.1 Entitled Shareholders whose Shares are not deposited with CDP**

Entitlements of Entitled Shareholders (not being Depositors) under the Scheme will be determined on the basis of their holdings of Shares appearing in the Register of Members as at 5.00 p.m. on the Record Date.

Entitled Shareholders (not being Depositors) who have not already done so are requested to take the necessary action to ensure that the Shares owned by them are registered in their names with the Share Registrar by 5.00 p.m. on the Record Date.

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From the Effective Date, all existing share certificates relating to the Shares held by Entitled Shareholders (not being Depositors) will cease to be evidence of title to the Shares represented thereby.

Within seven (7) Business Days of the Effective Date, the Offeror shall make payment of the Scheme Consideration to each Entitled Shareholder (not being a Depositor) based on its holding of the Shares as at 5.00 p.m. on the Record Date.

**15.2 Entitled Shareholders whose Shares are deposited with CDP**

Entitlements of Entitled Shareholders (being Depositors) under the Scheme will be determined on the basis of the number of Shares standing to the credit of their Securities Accounts at 5.00 p.m. on the Record Date.

Entitled Shareholders (being Depositors) who have not already done so are requested to take the necessary action to ensure that the Shares owned by them are credited to their Securities Accounts by 5.00 p.m. on the Record Date.

Following the Effective Date, CDP will debit all the Shares standing to the credit of each relevant Securities Account of each Entitled Shareholder (being a Depositor) and credit all of such Shares to the Securities Account(s) of the Offeror in such Securities Account(s) as directed by the Offeror, within seven (7) Business Days of the Effective Date and prior to delisting of Company.

Within seven (7) Business Days of the Effective Date, CDP shall, based on the number of Shares standing to the credit of the Securities Account of Entitled Shareholders (being Depositors) as at 5.00 p.m. on the Record Date make payment of the Scheme Consideration to each Entitled Shareholder (being a Depositor).

**16. DIRECTORS' INTERESTS**

The interests of Directors in the Shares as at the Latest Practicable Date are set out in Appendix D to this Scheme Document.

Some of the Directors (particularly FKL and LSZ) have interests in the Scheme which may be different from, or in addition to, those of the Shareholders generally. The material interests of the Directors are summarised below:

- (a) as set out in the Term Sheets, it is intended that pursuant to the Irrevocable Undertakings given by FKL and LSZ and the Term Sheets, each of FKL and LSZ will reinvest their respective Reinvestment Amounts to subscribe for a certain number of Offeror Shares, based on the Issue Price;
- (b) it is envisaged that FKL and LSZ will be appointed as directors to the Offeror Board following completion of the Acquisition, the Scheme and the Management Reinvestments;

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**APPENDIX A – EXPLANATORY STATEMENT**  
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- (c) it is envisaged that the Offeror will establish the Management Incentive Arrangements after completion of the Acquisition and the Scheme, to reward FKL, LSZ and other RE&S Executives upon the occurrence of certain prescribed exit events, with the specific terms of the Management Incentive Arrangements to be finalised by the Offeror Board after completion of the Acquisition, the Scheme and the Management Reinvestments; and
- (d) the Offeror envisages that it may request the RE&S Executives (including FKL and LSZ) to execute the Employment Agreement Arrangements, with the specific terms of the Employment Agreement Arrangements to be finalised by the Offeror Board after completion of the Acquisition, the Scheme and the Management Reinvestments.

Save as otherwise disclosed in this Scheme Document, the effect of the Scheme on the interests of the Directors does not differ from that of the other Shareholders.

**17. ELECTRONIC DESPATCH OF THE SCHEME DOCUMENT**

Pursuant to the SIC Public Statements on Electronic Despatch, documents related to a take-over or merger transaction under the Code may be despatched electronically to the Shareholders through publication on SGXNet and on the corporate website of the Company. In line with the SIC Public Statements on Electronic Despatch, no printed copies of this Scheme Document will be despatched to the Shareholders (unless upon request). Instead, only printed copies of the Notice of Scheme Meeting, the Proxy Form and the Request Form will be despatched to the Shareholders.

Electronic copies of this Scheme Document (together with the Notice of Scheme Meeting and accompanying Proxy Form) has been made available on SGXNet at <https://sgx.com/securities/company-announcements> and the Company's corporate website at <https://res.listedcompany.com>. A Shareholder will need an internet browser and PDF reader to view these documents on the SGXNet announcement page of the Company and the corporate website of the Company.

Shareholders (including Overseas Shareholders) may obtain printed copies of this Scheme Document by submitting the Request Form to the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. by post at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632 or via email to [srs.proxy@boardroomlimited.com](mailto:srs.proxy@boardroomlimited.com) by no later than 10.00 a.m. on 12 August 2024. Printed copies of this Scheme Document will be sent to the address in Singapore specified by the Shareholder by ordinary post at its own risk, up to three (3) Market Days prior to the date of the Scheme Meeting.

**18. PAYMENT AND DELIVERY OF OFFEROR SHARE CERTIFICATES TO OVERSEAS SHAREHOLDERS**

Overseas Shareholders who wish to elect to receive the Cash and Securities Consideration are required to provide the Company, the Share Registrar or CDP (as the case may be) an address within Singapore for the purposes of service of notices and delivery by the Offeror of the Offeror Share Certificates by the Record Date.

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**Entitled Shareholders whose addresses recorded in the Register of Members, Depository Register or in the records of an Entitled Depository Agent (as the case may be) are not within Singapore and who do not provide the Company, the Share Registrar or CDP (as the case may be) with an address in Singapore by the Record Date will be deemed to have elected for the Cash Consideration in respect of their Shares.**

Overseas Shareholders should also refer to paragraph 16 of the Letter to Shareholders and paragraph 12 of the Offeror's Letter for further information relating to Overseas Shareholders.

**19. ADVICE OF THE INDEPENDENT FINANCIAL ADVISER**

The IFA Letter setting out the advice of the IFA to the Non-Conflicted Directors is set out in Appendix B to the Scheme Document.

**20. NON-CONFLICTED DIRECTORS' RECOMMENDATION**

The recommendation of the Non-Conflicted Directors in relation to the Scheme is set out in paragraph 14.2 of the Letter to Shareholders.

**21. GENERAL INFORMATION**

Your attention is drawn to the further relevant information, including the interests in the Shares of the Directors, which is set out in the Appendices of this Scheme Document. These Appendices form part of this Scheme Document. This Explanatory Statement should be read in conjunction with, and is qualified by, the full text of this Scheme Document, including the Scheme as set out at Appendix P to this Scheme Document.

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## APPENDIX B – LETTER FROM THE IFA TO THE NON-CONFLICTED DIRECTORS

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31 July 2024

To: The directors of RE&S Holdings Limited who are considered independent for the purposes of making a recommendation to the Shareholders in respect of the Scheme

Mr Ben Yeo Chee Seong	(Non-Executive Chairman and Independent Director)
Mr Hiroshi Tatara	(Executive Director and President)
Mr Lee Lap Wah, George	(Independent Director)
Ms Heng Mui Mui	(Independent Director)

Dear Sirs/Madam,

### PROPOSED ACQUISITION BY RELISH INVESTMENTS OF ALL THE ISSUED ORDINARY SHARES IN THE CAPITAL OF RE&S HOLDINGS LIMITED BY WAY OF A SCHEME OF ARRANGEMENT

*Unless otherwise defined or the context otherwise requires, all terms defined in the scheme document of the Company dated 31 July 2024 (the “**Scheme Document**”) shall have the same meanings herein.*

#### 1. INTRODUCTION

On 19 May 2024 (the “**Joint Announcement Date**”), the respective board of directors of RE&S Holdings Limited (the “**Company**”) and Relish Investments (the “**Offeror**”) jointly announced the proposed acquisition of all the issued ordinary shares in the capital of the Company (the “**Shares**”) by the Offeror (the “**Acquisition**”), which will be effected by the Company by way of a scheme of arrangement (the “**Scheme**”) in accordance with Section 210 of the Companies Act 1967 of Singapore (the “**Companies Act**”) and in accordance with the Singapore Code on Take-overs and Mergers (the “**Code**”) (the “**Joint Announcement**”).

The Scheme is conditional upon the satisfaction (or, where applicable, waiver) of the conditions precedent (the “**Scheme Conditions**”) in the implementation agreement dated 19 May 2024 entered into between the Offeror and the Company (the “**Implementation Agreement**”), on or before the date falling nine (9) months from the Joint Announcement Date or such other date as the Company and the Offeror may agree in writing (the “**Cut-Off Date**”). The Scheme Conditions include, amongst others, the approval of the Scheme by a majority in number representing not less than three-fourths in value of the shareholders of the Company (the “**Shareholders**”) present and voting either in person or by proxy at the meeting of the Shareholders to be convened at the direction of the High Court of the Republic of Singapore (the “**Court**”) to consider and, if thought fit, approving the Scheme (and shall include any adjournment of the meeting) (the “**Scheme Meeting**”) pursuant to the requirements of Section 210(3AB) of the Companies Act. In this regard, certain existing Shareholders (the “**Undertaking Shareholders**”) who hold 297,503,130 Shares, representing approximately 84.1%<sup>6</sup> of the total number of Shares, have each given an irrevocable undertaking to the Offeror (the “**Irrevocable Undertaking**”) to, *inter alia*, vote in favour of the Scheme at the Scheme Meeting.

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<sup>6</sup> Rounded to the nearest one (1) decimal place.



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## APPENDIX B – LETTER FROM THE IFA TO THE NON-CONFLICTED DIRECTORS

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The Scheme will be satisfied by a scheme consideration (the “**Scheme Consideration**”) for each Share, at the election of the Shareholders as at 5.00 p.m. on the Record Date (as defined in the Scheme Document) (the “**Entitled Shareholders**”), at S\$0.360 in cash for each Share (the “**Cash Consideration**”), or S\$0.330 in cash and 0.083143 ordinary shares in the capital of the Offeror (the “**Offeror Shares**”) per Share at the issue price of S\$0.360 per Offeror Share (the “**Issue Price**”) (the “**Cash and Securities Consideration**”) (the “**Election**”). The Offeror Shares are not and will not be listed on any securities exchange following completion of the Scheme.

Upon the Scheme becoming effective in accordance with its terms, the Company will become a wholly-owned subsidiary of the Offeror, and will, subject to the approval of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), be delisted from the Official List of the SGX-ST.

The Offeror intends and desires the continuity of management and minimal interruption of business of the Company and its subsidiaries (the “**Group**”) and had on 19 May 2024 entered into the term sheets (“**Term Sheets**”) with the Mr Foo Kah Lee (“**FKL**”) and Mr Lim Shyang Zheng (“**LSZ**”), the Chief Executive Officer (“**CEO**”) and Chief Operating Officer (“**COO**”) of the Company respectively, to set out the proposed terms and conditions of the Management Reinvestments (as defined below) and the Management Incentive Arrangements (as defined below). Pursuant to the Irrevocable Undertakings provided by each of FKL and LSZ in favour of the Offeror, each of FKL and LSZ had undertaken to the Offeror to, *inter alia*, reinvest an agreed amount from the Scheme Consideration due to them pursuant to the Scheme, to subscribe for a certain number of Offeror Shares, based on the Issue Price (the “**Management Reinvestments**”). Following the completion of the Acquisition, the Scheme and the Management Reinvestments, FKL and LSZ will each hold approximately 1.5% of the Offeror Shares. The Offeror will also establish a management incentive scheme (the “**Management Incentive Arrangements**”) after completion of the Acquisition and the Scheme, to reward FKL, LSZ and other senior executives or key employees of the Group (the “**RE&S Executives**”) upon occurrence of certain prescribed exit events. Further, the Offeror may request RE&S Executives (including FKL and LSZ) to execute new employment agreements so as to amend certain terms of their employment agreements (the “**Employment Agreement Arrangements**”). The specific terms of the Management Incentive Arrangements and the Employment Agreement Arrangements will be finalised by the board of directors of the Offeror after completion of the Acquisition, the Scheme and the Management Reinvestments.

The Offeror has sought certain rulings from the Securities Industry Council of Singapore (the “**SIC**”) and the SIC has confirmed, *inter alia*, that in relation to each of FKL and LSZ: (i) the Irrevocable Undertakings given by each of FKL and LSZ and the proposed arrangements contemplated by the Term Sheets in relation to FKL and LSZ (including the Management Reinvestments, the Management Incentive Arrangements, and the Employment Agreement Arrangements) (collectively, the “**FKL and LSZ Arrangements**”) will not constitute special deals for the purposes of Rule 10 of the Code; (ii) the FKL and LSZ Arrangements do not amount to an agreement or arrangement between the Offeror and each of FKL and LSZ to co-operate to obtain or consolidate effective control of the Company; and (iii) FKL and LSZ will be permitted to attend and vote on the Scheme at the Scheme Meeting, subject to the independent financial adviser (the “**IFA**”) publicly stating its opinion that the FKL and LSZ Arrangements are fair and reasonable so far as Shareholders are concerned in the context of Rule 10 of the Code.

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## APPENDIX B – LETTER FROM THE IFA TO THE NON-CONFLICTED DIRECTORS

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Accordingly, the Company has appointed SAC Capital Private Limited (“**SAC Capital**”) as the IFA to the directors who are considered independent for the purposes of making a recommendation to the Shareholders on the Scheme, namely all the directors of the Company (“**Directors**”), excluding FKL and LSZ (the “**Non-Conflicted Directors**”), to advise the Non-Conflicted Directors as to whether: (a) the terms of the Scheme are fair and reasonable; and (b) the FKL and LSZ Arrangements are fair and reasonable so far as Shareholders are concerned in the context of Rule 10 of the Code, for the purposes of making a recommendation to the Shareholders in connection with the Scheme.

### 2. OUR TERMS OF REFERENCE

We have been appointed as the IFA to the Non-Conflicted Directors, to advise the Non-Conflicted Directors in respect of their recommendation to the Shareholders on the Scheme and the FKL and LSZ Arrangements.

We are not and were not involved in any aspect of the negotiations entered into by the Group in relation to the Scheme (including the FKL and LSZ Arrangements), or in the deliberations leading up to the decision by the Offeror to undertake the Scheme. Accordingly, we do not, by this letter warrant the merits of the Scheme (including the FKL and LSZ Arrangements), other than to advise the Non-Conflicted Directors on the terms of the Scheme (including the FKL and LSZ Arrangements) from a financial point of view.

We have not conducted a comprehensive independent review of the business, operations or financial condition of the Group. We have not been provided with, nor do we have access to, any business plans or financial projections of the future performance of the Group, for the purpose of our evaluation of the Scheme. Our evaluation is confined to the financial terms of the Scheme (including the FKL and LSZ Arrangements), and it is not within our terms of reference to evaluate the strategic, legal or commercial merits or risks of the Scheme (including the FKL and LSZ Arrangements) or the future growth prospects or earnings potential of the Group after the completion of the Scheme, and the related matters. Accordingly, we do not express any view as to the future prices at which the Shares may trade or on the future financial performance of the Group, or the Offeror after the completion of the Scheme.

We have not been requested or authorised to solicit, and we have not solicited, any indication of interest from any third party with respect to the Shares. It is also not within our terms of reference to compare the relative merits of the Scheme *vis-à-vis* any alternative transaction that the Company may consider in the future, or any alternative offer that might otherwise be available in the future, and as such, we do not express an opinion thereon.

In the course of our evaluation of the financial terms of the Scheme, we have held discussions with the Directors and the management of the Company (the “**Management**”) and have relied on the information and representations, whether written or verbal, provided to us by the Directors and the Management, including the information contained in the Scheme Document. The Directors (including those who may have delegated detailed supervision of the preparation of the Scheme Document) have confirmed that, having made all reasonable enquiries and to the best of their knowledge: (a) all material information available to them in connection with the Scheme (including the FKL and LSZ Arrangements) has been disclosed in the Scheme Document; (b) such information (other than those relating to the Offeror, parties acting in concert or deemed to be acting in concert with the

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## APPENDIX B – LETTER FROM THE IFA TO THE NON-CONFLICTED DIRECTORS

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Offeror) is fair and accurate in all material respects; and (c) there is no other information or fact, the omission of which would cause any information disclosed to us or the facts stated in the Scheme Document to be inaccurate, incomplete or misleading in any material respect. Whilst care has been exercised in reviewing the information which we have relied on, we have not independently verified the information or representations. Accordingly, no representation or warranty, expressed or implied, is made and no responsibility is accepted by us concerning the accuracy, completeness or adequacy of such information or representations. We have, however, made reasonable enquiries and exercised our judgement (as deemed necessary) in assessing the information and representations provided to us, and have found no reason to doubt the accuracy or reliability of such information or representations which we have relied on in our evaluation.

Save as disclosed in this letter, all information relating to the Group that we have relied upon in arriving at our opinion and advice has been obtained from the Scheme Document, publicly available information, the Directors and/or the Management. We have not independently assessed and do not warrant or accept any responsibility as to whether the aforesaid information adequately represents a true and fair position of the financial, operational and business affairs of the Company at any time or as at 24 July 2024 (the “**Latest Practicable Date**”). We have also not made any independent evaluation or appraisal of the assets and liabilities of the Company and have not been furnished with any such evaluation or appraisals, except for the valuation summary (the “**Valuation Summary**”) prepared by Cushman & Wakefield VHS Pte. Ltd. (the “**Independent Valuer**”) who was appointed to perform independent valuation of the RE&S Property (as defined in paragraph 7.3.3 of this letter) held by the Group as at 31 May 2024. The Valuation Summary is set out in Appendix H to the Scheme Document. As we are not experts in the evaluation or appraisal of the assets set out in the Valuation Summary, we have placed sole reliance on the independent valuation in relation to the aforementioned asset and have not made any independent verification of the contents thereof. In addition, we do not assume any responsibility to enquire about the basis of the valuation in the Valuation Summary or if the contents in the Valuation Summary have been prepared in accordance with all applicable regulatory requirements including Rule 26 of the Code.

Our opinion and advice, as set out in this letter, are based on the market, economic, industry and other applicable conditions prevailing on, and the information made available to us as at the Latest Practicable Date. Such conditions may change significantly over a relatively short period of time and we assume no responsibility to update, revise or reaffirm our opinion and advice in the light of any subsequent development after the Latest Practicable Date that may affect our opinion and advice contained herein.

In rendering our opinion and advice, we have not had regard to the specific investment objectives, financial situation, tax position or individual circumstances of any Shareholder or any specific group of Shareholders. We recommend that any individual Shareholder or specific group of Shareholders who may require specific advice in relation to his or their investment portfolio(s) should consult his or their legal, financial, tax or other professional adviser.

**Our opinion and advice in relation to the Scheme (including the FKL and LSZ Arrangements) should be considered in the context of the entirety of this letter and the Scheme Document.**

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## APPENDIX B – LETTER FROM THE IFA TO THE NON-CONFLICTED DIRECTORS

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The Company has been separately advised by its own professional advisers in the preparation of the Scheme Document (other than this letter). We have had no role or involvement and have not provided any advice, financial or otherwise, in the preparation, review and verification of the Scheme Document (other than this letter). Accordingly, we take no responsibility for and express no views, expressed or implied, on the contents of the Scheme Document (other than this letter).

### 3. INFORMATION ON THE OFFEROR

The Offeror and the sole shareholder of the Offeror, Euphoria Investments (the “**HoldCo**”) are special purpose vehicles incorporated in the Cayman Islands for the purpose of the Acquisition and the Scheme. As at the Latest Practicable Date, Holdco is an indirect wholly-owned subsidiary of a fund that is advised and managed by Southern Capital Group Private Limited (“**SCG**”), a leading Singapore-headquartered private equity firm that focuses on investments into high growth middle market businesses across Southeast Asia. The board of directors of the Offeror as at the Latest Practicable Date comprises Mr Low Yon Jan, Mr Boh Sang Wei and Mr Kenneth Tan Jhu Hwa, who are executives of SCG.

Additional information on the Offeror, Holdco and SCG is set out in paragraph 1.5 of the “Letter to Shareholders” of the Scheme Document.

### 4. INFORMATION ON THE COMPANY AND THE GROUP

The Company was incorporated in Singapore on 26 May 2017 under the Companies Act and was listed on the Catalist Board of the SGX-ST on 22 November 2017. The Group is engaged substantially in the business of owning and operating Japanese food and beverage (“**F&B**”) outlets in Singapore and Malaysia, and a procurement office in Japan.

The Directors of the Company are as follows:

- (a) Mr. Ben Yeo Chee Seong (Non-Executive Chairman and Independent Director);
- (b) Mr. Hiroshi Tatara (Executive Director and President);
- (c) Mr. Foo Kah Lee (Executive Director and Chief Executive Officer);
- (d) Mr. Lim Shyang Zheng (Executive Director and Chief Operating Officer);
- (e) Mr. Lee Lap Wah, George (Independent Director); and
- (f) Ms. Heng Mui Mui (Independent Director).

As at the Latest Practicable Date, the Company has an issued and paid-up share capital of S\$32,829,118, comprising 353,837,700 Shares (excluding 162,300 treasury shares).

Additional information on Company and the Group is set out in paragraph 1.4 of the “Letter to Shareholders” and Appendix D to the Scheme Document.

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## APPENDIX B – LETTER FROM THE IFA TO THE NON-CONFLICTED DIRECTORS

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### 5. THE SCHEME

The detailed terms of the Scheme are set out in paragraph 3 of the “Letter to Shareholders”, “Appendix A – Explanatory Statement” and “Appendix P – The Scheme” to the Scheme Document. Shareholders are advised to refer to the Scheme Document for further details on the Scheme and read the information carefully.

The key terms of the Scheme and the related matters are set out below.

#### 5.1 Terms of the Scheme

Under the Scheme:

- (a) all the Shares held by the Entitled Shareholders will be transferred to the Offeror:
  - (i) fully paid up;
  - (ii) free from any claim, charge, mortgage, security, pledge, lien, option, restriction, equity, power of sale, hypothecation or other third-party rights or interest, retention of title, right of pre-emption, right of first refusal or security interest of any kind or an agreement, arrangement or obligation to create any of the foregoing; and
  - (iii) together with all rights, benefits and entitlements attaching thereto as at the Joint Announcement Date and thereafter attaching thereto, including the right to receive and retain all dividends, rights and other distributions (if any) declared, paid or made by the Company to the Shareholders on or after the Joint Announcement Date.
- (b) In consideration for such transfer, each Entitled Shareholder will be entitled to receive for each Share at their election the Cash Consideration, or in lieu of the Cash Consideration, the Cash and Securities Consideration.

#### 5.2 Scheme Conditions

The Scheme is conditional upon the satisfaction (or, where applicable, the waiver) of the Scheme Conditions by the Cut-Off Date, which includes, amongst others, approval of the Scheme by Shareholders at the Scheme Meeting, the grant of the order of the Court pursuant to Section 210 of the Companies Act sanctioning the Scheme (“**Court Order**”) and such Court Order having become final, and approval-in-principal from the SGX-ST of the proposed delisting of the Company from the SGX-ST.

Further details of the Scheme Conditions are set out in “Appendix A – Explanatory Statement” and Appendix I to the Scheme Document and Shareholders are advised to read the information carefully.

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## **APPENDIX B – LETTER FROM THE IFA TO THE NON-CONFLICTED DIRECTORS**

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### **5.3 Termination of the Implementation Agreement**

In the event of termination of the Implementation Agreement by either the Company or the Offeror pursuant to the terms of the Implementation Agreement:

- (a) the Implementation Agreement shall cease to have any further force or effect (save for certain surviving provisions); and
- (b) neither the Offeror nor the Company shall have any further liability or obligation to the other Party (save for certain surviving provisions).

Further details of the termination of the Implementation Agreement are set out in paragraph 3.5 of the “Letter to Shareholders” and “Appendix A – Explanatory Statement” to the Scheme Document and Shareholders are advised to read the information carefully.

### **5.4 Irrevocable Undertakings**

Each of the Undertaking Shareholders has given the Irrevocable Undertaking to, *inter alia*:

- (a) cast, or where applicable, procure the casting, of all votes in relation to their respective Shares in favour of the Scheme at the Scheme Meeting;
- (b) cast, or where applicable, procure the casting, of all votes in relation to their respective Shares against and reject any Competing Offer, subject to, for FKL, LSZ and HT, their respective fiduciary duties as a director of the Company;
- (c) elect to accept, in respect of their respective Shares:
  - (i) in the case of FKL, LSZ and Mr Yek Hong Liat John, the Cash Consideration. From the Cash Consideration due to each of FKL and LSZ, each of FKL and LSZ will also undertake to effect the Management Reinvestments; and
  - (ii) in the case of HT, the Cash and Securities Consideration.

Further details of the Irrevocable Undertakings are set out in paragraph 4 of the “Letter to Shareholders” and “Appendix A – Explanatory Statement” to the Scheme Document and Shareholders are advised to read the information carefully.

### **5.5 FKL and LSZ Arrangements**

The Offeror intends to retain FKL and LSZ as the CEO and COO of the Group respectively. FKL and LSZ has undertaken in their respective Irrevocable Undertaking to effect the Management Reinvestments. It is envisaged that the Management Incentive Arrangements and the Employment Agreement Arrangements will be established and/or executed after the completion of the Acquisition, the Scheme and the Management Reinvestments.

Further details of the FKL and LSZ Arrangements are set out in paragraph 5 of the “Letter to Shareholders” of the Scheme Document and Shareholders are advised to read the information carefully.



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### 5.6 Delisting

As set out in paragraph 11 of the “Letter to Shareholders” of the Scheme Document, upon the Scheme becoming effective and binding in accordance with its terms, the Company will become a wholly-owned subsidiary of the Offeror, and consequently will not be able to meet the listing requirements of the SGX-ST.

The Company will, through its sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “**Sponsor**”), submit an application in respect of the proposed delisting and removal of the Company from the Official List of the SGX-ST upon the Scheme becoming effective and binding in accordance with its terms (the “**Delisting**”) to the SGX-ST in due course. The Delisting will be conditional upon the SGX-ST advising that it has no objection to the Company’s application for the Delisting (the “**SGX-ST Delisting Approval**”).

The above decision of the SGX-ST is not to be taken as an indication of the merits of the Scheme, the Delisting, the Company, its subsidiaries and/or their securities.

**SHAREHOLDERS SHOULD NOTE THAT BY VOTING IN FAVOUR OF THE SCHEME, THE SHARES WILL, SUBJECT TO THE SGX-ST DELISTING APPROVAL BEING OBTAINED, BE DELISTED FROM THE OFFICIAL LIST OF THE SGX-ST IF THE SCHEME BECOMES EFFECTIVE AND BINDING IN ACCORDANCE WITH ITS TERMS.**

### 6. OFFEROR’S RATIONALE FOR THE ACQUISITION AND FUTURE INTENTIONS FOR THE COMPANY

The Offeror’s rationale for the Acquisition and future intentions for the Company are set out in paragraph 2 of the “Letter to Shareholders” of the Scheme Document, and Shareholders are advised to read the information carefully.

### 7. FINANCIAL ASSESSMENT OF THE SCHEME

In assessing the financial terms of the Scheme, we have taken into account the following factors which we consider to have a significant bearing on our assessment:

- (a) market quotation and trading liquidity of the Shares;
- (b) historical financial performance of the Group;
- (c) historical financial position of the Group, including the adjusted net asset value (“**NAV**”) and revalued net asset value of the Group (“**RNAV**”);
- (d) comparison of valuation statistics of companies broadly comparable to the Group;
- (e) comparison with recent successful privatisation transactions and delisting offers of companies listed on the SGX-ST;
- (f) comparison with successful privatisation transactions and delisting offers of F&B companies listed on the SGX-ST;
- (g) estimated range of value of the Shares;



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- (h) Cash and Securities Consideration as an Election; and
- (i) other relevant considerations.

### 7.1 Market Quotation and Trading Liquidity of the Shares

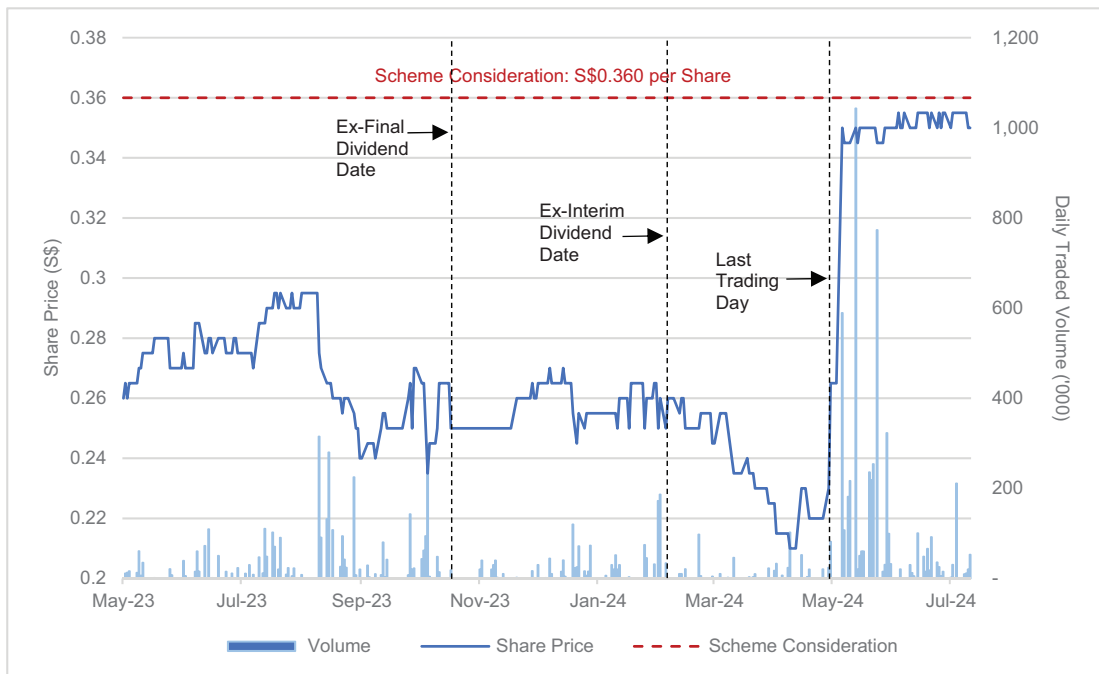
#### 7.1.1 Share price benchmark

On 14 May 2024, during trading hours, the Company requested for a trading halt pending the release of an announcement. As such, we consider 13 May 2024 as the last full trading day of the Shares on the SGX-ST immediately prior to the Joint Announcement Date (the “**Last Trading Day**”). Subsequently, on 19 May 2024, being the Joint Announcement Date, the Company released the Joint Announcement in relation to the Acquisition and the Scheme, and the trading halt was lifted on the Joint Announcement Date.

For the purpose of our analysis of the trading performance of the Shares in respect of the Scheme, we have compared the Scheme Consideration against the historical market price performance of the Shares and considered the historical trading volume of the Shares for the 12-month period prior to the Last Trading Day, and up to the Latest Practicable Date (the “**Period Under Review**”).

#### 7.1.2 Share price chart and trading liquidity during the Period Under Review

A graphical representation of the daily closing prices and daily trading volumes of the Shares for the Period Under Review is set out as follows:



Source: Bloomberg L.P.

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A summary of the salient announcements and key events relating to the Group’s business operations and the Scheme during the Period Under Review is as follows:

Date	Event
23 August 2023	Announcement on the unaudited financial results for the financial year ended 30 June 2023 (“ <b>FY2023</b> ”), which reported the Company’s net profit after tax of S\$7.6 million in FY2023 compared to net profit after tax of S\$9.5 million in the financial year ended 30 June 2022 (“ <b>FY2022</b> ”), mainly due to higher operating expenses (including employee benefits expenses, operating lease expenses, utilities expenses, depreciation expenses and other operating expenses) and a decrease in other operating income which was partially offset by an increase in revenue
29 August 2023	LSZ purchased 166,000 shares through a custodian bank via a market transaction
9 October 2023	Release of the annual report for FY2023
	Announcement on the declaration of the final dividend of S\$0.009 per Share for FY2023 (the “ <b>FY2023 Final Dividend</b> ”)
24 October 2023	Announcement on response to questions from shareholders in advance of the Company’s FY2023 annual general meeting
1 November 2023 (the “ <b>Ex-Final Dividend Date</b> ”)	Shares trade ex-dividend for FY2023 Final Dividend. Accordingly, the last cum-dividend date was 31 October 2023, being the last Market Day <sup>7</sup> prior to the Ex-Final dividend Date
11 January 2024	Announcement on cybersecurity incident in which the Group was the subject of a ransomware incident, where an unknown party gained unauthorised access to the Group’s servers
23 January 2024	Announcement on updates to the cybersecurity incident

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<sup>7</sup> Being a day on which the SGX-ST is open for trading of securities

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Date	Event
14 February 2024	<p>Announcement on the unaudited financial results for six (6)-month ended 31 December 2023 (“<b>1H2024</b>”), which reported the Company’s net profit after tax of S\$2.4 million in 1H2024 as compared to net profit after tax of S\$5.6 million in the unaudited financial results for six (6)-month ended 31 December 2022 (“<b>1H2023</b>”), mainly due to higher operating expenses, comprising employee benefits expenses, depreciation expenses, operating lease expenses, utilities expenses and other operating expenses)</p> <p>Announcement on the declaration of the interim dividend of S\$0.006 per Share for the financial year ended 30 June 2024 (“<b>FY2024</b>”) (the “<b>FY2024 Interim Dividend</b>”)</p>
21 February 2024 (the “ <b>Ex-interim Dividend Date</b> ”)	Shares trade ex-dividend for FY2024 Interim Dividend. Accordingly, the last cum-dividend date was 20 February 2024, being the last Market Day prior to the Ex-interim Dividend Date
14 May 2024	Announcement on the request for trading halt of the Shares during market hours
19 May 2024	<p>Release of the Joint Announcement</p> <p>Announcement on the request for lifting of trading halt of the Shares</p>
30 May 2024	Announcement on the appointment of SAC Capital as the IFA to the Non-Conflicted Directors
6 June 2024	Announcement on the disposal of the Group’s remaining balance in quoted securities

*Source: Company’s announcements on the SGX-ST*

As shown in the Share price chart above, the Shares have traded consistently below S\$0.300 for the 12-month period up to and including the Last Trading Day, with closing prices of the Shares fluctuating between S\$0.210 and S\$0.295. Prior to the Joint Announcement Date, the Shares last traded at S\$0.230 on the Last Trading Day. Following the release of the Joint Announcement and up to the Latest Practicable Date, the Shares have mostly traded close to but below the Scheme Consideration.

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Additional information on the traded closing prices of the Shares, volume-weighted average prices (“**VWAP**”) and average daily trading volumes (“**ADTV**”) for the reference period(s): (a) prior to and including the Last Trading Day; and (b) from 20 May 2024 (being the Market Day after the Joint Announcement Date) up to the Latest Practicable Date are set out as follows:

	Highest closing price <sup>(1)</sup> (S\$)	Lowest closing price <sup>(1)</sup> (S\$)	VWAP <sup>(1)</sup> (S\$)	Premium of Scheme Consideration over VWAP (%)	ADTV <sup>(2)</sup> (shares)	ADTV as percentage of free float <sup>(3)</sup> (%)
<b>Periods prior to and including the Last Trading Day</b>						
Last 12 months	0.295	0.210	0.260	38.5	21,795	0.04
Last 6 months	0.270	0.210	0.248	45.2	15,523	0.03
Last 3 months	0.265	0.210	0.240	50.0	15,369	0.03
Last 1 month	0.230	0.210	0.218	65.1	15,065	0.03
13 May 2024 (Last Trading Day)	0.230	0.230	0.228	57.9	23,800	0.05
<b>Period from the Joint Announcement Date and up to the Latest Practicable Date</b>						
Period between and including 20 May 2024 and up to 24 July 2024 (Latest Practicable Date)	0.355	0.345	0.348	3.4	110,350	0.21
24 July 2024 (Latest Practicable Date)	0.350	0.350	0.350	2.9	136	0.0003

Source: Bloomberg L.P. and SAC Capital’s computations

### Notes:

- (1) Based on data extracted from Bloomberg L.P. and with the figures rounded to the nearest three (3) decimal places.
- (2) The ADTV of the Shares is calculated based on the total volume of the Shares traded divided by the number of Market Days during the relevant periods.
- (3) For the purpose of computing the ADTV as a percentage of free float, we have used the free float of 51,746,885 Shares based on the free float of 14.62% as disclosed in the annual report of the Company for FY2023.

We note the following with regard to the Share prices and the ADTV of the Shares:

### Periods prior to and including the Last Trading Day

- (a) during the 12-month period up to and including the Last Trading Day, the closing prices of the Shares ranged between a low of S\$0.210 (on 23 April 2024 and 24 April 2024) and a high of S\$0.295 (on 1 August 2023, 2 August 2023, 4 August 2023, 10 August 2023 and 15 August 2023). The Scheme Consideration represents: (i) a premium of 71.4% over the lowest closing price of the Shares; and (ii) a premium of 22.0% over the highest closing price of the Shares, during the 12-month period up to and including the Last Trading Day;

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- (b) the Scheme Consideration represents a premium of 38.5%, 45.2%, 50.0% and 65.1% over the VWAP of the Shares for the 12-, 6-, 3- and 1-month periods up to and including the Last Trading Day respectively;
- (c) the Scheme Consideration represents a premium of 56.5% over the closing price of the Shares of S\$0.230 on the Last Trading Day;
- (d) the trading liquidity of the Shares for the 12-, 6-, 3- and 1-month periods up to and including the Last Trading Day has been low with an ADTV of between approximately 0.03% and 0.04% of the free float of the Company; and
- (e) during the 12-month period up to and including the Last Trading Day, the Shares were only traded on 147 Market Days out of 250 Market Days.

### Period from the Joint Announcement Date up to the Latest Practicable Date

- (a) the Scheme Consideration represents a premium of 3.4% to the VWAP of the Shares for the period from 20 May 2024 and up to the Latest Practicable Date;
- (b) the Scheme Consideration represents a premium of 2.9% to the closing price of the Shares as at the Latest Practicable Date; and
- (c) the ADTV of the Shares as a percentage of the free float was approximately 0.0003% for the period from 20 May 2024 and up to the Latest Practicable Date.

Based on the above observations, we note that the trading volume and closing price of the Shares were relatively higher after the Joint Announcement Date. We believe that the general upward trend is likely supported by the Scheme subsequent to the Joint Announcement.

In evaluating the Scheme Consideration, it is relevant to examine the trading volume of the Shares over a reasonable period, during which the market price of the Shares may reflect public investors' valuation of the Shares, based on publicly available information.

We note the following with regard to the trading liquidity of the Shares:

- (a) the ADTV of the Shares for the 12-month period up to and including the Last Trading Day was 21,795 Shares and represented 0.04% of the Company's free float;
- (b) the ADTV for the 6-, 3- and 1-month periods prior to and including the Last Trading Day were only 15,523 Shares, 15,369 Shares and 15,065 Shares respectively; and
- (c) we also note that the Shares were traded quite thinly. We calculated that the Shares were traded on 58.8%, 55.6%, 52.5% and 60.0% of the Market Days for the 12-, 6-, 3- and 1-month periods prior to and including the Last Trading Day.

Based on the above, we note that the trading of the Shares is erratic and appears to be relatively illiquid for the aforementioned periods prior to and including the Last Trading Day. In addition, the ADTV for the aforementioned periods prior to the Last Trading Day

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represents less than 0.05% of the Company's free float, and the ADTV during the aforementioned periods prior to the Last Trading Day was significantly low at less than 24,000 Shares.

It is to note that given the low liquidity of the Shares during the periods observed, the Scheme Consideration may represent a realistic exit opportunity for Shareholders to realise their entire investment for cash. In the absence of the Scheme Consideration, such an exit for all Shareholders may not be readily available due to the low trading liquidity for the Shares.

Shareholders should note that there is no assurance that the closing price of the Shares would remain at the current level prevailing as at the Latest Practicable Date and after the completion of the Scheme. Shareholders should note that the past trading performance of the Shares should not in any way be relied upon as an indication or a guarantee of its future trading performance, which will depend on, amongst other factors, the performance and prospects of the Company, prevailing economic conditions, economic outlook, stock market conditions and sentiment.

### 7.1.3 Share price chart since its initial public offering (“IPO”) to the Latest Practicable Date

A graphical representation of the daily closing prices and volume traded of the Shares since its IPO to the Latest Practicable Date is set out as follows:



Source: Bloomberg L.P.

The Company was listed on the Catalist Board of the SGX-ST on 22 November 2017 at an issue price of S\$0.22. From the share price chart above, we note that the Shares have never closed at or above the Scheme Consideration since its IPO to the Latest Practicable Date.

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### 7.2 Historical Financial Performance of the Group

The salient audited consolidated financial information of the Group for the financial years ended 30 June 2021, 2022 and 2023 (“**FY2021**”, “**FY2022**” and “**FY2023**” respectively) and the unaudited interim consolidated financial information of the Group for financial periods ended 31 December 2022 and 2023 (“**1H2023**” and “**1H2024**” respectively) are set out in the table below. The following summary financial information should be read in conjunction with the full text of the annual reports and interim results announcement of the Group, in respect of the relevant financial periods including the notes thereto.

#### 7.2.1 Consolidated Statement of Profit or Loss

(S\$'000)	Audited			Unaudited	
	FY2021	FY2022	FY2023	1H2023	1H2024
Revenue	127,833	154,835	174,057	87,982	89,253
Other operating income	9,388	7,205	3,730	620	355
Raw materials and consumables used	(34,097)	(42,990)	(47,038)	(22,711)	(22,295)
Changes in inventories of finished goods	(294)	(548)	(456)	(750)	(269)
Employee benefits expense	(44,455)	(51,613)	(60,665)	(29,072)	(32,433)
Depreciation of property, plant and equipment	(5,899)	(6,336)	(6,711)	(3,327)	(3,382)
Depreciation of right-of-use assets	(19,646)	(20,369)	(20,540)	(10,214)	(11,680)
Operating lease expenses	(1,712)	(1,921)	(2,596)	(1,565)	(898)
Utilities expenses	(3,437)	(4,846)	(6,373)	(3,168)	(3,289)
Finance costs	(2,986)	(2,988)	(2,579)	(1,324)	(1,550)
Other operating expenses	(12,451)	(16,162)	(18,032)	(8,169)	(9,152)
Other expenses	(1,367)	(2,964)	(2,899)	(1,246)	(1,472)
<b>Profit before income tax</b>	<b>10,877</b>	<b>11,303</b>	<b>9,898</b>	<b>7,056</b>	<b>3,188</b>
Income tax expense	(1,387)	(1,852)	(2,253)	(1,500)	(744)
<b>Profit, net of income tax</b>	<b>9,490</b>	<b>9,451</b>	<b>7,645</b>	<b>5,556</b>	<b>2,444</b>

Source: Annual reports for FY2021, FY2022 and FY2023 and unaudited financial statements for 1H2023 and 1H2024 of the Group

#### *FY2022 vs FY2021*

The Group’s revenue increased by approximately S\$27.0 million from S\$127.8 million in FY2021 to S\$154.8 million in FY2022 due to increase in revenue for both Full-Service Restaurants segment (“**FSR**”) and Quick-Service Restaurants, Convenience & Others segment (“**QSR**”). Revenue from FSR segment increased mainly due to removal of



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COVID-19 social distancing restrictions in Singapore, which resulted in the reinstatement of seats for dine-in customers to maximise dine-in capacity while revenue from QSR segment increased mainly due to opening of new outlets in 1H2022. In addition, there was also an increase in food delivery sales on the back of customers becoming more accustomed to food delivery service and the convenience it offers amid the pandemic.

Other operating income decreased by approximately S\$2.2 million from S\$9.4 million in FY2021 to S\$7.2 million in FY2022, mainly due to the tapering off of government and landlords' support in relation to COVID-19 pandemic.

The cost of raw materials and consumables net of changes in inventories increased by approximately S\$9.1 million from S\$34.4 million in FY2021 to S\$43.5 million in FY2022. The cost of raw materials and consumables net of changes in inventories were 26.9% and 28.1% of total revenue for FY2021 and FY2022 respectively, and the increase was mainly due to a general increase in the average prices of raw materials and consumables, arising from the disruption in global supply and higher inflation.

Operating expenses comprising employment benefits expense, depreciation expenses, operating lease expenses, utilities expenses and other operating expenses, increased by approximately S\$13.6 million from S\$87.6 million in FY2021 to S\$101.2 million in FY2022 largely attributable to the opening of new outlets. In particular, employee benefits expenses increased by approximately S\$7.1 million from S\$44.5 million in FY2021 to S\$51.6 million in FY2022 primarily attributed to the increase in head counts which was in line with the opening of new outlets.

Other expenses increased by approximately S\$1.6 million from S\$1.4 million in FY2021 to S\$3.0 million in FY2022 mainly due to unrealised markdowns on investments at fair value through profit or loss ("FVTPL") and loss on disposal of financial assets at FVTPL, arising from the uncertainties in the macroeconomic environment.

Overall, the Group's profit after tax remained stable, which were S\$9.5 million in both FY2021 and FY2022.

### *FY2023 vs FY2022*

The Group's revenue increased by approximately S\$19.3 million from S\$154.8 million in FY2022 to S\$174.1 million in FY2023 due to increase in both FSR segment and QSR segment. Revenue from FSR segment increased mainly due to removal of COVID-19 social distancing restrictions in Singapore, which resulted in the reinstatement of seats for dine-in customers to maximise dine-in capacity while revenue from QSR segment increased mainly due to: (i) opening of new outlets in FY2023; (ii) revamp of &JOY Japanese Food Street located in Jurong Point in August 2022; and (iii) removal of COVID-19 social distancing restrictions in Singapore, which resulted in the reinstatement of seats for dine-in customers to maximise dine-in capacity.

Other operating income decreased by approximately S\$3.5 million from S\$7.2 million in FY2022 to S\$3.7 million in FY2023, mainly due to the absence of government and landlords' support in relation to COVID-19 pandemic.

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The cost of raw materials and consumables net of changes in inventories increased by approximately S\$4.0 million from S\$43.5 million in FY2022 to S\$47.5 million in FY2023. The cost of raw materials and consumables net of changes in inventories were 28.1% and 27.3% of total revenue for FY2022 and FY2023 respectively, and the decrease was mainly due to lower food cost associated with certain QSR concepts.

Operating expenses comprising employment benefits expense, depreciation expenses, operating lease expenses, utilities expenses and other operating expenses, increased by approximately S\$13.7 million from S\$101.2 million in FY2022 to S\$114.9 million in FY2023 mainly due to the opening of new outlets. In particular, employee benefits expenses increased by approximately S\$9.1 million from S\$51.6 million in FY2022 to S\$60.7 million in FY2023 primarily attributed to: (i) increase in hiring of workers due to the opening of new outlets; (ii) salary adjustment across the board and; (iii) increase in staff welfare initiatives such as the provision of meals.

Other expenses decreased slightly by approximately S\$0.1 million from S\$3.0 million in FY2022 to S\$2.9 million in FY2023 mainly due to absence of unrealised loss in investments at FVTPL, which was offset by increase in professional fees incurred in opening new outlets.

Overall, the Group's profit after tax decreased by approximately S\$1.9 million from S\$9.5 million in FY2022 to S\$7.6 million in FY2023.

### *1H2023 vs 1H2024*

The Group's revenue increased by approximately S\$1.3 million from S\$88.0 million in 1H2023 to S\$89.3 million in 1H2024 primarily due to increase in revenue from QSR segment attributable to the opening of 6 new QSR outlets which was offset by decrease in revenue from FSR segment mainly due to interim closure of certain food outlets for revamping and conversion into QSR concepts, in line with shift to labour lean concepts.

Other operating income decreased by approximately S\$0.2 million from S\$0.6 million in 1H2023 to S\$0.4 million in 1H2024 mainly due to a decrease in government grant.

The cost of raw materials and consumables net of changes in inventories decreased by approximately S\$0.9 million from S\$23.5 million in 1H2023 to S\$22.6 million in 1H2024. The cost of raw materials and consumables net of changes in inventories were 26.7% and 25.3% of total revenue for 1H2023 and 1H2024 respectively, and the decrease was due to lower raw material costs, particularly salmon.

Operating expenses comprising employment benefits expense, depreciation expenses, operating lease expenses, utilities expenses and other operating expenses, increased by approximately S\$5.3 million from S\$55.5 million in 1H2023 to S\$60.8 million in 1H2024 mainly due to the increase in new outlets. In particular, employee benefits expenses increased by approximately S\$3.3 million from S\$29.1 million in 1H2023 to S\$32.4 million in 1H2024 primarily attributed to: (i) an improvement in the employee compensation package to ease recruitment; and (ii) an increased in hiring of workers due to the opening of new outlets.

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Other expenses increased by approximately S\$0.3 million from S\$1.2 million in 1H2023 to S\$1.5 million in 1H2024 mainly due to: (i) increase in professional fees mainly attributed to new outlets; and (ii) increase in plant and equipment written off due to revamp of outlets, which was offset by unrealised gain of financial assets held at FVTPL.

Overall, the Group's profit after tax decreased by approximately S\$3.2 million from S\$5.6 million in 1H2023 to S\$2.4 million in 1H2024.

### 7.2.2 Consolidated Statement of Cash Flows

(S\$'000)	Audited			Unaudited	
	FY2021	FY2022	FY2023	1H2023	1H2024
Net cash flows from operating activities	38,296	43,824	39,290	16,820	14,685
Net cash used in investing activities	(2,983)	(15,401)	(8,979)	(1,372)	(1,681)
Net cash flows used in financing activities	(22,315)	(29,706)	(37,122)	(15,261)	(16,138)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>12,998</b>	<b>(1,283)</b>	<b>(6,811)</b>	<b>187</b>	<b>(3,134)</b>
<b>Cash and cash equivalents, ending balance</b>	<b>25,712</b>	<b>24,429</b>	<b>17,618</b>	<b>24,616</b>	<b>14,484</b>

*Source: Annual reports for FY2021, FY2022 and FY2023 and unaudited financial statements for 1H2023 and 1H2024 for of the Group*

The Group generated positive net cash provided by operating activities of S\$38.3 million, S\$43.8 million, S\$39.3 million, S\$16.8 million and S\$14.7 million for FY2021, FY2022, FY2023, 1H2023 and 1H2024 respectively.

Net cash generated from operating activities in 1H2024 was S\$14.7 million due to positive operating cash flows before changes in the working capital of S\$19.8 million, net working capital outflow of S\$4.2 million and income taxes paid of S\$0.9 million. The net working capital outflow was due to: (i) a decrease in trade and other payable of S\$2.6 million; and (ii) an increase in other non-financial assets of S\$1.7 million; and (iii) an increase in inventories of S\$0.3 million; which was offset by a decrease in trade and other receivables of S\$0.3 million.

Net cash used in investing activities in 1H2024 was S\$1.7 million mainly due to purchase of plant and equipment of S\$5.3 million and purchase of other financial assets of S\$1.3 million. This was partially offset by an increase in other non-financial assets of S\$2.6 million and disposal of other financial assets of S\$2.1 million.

Net cash used in financing activities in 1H2024 was S\$16.1 million mainly due to: (i) lease payment of S\$13.0 million; and (ii) dividend paid of S\$3.2 million.

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The Group's net cash and cash equivalents decreased by S\$3.1 million in 1H2024.

Taking into account the cash and cash equivalents at the beginning of 1H2024 of S\$17.6 million and the net decrease in cash and cash equivalents of S\$3.1 million, the Group's cash and cash equivalent as at 31 December 2023 amounted to S\$14.5 million.

### 7.3 Historical Financial Position of the Group

#### 7.3.1 Consolidated Statement of Financial Position

A summary of the financial position of the Group as at 30 June 2023 and 31 December 2023 is set out as follows:

(\$'000)	Audited As at 30 June 2023	Unaudited As at 31 December 2023
<b>Non-current assets</b>		
Property, plant and equipment	31,215	32,711
Right-of-use assets	72,961	65,244
Other non-financial assets, non-current	6,159	3,516
Deferred tax assets	15	32
<b>Total non-current assets</b>	<b>110,350</b>	<b>101,503</b>
<b>Current assets</b>		
Inventories	4,276	4,545
Trade and other receivables, current	2,536	2,237
Other financial assets, current	6,155	5,638
Other non-financial assets, current	3,110	4,800
Cash and cash equivalents	17,618	14,484
<b>Total current assets</b>	<b>33,695</b>	<b>31,704</b>
<b>Total assets</b>	<b>144,045</b>	<b>133,207</b>
<b>Equity</b>		
Share capital	32,307	32,307
Treasury shares	(42)	(42)
Merger reserve	(18,149)	(18,149)
Retained earnings	27,145	26,404
Foreign currency translation reserve	(219)	(223)
<b>Total equity</b>	<b>41,042</b>	<b>40,297</b>

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<b>(S\$'000)</b>	<b>Audited As at 30 June 2023</b>	<b>Unaudited As at 31 December 2023</b>
<b>Non-current liabilities</b>		
Deferred tax liabilities	1,148	1,197
Provisions, non-current	1,585	1,661
Lease liabilities, non-current	56,009	53,156
<b>Total non-current liabilities</b>	<b>58,742</b>	<b>56,014</b>
<b>Current liabilities</b>		
Income tax payable	2,193	1,972
Trade and other payables	19,720	17,112
Other non-financial liabilities	32	25
Lease liabilities, current	22,316	17,787
<b>Total current liabilities</b>	<b>44,261</b>	<b>36,896</b>
<b>Total liabilities</b>	<b>103,003</b>	<b>92,910</b>
<b>Total equity and liabilities</b>	<b>144,045</b>	<b>133,207</b>
<b>NAV/NTA of the Group</b>	<b>41,042</b>	<b>40,297</b>
Number of issued shares (excluding treasury shares) (‘000)	353,838	353,838
<b>NAV/NTA per Share (S\$ cents)</b>	<b>11.60</b>	<b>11.39</b>

*Source: Annual report for FY2023 of the Group and unaudited financial statement for 1H2024 of the Group*

**Assets**

As at 31 December 2023, the Group has total assets of S\$133.2 million comprising current assets of S\$31.7 million (23.8% of total assets) and non-current assets of S\$101.5 million (76.2% of total assets).

The main current assets of the Group are: (i) cash and cash equivalents of S\$14.5 million (45.7% of current assets); (ii) other financial assets of S\$5.6 million (17.8% of current assets); (iii) other non-financial assets of S\$4.8 million (15.1% of current assets); and (iv) inventories of S\$4.5 million (14.3% of current assets) as at 31 December 2023.

The main non-current assets of the Group are: (i) right-of-use assets of S\$65.2 million (64.3% of non-current assets); and (ii) property, plant and equipment of S\$32.7 million (32.2% of non-current assets) as at 31 December 2023.

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### *Liabilities and equity*

As at 31 December 2023, the Group has total liabilities of S\$92.9 million, mainly comprising lease liabilities of S\$70.9 million (76.4% of total liabilities) and trade and other payables of S\$17.1 million (18.4% of total liabilities).

Total equity and NAV of the Group was S\$40.3 million as at 31 December 2023.

### 7.3.2 Book NAV/NTA of the Group

The NAV of a company refers to the aggregate value of all the assets in their existing condition, net of any non-controlling interests and all the liabilities of the company. The NAV approach may provide an estimate of the value of a group assuming the hypothetical sale of all its assets over a reasonable period of time, the proceeds of which would be first used to settle the liabilities of the group with the balance available for distribution to its shareholders. Therefore, the net assets of a company are perceived as providing support for the value of the shareholders' equity.

Notwithstanding the foregoing, Shareholders should note that an analysis based on the NAV of the Group provides an estimate of the value of the Group based on a hypothetical scenario, and such hypothetical scenario is assumed without considering factors such as, *inter alia*, time value of money, market conditions, legal and professional fees, liquidation costs, taxes, contractual obligations, regulatory requirements and availability of potential buyers, which would theoretically lower the NAV that can be realised. While the asset base of the Group can be a basis for valuation, such a valuation does not necessarily imply a realisable market value as the market value of the assets and liabilities may vary depending on prevailing market and economic conditions. Furthermore, the NAV approach is more relevant in circumstances where the business is to cease operations or where the profitability of the business being valued is not sufficient to sustain an earnings-based valuation.

Based on the Group's latest unaudited financial statement as at 31 December 2023, there were no intangible assets and accordingly, the NTA of the Group is equivalent to the NAV of the Group. The latest announced NAV of the Group was approximately S\$40.3 million as at 31 December 2023.

The Company had also, on 1 March 2024, paid the interim dividend of S\$0.006 per Share for FY2024 (the "**1H2024 Interim Dividend**") amounting to S\$2.1 million to Shareholders. After adjusting for the 1H2024 Interim Dividend, the adjusted NAV attributable to Shareholders amounted to S\$38.2 million. Based on the 353,837,700 Shares in issue as at the Latest Practicable Date, the adjusted NAV per share is approximately S\$0.108.

We note that the Scheme Consideration represents a premium of approximately 233.3% against the adjusted NAV/NTA per Share of S\$0.108 as at 31 December 2023. Accordingly, the Price-to-NAV/NTA ("**P/NAV**")/("**P/NTA**") of the Group implied by the Scheme Consideration would be approximately 3.33 times as at 31 December 2023.

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### 7.3.3 RNAV of the Group

In our evaluation of the Scheme Consideration, we have also considered whether: (i) there are any assets which should be valued at an amount that is materially different from that which are recorded in the unaudited balance sheet of the Group as at 31 December 2023; (ii) whether there are any events in announcements made by the Company after the publication of the latest financial results that are likely to impact the NAV of the Group as at 31 December 2023; and (iii) whether there are any factors which have not been otherwise disclosed in the financial statements of the Group that are likely to impact the NAV of the Group as at 31 December 2023.

#### Property, Plant and Equipment

The aggregate book value of the property, plant and equipment (the “PPE”) of the Group as at 31 December 2023, comprising: (i) leasehold property; and (ii) plant and equipment, amounted to S\$32.7 million, representing 24.6% of the Group’s total assets.

The leasehold property refers to the 7-storey detached industrial building located at 32 Tai Seng Street, Singapore 533972 (the “RE&S Building”). As at 31 December 2023, the total net book value of the RE&S Building amounted to S\$12.9 million, representing 9.7% of the Group’s total assets. We note that the RE&S Building is recognised based on historical cost less accumulated depreciation and impairment losses.

For the assessment of the RNAV of the Group, the Group had commissioned the Independent Valuer to conduct an independent valuation to determine the market value of the RE&S Building, which is set out below:

<b>Description of Property</b>	<b>Net book value as at 31 December 2023 (S\$’000)</b>	<b>Market Value as at 31 May 2024 (S\$’000)</b>	<b>Revaluation Surplus (S\$’000)</b>
PPE (Leasehold Building) - RE&S Building	12,916	40,000	27,084

The Independent Valuer had conducted its independent valuation of the RE&S Building on the basis of “Market Value” which is defined as “*the estimated amount for which an asset or liability should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s length transaction, after property marketing, wherein the parties had each acted knowledgeably, prudently and without compulsion*”.

In arriving at the “Market Value” of the RE&S Building, the Independent Valuer has adopted discounted cash flow method and comparison method as the appropriate methods for the valuation.

Further details on the independent valuation of the RE&S Building, including the bases for the independent valuation, can be found in the Valuation Summary, which are set out in Appendix H to the Scheme Document. Shareholders are advised to read the above in conjunction with the Valuation Summary in its entirety.



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Under Rule 26.3 of the Code, the Group is required, *inter alia*, to make an assessment of any potential tax liability which would arise if the RE&S Building, which is the subject of a valuation given in connection with an offer, were to be sold at the amount of valuation. The Management has confirmed that: (i) they do not expect any potential tax liability on the revaluation surplus arising from the independent valuation of the RE&S Building as the initial intention of acquiring the RE&S Building was to use it as the Company’s own office and was used as such; and (ii) in a hypothetical scenario where the RE&S Building is sold at the market value, on the basis that the RE&S Building was used as its own office, any gains on disposal of the RE&S Building will be capital in nature as it refers to a gain realised from the disposal of the company’s fixed asset. Any gains should therefore not be liable to Singapore income tax as Singapore does not impose tax on such capital gains. However, if any sales proceeds from the disposal of RE&S Building is attributable to any qualifying plant and equipment which are entitled to capital allowances claim, the computation of balancing allowances/charge will be applicable. If the relevant proceeds exceeds the tax written down value of the qualifying plant and equipment, the balancing charge will be taxable, which will be restricted to the total amount of capital allowances claimed previously.

### Other Financial Assets

As at 31 December 2023, the other financial assets comprising: (i) financial assets at fair value through profit or loss (FVTPL); and (ii) gain on forward foreign exchange contracts, amounted to S\$5.6 million, representing 4.2% of the Group’s total assets.

The financial assets at FVTPL consist of quoted equity securities and quoted fixed income. As at 31 December 2023, the financial assets at FVTPL amounted to S\$5.5 million, representing 4.2% of the Group’s total assets. The Group had disposed of all of its financial assets at FVTPL, and based on Management’s estimates, the Group recognised a net gain of S\$1.0 million for the period between 1 January 2024 and the Latest Practicable Date (the “**Net Gain from Sale of Financial Assets at FVTPL**”).

Based on the above, we have made the following adjustment to the NAV of the Group to arrive at the RNAV of the Group as at 31 December 2023:

	<b>S\$’000</b>
Unaudited NAV of the Group as at 31 December 2023	40,297
Less: Payment of the 1H2024 Interim Dividend	(2,123)
<b>Adjusted Unaudited NAV of the Group as at 31 December 2023</b>	<b>38,174</b>
Add: Revaluation surplus arising from the revaluation of the RE&S Building	27,084
Add: Net Gain from Sale of Financial Assets at FVTPL	1,030
<b>RNAV of the Group</b>	<b>66,288</b>
<b>RNAV per Share (S\$)</b>	<b>0.187</b>

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Based on the above, we note that the Scheme Consideration represents a premium of approximately 92.5% against the RNAV per Share of S\$0.187 as at 31 December 2023. Accordingly, the Price-to-RNAV (“P/RNAV”) of the Group implied by the Scheme Consideration would be approximately 1.93 times as at 31 December 2023.

**Shareholders should note that the RNAV of the Group above is not necessarily a realisable value given that the RNAV valuation approach is based largely upon the surplus revaluation estimates which were obtained by application of “as is” valuation estimates. This approach implicitly assumes that the RE&S Building may be disposed of by the Group at a price determined by the independent valuations, on a willing buyer and a willing seller basis in an arms-length transaction with a third party. It should be noted that such valuation or market value of the RE&S Building may vary depending on, *inter alia*, the prevailing market and economic conditions, and does not consider the associated time, effort, marketability, buyer demand and uncertainty relating to such property sale.**

Save as disclosed in this letter, the Directors and Management have confirmed that as at the Latest Practicable Date and to the best of their knowledge and belief:

- (a) they are not aware of any material difference between the estimated market value of the assets held by the Group and its associates *vis-à-vis* their respective book values recorded in the audited statements of financial position of the Group as at 31 December 2023;
- (b) they are not aware of any circumstances which may cause the NAV and NTA of the Group as at the Latest Practicable Date to be materially different from that recorded in the latest announced consolidated statement of financial position of the Group as at 31 December 2023;
- (c) there have been no material disposals or acquisitions of assets by the Group between 31 December 2023 and the Latest Practicable Date, and as at the Latest Practicable Date, the Group does not have any plans for such impending material disposal or acquisition of assets, conversion of the use of the Group’s material assets or material change in the nature of the Group’s business;
- (d) there are no contingent liabilities, bad or doubtful debts or impairment losses or material events at as the Latest Practicable Date which are likely to have a material impact on the NAV and NTA of the Group as at 31 December 2023;
- (e) there are no litigation, claim or proceedings pending or threatened against the Group or of any fact likely to give rise to any proceedings as at the Latest Practicable Date which would have a material impact on the financial position of the Group as at 31 December 2023; and
- (f) there are no intangible assets as at the Latest Practicable Date which ought to be disclosed in the statement of financial position of the Group in accordance with the Singapore Financial Reporting Standards (International) and which have not been disclosed that would have a material impact on the NAV and NTA of the Group as at 31 December 2023.

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### 7.3.4 Net Debt Position of the Group

The Group recorded cash and cash equivalents of S\$20.1 million as at 31 December 2023, comprising: (i) cash and bank balances of S\$14.5 million; and (ii) other financial assets of S\$5.6 million. After adjusting for the 1H2024 Interim Dividend and the Net Gain from Sale of Financial Assets at FVTPL, the Group will have cash and cash equivalents of approximately S\$19.0 million.

After deducting for the current and non-current lease liabilities, the Group would then record a net debt position of S\$51.9 million (or net debt of S\$0.147 per Share). Accordingly, we have not compared the Scheme Consideration vis-à-vis the NAV or NTA of the Group on an ex-cash basis.

### 7.4 **Comparison of Valuation Statistics of Companies Broadly Comparable to the Group**

In considering what may be regarded as a reasonable range of valuation for the purpose of assessing the financial terms of the Scheme, we have referred to selected listed companies on the various stock exchanges which business activities are broadly comparable with those of the Group to give an indication of the current market expectations with regard to the perceived valuation of these businesses.

The Company is a Singapore-incorporated company that has been listed on the Catalist Board of the SGX-ST since 22 November 2017. The Group is engaged substantially in the business of owning and operating Japanese F&B outlets in Singapore and Malaysia, and a procurement office in Japan.

We have, in consultation with the Management, used the following companies listed on the SGX-ST which are principally engaged in businesses that are similar to the Group, and with market capitalisations of not more than S\$400 million (the “**Comparable Companies**”) to get an indication of the current market expectations with regard to the perceived valuation of the Group.

We wish to highlight that the Comparable Companies are not exhaustive and there is no listed company or group which may be considered identical to the Group in terms of, *inter alia*, business activities, market capitalisation, scale of operations, risk profile, geographical spread, operating and financial leverage, accounting policies, adherence to accounting standards, tax factors, track record and future prospects. In addition, each of the Comparable Companies may engage in other separate business activities which are not related to the principal business of the Group. As such, any comparison made herein is strictly limited in scope and merely serves as an illustrative guide to Shareholders.

Details on the Comparable Companies, including their business descriptions and selected key financial and valuation statistics, are set out below and in Annex A to this letter:

- (a) Kimly Limited;
- (b) Jumbo Group Limited;
- (c) ABR Holdings Limited;

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- (d) Japan Foods Holding Ltd.;
- (e) YKGI Limited;
- (f) Tung Lok Restaurants (2000) Ltd;
- (g) Soup Holdings Limited; and
- (h) Sakae Holdings Ltd..

In assessing the financial terms of the Scheme, we have used the following valuation parameters in our analysis:

Valuation parameter	Description
Price-earnings ratio (“ <b>PER</b> ”) ratio	<p>The historical PER, which illustrates the ratio of the market price of a company’s shares relative to its historical consolidated earnings per share, is commonly used for the purpose of illustrating the profitability, and hence valuation, of a company.</p> <p>We have considered the historical PERs of the Comparable Companies based on their respective last transacted prices on the Latest Practicable Date and trailing 12 months earnings vis-à-vis the corresponding historical PER of the Group based on the Scheme Consideration and the trailing 12 months earnings (if applicable).</p>
P/NAV or P/NTA	<p>A NAV/NTA-based approach is useful to illustrate the extent that the value of each share is backed by assets, and would be more relevant in the case where the group were to change the nature of its business or realise or convert the use of all or most of its assets. The NAV/NTA-based valuation approach may provide an estimate of the value of a company or group assuming the hypothetical sale of all its assets over a reasonable period of time at the aggregate value of the assets used in the computation of the NAV/NTA, with the balance to be distributed to its shareholders after the settlement of all the liabilities and obligations of the company or group.</p>

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Valuation parameter	Description
Enterprise value to EBITDA (“EV/EBITDA”) ratio	<p>We have considered the historical P/NAV and P/NTA ratios of the Comparable Companies based on their respective last transacted prices on the Latest Practicable Date and latest announced NAV and NTA as at the end of the relevant financial year/period (as adjusted for any corporate activities which were undertaken after the latest available balance sheet date that may affect the NAV and NTA, where relevant), <i>vis-à-vis</i> the corresponding historical P/NAV and P/NTA ratio of the Group based on the Scheme Consideration and the latest announced NAV and NTA of the Group as at the end of the relevant financial year/period (as adjusted for any corporate activities which were undertaken after the latest available balance sheet date that may affect the NAV and NTA, where relevant).</p> <p>The historical EV/EBITDA ratio illustrates the ratio of the market value of a company’s business relative to its historical consolidated pre-tax operating cashflow performance, without regard to its capital structure, and provides an indication of current market valuation relative to operating performance. “EV” is the sum of a company’s market capitalisation, preferred equity, minority interests, short- and long-term debts and lease liabilities less cash and cash equivalents and represents the actual cost to acquire the entire company. “EBITDA” refers to historical consolidated earnings before interest, tax, depreciation and amortisation expenses. EBITDA can be used to analyse the profitability between companies as it eliminates the effects of financing and accounting decisions.</p> <p>We have considered the historical EV/EBITDA ratios of the Comparable Companies based on their respective last transacted prices on the Latest Practicable Date, latest available balance sheet values (as adjusted for any corporate activities which were undertaken after the latest available balance sheet date that may affect the EV, where relevant) and trailing 12 months EBITDA <i>vis-à-vis</i> the corresponding historical EV/EBITDA ratio of the Group based on the Scheme Consideration and the trailing 12 months EBITDA of the Group.</p>

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### 7.4.1 Comparative valuation statistics of the Comparable Companies *vis-à-vis* the Group

The following table sets out the comparative valuation statistics of the Comparable Companies *vis-à-vis* the Group as implied by the Scheme Consideration:

Comparable Companies	Market Capitalisation <sup>(1)</sup> (S\$ millions)	Historical PER (times)	Historical P/NAV ratio (times)	Historical P/NTA ratio (times)	Historical EV/EBITDA ratio (times)
Kimly Limited	384.8	10.89	2.29 <sup>(2)</sup>	3.55 <sup>(2)</sup>	4.35
Jumbo Group Limited	159.6	10.26	3.19 <sup>(2)</sup>	3.50 <sup>(2)</sup>	3.99
ABR Holdings Limited	88.4	25.02	0.94 <sup>(2)</sup>	1.11 <sup>(2)</sup>	4.93
Japan Foods Holding Ltd.	47.1	n.m. <sup>(3)</sup>	1.58	1.59	2.63
YKGI Limited	37.8	14.49 <sup>(4)</sup>	2.16 <sup>(2)(4)</sup>	2.17 <sup>(2)(4)</sup>	3.08 <sup>(4)</sup>
Tung Lok Restaurants (2000) Ltd	30.2	14.75	1.90	1.90	3.11
Soup Holdings Limited	20.4	12.39	1.85 <sup>(2)</sup>	1.89 <sup>(2)</sup>	2.28
Sakae Holdings Ltd.	17.5	41.40 <sup>(5)</sup>	0.29	0.29	7.96
<b>High</b>		<b>41.40</b>	<b>3.19</b>	<b>3.55</b>	<b>7.96</b>
<b>Mean</b>		<b>14.63</b>	<b>1.77</b>	<b>2.00</b>	<b>4.04</b>
<b>Median</b>		<b>13.44</b>	<b>1.87</b>	<b>1.90</b>	<b>3.55</b>
<b>Low</b>		<b>10.26</b>	<b>0.29</b>	<b>0.29</b>	<b>2.28</b>
<b>Company (Implied by the Scheme Consideration)<sup>(6)</sup></b>	<b>127.4</b>	<b>28.10</b>	<b>3.33<sup>(7)</sup> 1.93<sup>(8)</sup></b>	<b>3.33<sup>(7)</sup> 1.93<sup>(8)</sup></b>	<b>4.81</b>

Source: Bloomberg L.P., annual reports and/or announcements of the respective Comparable Companies and SAC Capital's computations

#### Notes:

- (1) Based on last traded prices of the respective companies and exchange rates as at the Latest Practicable Date.
- (2) The respective NAV and NTA of Kimly Limited, Jumbo Group Limited, ABR Holdings Limited, YKGI Limited and Soup Holdings Limited have been adjusted to take into account dividends paid to shareholders after the latest available trailing 12 months financial period or financial year.
- (3) n.m. denotes not meaningful as Japan Foods Holding Ltd. was loss making in the latest trailing 12 months period.
- (4) YKGI Limited was listed on the SGX-ST on 6 February 2023, and the net profit attributable to shareholders, EBITDA, and NAV and NTA for the financial year ended 31 December 2023 have been adjusted for one-off listing expenses.
- (5) Being a statistical outlier, Sakae Holdings Ltd. has been excluded from the computation of mean and median PER ratios.
- (6) Based on 353,837,700 Shares as at the Latest Practicable Date.
- (7) Based on the adjusted NAV of the Group of S\$38.2 million or S\$0.108 per Share as at 31 December 2023, as set out in paragraph 7.3.2 of this letter.
- (8) Based on the RNAV of the Group of S\$66.3 million or S\$0.187 per Share as at 31 December 2023, as set out in paragraph 7.3.3 of this letter.

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### Historical PER comparison

We note that the historical PER of 28.10 times of the Group as implied by the Scheme Consideration is:

- (a) within the range of historical PERs of the Comparable Companies of between 10.26 times and 41.40 times; and
- (b) above the corresponding mean and median historical PERs of the Comparable Companies of between 13.44 and 14.63 times.

### Historical P/NAV and P/NTA ratios comparison

We note that the historical P/NAV and P/NTA ratio of 3.33 times of the Group as implied by the Scheme Consideration is:

- (a) above the range of historical P/NAV ratios of the Comparable Companies of between 0.29 times and 3.19 times;
- (b) within the range of historical P/NTA ratios of the Comparable Companies of between 0.29 times and 3.55 times; and
- (c) above the corresponding mean and median historical P/NTA ratios of the Comparable Companies of between 1.90 times and 2.00 times.

### Historical P/RNAV ratio comparison

We note that the historical P/RNAV ratio of 1.93 times of the Group as implied by the Scheme Consideration is:

- (a) within the range of historical P/NAV ratios of the Comparable Companies of between 0.29 times and 3.19 times;
- (b) above the corresponding mean and median historical P/NAV ratios of the Comparable Companies of between 1.77 times and 1.87 times;
- (c) within the range of historical P/NTA ratios of the Comparable Companies of between 0.29 times and 3.55 times; and
- (d) within the corresponding mean and median historical P/NTA ratios of the Comparable Companies of between 1.90 times and 2.00 times.

### Historical EV/EBITDA ratio comparison

We note that the historical EV/EBITDA ratio of 4.81 times of the Group as implied by the Scheme Consideration is:

- (a) within the range of historical EV/EBITDA ratios of the Comparable Companies of between 2.28 times and 7.96 times; and



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- (b) above the corresponding mean and median of historical EV/EBITDA ratios of the Comparable Companies of between 3.55 times and 4.04 times.

### 7.5 Comparison with Recent Successful Privatisation Transactions and Delisting Offers of Companies Listed on the SGX-ST

In assessing the Scheme, we have compared the financial terms of the Scheme with: (a) selected recent successful privatisation transactions in cash announced on the SGX-ST, whether by way of a general offer under the Code or a scheme of arrangement under Section 210 of the Companies Act where the offeror has stated its intention to delist the company from the Official List of the SGX-ST; and (b) selected recent completed delisting cash offers under Rule 1307 of the Listing Rules announced (collectively, the “**Take-over Transactions**”) during the 12-month period prior to the Joint Announcement Date.

This analysis serves as a general indication of the relevant premium/discount that the offerors had paid in order to acquire the target companies without having regard to their specific industry characteristics or other considerations, and the comparison sets out:

- (i) the premium or discount represented by each of the respective offer prices to the last transacted prices and VWAPs over the 1-month, 3-month, 6-month and 12-month periods prior to the announcement of the Take-over Transactions; and
- (ii) the premium or discount represented by each of the respective offer prices to the NAV/NTA of the respective target companies, where applicable. We note that certain transactions had undertaken revaluations and/or adjustments to their assets which may have a material impact on their latest announced book values, we have also, where relevant, compared the financial terms of such offer transactions with the revalued NAV (or revalued NTA where applicable) and/or adjusted NAV (or adjusted NTA where applicable) of the Take-over Transaction.

We wish to highlight that the Take-over Transactions set out below are by no means exhaustive. In addition, as the Group is not directly comparable to the target companies involved in the Take-over Transactions in terms of business activities, scale of operations, market capitalisation, geographical spread, risk profile, accounting policies, financial performance, operating and financial leverage, track record and future prospects, the comparison merely serves as a general guide to provide an indication of the premia/discounts paid in connection with privatisation transactions and delisting offers of companies listed on the SGX-ST. Each of the Take-over Transactions must be judged on its own commercial and financial merits. Shareholders should also note that the premium (if any) to be paid by an offeror in a privatisation transaction or delisting offer varies in different circumstances depending on, *inter alia*, the offeror’s intentions with regard to the company, the potential synergy that the offeror can gain from acquiring the company, the attractiveness of the underlying business, prevailing market expectations and the presence of competing bids. Conclusions drawn from the comparisons made may not reflect any perceived market valuation of the Group.

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Company	Date of offer announcement	Offer price (\$)	Premium/(Discount) of offer price over						Offer price-to-NAV/NTA ratio (times) <sup>(1)</sup>
			Last transacted price	1-month VWAP	3-month VWAP	6-month VWAP	12-month VWAP		
Challenger Technologies Limited	30 May 2023	0.600 <sup>(2)</sup>	9.1	10.5	11.9	14.3	13.4	1.46 <sup>(3)</sup>	
Sysma Holdings Limited	1 June 2023	0.168	34.4	40.0	34.4	29.2	28.2	0.72 <sup>(4)</sup>	
Healthway Medical Corporation Limited	3 July 2023	0.048	45.5	45.5	45.5	41.2	37.1	1.07 <sup>(5)</sup>	
LHN Logistics Limited	2 August 2023	0.227	34.9 <sup>(6)</sup>	35.7 <sup>(6)</sup>	39.0 <sup>(6)</sup>	44.3 <sup>(6)</sup>	39.0 <sup>(6)</sup>	2.01 <sup>(7)</sup>	
<b>High</b>			<b>45.5</b>	<b>45.5</b>	<b>45.5</b>	<b>44.3</b>	<b>39.0</b>	<b>2.01</b>	
<b>Mean</b>			<b>31.0</b>	<b>32.9</b>	<b>32.7</b>	<b>32.3</b>	<b>29.4</b>	<b>1.32</b>	
<b>Median</b>			<b>34.6</b>	<b>37.8</b>	<b>36.7</b>	<b>35.2</b>	<b>32.7</b>	<b>1.27</b>	
<b>Low</b>			<b>9.1</b>	<b>10.5</b>	<b>11.9</b>	<b>14.3</b>	<b>13.4</b>	<b>0.72</b>	
<b>Company (Implied by the Scheme Consideration)</b>	<b>19 May 2024</b>	<b>0.360</b>	<b>56.5</b>	<b>65.1</b>	<b>50.0</b>	<b>45.2</b>	<b>38.5</b>	<b>3.33<sup>(8)</sup></b>	
								<b>1.93<sup>(9)</sup></b>	

Source: Announcements and circulars to shareholders in relation to the respective Take-over Transactions and SAC Capital's computations.

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**Notes:**

- (1) Based on the NAV per share or revalued NAV per share or adjusted NAV per share or NTA per share or revalued NTA per share or adjusted revalued NTA per share, as the case may be, as extracted from the independent financial adviser's letters for the respective companies.
- (2) On 6 June 2023, a revised offer price of S\$0.600 per share for Challenger Technologies Limited was announced. Accordingly, the market premia and offer price-to-NAV/NTA ratio in the table above were computed based on the revised offer price of S\$0.600 per share.
- (3) Based on the revalued NAV per share of Challenger Technologies Limited as at 31 December 2022.
- (4) Based on the revalued NAV per share of Sysma Holdings Limited as at 31 January 2023.
- (5) Based on the NAV per share of Healthway Medical Corporation Limited as at 30 June 2023. We noted from the independent financial adviser's letter that no adjustments to the NAV per share was required.
- (6) LHN Logistic Limited's shares were last transacted on 1 June 2023 before the pre-conditional offer announcement that was announced on 4 June 2023. The market premia in the table above were computed based on the share prices for the period(s) prior to and including 1 June 2023, being the last Market Day on which the shares were traded immediately prior to the pre-conditional offer announcement.
- (7) Based on the revalued NAV per share of LHN Logistics Limited as at 31 March 2023.
- (8) Based on the adjusted NAV of the Group of S\$38.2 million or S\$0.108 per Share as at 31 December 2023, as set out in paragraph 7.3.2 of this letter.
- (9) Based on the RNAV of the Group of S\$66.3 million or S\$0.187 per Share as at 31 December 2023, as set out in paragraph 7.3.3 of this letter.

We note that in respect of the Take-over Transactions:

- (a) the premium of the Scheme Consideration over the closing price of the Shares on the Last Trading Day of approximately 56.5% is above the range of the corresponding premia of the Take-over Transactions of between 9.1% and 45.5%;
- (b) the premium of the Scheme Consideration over the VWAP of the Shares for the 1-month period up to and including the Last Trading Day of approximately 65.1% is above the range of the corresponding premia of the Take-over Transactions of between 10.5% and 45.5%;
- (c) the premium of the Scheme Consideration over the VWAP of the Shares for the 3-month period up to and including the Last Trading Day of approximately 50.0% is above the range of the corresponding premia of the Take-over Transactions of between 11.9% and 45.5%;
- (d) the premium of the Scheme Consideration over the VWAP of the Shares for the 6-month period up to and including the Last Trading Day of approximately 45.2% is above the range of the corresponding premia of the Take-over Transactions of between 14.3% and 44.3%;
- (e) the premium of the Scheme Consideration over the VWAP of the Shares for the 12-month period up to and including the Last Trading Day of approximately 38.5% is within the range of the corresponding premium of the Take-over Transaction of between 13.4% and 39.0%, and above the corresponding mean and median premia of 29.4% and 32.7% respectively;

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- (f) the historical P/NAV ratio as implied by the Scheme Consideration of 3.33 times is above the range of Price-to-NAV/NTA ratios of the Take-over Transactions of between 0.72 times and 2.01 times; and
- (g) the historical P/RNAV ratio as implied by the Scheme Consideration of 1.93 times is:
  - (i) within the range of Price-to-NAV/NTA ratios of the Take-over Transactions of between 0.72 times and 2.01 times; and
  - (ii) above the corresponding mean and median Price-to-NAV/NTA ratio of 1.32 times and 1.27 times of the Take-over Transactions respectively.

### 7.6 Comparison with Successful Privatisation Transactions and Delisting Offers of F&B Companies Listed on the SGX-ST

In assessing the Scheme, we have compared the financial terms of the Scheme with:  
(a) selected recent successful privatisation transactions in cash of F&B companies listed on the SGX-ST that are broadly comparable to the Company, whether by way of a general offer under the Code or a scheme of arrangement under Section 210 of the Companies Act; and  
(b) selected recent completed delisting cash offers under Rule 1307 of the Listing Rules announced (collectively, the “**F&B Take-over Transactions**”).

We wish to highlight that F&B Take-over Transactions set out below is by no means exhaustive. We note that these transactions were announced between 2020 and 2022, more than 2 years prior to the Joint Announcement Date where market conditions were different. In addition, as the Group is not directly comparable to the target companies involved in the F&B Take-Over Transaction in terms of business activities, scale of operations, market capitalisation, geographical spread, risk profile, accounting policies, financial performance, operating and financial leverage, track record and future prospects, the comparison merely serves as a general guide to provide an indication of the valuation paid in connection with the privatisation transactions of F&B companies listed on the SGX-ST. Each of the F&B Take-over Transactions must be judged on its own commercial and financial merits. Shareholders should also note that the premium (if any) to be paid by an offeror in a privatisation transaction varies in different circumstances depending on, inter alia, the offeror’s intentions with regard to the company, the potential synergy that the offeror can gain from acquiring the company, the attractiveness of the underlying business, prevailing market expectations and the presence of competing bids. As such, any comparison made herein is strictly limited in scope and merely serves as an illustrative guide to Shareholders.

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Company	Date of offer announcement (times)	PER <sup>(1)</sup> (times) —— Implied by the offer price ——	P/NAV <sup>(2)</sup> (times)	EV/EBITDA <sup>(3)</sup> ratio (times)
BreadTalk Group Limited	24 February 2020	n.m. <sup>(4)</sup>	2.94	5.50
Neo Group Limited	31 March 2021	5.02	1.59	3.96
Koufu Group Limited	29 December 2021	24.67	4.02	5.28
<b>High</b>		<b>24.67</b>	<b>4.02</b>	<b>5.50</b>
<b>Mean</b>		<b>14.85</b>	<b>2.85</b>	<b>4.91</b>
<b>Median</b>		<b>14.85</b>	<b>2.94</b>	<b>5.28</b>
<b>Low</b>		<b>5.02</b>	<b>1.59</b>	<b>3.96</b>
<b>Company (Implied by the Scheme Consideration)</b>	19 May 2024	28.10	3.33 <sup>(5)</sup>	4.81

*Source: Announcements and circulars to shareholders in relation to the respective F&B Take-over Transactions and SAC Capital's computations.*

### Notes:

- (1) Based on the trailing 12 months earnings prior to the respective offer announcement date.
- (2) Based on the latest available NAV per share prior to the respective offer announcement date.
- (3) Based on the latest available balance sheet values and the trailing 12 months EBITDA prior to the respective offer announcement date.
- (4) n.m. denotes not meaningful as BreadTalk Group Limited was loss making in the trailing 12 months period prior to the offer announcement date.
- (5) Based on the adjusted NAV of the Group of S\$38.2 million or S\$0.108 per Share as at 31 December 2023, as set out in paragraph 7.3.2 of this letter.

### Historical PER comparison

We note that the historical PER of 28.10 times of the Group as implied by the Scheme Consideration is above the range of historical PERs of the F&B Take-over Transactions of between 5.02 times and 24.67 times.

### Historical P/NAV ratios comparison

We note that the historical P/NAV ratio of 3.33 times of the Group as implied by the Scheme Consideration is:

- (a) within the range of historical P/NAV ratios of the F&B Take-over Transactions of between 1.59 times and 4.02 times; and
- (b) above the corresponding mean and median range of historical P/NAV ratios of the F&B Take-over Transactions of between 2.85 times and 2.94 times.

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### Historical EV/EBITDA ratios comparison

We note that the historical EV/EBITDA ratio of 4.81 times of the Group as implied by the Scheme Consideration is:

- (a) within the range of historical EV/EBITDA ratios of the F&B Take-over Transactions of between 3.96 times and 5.50 times; and
- (b) below the corresponding mean and median range of historical EV/EBITDA ratios of the F&B Take-over Transactions of between 4.91 times and 5.28 times.

### 7.7 Estimated range of values of the Shares

In deriving a range of values for the Shares, we have considered the mean and median PER, and EV/EBITDA ratios of the Comparable Companies, and the P/RNAV ratio as implied by the mean and median P/RNAV of the Take-over Transactions

Valuation Parameter	Implied Valuation Range (S\$ million)	
	Mean	Median
PER as implied by the mean and median PER ratios of the Comparable Companies	66.3	60.9
EV/EBITDA as implied by the mean and median EV/EBITDA ratios of the Comparable Companies	98.8	80.5
P/RNAV as implied by the mean and median P/RNAV ratios of the Take-over Transactions	87.2	83.9
<b>Average</b>	<b>84.1</b>	<b>75.1</b>
<b>Implied Share Price (S\$)</b>	<b>0.238</b>	<b>0.212</b>

Based on the above, the overall range of derived theoretical valuations is between approximately S\$75.1 million and S\$84.1 million, which translate to between S\$0.212 and S\$0.238 per Share. We note that the Scheme Consideration of S\$0.360 is above our estimated range of values of the Shares.

### 7.8 Cash and Securities Consideration as an Election

Shareholders may elect to receive the Cash and Securities Consideration being S\$0.330 in cash and 0.083143 Offeror Shares at the Issue Price of S\$0.360 per Offeror Share, in lieu of the Cash Consideration.

#### *Evaluation of the Cash and Securities Consideration.*

To be equivalent to the Cash Consideration, the Cash and Securities Consideration should be worth S\$0.360 per Share. Based on the Securities Consideration of 0.083143 Offeror Shares at the Issue Price of S\$0.360 per Offeror Share, the implied value of the Securities Consideration is S\$0.030 per Share, and together with the Cash Consideration of S\$0.330, the Cash and Securities Consideration is equivalent to S\$0.360 per Share.

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The Offeror and Holdco are special purpose vehicles incorporated in the Cayman Islands for the purposes of the Acquisition and the Scheme. As stated in paragraph 6 of Schedule A in the letter from the Offeror to the Shareholders set out in Appendix C to the Scheme Document (the “**Offeror’s Letter**”), the Offeror has entered into a non-revolving fixed advanced facility in an aggregate amount up to S\$66,000,000 which may be utilised towards financing the Acquisition and related transaction expenses. Accordingly, the Acquisition will be funded by a combination of debt and equity. Shareholders should note that the Offeror will have a different debt and equity capital structure compared to the Group and hence, the net asset value of each Offeror Share is not directly comparable to that of each Share.

### *Investment Risks in holding the Offeror Shares*

There is various investment risk for Shareholders holding the Offeror Shares, including the following:

(a) Potential difficulties in exiting the Offeror Shares as unlisted securities

The Offeror Shares has expressed that it is not currently contemplating for the Offeror Shares to be listed on any securities exchange following completion of the Scheme. Shareholders who have elected the Cash and Securities Consideration and are allotted the Offeror Shares should therefore note that shares of unlisted companies are generally valued at a discount to the shares of comparable listed companies due to the lack of marketability. In addition, they will face difficulties in disposing their Offeror Shares in the absence of a public market as there is no arrangement or a public platform for shareholders of the Offeror to exit. Even if they are able to sell their Offeror Shares, they may likely receive a lower price as compared with the market prices of the shares of comparable listed companies.

(b) Minority shareholders in a privately held company

Assuming that all Shareholders, other than FKL, LSZ and Mr Yek Hong Liang John, elect for the Cash and Securities Consideration, the expected shareholding structure of the Offeror, subject to the finalised debt/equity capital structure of the Offeror, is envisaged to be 84.5% held by the Holdco, 9.9% held by HT, 1.5% held by FKL, 1.5% held by LSZ and 2.5% held by the remaining shareholders as illustrated under “Appendix A – Explanatory Statement” to the Scheme Document. The remaining shareholders will become minority shareholders of the Offeror and will have to accept the restricted rights of a minority shareholder in a privately held company, and the Offeror’s constitution will be binding on all shareholders of the Offeror.

Shareholders who wish to elect the Cash and Securities Consideration should assess for themselves the future prospects of the offeror, which will become the holding company of the Group. These Shareholders should also be prepared to take the risks and restrictions associated with an investment in the Offeror as a minority shareholder. Shareholders should only opt for the Cash and Securities Consideration if they are confident of the future prospects of the Group held under the Offeror, a wholly-owned subsidiary of the Holdco.



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In addition, Shareholders should be made aware of the risk and restrictions associated with investment in an unlisted privately held company. There may be limited information available to the Offeror's shareholders in relation to the Offeror on an ongoing basis as the Offeror, being an unlisted company, will not be obligated or required to make periodic disclosure or seek shareholders' approval for certain corporate actions.

The Offeror is incorporated in the Cayman Island. There is no requirement under Cayman Islands law for the general meetings to be held in the Cayman Islands, and it is uncertain whether the Offeror will be holding its general meetings in Singapore. Further the extent of shareholders' protection rights under Cayman Island laws and the extent to which Cayman Island laws will give and enforce protection to shareholders is uncertain.

(c) No fixed dividend policy

We note that the Offeror does not currently have a fixed dividend policy and there is no assurance that the Offeror will pay dividends in future.

(d) Bear the proportionate share of the transaction costs for the Acquisition

We understand that the Offeror will be funding the Acquisition through a combination of equity and borrowings. Shareholders that elect for Cash and Securities Consideration will, as shareholders of the Offeror, bear the proportionate share of these costs.

Salient risk of investing in the Offeror's Shares are set out in Schedule C of the Offeror's Letter. Shareholders are advised to carefully consider these risk factors in its entirety.

### 7.9 Other Relevant Considerations

#### 7.9.1 Historical dividend yields of the Company

We set out below an analysis of the total dividends declared (including interim, special and final dividend) and the dividend payout ratio for the last five (5) financial years ended 30 June, and the implied dividend yield based on the closing price of the Shares on the final cum-dividend date; and the implied dividend yield based on the Scheme Consideration:

	FY2019	FY2020	FY2021	FY2022	FY2023
Interim dividend per Share (S\$)	–	–	0.0050	0.0085	0.009
Final dividend per Share (S\$)	0.0045	–	0.0085	0.0085	0.009
Special dividend per Share (S\$)	–	–	0.0035	–	–
<b>Total dividend per Share (S\$)</b>	<b>0.0045</b>	<b>–</b>	<b>0.0170</b>	<b>0.0170</b>	<b>0.0180</b>
<b>Dividend payout ratio (%)<sup>(1)</sup></b>	<b>40.0</b>	<b>–</b>	<b>60.0</b>	<b>63.7</b>	<b>83.3</b>

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	FY2019	FY2020	FY2021	FY2022	FY2023
Share price on final cum-dividend date (S\$) <sup>(2)</sup>	0.180	–	0.230	0.240	0.250
<b>Dividend yield (based on the Share price on final cum-dividend date) (%)</b>	<b>2.5</b>	–	<b>7.4</b>	<b>7.1</b>	<b>7.2</b>
<b>Dividend yield (implied by the Scheme Consideration) (%)</b>	<b>1.3</b>	–	<b>4.7</b>	<b>4.7</b>	<b>5.0</b>

Source: Bloomberg L.P., Company's announcements on the SGX-ST and SAC Capital's computations.

### Notes:

- (1) Based on the total dividends per Share over the earnings per Share in each of the respective financial years.
- (2) Based on the last closing market prices of the Company as at the final cum-dividend date in respect of the dividends declared for each of the respective financial years.

From the table above, we note that the Company's total annual dividend ranged from nil to S\$0.018 per Share from FY2019 to FY2023, with a dividend payout ratio of nil to 83.3%. As stated in the annual report for FY2020, we noted that due to the Company's loss position for FY2020 and in view of the challenging economic situation, the board of directors of the Company had taken a prudent stance to conserve the Company's cash for operational use and hence no dividend was declared for FY2020. For FY2019, FY2021, FY2022 and FY2023, the Company's dividend yield per annum (based on the Share price on final cum-dividend date) ranges between 2.5% to 7.4%, and the dividend yield per annum (implied by the Scheme Consideration) ranges between 1.3% to 5.0%.

Notwithstanding the past dividend payouts, the Directors have confirmed that the Company does not have a fixed dividend policy. Shareholders should note that past dividend payouts should not be in any way relied upon as an indication or promise of the Company's future dividend payouts. There is no assurance that the Company will continue to pay dividend in future and/or maintain the level of dividends paid in the past financial years, after the completion of the Scheme or if the Scheme does not become effective. If the Scheme becomes effective, the decision on any dividend payment will be decided by the directors and controlling shareholders of the Offeror.

### 7.9.2 Outlook of the Group

We note that the Company had, in the 1H2024 results announcement, included a commentary on the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group for the next reporting period and the next 12 months which is reproduced in italics below:

*“The F&B industry in Singapore is expected to be challenging, dealing with increasing rentals and surging raw material prices, which contribute to the rising operating costs. The industry continues to encounter challenges in hiring and retaining workers due to the ongoing issue of labour shortages resulting in rising labour cost. In addition, the rise in interest rates, inflationary pressures, and economic uncertainty are dampening consumer sentiment, potentially leading to reduced discretionary spending.*”

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*The Group will remain vigilant amidst swiftly changing business environments and will adjust the growth strategies and productivity initiatives accordingly.”*

### 7.9.3 Absence of alternative or competing offers

As at the Latest Practicable Date, other than the Scheme, there is no publicly available evidence of an alternative or competing offer for the Shares from any other party. The Directors have confirmed that as at the Latest Practicable Date, apart from the Scheme, they have not received any alternative or competing offer for the Shares from any other party.

Apart from the above, any potential third party may also be discouraged from making a competing offer for the Company at a price higher than the Scheme Consideration in view of the Irrevocable Undertaking. In addition, we note that the market price of the Shares had not traded above the Scheme Consideration since IPO date and up to the Latest Practicable Date, and hence the present offer by the Offeror, as at the Latest Practicable Date, appears to be the highest exit offer price for the Shareholders.

### 7.9.4 Irrevocable Undertaking

The Offeror has received Irrevocable Undertakings from the Undertaking Shareholders, pursuant to which the Undertaking Shareholders has undertaken to, *inter alia*,

- (i) cast, or where applicable, procure the casting, of all votes in relation to their respective Shares in favour of the Scheme; and
- (ii) cast, and where applicable, procure the casting, of all votes in relation to their respective Shares against and reject any alternative or competing offer, subject to for FKL, LSZ and HT, their respective fiduciary duties as a director of the Company;

in respect of 297,503,130 Shares, representing approximately 84.1%<sup>8</sup> of the total number of issued Shares.

### 7.9.5 Effects of the Scheme and Delisting

Upon the Scheme becoming effective in accordance with its terms, the Offeror will hold 100% of the Shares and consequently, the Company will not be able to meet the relevant listing requirements of the SGX-ST.

The Company will, subject to the approval of the SGX-ST, be delisted from the Official List of the SGX-ST upon the Scheme becoming effective in accordance with its terms.

When the Scheme becomes effective, it will be binding on all Shareholders, whether or not they were present in person or by proxy or voted at the Scheme Meeting.

Shareholders should note that by voting in favour of the Scheme, Shareholders will be regarded as having waived their rights to a general offer by the Offeror to acquire the Shares under the Code and are agreeing to the Offeror acquiring or consolidating effective control of the Company without having to make a general offer.

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<sup>8</sup> Rounded to the nearest one (1) decimal place.

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### **7.9.6 No certainty of share price trading performance**

As the Acquisition is being proposed to be effected by way of the Scheme, in the event that the Scheme is not approved by the requisite majority of the Shareholders at the Scheme Meeting, no part of the Acquisition will be further proceeded with.

If the Scheme does not proceed to completion and the Company remains listed on the SGX-ST, there is no certainty that the Company share price will trade at or close to the Scheme Consideration.

In addition, pursuant to Rule 33.1 of the Code, in the event that the Scheme does not become effective and binding in accordance with its terms, is withdrawn or lapses, neither the Offeror, any persons who acted in concert with it in the course of the Scheme nor any person who is subsequently acting in concert with any of them may within 12 months from the date on which the Scheme is withdrawn or lapses: (i) announce an offer or possible offer for the Company; or (ii) acquire any voting rights of the Company if the Offeror or any persons acting in concert with it would thereby become obliged under Rule 14 of the Code to make an offer.

## **8 EVALUATION OF THE FKL AND LSZ ARRANGEMENTS**

As disclosed in paragraph 1 of this letter, the SIC had, *inter alia*, ruled that the FKL and LSZ Arrangements do not constitute special deals for purposes of Rule 10 of the Code, subject to the IFA publicly stating that in its opinion such arrangements are fair and reasonable.

The salient points of the FKL and LSZ Arrangements are set out in paragraph 5 of the “Letter to Shareholders” of the Scheme Document, which includes: (a) the Management Reinvestments; (b) the Management Incentive Arrangements; and (c) the Employment Agreement Arrangements. The purpose of the FKL and LSZ Arrangements is to retain FKL and LSZ as the CEO and COO of the Group respectively, and contribute to the success of the Group.

We have reviewed the Irrevocable Undertakings given by each of FKL and LSZ and the proposed arrangements contemplated by the Term Sheets in relation to FKL and LSZ (including the Management Reinvestments, the Management Incentive Arrangements and Employment Agreement Arrangements) as set out in paragraph 8 of this letter, and our evaluation of the FKL and LSZ Arrangements is set out below.

### **8.1 Management Reinvestments**

For the purpose of the Management Reinvestments, each of FKL and LSZ irrevocably authorises, directs and instructs the Offeror to retain the agreed amount from the aggregate Scheme Consideration due to them pursuant to the Scheme as the aggregate subscription price payable for the Offeror Shares to be allotted and issued to each of FKL and LSZ. Following the completion of the Scheme and the Management Reinvestments, FKL and LSZ will each hold approximately 1.5% of the Offeror Shares.

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We are of the opinion that the terms of the Management Reinvestments offered to FKL and LSZ are fair and reasonable in the context of Rule 10 of the Code based on the following reasons:

- (a) the subscription price to be paid by FKL and LSZ for the Offeror Shares is at an Issue Price per Offeror Share that is equivalent to the Scheme Consideration, and at the same Issue Price as Shareholders who have elected for the Cash and Securities Consideration;
- (b) FKL and LSZ will only be receiving a portion of the cash proceeds based on the Scheme Consideration, with the remaining cash proceeds being reinvested in the Group, which is a show of their commitment as the CEO and COO of the Group post-Acquisition;
- (c) The Acquisition is expected to be funded by a combination of equity and borrowings. As shareholders of the Offeror, FKL and LSZ will bear their respective proportionate share of the Offeror's investment cost, transaction costs and gearing in respect of the Acquisition; and
- (d) unlike the present situation where the Shares are listed and traded on the SGX-ST, the Offeror is a privately held company and there is no public platform to trade the Offeror Shares. By reinvesting in the Offeror Shares, FKL and LSZ will have to bear the risks associated with the business and financial performance of the Offeror and its subsidiaries going forward and will have to accept the restricted rights of a minority shareholder in a privately held company.

### **8.2 Management Incentive Arrangements**

The Management Incentive Arrangements is envisaged to be established by the Offeror after completion of the Acquisition, the Scheme and the Management Reinvestments, to reward the RE&S Executives (including FKL and LSZ) upon occurrence of certain prescribed exit events. The specific terms of the Management Incentive Arrangements will be finalised by the board of directors of the Offeror after completion of the Acquisition, the Scheme and the Management Reinvestments.

We are of the opinion that the terms of the Management Incentive Arrangements offered to FKL and LSZ are fair and reasonable in the context of Rule 10 of the Code based on the following reasons:

- (a) the Management Incentive Arrangements is for the benefit of the Group as FKL and LSZ provides continuity of management and minimal interruption to the Group's business until the occurrence of the exit event;
- (b) the Management Incentive Arrangements is a common tool utilised by private equity funds to retain management team post-acquisition. Consequently, this will assist with strategic alignment between the Offeror and the RE&S Executives (including FKL and LSZ) during the Offeror and/or the Holdco's holding period;

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## **APPENDIX B – LETTER FROM THE IFA TO THE NON-CONFLICTED DIRECTORS**

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- (c) the Management Incentive Arrangements is based on a pre-determined formula which gives certainty and transparency on the basis in determining the consideration received by the RE&S Executives (including FKL and LSZ) upon occurrence of an exit event; and
- (d) the RE&S Executives (including FKL and LSZ) will not be entitled to the allocations unless they remain employed and have used commercially reasonable efforts to achieve certain key objectives and targets until the exit event occur.

### **8.3 Employment Agreement Arrangements**

The Offeror may request RE&S Executives (including FKL and LSZ) to execute the Employment Agreement Arrangements. The specific terms of the Employment Agreement Arrangements will be finalised by the board of directors of the Offeror after completion of the Acquisition, the Scheme and the Management Reinvestments.

We are of the opinion that the terms of the Employment Agreement Arrangements offered to FKL and LSZ are fair and reasonable in the context of Rule 10 of the Code based on the following reasons:

- (a) the total annual remuneration payable to each of FKL and LSZ for FY2023 assuming the Employment Agreement Arrangements had been effective on 1 July 2022 (the “**Estimated FY2023 Remuneration**”) is within the same historical remuneration bands for FKL and LSZ in both FY2022 and FY2023;
- (b) the Estimated FY2023 Remuneration is within the range of key executive’s remuneration bands of the Comparable Companies for FY2023;
- (c) The Estimated FY2023 Remuneration is within the range of key executive’s remuneration bands of SGX-listed companies which had their initial public offering in the calendar year of 2023 and 2024; and
- (d) the Employment Agreement Arrangements is for the benefit of the Group as FKL and LSZ provides continuity of management and minimal interruption to the Group’s business until the occurrence of the exit event.

### **8.4 Our opinion on the FKL and LSZ Arrangements**

Based on our evaluations of the Management Reinvestments, Management Incentive Arrangements and Employment Agreement Arrangements in paragraph 8.1 to 8.3 above, we noted that there is no special benefit being accorded to FKL and LSZ. Instead, the FKL and LSZ Arrangements is for the benefit of the Group, as it is designed to bind FKL and LSZ to the Group and continue to render their services to the Group until the exit event, so that there is continuity of management and minimal interruption to the Group’s business following the completion of the Acquisition.

Overall, based on our evaluation of the FKL and LSZ Arrangements available to us as at the Latest Practicable Date, we are of the opinion that the FKL and LSZ Arrangements are fair and reasonable in the context of Rule 10 of the Code.

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## **APPENDIX B – LETTER FROM THE IFA TO THE NON-CONFLICTED DIRECTORS**

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### **9. OUR OPINION AND ADVICE**

#### **9.1 Key Considerations of the Scheme**

In arriving at our opinion and advice in respect of the Scheme, we have taken into account, and reviewed the following key considerations, which we consider to be pertinent in our assessment of the Scheme. The following should be read in conjunction with, and in the context of, the full text of this letter:

- (a) an assessment of the market quotation and trading liquidity of the Shares during the Period Under Review, as set out in paragraph 7.1 of this letter;
- (b) historical financial performance of the Group, as set out in paragraph 7.2 of this letter;
- (c) historical financial position of the Group, including the NAV and RNAV of the Group, as set out in paragraph 7.3 of this letter;
- (d) a comparison with the valuation statistics of the Comparable Companies, as set out in paragraph 7.4 of this letter;
- (e) a comparison with recent successful privatisation transactions and delisting offers of companies listed on the SGX-ST, as set out in paragraph 7.5 of this letter;
- (f) a comparison with successful privatisation transactions and delisting offers of F&B companies listed on the SGX-ST, as set out in paragraph 7.6 of this letter;
- (g) estimated range of value of the Shares, as set out in paragraph 7.7 of this letter;
- (h) Cash and Securities Consideration as an Election, as set out in paragraph 7.8 of this letter;
- (i) other relevant considerations as follows:
  - (i) historical dividend yields of the Company, as set out in paragraph 7.9.1 of this letter;
  - (ii) outlook of the Group, as set out in paragraph 7.9.2 of this letter;
  - (iii) the absence of alternative or competing offers from third parties as at the Latest Practicable Date, as set out in paragraph 7.9.3 of this letter;
  - (iv) Irrevocable Undertakings received by the Offeror from the Undertaking Shareholders, as set out in paragraph 7.9.4 of this letter;
  - (v) the effects of the Scheme and Delisting, as set out in paragraph 7.9.5 of this letter; and
  - (vi) no certainty of share price trading performance, as set out in paragraph 7.9.6 of this letter.



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## APPENDIX B – LETTER FROM THE IFA TO THE NON-CONFLICTED DIRECTORS

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### 9.2 Assessment of the Scheme

For the purpose of evaluating the Scheme, we have adopted the approach that the term “fair” and “reasonable” are regarded as two different concepts. The term “fair” relates to an opinion on the value of the offer price against the value of the securities subject to the offer (the “**Securities**”), and an offer is “fair” if the price offered is equal to or greater than the value of the Securities. In considering whether an offer is “reasonable”, other matters as well as the value of the Securities are taken into consideration. Such other matters include, but are not limited to, existing voting rights in the company held by an offeror and its concert parties or the market liquidity of the relevant securities.

#### 9.2.1 Assessment of Fairness of the Scheme

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

- (a) the Shares have never closed at or above the Scheme Consideration since IPO date and up to the Latest Practicable Date;
- (b) based on the NAV/NTA approach, which provides an estimate of the value of a group assuming the hypothetical sale of all its assets over a reasonable period of time, the Scheme Consideration represents a premium of approximately 233.3% against the adjusted NAV per Share of S\$0.108 as at 31 December 2023. Accordingly, the P/NAV of the Group implied by the Scheme Consideration would be approximately 3.33 times as at 31 December 2023;
- (c) the Scheme Consideration represents a premium of approximately 92.5% against the RNAV per Share of S\$0.187 as at 31 December 2023. Accordingly, the P/RNAV of the Group implied by the Scheme Consideration would be approximately 1.93 times as at 31 December 2023;
- (d) the historical PER, P/NTA and EV/EBITDA ratios as implied by the Scheme Consideration are all within the range and higher than the corresponding mean and median ratios of the Comparable Companies;
- (e) the historical P/NAV ratio as implied by the Scheme Consideration is above the range of historical P/NAV ratios of the Comparable Companies and Take-over Transactions;
- (f) the P/RNAV ratio as implied by the Scheme Consideration is within the range and higher than the mean and median historical P/NAV ratios of the Comparable Companies; within the range and higher than the corresponding mean and median Price-to-NAV/NTA ratio of the Take-over Transactions;
- (g) the premia of the Scheme Consideration over the VWAP of the Shares for the 6-, 3- and 1-month periods up to and including the Last Trading Day, and the premium of the Scheme Consideration over the last closing price of the Shares on the Last Trading Day are above the range of corresponding premia of the Take-over Transactions;
- (h) the premium of the Scheme Consideration over the VWAP of the Shares for the 12-month period up to and including the Last Trading Day is within the range and above the corresponding mean and median premia of the Take-over Transactions;

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## APPENDIX B – LETTER FROM THE IFA TO THE NON-CONFLICTED DIRECTORS

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- (i) the historical PER as implied by the Scheme Consideration is above the range of historical PERs of the F&B Take-over Transactions, and the historical P/NAV as implied by the Scheme Consideration is within the range and higher than the corresponding mean and median historical P/NAVs of the F&B Take-over Transactions; and
- (j) the Scheme Consideration is above the estimated value range of the Shares of S\$0.212 and S\$0.238 per Share.

In view of the above, we are of the opinion that the Scheme is **FAIR**.

### 9.2.2 Assessment of Reasonableness of the Scheme

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

- (a) the trading of the Shares is erratic and appears to be relatively illiquid in the 12-, 6-, 3-, and 1-month period up to and including the Last Trading Day. It is to note that given the low liquidity of the Shares during the periods observed, the Scheme Consideration may represent a realistic exit opportunity for Shareholders to realise their entire investment for cash. In the absence of the Scheme Consideration, such an exit for all Shareholders may not be readily available due to the low trading liquidity for the Shares;
- (b) the Company's commentary in the 1H2024 results announcement that the F&B industry is expected to be challenging, with factors that may contribute to rising operating costs, rising labor costs and reduction in discretionary spending;
- (c) as at the Latest Practicable Date, apart from the Scheme, no alternative or competing offer has been received by the Company. In addition, any potential third party may also be discouraged from making a competing offer for the Company at a price higher than the Scheme Consideration in view of the Irrevocable Undertaking; and
- (d) If the Scheme does not proceed to completion and the Company remains listed on the SGX-ST, there is no certainty that the Company share price will trade at or close to the Scheme Consideration.

In view of the above, we are of the opinion that the Scheme is **REASONABLE**.

### 9.3 **Our opinion on the Scheme**

In conclusion, we are of the opinion that, on balance, the financial terms of the Scheme are **fair and reasonable**. Accordingly, we advise the Non-Conflicted Directors to recommend Shareholders to vote **in favour** of the Scheme.

**The Non-Conflicted Directors should also highlight to Shareholders that the Scheme, when it becomes effective, will be binding on all Shareholders, whether or not they have attended or voted at the Scheme Meeting, and if they have attended and voted, whether or not they have voted in favour of the Scheme.**

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## APPENDIX B – LETTER FROM THE IFA TO THE NON-CONFLICTED DIRECTORS

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### 9.4 Our opinion on the FKL and LSZ Arrangements

With respect to the FKL and LSZ Arrangements, we have reviewed the Irrevocable Undertakings given by each of FKL and LSZ and the proposed arrangements contemplated by the Term Sheets in relation to FKL and LSZ (including the Management Reinvestments, the Management Incentive Arrangements and Employment Agreement Arrangements) as set out in paragraph 8 of this letter.

Overall, based on our evaluation of the terms of the FKL and LSZ Arrangements and the information available to us as at the Latest Practicable Date, we are of the opinion that the terms of the FKL and LSZ Arrangements are **fair and reasonable** in the context of Rule 10 of the Code.

It is not within our terms of reference to advise, and we do not advise, any person, other than the Non-Conflicted Directors, in relation to the FKL and LSZ Arrangements. In particular, we do not express any opinion, whether explicitly or implied, as to whether FKL, LSZ and other senior executives or key employees of the Group should accept the Management Reinvestments, the Management Incentive Arrangements and Employment Agreement Arrangements (where relevant).

In rendering our opinion and advice, we have not had regard to the specific investment objectives, financial situation, tax position or individual circumstances of any Shareholder or any specific group of Shareholders. We recommend that any individual Shareholder or specific group of Shareholders who may require specific advice in relation to his or their investment portfolio(s) should consult his or their legal, financial, tax or other professional adviser.

Our opinion and advice are addressed to the Non-Conflicted Directors for their benefit and for the purposes of their consideration of the Scheme and the FKL and LSZ Arrangements. The recommendation to be made by them to the Shareholders in respect of the Scheme and the FKL and LSZ Arrangements shall remain the responsibility of the Non-Conflicted Directors. Whilst a copy of this letter may be reproduced in the Scheme Document, no other person may reproduce, disseminate or quote this letter (or any part thereof) for any purpose at any time and in any manner without the prior written consent of SAC Capital in each specific case, except for the purpose of the Scheme.

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

Yours faithfully  
For and on behalf of  
**SAC CAPITAL PRIVATE LIMITED**

Bernard Lim  
Executive Director

Gan Feei Wen  
Manager

## APPENDIX B – LETTER FROM THE IFA TO THE NON-CONFLICTED DIRECTORS

### Annex A

Company	Stock exchange	Business description (as extracted from Bloomberg)	Share price as at the Latest Practicable Date (S\$)	Market capitalisation as at the Latest Practicable Date (S\$' million)	Financial year end	— Trailing 12 Months —	
						Revenue (S\$' million)	Net profit/(loss) after tax attributable to shareholders (S\$' million)
Kimly Limited	SGX-ST	Kimly Limited operates and manages coffee shops and food courts. The company offers prepared foods and drinks for on-premise consumption. Kimly serves customers in Singapore.	0.310	384.8	30 September	316.8	35.3
Jumbo Group Limited	SGX-ST	Jumbo Group Limited is a seafood restaurant group offering multiple dining concepts catering to all types of consumers. The company offers restaurants in Singapore, China, and Japan.	0.260	159.6	30 September	189.9	15.6
ABR Holdings Limited	SGX-ST	ABR Holdings Limited manufactures ice cream and operates Swensen's ice cream parlors and restaurants and other specialty restaurants. The company also manufactures and sells confectionery and pastry products, operates pubs, discotheques, and restaurants.	0.440	88.4	31 December	116.9	3.5
Japan Foods Holding Ltd.	SGX-ST	Japan Foods Holding Ltd. operates Japanese restaurants in Singapore, Malaysia, and Indonesia. The company franchises some of its restaurants in Malaysia and Indonesia, and serves fried rice and pan-fried noodles.	0.270	46.9	31 March	86.4	(0.5)
YKGI Limited	SGX-ST	YKGI Limited provides food services. The Company engages in food court management and franchising. YKGI offers duck rice, noodles, soup, and other prepared foods. YKGI serves customers worldwide.	0.089	37.8	31 December	61.9	1.4
Tung Lok Restaurants (2000) Ltd	SGX-ST	Tung Lok Restaurants (2000) Ltd owns and operates restaurants in Singapore. The company also operates a food processing facility to distribute dianxin and dianxin ingredients, festive food items and pastries to its restaurants for sale.	0.110	30.2	31 March	90.0	2.0
Soup Holdings Limited	SGX-ST	Soup Holdings Ltd operates a chain of restaurants in Singapore.	0.073	20.4	31 December	41.1	1.6
Sakae Holdings Ltd.	SGX-ST	Sakae Holdings Limited owns and operates restaurants, cafes, and kiosks. The company also offers food and beverages catering services and franchises its food and beverages brands.	0.126	17.5	30 June	15.3	0.4

Source: Bloomberg L.P., annual reports and/or announcements of the respective companies

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## APPENDIX C – LETTER FROM THE OFFEROR TO THE SHAREHOLDERS

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### RELISH INVESTMENTS

(Incorporated in the Cayman Islands)  
(Company Registration Number: 407941)

31 July 2024

To: The Shareholders of RE&S Holdings Limited

Dear Sir/Madam

#### PROPOSED ACQUISITION BY RELISH INVESTMENTS OF ALL THE ISSUED ORDINARY SHARES IN THE CAPITAL OF RE&S HOLDINGS LIMITED BY WAY OF A SCHEME OF ARRANGEMENT UNDER SECTION 210 OF THE COMPANIES ACT 1967 OF SINGAPORE

#### 1. INTRODUCTION

- 1.1 Acquisition.** On 19 May 2024, the respective board of directors of the Company and the Offeror jointly announced the proposed acquisition of all the issued ordinary shares in the capital of the Company by the Offeror which will be effected by the Company by way of a scheme of arrangement in accordance with Section 210 of the Companies Act and the Code.
- 1.2 Implementation Agreement.** In connection with the Acquisition, the Offeror and the Company (each, a “**Party**” and collectively, the “**Parties**”) have on 19 May 2024 entered into an implementation agreement (the “**Implementation Agreement**”) setting out the terms and conditions on which the Offeror and the Company will implement the Scheme.
- 1.3 Acquisition.** This Letter from the Offeror (this “**Offeror’s Letter**”) to shareholders of the Company (“**Shareholders**”) should be read and construed together with, and in the context of, the scheme document dated 31 July 2024 (“**Scheme Document**”) issued by the Company to the Shareholders containing details of the Scheme. Unless otherwise stated, terms used but not otherwise defined in this Offeror’s Letter shall have the same meanings as defined in the Scheme Document.

If you are in any doubt about this Offeror’s Letter or the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

#### 2. THE ACQUISITION AND THE SCHEME

- 2.1 Terms of the Scheme.** The Acquisition will be effected by way of a scheme of arrangement pursuant to Section 210 of the Companies Act and in accordance with the Code and the terms and conditions of the Implementation Agreement. Under the Scheme, all the Shares held by Entitled Shareholders will be transferred to the Offeror:
- 2.1.1** fully paid-up;
  - 2.1.2** free from all Encumbrances; and
  - 2.1.3** together with all rights, benefits and entitlements attaching thereto as at the Joint Announcement Date and thereafter attaching thereto, including the right to receive and retain all dividends, rights and other distributions (if any) declared, paid or made by the Company to the Shareholders on or after the Joint Announcement Date.

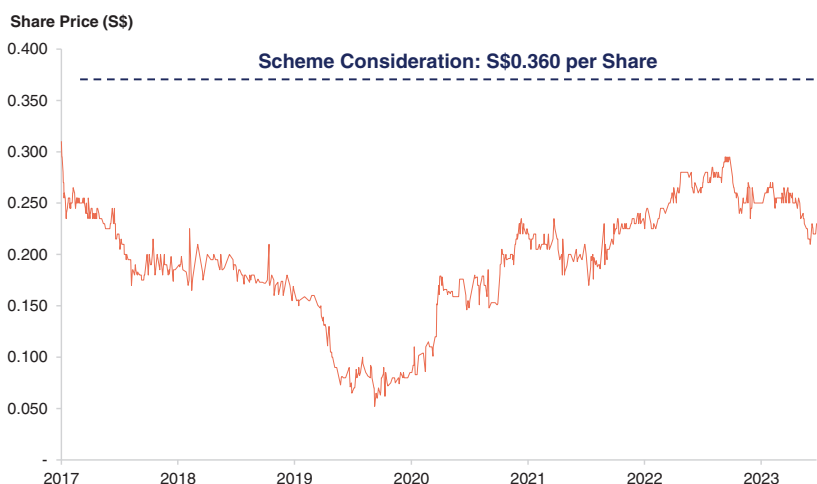
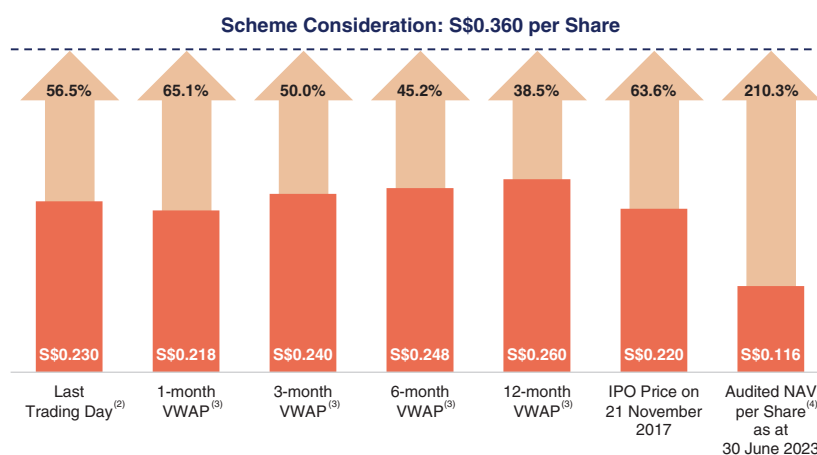
## APPENDIX C – LETTER FROM THE OFFEROR TO THE SHAREHOLDERS

**2.2 Scheme Consideration.** In consideration of the transfer of the Shares referred to in paragraph 2.1 above, each Entitled Shareholder shall be entitled to receive for each Share, at their Election:

**2.2.1** the Cash Consideration, being **S\$0.360 in cash**; or

**2.2.2** in lieu of the Cash Consideration the Cash and Securities Consideration, being, **S\$0.330 in cash** and **0.083143 Offeror Shares**, which the Offeror shall allot and issue, duly authorised, fully paid and free from all Encumbrances, at the Issue Price of S\$0.360 per Offeror Share.

The Scheme Consideration presents an opportunity for Entitled Shareholders to realise their investment in the Shares at the following attractive premia<sup>(1)</sup>:



**Notes:**

- (1) Rounded to the nearest one (1) decimal place.
- (2) Last traded price per Share as quoted on the SGX-ST on the Last Trading Day.
- (3) Based on data extracted from Bloomberg Finance LP. The VWAPs of the Shares are calculated by using the total value over the total volume of Shares traded in the relevant period prior to and including the Last Trading Day.
- (4) Based on the audited NAV per Share as at 30 June 2023 as disclosed in the Company's annual report for the financial year ended 30 June 2023 ("**Annual Report 2023**"), rounded to the nearest three (3) decimal places.



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## APPENDIX C – LETTER FROM THE OFFEROR TO THE SHAREHOLDERS

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**2.3 Cash and Securities Consideration.** The implied value of the Cash and Securities Consideration (based on the Issue Price) is the same as the Cash Consideration. The new Offeror Shares to be allotted and issued pursuant to the Scheme shall be:

**2.3.1** issued at S\$0.360 per Offeror Share, being the same issue price per Offeror Share that will be issued to each of FKL and LSZ pursuant to the Management Reinvestments; and

**2.3.2** allotted and issued and credited as fully paid and, when allotted and issued, will rank *pari passu* in all respects with the then existing Offeror Shares.

The key terms relating to the governance arrangements of the Offeror, and the rights of holders of Offeror Shares in respect of capital, dividends and voting, are set out in Schedule B of this Offeror's Letter. As set out in Schedule B of this Offeror's Letter, certain rights in respect of the Offeror Shares are conferred only on HoldCo, e.g. the right of first refusal, the drag-along right and the right to appoint directors. In addition, please also note that all shareholders of the Offeror ("**Offeror Shareholders**") other than HoldCo are subject to the restrictions on transfer of the Offeror Shares (as set out in Articles 7.3 to 7.4 of the memorandum and articles of association of the Offeror (the "**Offeror M&AA**")) and HoldCo's drag-along right (as set out in Article 7.6 of the Offeror M&AA). Please refer to Schedule B of this Offeror's Letter for more details.

**The Offeror Shares will not be listed on any securities exchange following completion of the Scheme.**

There are risks involved with investing in the Offeror Shares. Some of these risks are set out in Schedule C of this Offeror's Letter.

The Offeror Shares will be issued to and registered in the name of the person/entity recorded in the Register of Members or the Depository Register as at the close of business on the Record Date (or in the case of Entitled Depository Agents, any other person(s) as such Entitled Depository Agents may direct in the Sub-Account Holders Form), regardless of whether such Entitled Shareholder holds the Shares as custodian or nominee or otherwise.

For the avoidance of doubt, each Entitled Shareholder is only entitled to receive the Cash Consideration or, in lieu thereof, the Cash and Securities Consideration, for all the Shares registered in the Entitled Shareholder's name, but not a mixture of both. In the absence or failure of any valid Election, an Entitled Shareholder shall be deemed to have elected for the Cash Consideration for all the Shares registered in such Entitled Shareholder's name. **An Entitled Shareholder who wishes to receive the Cash Consideration does not need to complete and return the Election Form.**

In respect of the securities component of the Cash and Securities Consideration, the aggregate number of Offeror Shares that are issuable to any Entitled Shareholder in respect of Shares held by such Entitled Shareholder will be rounded down to the nearest whole number. Fractional entitlements shall be disregarded in the calculation of the Offeror Shares to be issued to any Entitled Shareholder pursuant to the Scheme and no payment will be made for any such fractional entitlements disregarded.

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## APPENDIX C – LETTER FROM THE OFFEROR TO THE SHAREHOLDERS

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- 2.4** The Offeror Shares to be issued pursuant to the Scheme will, when issued, be validly authorised, validly issued and outstanding, fully paid and non-assessable and free from Encumbrances (other than restrictions arising out of applicable securities laws) and all consents, authorisations, approvals or waivers from any governmental authorities or third parties necessary for such issuance have been or will, prior to such issuance, be obtained.
- 2.5** **Scheme Conditions.** The Acquisition is conditional upon the satisfaction (or, where applicable, the waiver) of the Scheme Conditions by the Cut-Off Date. Additional information on the Scheme Conditions is set out in paragraph 10 of the Explanatory Statement set out in Appendix A to the Scheme Document. The Scheme Conditions are reproduced in Appendix I to the Scheme Document.
- 2.6** **Switch Option.**
- 2.6.1** Pursuant to the terms of the Implementation Agreement, subject to prior consultation with the SIC, in the event a Competing Offer or an intention to make a Competing Offer is announced (whether or not such Competing Offer is pre-conditional), the Offeror shall have the right at its sole discretion to elect to proceed by way of an Offer (in lieu of proceeding with the Acquisition by way of the Scheme) (the “**Switch Option**”), at any time prior to the date on which the Scheme Meeting is to be held.
- 2.6.2** If the Offeror exercises the Switch Option, the Offeror will make the Offer on the same or better terms as those which apply to the Scheme, including without limitation, the same or a higher consideration than the Scheme Consideration, and conditional upon a level of acceptances to be determined with the SIC’s consent.
- 2.6.3** In such event, the Offeror and the Company have agreed that the Implementation Agreement shall terminate with effect from the date of announcement by or on behalf of the Offeror of a firm intention to make the Offer, save for certain surviving provisions.
- 2.7** **Termination of the Implementation Agreement.** In the event of termination of the Implementation Agreement by either the Company or the Offeror pursuant to the terms of the Implementation Agreement:
- 2.7.1** the Implementation Agreement shall cease to have any further force or effect (save for certain surviving provisions of the Implementation Agreement); and
- 2.7.2** neither Party shall have any further liability or obligation to the other Party (save for certain surviving provisions of the Implementation Agreement),
- provided always that such termination shall not prejudice the rights of either the Company or the Offeror which have accrued or arisen prior to such termination.
- Please refer to paragraph 10.6 of the Explanatory Statement set out in Appendix A to the Scheme Document for additional details on the termination rights under the Implementation Agreement.
- 2.8** **Effect of Scheme.** In the event the Scheme becomes effective, it will be binding on all Shareholders whether or not they were present in person or by proxy or voted to approve the Scheme at the Scheme Meeting. Shareholders should also be aware and note that there is currently no certainty that the Scheme will become effective and binding.

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## APPENDIX C – LETTER FROM THE OFFEROR TO THE SHAREHOLDERS

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### 3. THE OFFEROR'S RATIONALE FOR THE ACQUISITION AND FUTURE INTENTIONS FOR THE COMPANY

**3.1 Rationale for the Acquisition.** The Acquisition presents an opportunity for the Offeror to invest in the Company, a premier multi-concept owner and operator in the Japanese cuisine F&B sector, with a strong foothold in Singapore and a direct presence in Malaysia. The Company has a diverse portfolio of popular brands such as Ichiban Boshi, Kuriya Japanese Market and Gokoku, with a track record of resilient performance and steady growth in the competitive F&B industry. By leveraging SCG's expertise, resources and network, the Offeror aims to accelerate the Company's growth trajectory, capitalise on emerging opportunities, and strengthen its market position. The Offeror believes that the privatisation of the Company will provide the business with the necessary flexibility to focus on long-term execution whilst helping it save costs and resources associated with maintaining its listed status.

**3.2 Opportunity for Shareholders to Realise their Investment in the Shares at a Premium Over the Market Price without incurring Brokerage Costs.** Despite the current headwinds in the F&B market and overall macroeconomic uncertainty, the Acquisition represents an opportunity for the Shareholders to realise their investment in the Shares at a compelling premium over historical market prices without incurring brokerage and trading costs.

Description	Benchmark Price (S\$) <sup>(2)</sup>	Premium over Benchmark Price (%) <sup>(3)</sup>
Last traded price of the Shares on the SGX-ST on the Last Trading Day	0.230	56.5%
VWAP of the Shares traded on the SGX-ST for the one (1)-month period prior to and including the Last Trading Day <sup>(1)</sup>	0.218	65.1%
VWAP of the Shares traded on the SGX-ST for the three (3)-month period prior to and including the Last Trading Day <sup>(1)</sup>	0.240	50.0%
VWAP of the Shares traded on the SGX-ST for the six (6)-month period prior to and including the Last Trading Day <sup>(1)</sup>	0.248	45.2%
VWAP of the Shares traded on the SGX-ST for the 12-month period prior to and including the Last Trading Day <sup>(1)</sup>	0.260	38.5%
IPO price on 21 November 2017	0.220	63.6%
Audited NAV per Share as at 30 June 2023 <sup>(4)</sup>	0.116	210.3%

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### Notes:

- (1) Based on data extracted from Bloomberg Finance LP. The VWAPs of the Shares are calculated by using the total value over the total volume of Shares traded in the relevant period prior to and including the Last Trading Day.
- (2) Rounded to the nearest three (3) decimal places.
- (3) Rounded to the nearest one (1) decimal place.
- (4) Based on the audited NAV per Share as at 30 June 2023 as disclosed in the Company's Annual Report 2023, rounded to the nearest three (3) decimal places.

**3.3 Low Trading Liquidity.** The trading volume of the Shares has been low, with an average daily trading volume of approximately 15,065 Shares, 15,369 Shares, 15,523 Shares and 21,795 Shares during the one (1)-month, three (3)-month, six (6)-month and 12-month periods respectively, up to and including the Last Trading Day. Each of these represents 0.006% or less<sup>9</sup> of the total number of issued Shares for any of the aforementioned relevant periods.

The Scheme therefore provides Shareholders who may find it difficult to exit the Company as a result of the low trading volume in Shares with an opportunity to liquidate and realise their investment in the Shares at a premium to the prevailing market prices which would otherwise not be available given the low trading liquidity.

**3.4 No Further Approaches and the Only Offer Currently Available to Fully Realise Return.** Since the release of the Joint Announcement, there have been no other approaches or submissions of interest from potential investors in respect of an alternative proposal for the Company.

Accordingly, the Scheme is the only offer available to date which provides Entitled Shareholders the opportunity to achieve a full exit of their investment for cash at a premium to trading value. In the past, the low historical trading volume in the Shares may have presented difficulties for Entitled Shareholders with a large shareholding to fully exit their positions at trading value.

**3.5 The Offeror's Future Plans.**

**3.5.1** The Offeror intends to retain FKL and LSZ to ensure continuity of management and minimal interruption of the business of the Group. Further details are available at paragraph 7.2 below.

**3.5.2** Save as disclosed in this Offeror's Letter, there is presently no intention by the Offeror to (i) introduce any major changes to the business of the Company, (ii) re-deploy the fixed assets of the Company, or (iii) discontinue the employment of the employees of the Company, save in the ordinary course of business or as a result of any internal reorganisation or restructuring within the Company which may be implemented after the Effective Date.

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<sup>9</sup> The average daily trading volume as a percentage of total number of the Shares is based on data extracted from Bloomberg L.P. as at the Last Trading Day and calculated using the total volume of Shares traded divided by the number of market days with respect to the one (1)-month period, three (3)-month period, six (6)-month period and 12-month period up to and including the Last Trading Day, rounded to the nearest three (3) decimal places.

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**3.5.3** However, the Offeror Board retains and reserves the right and flexibility at any time to consider any options in relation to the Company which may present themselves and which it may regard to be in the interest of the Company.

### 4. IRREVOCABLE UNDERTAKINGS

**4.1 Irrevocable Undertaking.** Each of the Undertaking Shareholders has given an Irrevocable Undertaking to, *inter alia*:

**4.1.1** cast, or where applicable, procure the casting, of all votes in relation to their respective Shares in favour of the Scheme at the Scheme Meeting;

**4.1.2** cast, or where applicable, procure the casting, of all votes in relation to their respective Shares against and reject any Competing Offer, subject to, for FKL, LSZ and HT, their respective fiduciary duties as a director of the Company;

**4.1.3** comply with certain non-solicitation and no-talk provisions, in their capacity as Shareholders;

**4.1.4** in the event that the Offeror exercises its Switch Option and makes the Offer in compliance with paragraph 2.6, tender their respective Shares in acceptance of the Offer;

**4.1.5** elect to accept, in respect of their respective Shares:

(i) in the case of FKL, LSZ and YHLJ, the Cash Consideration. From the Cash Consideration due to each of FKL and LSZ, each of FKL and LSZ will also undertake to effect the Management Reinvestments; and

(ii) in the case of HT, the Cash and Securities Consideration.

As at the Latest Practicable Date, the Undertaking Shareholders have each given the Irrevocable Undertaking to the Offeror in respect of 297,503,130 Shares held legally and/or beneficially by the Undertaking Shareholders in the aggregate, representing approximately 84.1<sup>10</sup> per cent. of all the Shares.

**4.2 Termination.** The Irrevocable Undertakings will terminate on the earliest of any of the following dates:

**4.2.1** if the Implementation Agreement is not terminated, the Effective Date; or

**4.2.2** if the Implementation Agreement lapses or is terminated, the earliest of:

(i) the date on which the Implementation Agreement lapses or is terminated for any reason without the Scheme becoming effective (other than as a result of the Switch Option being exercised by the Offeror or a breach of the Undertaking Shareholders' respective obligations under their respective Irrevocable Undertakings), if the Switch Option is not exercised by the Offeror;

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<sup>10</sup> Rounded to the nearest one (1) decimal place.

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- (ii) the date the Offer lapses or is withdrawn for any reason, if the Switch Option is exercised by the Offeror; or
- (iii) the date on which the Offer becomes unconditional, if the Switch Option is exercised by the Offeror and the Offer does not lapse or is not withdrawn for any reason; or

**4.2.3** in the event that a Competing Offer for the Company is announced by a third party after the date of the Joint Announcement, and such offer is declared unconditional in all respects in accordance with its terms (other than by reason of the Undertaking Shareholders' Shares being validly tendered in acceptance of such offer), the date on which the Competing Offer becomes unconditional.

**4.3 No Other Irrevocable Undertakings.** Save for the Irrevocable Undertakings, as at the Last Practicable Date, none of (a) the Offeror, the HoldCo, and SCG, (b) the directors of each of the Offeror, HoldCo and SCG and (c) the Offeror Financial Adviser has received any irrevocable undertaking from any party to vote in favour of the Scheme at the Scheme Meeting.

### 5. MANAGEMENT INCENTIVE ARRANGEMENTS

**5.1 Term Sheets.** As the Offeror intends and desires the continuity of management and minimal interruption of the Group's business, the Offeror had on 19 May 2024 entered into the Term Sheets with each of FKL and LSZ to set out the proposed terms and conditions of (i) the Management Reinvestments, and (ii) the Management Incentive Arrangements. Details of such arrangements are set out in paragraphs 5.2 to 5.4.

For the avoidance of doubt, following the completion of the Scheme, it is intended that HT will retire from the Company's board of directors and from the management team of the Company. Accordingly, the proposed arrangements in relation to the Management Reinvestments, the Management Incentive Arrangements, and the Employment Agreement Arrangements will not be applicable to HT.

**5.2 Management Reinvestments.** As set out in the Term Sheets, it is intended that pursuant to:

**5.2.1** the Irrevocable Undertaking given by FKL and a subscription agreement to be entered into between FKL and the Offeror, FKL will reinvest the FKL Reinvestment Amount to subscribe for a certain number of Offeror Shares, based on the Issue Price; and

**5.2.2** the Irrevocable Undertaking given by LSZ and a subscription agreement to be entered into between LSZ and the Offeror, LSZ will reinvest the LSZ Reinvestment Amount to subscribe for a certain number of Offeror Shares, based on the Issue Price.

For the purposes of the Management Reinvestments, each of FKL and LSZ irrevocably authorises, directs and instructs the Offeror to retain the Reinvestment Amounts as the aggregate subscription price payable for the Offeror Shares to be allotted and issued to each of FKL and LSZ.

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**5.3 Management Incentive Arrangements.** It is the intention and desire of the Offeror that the RE&S Executives continue in their current functions within the Group and contribute to the success of the Group. Accordingly, it is envisaged that the Offeror will establish the Management Incentive Arrangements after completion of the Acquisition and the Scheme, to reward the RE&S Executives upon the occurrence of certain prescribed exit events. The specific terms of the Management Incentive Arrangements will be finalised by the Offeror Board after completion of the Acquisition, the Scheme and the Management Reinvestments.

**5.4 Employment Agreements.** The Offeror envisages that it may request the RE&S Executives (including FKL and LSZ) to execute the Employment Agreement Arrangements. The specific terms of the Employment Agreement Arrangements will be finalised by the Offeror Board after completion of the Acquisition, the Scheme and the Management Reinvestments.

### 6. SIC RULINGS

**6.1 SIC Rulings.** In accordance with the SIC Rulings, the SIC has confirmed, *inter alia*, that:

**6.1.1** the Irrevocable Undertakings given by each of HT and YHLJ do not amount to an agreement or arrangement between the Offeror and each of HT and YHLJ to co-operate to obtain or consolidate effective control of the Company; and

**6.1.2** in relation to each of FKL and LSZ:

(i) the FKL and LSZ Arrangements (which includes the proposed arrangements contemplated by the Term Sheets in relation to FKL and LSZ (including the Management Reinvestments, the Management Incentive Arrangements and Employment Agreement Arrangements)) will not constitute special deals for the purposes of Rule 10 of the Code;

(ii) the FKL and LSZ Arrangements (which includes the proposed arrangements contemplated by the Term Sheets in relation to FKL and LSZ (including the Management Reinvestments, the Management Incentive Arrangements and Employment Agreement Arrangements)) do not amount to an agreement or arrangement between the Offeror and each of FKL and LSZ to co-operate to obtain or consolidate effective control of the Company; and

(iii) FKL and LSZ will be permitted to attend and vote on the Scheme at the Scheme Meeting,

subject to the IFA publicly stating its opinion that the FKL and LSZ Arrangements are fair and reasonable so far as Shareholders are concerned in the context of Rule 10 of the Code.

Accordingly, subject to the conditions imposed by the SIC being satisfied, each of the Undertaking Shareholders will not be precluded from attending and voting at the Scheme Meeting by virtue of their respective Irrevocable Undertakings.



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### 7. SHAREHOLDING STRUCTURE OF OFFEROR FOLLOWING COMPLETION OF THE ACQUISITION, THE SCHEME AND THE MANAGEMENT REINVESTMENTS

**7.1 Shareholding Structure of the Offeror.** Following completion of the Acquisition, the Scheme and the Management Reinvestments, the expected shareholding structure of the Offeror, subject to the finalised debt/equity capital structure of the Offeror, is envisaged to be as follows<sup>11</sup>:

**7.1.1** assuming that no Entitled Shareholders, other than HT, elect to receive the Cash and Securities Consideration:

- (i) HoldCo: approximately 87.0 per cent.;
- (ii) HT: approximately 9.9 per cent.;
- (iii) FKL: approximately 1.5 per cent.; and
- (iv) LSZ: approximately 1.5 per cent.; and

**7.1.2** assuming that all Entitled Shareholders, other than FKL, LSZ and YHLJ, elect to receive the Cash and Securities Consideration:

- (i) HoldCo: approximately 84.5 per cent.;
- (ii) HT: approximately 9.9 per cent.;
- (iii) FKL: approximately 1.5 per cent.;
- (iv) LSZ: approximately 1.5 per cent.; and
- (v) other Entitled Shareholders who elect to receive for the Cash and Securities Consideration (excluding HT): approximately 2.5 per cent.

**7.2 Board Seats and Management Roles.** The Offeror Board following completion of the Acquisition, the Scheme and the Management Reinvestments will consist of five (5) directors. It is envisaged that FKL and LSZ will be appointed as directors to the Offeror Board following completion of the Acquisition, the Scheme and the Management Reinvestments. Each of FKL and LSZ shall remain as CEO and COO of the Group and they shall be responsible for the day-to-day management and operations of the Group.

### 8. DELISTING

Upon the Scheme becoming effective and binding in accordance with its terms, the Company will become a wholly-owned subsidiary of the Offeror, and consequently will not be able to meet the listing requirements of the SGX-ST.

The Company will, through its Sponsor, submit an application in respect of the Delisting to the SGX-ST in due course. The Delisting will be conditional upon the SGX-ST Delisting Approval.

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<sup>11</sup> The percentages for each row are rounded to the nearest one (1) decimal place. The arithmetic sum of the percentages may not add up to 100% due to rounding.

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Please note that the SGX-ST's decision is not to be taken as an indication of the merits of the Scheme, the Delisting, the Company, its subsidiaries and/or their securities.

**SHAREHOLDERS SHOULD NOTE THAT BY VOTING IN FAVOUR OF THE SCHEME, THE SHARES WILL, SUBJECT TO THE SGX-ST DELISTING APPROVAL BEING OBTAINED, BE DELISTED FROM THE OFFICIAL LIST OF THE SGX-ST IF THE SCHEME BECOMES EFFECTIVE AND BINDING IN ACCORDANCE WITH ITS TERMS.**

### 9. INFORMATION RELATING TO THE COMPANY

**9.1 Material Changes in the Financial Position of the Company.** Save as disclosed in the Scheme Document (including this Offeror's Letter) and any other information on the Group which is publicly available (including, without limitation, the announcements released by the Company on the SGXNET), and save for the costs and expenses incurred or to be incurred in connection with the Scheme, as at the Latest Practicable Date, to the knowledge of the Offeror, after making reasonable enquiries, there have been no material changes to the financial position of the Company since 30 June 2023, being the date of the last published audited consolidated financial statements of the Group.

**9.2 Transfer Restrictions.** The Constitution does not contain any restrictions on the right to transfer the Shares in connection with the Acquisition or the Scheme.

**9.3 Additional Information.** Additional information relating to the Company is set out in Appendix D to the Scheme Document.

### 10. INFORMATION RELATING TO THE OFFEROR AND HOLDCO

**10.1 The Offeror.** The Offeror and HoldCo are special purpose vehicles incorporated in the Cayman Islands for the purposes of the Acquisition and the Scheme.

As at the Latest Practicable Date:

**10.1.1** the sole shareholder of the Offeror is HoldCo, a special purpose vehicle incorporated in the Cayman Islands which is an indirect wholly-owned subsidiary of a fund that is advised and managed by SCG, a leading Singapore-headquartered private equity firm that focuses on investments into high growth middle market businesses across Southeast Asia;

**10.1.2** the authorised share capital of the Offeror is S\$50,000 divided into 500,000,000 shares of a par value of S\$0.0001 each; and

**10.1.3** the members of the Offeror Board are Mr. Low Yon Jan, Mr. Boh Sang Wei and Mr. Kenneth Tan Jhu Hwa, who are executives of SCG.

**10.2 Further Details.** Schedule A of this Offeror's Letter sets out certain additional information relating to each of the Offeror and HoldCo.

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### 11. DISCLOSURE OF INTERESTS

**11.1 Holdings of and Dealings in RE&S Securities.** As at the Latest Practicable Date, save as disclosed in Schedule D of this Offeror's Letter and in the Scheme Document:

**11.1.1** none of the Offeror, its directors, parties acting in concert with it or the Undertaking Shareholders owns, controls or has agreed (other than pursuant to the Implementation Agreement) to acquire any Company Securities; and

**11.1.2** none of (i) the Offeror, its directors, or parties acting in concert with it or (ii) to the knowledge of the Offeror after making reasonable enquiries, the Undertaking Shareholders, has dealt for value in the Company Securities during the period commencing three months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

Upon the Scheme becoming effective in accordance with its terms, the Offeror will hold and control all the voting rights in the Company.

**11.2 Holdings of and Dealings in Offeror Securities.** As at the Latest Practicable Date, save as disclosed in Schedule A and Schedule D of this Offeror's Letter and in the Scheme Document:

**11.2.1** none of the directors of the Offeror, parties acting in concert with the Offeror or the Undertaking Shareholders owns, controls or has agreed to acquire any Offeror Securities; and

**11.2.2** none of (i) the directors of the Offeror, or parties acting in concert with the Offeror or (ii) the Undertaking Shareholders, has dealt for value in the Offeror Securities during the period commencing three months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

**11.3 Other Arrangements.** As at the Latest Practicable Date, save as disclosed in Schedule D of this Offeror's Letter and in the Scheme Document:

**11.3.1** save for the Irrevocable Undertakings, no person has given any irrevocable undertaking to the Offeror or its concert parties to vote in favour of the Scheme at the Scheme Meeting;

**11.3.2** there are no Company Securities or Offeror Securities held by any persons with whom the Offeror or any party acting in concert with it which are subject to any arrangement of the kind referred to in Note 7 on Rule 12 of the Code, including indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature, relating to the Company Securities or Offeror Securities which may be an inducement to deal or refrain from dealing in the Company Securities or Offeror Securities; and

**11.3.3** save that, pursuant to the Offeror's financing arrangements for the Scheme, all of the Shares acquired by the Offeror pursuant to the Scheme will be charged in favour of the Offeror's financing banks as security for the Offeror's obligations under such the financing arrangements after completion of the Acquisition and the Scheme, neither the Offeror nor any party acting in concert with it has (i) granted a security interest relating to any Company Securities to another person, whether

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through a charge, pledge or otherwise, (ii) borrowed any Company Securities from another person (excluding borrowed Company Securities which have been on-lent or sold) or (iii) lent any Company Securities to another person.

### 12. OVERSEAS SHAREHOLDERS

**12.1 Overseas Shareholders.** The applicability of the Scheme to Overseas Shareholders may be affected by the laws of the relevant overseas jurisdictions. Accordingly, all Overseas Shareholders should inform themselves about, and observe, any applicable requirements in their own jurisdictions.

Where there are potential restrictions on sending the Scheme Document and any related documents to any overseas jurisdiction, the Offeror reserves the right not to send such documents to Shareholders in such overseas jurisdiction. For the avoidance of doubt, the Scheme is being proposed to all Shareholders (including Overseas Shareholders), including those to whom the Scheme Document and any related documents will not be, or may not be, sent, provided that the Scheme Document does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful and the Scheme is not being proposed in any jurisdiction in which the introduction or implementation of the Scheme would not be in compliance with the laws of such jurisdiction.

**Overseas Shareholders who are in doubt as to their positions should consult their own professional advisers in the relevant jurisdictions.**

**12.2 Copies of Scheme Document.** The Constitution provides that any Shareholder whose registered address is outside Singapore and who has not supplied to the Company or CDP (as the case may be) an address within Singapore for the service of notices and documents shall not be entitled to receive any such notices or documents from the Company. Accordingly, the Offeror and the Company reserve the right not to send the Notice of Scheme Meeting, the Proxy Form and the Request Form to any Overseas Shareholder, including where there are potential restrictions on sending the Notice of Scheme Meeting, the Proxy Form and the Request Form to the relevant overseas jurisdiction. Hence, the Scheme Document and any related documents has not been and will not be sent to any Overseas Shareholder.

Electronic copies of the Scheme Document (together with the Notice of Scheme Meeting, the Proxy Form and the Request Form) have been made available on SGXNet at <https://sgx.com/securities/company-announcements> and the Company's corporate website at <https://res.listedcompany.com>. A Shareholder will need an internet browser and PDF reader to view these documents on the SGXNet announcement page of the Company and the corporate website of the Company.

Shareholders (including Overseas Shareholders) may also obtain printed copies of the Scheme Document by submitting the Request Form to the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. by post at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632 or via email to [srs.proxy@boardroomlimited.com](mailto:srs.proxy@boardroomlimited.com) by no later than **10.00 a.m. on 12 August 2024**. Printed copies of the Scheme Document will be sent to the address in Singapore specified by the Shareholder by ordinary post at its own risk, up to three (3) Market Days prior to the date of the Scheme Meeting.

For the avoidance of doubt, the Scheme is being proposed to all the Shareholders (including the Overseas Shareholders), including those to whom the Scheme Document will

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not be, or may not be, sent, provided that the Scheme Document does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful and the Scheme is not being proposed in any jurisdiction in which the introduction or implementation of the Scheme would not be in compliance with the laws of such jurisdiction.

It is the responsibility of any Overseas Shareholder who wishes to request for the Scheme Document and any related documents to satisfy himself as to the full observance of the laws of the relevant jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements. In requesting for the Scheme Document and any related documents or participating in the Scheme, the Overseas Shareholder represents and warrants to the Offeror and the Company that he is in full observance of the laws of the relevant jurisdiction in that connection, and that he is in full compliance with all necessary formalities or legal requirements. **If any Overseas Shareholder is in any doubt about his position, he should consult his professional adviser in the relevant jurisdiction.**

### 12.3 Payment and Delivery of Offeror Share Certificates to Overseas Shareholders.

Overseas Shareholders who wish to elect to receive the Cash and Securities Consideration are required to provide the Company, the Share Registrar or CDP (as the case may be) an address within Singapore for the purposes of service of notices and delivery by the Offeror of the Offeror Share Certificates by the Record Date.

**Entitled Shareholders whose addresses recorded in the Register of Members, Depository Register or in the records of an Entitled Depository Agent (as the case may be) are not within Singapore and who do not provide the Company, the Share Registrar or CDP (as the case may be) with an address in Singapore by the Record Date will be deemed to have elected for the Cash Consideration in respect of their Shares.**

**12.4 Notice.** The Offeror and the Company each reserves the right to notify any matter, including the fact that the Scheme has been proposed, to any or all Shareholders (including Overseas Shareholders) by announcement to the SGX-ST or paid advertisement in a daily newspaper published and circulated in Singapore, in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Shareholder (including any Overseas Shareholder) to receive or see such announcement or advertisement. For the avoidance of doubt, for as long as Company remains listed on the SGX-ST, the Company will continue to notify all Shareholders (including Overseas Shareholders) of any matter relating to the Scheme by announcement via SGXNet.

**Notwithstanding that any Overseas Shareholder may not receive the Notice of the Scheme Meeting, they shall be bound by the Scheme if the Scheme becomes effective in accordance with its terms.**

## 13. ELECTION

**13.1 Election Process.** Each Entitled Shareholder:

**13.1.1** who holds Directly-Held Shares, shall only be entitled to elect to receive the Cash Consideration or, in lieu thereof, the Cash and Securities Consideration for all of its Directly-Held Shares, but not a mixture of both; and

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**13.1.2** who holds Indirectly-Held Shares, shall in respect of each sub-account holder, be entitled to elect to receive the Cash Consideration or, in lieu thereof, the Cash and Securities Consideration for all the Indirectly-Held Shares held on behalf of such sub-account holder, but not a mixture of both,

(each Entitled Shareholder under paragraph 13.1.1 and Depository Agent (for and on behalf of each sub-account holder under paragraph 13.1.2) shall be referred to as an “**Electing Party**”).

**If an Entitled Shareholder holds both Directly-Held Shares and Indirectly-Held Shares through securities sub-account(s) with Depository Agent(s), such Entitled Shareholder shall elect to receive either the Cash Consideration OR the Cash and Securities Consideration (and not a mixture of both) in respect of all of its Directly-Held Shares, and shall direct its Depository Agent(s) to elect to receive the same form of Scheme Consideration in respect of all of its Indirectly-Held Shares.**

**13.2 Election Forms.** Each Entitled Shareholder (other than Entitled Depository Agents) may elect to receive the Cash Consideration, or in lieu thereof, the Cash and Securities Consideration, in respect of all their Shares, but not a mixture of both.

The Election Forms will be despatched by the Offeror (or on its behalf) on the Election Form Despatch Date to all Entitled Shareholders (other than Entitled Depository Agents), at their respective addresses shown in the records of CDP (in respect of Entitled Shareholders being Depositors) or the Register of Members (in respect of Entitled Shareholders not being Depositors), as the case may be, at their own risk.

The duration of the Election will be a period of 10 Business Days or such other period as may be agreed by the Parties, commencing from the Election Form Despatch Date. The Company will announce the Election Form Despatch Date and the Election Period in due course.

The Election Forms can also be collected at the Share Registrar’s office situated at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632 during the Election Period.

Entitled Shareholders (other than Entitled Depository Agents) should complete, sign and return the Election Forms in accordance with the procedures set out below and the provisions and instructions printed on the Election Forms during the Election Period:

### **13.2.1 Entitled Shareholders whose Shares are not deposited with CDP**

An Entitled Shareholder (not being a Depositor) who wishes to elect to receive the Cash and Securities Consideration should deliver the completed and signed Election Form to the Company in the following manner:

- (i) if submitted electronically, a clear, scanned, completed and signed copy in PDF format be submitted via email to [srs.teamc@boardroomlimited.com](mailto:srs.teamc@boardroomlimited.com); or
- (ii) if submitted by post, be sent using the enclosed pre-addressed envelope at its own risk to the office of the Share Registrar at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632,

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in either case, in accordance with the instructions therein, so as to arrive no later than 5.30 p.m. on the Election Closing Date.

### **13.2.2 Entitled Shareholders whose Shares are deposited with CDP (other than Entitled Depository Agents)**

An Entitled Shareholder (being a Depositor who is not a Depository Agent) who wishes to elect the Cash and Securities Consideration should:

- (i) deliver the completed and signed Election Form to the Company by post, using the enclosed pre-addressed envelope at its own risk to RE&S Holdings Limited c/o The Central Depository (Pte) Limited, Robinson Road Post Office, P.O. Box 1597, Singapore 903147; or
- (ii) submit its Election, in electronic form, via the SGX-ST's Investor Portal at [investors.sgx.com](http://investors.sgx.com),

in either case, so as to arrive no later than 5.30 p.m. on the Election Closing Date.

**If an Entitled Shareholder wishes to receive the Cash Consideration in respect of all of its Shares, it does not need to complete and return the Election Form.**

### **13.3 Entitled Depository Agents.** Entitled Depository Agents may make Elections on behalf of each sub-account holder who holds Shares via Electronic Election.

Electronic Elections must be submitted no later than 5.30 p.m. on the Election Closing Date. CDP has been authorised by the Offeror to receive Electronic Elections on its behalf. Electronic Elections submitted will be deemed irrevocable and subject to each of the terms and conditions contained in the Election Form for Depositors and the Scheme Document (including this Offeror's Letter) as if the Election Form for Depositors had been completed and delivered to CDP. By submitting their Electronic Election, each Entitled Depository Agent confirms and represents to the Offeror that in relation to each sub-account holder in respect of which such Entitled Depository Agent exercises the Election:

- 13.3.1** such Election has been exercised in respect of all (and not some) of the Shares held by the Entitled Depository Agent for such sub-account holder;
- 13.3.2** such sub-account holder has not elected to receive a mixture of the Cash Consideration and the Cash and Securities Consideration in respect of the Shares held by such Depository Agent on its behalf; and
- 13.3.3** such sub-account holder has confirmed to such Entitled Depository Agent that it has not elected to receive a mixture of the Cash Consideration and the Cash and Securities Consideration in respect of, if applicable, any of its Directly-Held Shares or the Indirectly-Held Shares held on its behalf by any Entitled Depository Agent(s).



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If an Entitled Depository Agent wishes to elect to receive the Cash and Securities Consideration in respect of any of its sub-account holder's Shares, such Entitled Depository Agent must, in addition to making the relevant Election via Electronic Election, complete and return the Sub-Account Holders Form which will be provided to Entitled Depository Agents by CDP electronically:

- (i) if submitted electronically, a clear, scanned, completed and signed copy in PDF format be submitted via email to [srs.teamc@boardroomlimited.com](mailto:srs.teamc@boardroomlimited.com); or
- (ii) if submitted by post, be sent to the office of the Share Registrar at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632,

in either case, in accordance with the instructions therein, so as to arrive no later than 5.30 p.m. on the Election Closing Date.

**Entitled Depository Agents do not have to complete or return the Sub-Account Holders Form if they wish to elect to receive the Cash Consideration in respect of all of their sub-account holders' Shares.**

**13.4 Information Pertaining to SRS Investors.** SRS Investors should consult their SRS Agent Banks for further information on the Scheme. If they are in any doubt as to the action they should take, SRS Investors should seek independent professional advice.

**13.5 Receipt.** The Election Forms and Sub-Account Holders Forms must be received no later than 5.30 p.m. on the Election Closing Date. No acknowledgement of receipt of any Election Form or Sub-Account Holders Form will be given by the Offeror, the Company, CDP or the Share Registrar. Each Entitled Shareholder is permitted to submit only one (1) Election Form and any subsequent submission of any Election Forms will be disregarded and deemed invalid. Each Entitled Depository Agent is permitted to submit only one (1) Sub-Account Holders Form and any subsequent submission of any Sub-Account Holders Forms will be disregarded and deemed invalid.

**13.6 Deemed Election.** In the event that any Electing Party:

**13.6.1** fails to elect to receive the Cash and Securities Consideration within the Election Period, whether due to the Share Registrar or CDP (as the case may be) (A) failing to receive from the Entitled Shareholder an Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) by the end of the Election Period; or (B) receiving an Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) which does not comply with the instructions contained in the Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) or the terms and conditions contained in the Scheme Document, or which is not complete or is invalid in any other respect;

**13.6.2** to the extent applicable under the laws of the Cayman Islands and upon being notified by the Offeror, fails to provide such details and/or information as may be required to satisfy the requirements of the anti-money laundering regulations of the Cayman Islands;

**13.6.3** elects to receive the Cash Consideration or the Cash and Securities Consideration in respect of only some and not all of its Shares;

**13.6.4** holds both Directly-Held Shares and Indirectly-Held Shares through securities sub-account(s) with Depository Agent(s) and does not elect to receive and direct

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its Depository Agent(s) to elect to receive the same form of the Scheme Consideration in respect of all its Directly-Held Shares and Indirectly-Held Shares respectively, and the Offeror is notified of such occurrence; and/or

**13.6.5** maintains an address recorded in the Register of Members or the Depository Register or in the records of the Entitled Depository Agent (as the case may be) that is not within Singapore and does not provide the Company and the Share Registrar or CDP (as the case may be) with an address in Singapore by the Record Date,

such Electing Party shall be deemed to have elected to receive the Cash Consideration for all of his/her/its Shares, and shall be entitled only to receive the Cash Consideration for all of his/her/its Shares as at the Record Date.

In addition, if the Share Registrar or CDP (as the case may be) fails to receive, from any Electing Party, an Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) by 5.30 p.m. on the Election Closing Date or receives an Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) which does not comply with the instructions contained in the Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) or the terms and conditions contained in the Scheme Document, or which is not complete or is invalid in any other respect, that Electing Party shall be deemed to have elected to receive the Cash Consideration for all of its Shares as at the Record Date.

**13.7 Discretion.** Each of the Offeror and the Company reserves the right to treat Election Forms and Sub-Account Holders Forms as valid if received by or on behalf of it at any place or places determined by it otherwise than as stated in the Scheme Document, the Election Form or the Sub-Account Holders Form, as the case may be, or if made otherwise than in accordance with the provisions of the Scheme Document, the Election Form or the Sub-Account Holders Form. CDP and the Share Registrar take no responsibility for any such decision made by the Offeror and/or the Company.

**13.8 Disclaimer.** The Offeror, the Company, CDP and the Share Registrar will each be authorised and entitled, in its absolute discretion, to accept or reject any Election Form, Electronic Election or Sub-Account Holders Form which is not entirely in order or does not comply with the Scheme Document or the provisions and instructions contained in the Election Form, the Electronic Election or the Sub-Account Holders Form (as the case may be), or which is otherwise incomplete, incorrect, unsigned or invalid in any respect. The Offeror shall not be required to notify any Entitled Shareholder or Entitled Depository Agent if its Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) is not received or is not in compliance with the instructions contained in the Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) or is otherwise incomplete or invalid in any other respect.

If an Entitled Shareholder wishes to receive the Cash and Securities Consideration, it is such Entitled Shareholder's responsibility to ensure that the Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) is properly completed in all respects, signed and all required supporting documents, where applicable, are provided. Any decision to reject any Election Form, Electronic Election or Sub-Account Holders Form will be final and binding and none of the Offeror, the Company, CDP or the Share Registrar accepts any responsibility or liability in relation to such rejection, including the consequences thereof.

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## APPENDIX C – LETTER FROM THE OFFEROR TO THE SHAREHOLDERS

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- 13.9 Correspondences.** All communication, certificates, notices, documents and remittances to be delivered or sent to an Entitled Shareholder (or such Entitled Shareholder's designated agent or, in the case of joint Entitled Shareholders who have not designated any agent, to the one first named in the Register of Members) will be sent by ordinary post to such Entitled Shareholder's mailing address as maintained with the CDP or as it appears in the Register of Members, as the case may be, at the risk of the person entitled thereto.

The attention of Overseas Shareholders is also drawn to paragraph 12 above and paragraph 18 of the Explanatory Statement set out in Appendix A to the Scheme Document.

### 14. SETTLEMENT AND REGISTRATION

- 14.1 Entitled Shareholders whose Shares are not deposited with CDP.** Entitlements of Entitled Shareholders (not being Depositors) under the Scheme will be determined on the basis of their holdings of Shares appearing in the Register of Members as at 5.00 p.m. on the Record Date.

Entitled Shareholders (not being Depositors) who have not already done so are requested to take the necessary action to ensure that the Shares owned by them are registered in their names with the Share Registrar by 5.00 p.m. on the Record Date.

From the Effective Date, all existing share certificates relating to the Shares held by Entitled Shareholders (not being Depositors) will cease to be evidence of title to the Shares represented thereby.

Within seven (7) Business Days of the Effective Date, the Offeror shall make payment of the Scheme Consideration to each Entitled Shareholder (not being a Depositor) based on its holding of the Shares as at 5.00 p.m. on the Record Date.

- 14.2 Entitled Shareholders whose Shares are deposited with CDP.** Entitlements of Entitled Shareholders (being Depositors) under the Scheme will be determined on the basis of the number of Shares standing to the credit of their Securities Accounts at 5.00 p.m. on the Record Date.

Entitled Shareholders (being Depositors) who have not already done so are requested to take the necessary action to ensure that the Shares owned by them are credited to their Securities Accounts by 5.00 p.m. on the Record Date.

Following the Effective Date, CDP will debit all the Shares standing to the credit of each relevant Securities Account of each Entitled Shareholder (being a Depositor) and credit all of such Shares to the Securities Account(s) of the Offeror in such Securities Account(s) as directed by the Offeror, within seven (7) Business Days of the Effective Date and prior to delisting of Company.

Within seven (7) Business Days of the Effective Date, CDP shall, based on the number of Shares standing to the credit of the Securities Account of Entitled Shareholders (being Depositors) as at 5.00 p.m. on the Record Date make payment of the Scheme Consideration to each Entitled Shareholder (being a Depositor).

- 14.3 Procedure for Implementation.** If the Court sanctions the Scheme, the Offeror and the Company will (subject to the Scheme Conditions having been satisfied (or, where applicable, waived) in accordance with the Implementation Agreement on or before 5.00

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## APPENDIX C – LETTER FROM THE OFFEROR TO THE SHAREHOLDERS

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p.m. on the Cut-Off Date) take the necessary steps to render the Scheme effective and binding in accordance with its terms, and the following will be implemented:

**14.3.1** the Shares held by Entitled Shareholders will be transferred to the Offeror for either (I) the Cash Consideration to be paid by the Offeror, or (II) the Cash and Securities Consideration to be paid and issued by the Offeror, as the case may be, to Entitled Shareholders for each Share, in the following manner:

- (i) in the case of Entitled Shareholders (not being Depositors), the Company shall authorise any person to execute or effect on behalf of all such Entitled Shareholders an instrument or instruction of transfer of all the Shares held by such Entitled Shareholders and every such instrument or instruction of transfer so executed shall be effective as if it had been executed by the relevant Entitled Shareholder; and
- (ii) in the case of Entitled Shareholders (being Depositors), the Company shall instruct CDP, for and on behalf of such Entitled Shareholders, to debit, not later than seven (7) Business Days after the Effective Date, all the Shares standing to the credit of the Securities Account of such Entitled Shareholders and credit all of such Shares to the Securities Account of the Offeror or such Securities Account(s) as directed by the Offeror;

**14.3.2** from the Effective Date, all existing share certificates relating to the Shares held by Entitled Shareholders (not being Depositors) will cease to be evidence of title of the Shares represented thereby;

**14.3.3** Entitled Shareholders (not being Depositors) are required to forward their existing share certificates relating to their Shares to the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632 as soon as possible, but not later than seven (7) Business Days after the Effective Date for cancellation; and

**14.3.4** the Offeror shall, not later than seven (7) Business Days after the Effective Date, and against the transfer of the Shares set out in paragraph 14.3.1 above, make payment of the Scheme Consideration in the manner set out in paragraph 14.4 below.

### **14.4 The Scheme Consideration**

#### **14.4.1 The Cash Consideration**

The Offeror shall, not later than seven (7) Business Days after the Effective Date, and against the transfer of the Shares set out in paragraph 14.3.1 above, make payment of the aggregate Cash Consideration to Entitled Shareholders who elect (or are deemed to have elected) to receive the Cash Consideration and are entitled to receive the Scheme Consideration in the form of the Cash Consideration for their Shares as follows:

(i) **Entitled Shareholders whose Shares are not deposited with CDP**

The Offeror shall pay each Entitled Shareholder (not being a Depositor) by sending a cheque for the Cash Consideration payable to and made out in

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## APPENDIX C – LETTER FROM THE OFFEROR TO THE SHAREHOLDERS

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favour of such Entitled Shareholder by ordinary post to its address as appearing in the Register of Members at the close of business on the Record Date, at the sole risk of such Entitled Shareholder, or in the case of joint Entitled Shareholders, to the first-named Entitled Shareholder made out in favour of such Entitled Shareholder by ordinary post to its address as appearing in the Register of Members at the close of business on the Record Date, at the sole risk of such joint Entitled Shareholders.

(ii) **Entitled Shareholders whose Shares are deposited with CDP**

The Offeror shall pay each Entitled Shareholder (being a Depositor) by making payment of the aggregate Cash Consideration payable to such Entitled Shareholder to CDP. CDP shall:

- (a) in the case of an Entitled Shareholder (being a Depositor) who has registered for CDP's direct crediting service, credit the Cash Consideration payable to such Entitled Shareholder, to the designated bank account of such Entitled Shareholder; and
- (b) in the case of an Entitled Shareholder (being a Depositor) who has not registered for CDP's direct crediting service, credit the Cash Consideration to such Entitled Shareholder's cash ledger with CDP and such Cash Consideration shall be subject to the same terms and conditions applicable to "Cash Distributions" under "*The Central Depository (Pte) Limited Operation of Securities Account with the Depository Terms and Conditions*" as amended, modified or supplemented from time to time, copies of which are available from CDP.

Assuming that the Scheme becomes effective and binding in accordance with its terms on 9 October 2024, the crediting by CDP of the Cash Consideration into the designated bank accounts of Entitled Shareholders (in the case of Entitled Shareholders being Depositors and who have registered with CDP for its direct crediting service) or, as the case may be, the Entitled Shareholder's cash ledger with CDP (in the case of Entitled Shareholders being Depositors and who have not registered with CDP for its direct crediting service) in the manner set out in paragraph 14.4.1 above is expected to take place on or before 18 October 2024.

The despatch of payment by the Offeror to each Entitled Shareholder's address and/or CDP (as the case may be) in accordance with the above shall discharge the Offeror from any liability in respect of those payments.

### 14.4.2 Cash and Securities Consideration

In respect of the cash component of the Cash and Securities Consideration, the procedure for settlement shall be as described above in respect of the Cash Consideration.

In respect of the securities component of the Cash and Securities Consideration, the Offeror shall allot and issue new Offeror Shares, credited as fully-paid, on the basis of 0.083143 Offeror Shares at the Issue Price for every one (1) Share held

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by such Entitled Shareholder who elects to and is entitled to receive the Scheme Consideration in the form of the Cash and Securities Consideration for all of its Shares, and the Offeror Share Certificates shall be delivered to the relevant person/entity recorded in the Register of Members or the Depository Register as at the close of business on the Record Date (or in the case of Entitled Depository Agents, any other person(s) as such Entitled Depository Agents may direct in the Sub-Account Holders Form), regardless of whether such Entitled Shareholder holds the Shares as custodian or nominee or otherwise.

The Offeror shall, not later than seven (7) Business Days after the Effective Date, and against the transfer of the Shares set out in paragraph 14.3 above, do the following:

(i) **Entitled Shareholders whose Shares are not deposited with CDP**

The Offeror shall send the Offeror Share Certificates representing the relevant number of new Offeror Shares to each Entitled Shareholder (not being a Depositor) by ordinary post to its Singapore address as appearing in the Register of Members at the close of business on the Record Date at the sole risk of such Entitled Shareholder, or in the case of joint Entitled Shareholders, to the first named Entitled Shareholder, by ordinary post to its Singapore address as appearing in the Register of Members at the close of business on the Record Date at the sole risk of such joint Entitled Shareholders, save that in all cases, no Offeror Share Certificates will be despatched in or into any overseas jurisdiction (please refer to paragraph 12 above for more information on the arrangements for Overseas Shareholders).

(ii) **Entitled Shareholders whose Shares are deposited with CDP**

The Offeror shall send the Offeror Share Certificates representing the relevant number of new Offeror Shares to each Entitled Shareholder (being a Depositor) by ordinary post to its Singapore address as appearing in the Depository Register at the close of business on the Record Date (or in the case of Entitled Depository Agents, any other person(s) as such Entitled Depository Agents may direct in the Sub-Account Holders Form) at the sole risk of such Entitled Shareholder, or in the case of joint Entitled Shareholders, to the first named Entitled Shareholder by ordinary post to its Singapore address as appearing in the Depository Register at the close of business on the Record Date at the sole risk of such joint Entitled Shareholders, save that in all cases, no Offeror Share Certificates will be despatched in or into any overseas jurisdiction (please refer to paragraph 12 above for more information on the arrangements for Overseas Shareholders).

Assuming that the Scheme becomes effective and binding in accordance with its terms on 9 October 2024, the posting of the Offeror Share Certificates representing the new Offeror Shares to be allotted and issued pursuant to the Scheme in the manner set out in paragraphs 14.4.2(i) and 14.4.2(ii) above, is expected to take place on or before 18 October 2024.

The despatch of the Offeror Share Certificates to each Entitled Shareholder's Singapore address in accordance with the above shall discharge the Offeror from any liability in respect of the delivery of such Offeror Share Certificates.



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## APPENDIX C – LETTER FROM THE OFFEROR TO THE SHAREHOLDERS

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The new Offeror Shares to be allotted and issued pursuant to the Scheme will, on issue, be duly authorised, fully paid up and validly allotted and issued, and free from all Encumbrances and rank *pari passu* in all respects with one another and with all other shares of the Offeror as at the date of their issue.

The rights, privileges and restrictions attaching to the Offeror Shares shall be set out in the Offeror M&AA which shall take effect on and from the Effective Date. Extracts of the Offeror M&AA relating to (A) certain transfer restrictions in respect of Offeror Shares, and (B) the rights of holders of Offeror Shares in respect of capital, dividends and voting are set out in Schedule B of this Offeror's Letter.

**14.5 Settlement.** The procedures for settlement are more particularly described in paragraphs 13.3 and 13.4 of the Explanatory Statement set out in Appendix A to the Scheme Document.

### 15. GENERAL INFORMATION

Schedule E of this Offeror's Letter sets out certain additional general information relating to the Scheme.

### 16. FINANCIAL ADVISERS AND CONFIRMATION OF FINANCIAL RESOURCES

**16.1 Financial Adviser to the Offeror.** DBS Bank Ltd. is the financial adviser to the Offeror in respect of the Acquisition and the Scheme.

**16.2 Confirmation of Financial Resources.** DBS Bank Ltd., being the financial adviser to the Offeror in connection with the Acquisition and the Scheme, confirms that sufficient financial resources are available to the Offeror to satisfy in full the aggregate cash component of the Scheme Consideration payable by the Offeror for all the Shares to be acquired by the Offeror pursuant to the Scheme (excluding the Reinvestment Amounts), on the basis that HT elects to receive the Cash and Securities Consideration in respect of all his Shares.

For the avoidance of doubt, the confirmation of financial resources above is applicable solely to the Scheme and does not extend to the Offer, in the event the Offeror elects to exercise the Switch Option.

### 17. RESPONSIBILITY STATEMENT

The directors of the Offeror (including any who may have delegated detailed supervision of the preparation of this Offeror's Letter) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Offeror's Letter which relate to the Offeror (excluding information relating to the Company) are fair and accurate and that, where appropriate, no material facts which relate to the Company have been omitted from this Offeror's Letter, and the directors of the Offeror jointly and severally accept responsibility accordingly.



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## **APPENDIX C – LETTER FROM THE OFFEROR TO THE SHAREHOLDERS**

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Where any information in this Offeror's Letter (including information which relates to the Offeror) has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Company, the sole responsibility of the directors of the Offeror has been to ensure that, through reasonable enquiries, such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Offeror's Letter in its proper form and context. The directors of the Offeror do not accept any responsibility for any information relating to the Company, or any opinion expressed by the Company.

Yours faithfully  
For and on behalf of the Board of Directors of

**RELISH INVESTMENTS**

Kenneth Tan Jhu Hwa  
Director

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## APPENDIX C – LETTER FROM THE OFFEROR TO THE SHAREHOLDERS

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### SCHEDULE A

#### INFORMATION RELATING TO THE OFFEROR

##### (A) INFORMATION RELATING TO THE OFFEROR

##### 1. DIRECTORS OF THE OFFEROR

The relevant information of the directors of the Offeror as at the Latest Practicable Date is set out below:

Name	Address	Designation
Kenneth Tan Jhu Hwa	501 Orchard Road, #17-01 Wheelock Place, Singapore 238880	Director
Boh Sang Wei	501 Orchard Road, #17-01 Wheelock Place, Singapore 238880	Director
Low Yon Jan	501 Orchard Road, #17-01 Wheelock Place, Singapore 238880	Director

##### 2. PRINCIPAL ACTIVITIES

The Offeror is an exempted company that was incorporated in the Cayman Islands on 8 March 2024. The registered office of the Offeror is at Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

The Offeror has not carried on any business since its incorporation.

##### 3. SHARE CAPITAL

##### 3.1 Share Capital and Shareholders. As at the Latest Practicable Date:

- (a) the authorised share capital of the Offeror is S\$50,000 divided into 500,000,000 shares of a par value of S\$0.0001 each; and
- (b) the sole shareholder of the Offeror is HoldCo.

##### 3.2 Illustrative Resultant Shareholdings in the Offeror. As set out in paragraph 4 of this Offeror's Letter, the Undertaking Shareholders agreed in their respective Irrevocable Undertakings to elect to accept, in respect of their respective shares (i) (in the case of HT) the Cash and Securities Consideration and (ii) (in the case of FKL, LSZ and YHLJ) the Cash Consideration. From the Cash Consideration due to each of FKL and LSZ, each of FKL and LSZ will also undertake to effect the Management Reinvestments.

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## APPENDIX C – LETTER FROM THE OFFEROR TO THE SHAREHOLDERS

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For purely illustrative purposes only, the expected shareholding structure of the Offeror on completion of the Acquisition, the Scheme and the Management Reinvestments and following the issuance of the Offeror Shares pursuant to the Management Reinvestments are set out in paragraphs 7.1.1 and 7.1.2 of this Offeror's Letter based on the scenarios described therein.

- 3.3 Offeror Shares.** The Offeror Shares, which have identical rights in all respects, rank *pari passu* with one another. All Offeror Shares in issue immediately following the Scheme will be fully paid-up or credited as paid-up.
- 3.4 Offeror M&AA.** The rights and privileges attaching to the Offeror Shares are set out in the Offeror M&AA, which shall take effect on and from the Effective Date. Extracts of the Offeror M&AA relating to (i) certain transfer restrictions in respect of Offeror Shares, and (ii) the rights of holders of Offeror Shares in respect of capital, dividends and voting are set out in Schedule B of this Offeror's Letter, and will be adopted in substantially the form annexed.
- 3.5 Changes to Share Capital.** On 3 May 2024, the authorised share capital of the Offeror was changed from US\$50,000 divided into 50,000 shares of a par value of US\$1.00 each to S\$50,000 divided into 500,000,000 shares of a par value of S\$0.0001 each. Save as aforesaid, there have been no material changes to the authorised share capital of the Offeror since the period commencing on the date of incorporation of Offeror and ending on the Latest Practicable Date.
- 3.6 Convertible Instruments.** As at the Latest Practicable Date, save as disclosed in the Scheme Document, there are no outstanding instruments convertible into, rights to subscribe for, and options or derivatives in respect of, Offeror Shares or securities which carry voting rights in the Offeror.

### 4. FINANCIAL INFORMATION ON THE OFFEROR

**As the Offeror was newly incorporated on 8 March 2024 for the purpose of the Acquisition, no audited or unaudited financial statements of the Offeror have been prepared as at the Latest Practicable Date for inclusion in this Offeror's Letter.**

As no audited or unaudited financial statements of the Offeror have been prepared since the date of its incorporation, there are no significant accounting policies to be noted.

Save in relation to and in connection with the Acquisition and the Scheme (including financing the Acquisition and the Scheme and the costs and expenses incurred or to be incurred in connection with the Acquisition and the Scheme), there has been no known material change in the financial position of the Offeror since its incorporation.

### (B) GENERAL

#### 5. SHARE PRICE

As the Offeror was newly incorporated on 8 March 2024 for the purpose of the Acquisition, there have been no sales or transfers of any Offeror Securities during the period between the start of the six (6)-months preceding the date of the Joint Announcement and up to the Latest Practicable Date.

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## APPENDIX C – LETTER FROM THE OFFEROR TO THE SHAREHOLDERS

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### 6. INDEBTEDNESS

The Offeror (as borrower) has entered into a facility agreement (the “**Acquisition Facility Agreement**”) with DBS Bank Ltd. (the “**Bank**”), under which, *inter alia*, the Bank has agreed to make available a non-revolving fixed advanced facility (the “**Acquisition Facility**”) in an aggregate amount up to S\$66,000,000 which may be utilised towards financing the Acquisition and related transaction expenses.

The Acquisition Facility will be secured by, *inter alia*, (i) an equitable share mortgage over the shares of the Offeror to be executed by HoldCo in favour of the Bank; (ii) a share charge over the Company to be executed by the Offeror in favour of the Bank; and (iii) a debenture to be executed by the Offeror in favour of the Bank.

Save as disclosed above, as at the Latest Practicable Date, the Offeror does not have any outstanding bank overdrafts or loans, or other similar indebtedness, mortgages, charges, guarantees or other material contingent liabilities save in respect of costs and expenses incurred in the ordinary course of implementing this Acquisition.

### 7. MATERIAL LITIGATION

As at the Latest Practicable Date:

- 7.1 the Offeror is not engaged in any material litigation, either as plaintiff or defendant, which might materially or adversely affect the financial position of the Offeror; and
- 7.2 none of the directors of the Offeror are aware of any litigation, claims or proceedings pending or threatened against the Offeror, or of any facts likely to give rise to any litigation, claims or proceedings which might materially or adversely affect the financial position of the Offeror.

### 8. MATERIAL CONTRACTS WITH INTERESTED PERSONS

As at the Latest Practicable Date and save as disclosed in this Offeror’s Letter and the Scheme Document (including the contracts relating to the capital contributions and financing arrangements for the Acquisition, as disclosed in this Offeror’s Letter and the Scheme Document), there are no material contracts entered into between the Offeror and an interested person (within the meaning of Note 1 to Rule 23.12 of the Code).

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## APPENDIX C – LETTER FROM THE OFFEROR TO THE SHAREHOLDERS

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### SCHEDULE B

#### EXTRACTS OF THE GOVERNANCE ARRANGEMENTS IN RELATION TO THE OFFEROR SHARES AS SET OUT IN THE OFFEROR M&AA

Extracts of the Offeror M&AA relating to the key governance arrangements of the Offeror including certain transfer restrictions in respect of Offeror Shares, and the rights of holders of Offeror Shares in respect of capital, dividends and voting as extracted and reproduced from the Offeror M&AA (which will be in effect on and from the Effective Date) are set out below.

*All capitalised terms used in the following extracts shall have the same meanings given to them in the Offeror M&AA, a copy of which is available for inspection at the registered office of the Company during normal business hours from the date of the Scheme Document up to the Effective Date.*

#### 1. Voting

At least five clear days' notice shall be given of any general meeting of the shareholders of the Offeror (the "**Offeror Shareholders**"). Every notice shall specify the place, the day and the hour of the meeting and the general nature of the business to be conducted at the general meeting and shall be given in the manner mentioned in the constitution of the Offeror or in such other manner if any as may be prescribed by the Offeror, provided that a general meeting of the Offeror shall, whether or not the notice specified in this paragraph has been given and whether or not the provisions of the Offeror's constitution regarding general meetings have been complied with, be deemed to have been duly convened if it is so agreed:

- (a) in the case of an annual general meeting, by all of the Offeror Shareholders entitled to attend and vote at the meeting; and
- (b) in the case of an extraordinary general meeting, by a majority in number of the Offeror Shareholders having a right to attend and vote at the meeting, together holding not less than 95% in par value of the Offeror Shares giving that right.

On a show of hands every Offeror Shareholder who (being an individual) is present in person or by proxy or, if a corporation or other non-natural person is present by its duly authorised representative or by proxy, shall have one vote and on a poll every Offeror Shareholder present in any such manner shall have one vote for every Offeror Share of which they are the holder.

#### 2. Issue of Shares

Save and except for an issue of Offeror Shares pursuant to the Management Incentive Arrangements, unless otherwise determined by the Offeror in General Meeting, any new Offeror Shares shall before issue be offered in the first instance to all the Offeror Shareholders in proportion as nearly as may be to their respective Shareholding Percentages (i.e. in relation to any Offeror

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## APPENDIX C – LETTER FROM THE OFFEROR TO THE SHAREHOLDERS

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Shareholder, the total number of issued Offeror Shares registered in the name of that Offeror Shareholder in the register of members of the Offeror at that time expressed as a percentage of all the Offeror Shares in issue as at that time). In offering such Offeror Shares in the first instance to all the Offeror Shareholders, the offer shall be made by notice specifying the number of Offeror Shares offered and limiting the time within which the offer if not accepted will be deemed to be declined and after the expiration of that time or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the Offeror Shares offered, any newly offered Offeror Shares which are offered to any Offeror Shareholder but not subscribed for by such Offeror Shareholder, may be subscribed for by the other Offeror Shareholder(s) (and in case of competition pro-rated according to their respective Shareholding Percentages). If there are any newly offered Offeror Shares which are not subscribed for by the Offeror Shareholders, the directors of the Offeror may dispose of those Offeror Shares in such manner as they think most beneficial to the Offeror and the directors of the Offeror may dispose of or not issue any such Offeror Shares which by reason of the proportion borne by them to the number of Offeror Shareholders or by reason of any other difficulty in apportioning the same cannot, in the opinion of the Directors, be conveniently offered under the foregoing provisions.

### 3. Transfer Restrictions

- (a) No Offeror Shareholder (other than HoldCo) shall transfer all or any part of their Offeror Shares or otherwise sell, dispose of or deal with all or any part of its interest in such Offeror Shares unless and until the rights of pre-emption set out in this paragraph 3 below have been exhausted.
- (b) No Offeror Shareholder (other than HoldCo) shall, without the prior written consent of HoldCo, create or have outstanding any pledge, lien, charge or other encumbrance or security interest on or over any Offeror Shares or any part of its interest in such Offeror Shares.
- (c) Every Offeror Shareholder (other than HoldCo) who desires to transfer any Offeror Share or Offeror Shares (hereinafter called "**the Transferor**") shall give to the Offeror and HoldCo notice in writing of such desire (hereinafter called a "**Transfer Notice**"), which notice shall specify:
  - (i) the number of Offeror Shares proposed to be sold and transferred (the "**Sale Shares**");
  - (ii) the price fixed by the Transferor for the sale of each such Sale Share (the "**Transferor's Price**");

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## APPENDIX C – LETTER FROM THE OFFEROR TO THE SHAREHOLDERS

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(iii) the other terms and conditions of such sale (if any) (the “**Prescribed Terms**”); and

(iv) the identity of the person to whom the Transferor proposes to transfer such Sale Shares (the “**Buyer**”).

Subject as hereinafter mentioned, a Transfer Notice shall constitute an offer by the Transferor for the sale of the Sale Shares to HoldCo at the Transferor’s Price and on the Prescribed Terms (if any). Subject to paragraph 3(h) below, a Transfer Notice shall not be revocable except with the sanction of the Directors.

(d) The Offeror shall forthwith by notice in writing inform HoldCo, of the number and price of the Sale Shares and invite HoldCo to apply in writing to the Offeror within 42 days of the date of despatch of the notice (which date shall be specified therein) for such maximum number of the Sale Shares (being all or any thereof) as it shall specify in such application.

(e) If the Offeror shall within the said period of 42 days apply for all or any of the Sale Shares, the directors of the Offeror shall allocate the Sale Shares (or so many of them as shall be applied for as aforesaid) to the Offeror; and the Offeror shall forthwith:

(i) give notice of such allocation (hereinafter called an “**Allocation Notice**”) to the Transferor and shall specify in such Allocation Notice the place and time (being not earlier than 21 and not later than 42 days after the date of the Allocation Notice) at which the sale and purchase of the Sale Shares so allocated shall be completed; or

(ii) if HoldCo has not applied for any Sale Shares, give notice of the same (a “**Non-Allocation Notice**”).

(f) If a Non-Allocation Notice is given by the Offeror, the Transferor shall, subject to paragraph 3(j) below, be entitled to sell all the Sale Shares, in accordance with, and within the three-month period specified in, paragraph 3(h) below.



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- (g) Subject to paragraph 3(h) below, the Transferor shall be bound to transfer the Sale Shares comprised in an Allocation Notice to HoldCo at the time and place therein specified by the delivery of duly executed share transfer instruments and if it shall fail to do so, any director of the Offeror or some other person appointed by the directors of the Offeror shall be deemed to have been appointed attorney of the Transferor with full power to execute, complete and deliver, in the name and on behalf of the Transferor, transfers of the Sale Shares to HoldCo against payment of the price to the Offeror. On payment of the price to the Offeror, HoldCo shall be deemed to have obtained a good quittance for such payment and on execution and delivery of the transfer the purchaser shall be entitled to insist upon his name being entered in the register of members of the Offeror as the holder by transfer of the Sale Shares. The Offeror shall forthwith pay the price into a separate bank account in the Offeror's name and shall hold such price in trust for the Transferor.
- (h) During the three months following the date of the Allocation Notice or the date of the Non-Allocation Notice (as the case may be), the Transferor shall be at liberty to transfer any Sale Share not purchased by HoldCo to the Buyer and no other party and at any price (not being less than the Transferor's Price) and on terms not more favourable than the Prescribed Terms (if any) except that the Transferor may provide representations, warranties, covenants and indemnities customary for such transfer to the Buyer.
- (i) Notwithstanding anything to the contrary in the constitution of the Offeror, HoldCo shall be entitled to transfer all or any of its Offeror Shares to any third party (a "**HoldCo Transferee**") and shall be entitled to, at its option and by written notice to the Offeror and the other Offeror Shareholders, elect that: (i) all of the rights granted to HoldCo under the constitution of the Offeror shall be granted to such HoldCo Transferees; and/or (ii) where HoldCo has transferred less than all of its Offeror Shares to one or more HoldCo Transferees, the constitution of the Offeror shall apply as if HoldCo and each HoldCo Transferee are one Offeror Shareholder (such that all references to "HoldCo" in the constitution of the Offeror shall be construed as references to HoldCo and its HoldCo Transferees).

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## APPENDIX C – LETTER FROM THE OFFEROR TO THE SHAREHOLDERS

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### 4. Tag-along

- (a) In the event that HoldCo desires to transfer all and not some only of its Offeror Shares (the “**Tag-Along Shares**”) to a third-party purchaser (other than an Affiliate of HoldCo) or to any other Offeror Shareholder (the “**Tag-Along Purchaser**”), HoldCo shall give notice in writing (the “**Tag-Along Notice**”) to the other Offeror Shareholders (the “**Tag-Along Shareholders**”) of such desire. The Tag-Along Notice shall specify the name of the Tag-Along Purchaser to whom HoldCo proposes to transfer the Tag-Along Shares, the price and other terms and conditions of such transfer and enclose an offer (the “**Tag-Along Offer**”) dated the date of the Tag-Along Notice made by the Tag-Along Purchaser to the Tag-Along Shareholders to purchase the shares held by the Tag-Along Shareholders at such time, on the basis that the number of Offeror Shares which HoldCo shall sell, and the number of Offeror Shares that the Tag-Along Shareholders shall sell, shall be the number of Tag-Along Shares pro rated (based on their respective Shareholding Percentages), and on terms and conditions (including price) no less favourable to the Tag-Along Shareholders than those available to HoldCo. The Tag-Along Shareholders (if they so desire) may accept the Tag-Along Offer made to it by serving on the Tag-Along Purchaser (with a copy to HoldCo) notice in writing of its acceptance within 30 days of the date of the Tag-Along Offer.
- (b) If any of the Tag-Along Shareholders accepts the Tag-Along Offer within the said 30-day period, completion of the sale and purchase of the relevant number of Offeror Shares held by such Tag-Along Shareholders and completion of the sale and purchase of the relevant number of Offeror Shares held by HoldCo shall take place after the expiry of the said 30-day period and on such date as HoldCo and the Tag-Along Purchaser shall agree in writing and notified in writing to such Tag-Along Shareholders.

### 5. Drag-along

- (a) Where HoldCo has agreed to sell some or all of its Offeror Shares to a third party purchaser (other than an Affiliate of HoldCo) (“**Drag-Along Purchaser**”), it shall be entitled to, by notice in writing (“**Drag-Along Notice**”) to all the other Offeror Shareholders (the “**Dragged-Along Shareholders**”), require the Dragged-Along Shareholders to sell to the Drag-Along Purchaser the number of Offeror Shares that the Drag-Along Purchaser wishes to purchase in excess of HoldCo’s Offeror Shares (the “**Excess Shares**”) and, among the Dragged-Along Shareholders, the number of Excess Shares which they each shall sell shall be pro-rated accordingly to their respective Shareholding Percentages, provided that where HoldCo has agreed to sell some but not all of its Offeror Shares, the aggregate number of Excess Shares to be sold by the Dragged-Along Shareholders shall be reduced such that

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## APPENDIX C – LETTER FROM THE OFFEROR TO THE SHAREHOLDERS

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no Dragged-Along Shareholder shall be required to sell more than the same percentage of its Offeror Shares as is being sold by HoldCo. The Dragged-Along Shareholders shall be bound to sell such pro rata share of the Excess Shares if the terms and conditions (including price) are no less favorable to the Dragged-Along Shareholders than those offered to HoldCo.

- (b) Completion of the sale and purchase of the Offeror Shares held by the Dragged-Along Shareholders, and completion of the sale and purchase of the relevant number of Offeror Shares held by HoldCo shall take place at such place and on such date as HoldCo and the Drag-Along Purchaser shall agree and notified in writing by HoldCo to the Dragged-Along Shareholders.

### 6. Dividends

- (a) Subject to the Companies Act (As Revised) of the Cayman Islands and this paragraph and except as otherwise provided by the rights attached to any Offeror Shares, the directors of the Offeror may resolve to pay dividends and other distributions on Offeror Shares in issue and authorise payment of the dividends or other distributions out of the funds of the Offeror lawfully available therefor. A dividend shall be deemed to be an interim dividend unless the terms of the resolution pursuant to which the directors of the Offeror resolve to pay such dividend specifically state that such dividend shall be a final dividend. No dividend or other distribution shall be paid except out of the realised or unrealised profits of the Offeror, out of the share premium account or as otherwise permitted by law.
- (b) Except as otherwise provided by the rights attached to any Offeror Shares, all dividends and other distributions shall be paid according to the par value of the Offeror Shares that a Offeror Shareholder holds. If any Offeror Share is issued on terms providing that it shall rank for dividend as from a particular date, that Offeror Share shall rank for dividend accordingly.
- (c) The directors of the Offeror may resolve that any dividend or other distribution be paid wholly or partly by the distribution of specific assets and in particular (but without limitation) by the distribution of Offeror Shares, debentures, or securities of any other company or in any one or more of such ways and where any difficulty arises in regard to such distribution, the directors of the Offeror may settle the same as they think expedient and in particular may issue fractional Offeror Shares and may fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made

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## APPENDIX C – LETTER FROM THE OFFEROR TO THE SHAREHOLDERS

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to any Offeror Shareholders upon the basis of the value so fixed in order to adjust the rights of all Offeror Shareholders and may vest any such specific assets in trustees in such manner as may seem expedient to the directors of the Offeror.

- (d) Except as otherwise provided by the rights attached to any Offeror Shares, dividends and other distributions may be paid in any currency. The directors of the Offeror may determine the basis of conversion for any currency conversions that may be required and how any costs involved are to be met.
- (e) Any dividend, other distribution, interest or other monies payable in cash in respect of Offeror Shares may be paid by wire transfer to the holder or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of the holder who is first named on the register of members of the Offeror or to such person and to such address as such holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. Any one of two or more joint holders may give effectual receipts for any dividends, other distributions, bonuses, or other monies payable in respect of the Offeror Shares held by them as joint holders.
- (f) No dividend or other distribution shall bear interest against the Offeror.
- (g) Any dividend or other distribution which cannot be paid to an Offeror Shareholder and/or which remains unclaimed after six months from the date on which such dividend or other distribution becomes payable may, in the discretion of the directors of the Offeror, be paid into a separate account in the Offeror's name, provided that the Offeror shall not be constituted as a trustee in respect of that account and the dividend or other distribution shall remain as a debt due to the Offeror Shareholder. Any Dividend or other distribution which remains unclaimed after a period of six years from the date on which such dividend or other distribution becomes payable shall be forfeited and shall revert to the Offeror.

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## APPENDIX C – LETTER FROM THE OFFEROR TO THE SHAREHOLDERS

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### 7. Distributions

If the Offeror shall be wound up the liquidator shall apply the assets of the Offeror in satisfaction of creditors' claims in such manner and order as such liquidator thinks fit. Subject to the rights attaching to any Offeror Shares, in a winding up:

- (a) if the assets available for distribution amongst the Offeror Shareholders shall be insufficient to repay the whole of the Offeror's issued share capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the Offeror Shareholders in proportion to the par value of the Offeror Shares held by them; or
- (b) if the assets available for distribution amongst the Offeror Shareholders shall be more than sufficient to repay the whole of Offeror's issued share capital at the commencement of the winding up, the surplus shall be distributed amongst the Offeror Shareholders in proportion to the par value of the Offeror Shares held by them at the commencement of the winding up subject to a deduction from those Offeror Shares in respect of which there are monies due, of all monies payable to the Offeror for unpaid calls or otherwise.

### 8. Appointment and Removal of Directors

- (a) The board shall comprise up to six persons appointed by HoldCo.
- (b) The right of appointment conferred on an Offeror Shareholder under this paragraph 8 shall include the right of that Offeror Shareholder to remove at any time from office such person appointed by that Offeror Shareholder as a Director and the right of that Offeror Shareholder at any time and from time to time to determine the period during which such person shall hold the office of Director.
- (c) Each appointment or removal of a Director pursuant to paragraph 8(b) above shall be in writing and signed by or on behalf of the Offeror Shareholder concerned and shall be delivered to the registered office for the time being of the Offeror on a Business Day and shall take immediate effect upon the Business Day on which the Offeror receives delivery of the notice, including for the avoidance of doubt electronic delivery.
- (d) Whenever for any reason a person appointed by HoldCo ceases to be a Director, HoldCo shall be entitled to appoint forthwith another Director.

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## APPENDIX C – LETTER FROM THE OFFEROR TO THE SHAREHOLDERS

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### SCHEDULE C

#### RISK FACTORS

Shareholders should carefully consider and evaluate the following considerations, together with all of the other information contained in the Scheme Document before deciding to elect for the Cash and Securities Consideration. Some of the following risk factors relate principally to the business of the Offeror in general and to ownership of the Offeror Shares, including possible future sales of the Offeror Shares.

If any of the following considerations and uncertainties develop into actual events, the Offeror's business, financial condition and/or the value of the Offeror Shares could be materially and adversely affected. In such circumstances, **Shareholders who elect to receive the Cash and Securities Consideration may face a deterioration in the value of their investment in the Offeror Shares and may also suffer a total loss of their investment in the Offeror Shares.**

The risk factors below may contain statements relating to or interpretations of Cayman Islands laws and regulations. Such statements are not to be regarded as advice on Cayman Islands laws and regulations and/or the differences between it and the laws of any jurisdiction, including without limitation, Singapore. The risk factors do not purport to be a comprehensive analysis of all consequences, whether legal, tax or otherwise, relating to the ownership of the Offeror Shares. In addition, Shareholders should note that the laws and regulations applicable to a Cayman Islands-incorporated entity may change and any change may be retroactive to the date of issuance of the Offeror Shares. The laws and regulations are also subject to various interpretations and the relevant authorities or the courts may disagree with the interpretations, explanations or conclusions set out below, if any. **Shareholders are advised to seek independent legal, financial, tax and business advice.**

#### **(A) RISKS RELATING TO THE BUSINESS OF THE OFFEROR**

##### **1. The business of the Offeror is different from the business of RE&S**

The Offeror is a special purpose vehicle incorporated for the Acquisition and its primary business is acting as an investment holding company, whereas RE&S is engaged in the business of owning and operating Japanese F&B outlets in Singapore and Malaysia, and a procurement office in Japan. As such, the Offeror's business is substantially different from the business of RE&S. Shareholders should note that if they elect to receive the Cash and Securities Consideration, they are investing in an investment holding company as opposed to an F&B company and the nature of the business and the investment risks associated with investing in an investment holding company are very different from investing in an F&B business.

Shareholders should not assume that as an investment holding company indirectly holding 100 per cent. of the shares in RE&S, the Offeror would perform in the same manner as RE&S. As an investment holding company, the Offeror may invest in companies other than RE&S and the risks associated with investing in such other companies are uncertain.

##### **2. The Offeror is a newly incorporated company and has no track record**

As the Offeror is a special purpose vehicle incorporated for the Acquisition, it has no business track record, financial or otherwise, prior to the Acquisition. As such, Shareholders who elect to receive the Offeror Shares will not be able to evaluate the prospects for the Offeror's future business and performance.

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## APPENDIX C – LETTER FROM THE OFFEROR TO THE SHAREHOLDERS

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### 3. **The Offeror is subject to risks relating to the economic, political, legal or social environments of the Cayman Islands**

There may be risks associated with investing in the Offeror, a company incorporated in the Cayman Islands. The Offeror's business, profitability, asset values, prospects and the value of the Offeror Shares may be materially and adversely affected by factors such as:

- (i) unexpected changes in governmental laws and regulations in the Cayman Islands;
- (ii) currency fluctuation and regulation risks including imposition or tightening of foreign exchange controls or restrictions on repatriation of dividends or profits; and
- (iii) adverse economic, political and other conditions in the Cayman Islands.

In particular, the legal and regulatory regimes in the Cayman Islands may be uncertain and subject to unforeseen changes. The interpretation or application of laws and regulations in the Cayman Islands may be unclear. The Offeror may not have any control over such conditions and developments and cannot provide any assurance that such conditions and developments will not have a material adverse effect on the Offeror's operations, financial condition, results of operations or the value of the Offeror Shares.

### 4. **The Offeror is subject to risks associated with debt financing**

As mentioned in paragraph 6 of Schedule A of this Offeror's Letter, the Offeror has entered into the Acquisition Facility Agreement in connection with its financing arrangements for the Acquisition. As a result, Entitled Shareholders who wish to elect for the Cash and Securities Consideration and hold Offeror Shares should note that the Offeror will be subject to the risks associated with debt financing, which include (but are not limited to) fluctuating interest rates and a risk of insufficient cash flow to meet the payments of principal and interest under such financing. The Offeror's ability to service the Acquisition Facility is dependent on the continued performance of the Company and any other investments which the Offeror may acquire. If the returns from its investments are not sufficient to service the Acquisition Facility, this may cause the Offeror to be in default of the Acquisition Facility and could result in a material and adverse effect on the financial condition of the Offeror and consequently the Offeror Shares.

## **(B) RISKS RELATING TO THE OFFEROR SHARES**

### 1. **The Offeror Shares will not be publicly traded upon the Scheme becoming effective**

The Offeror Shares will not be publicly traded upon the Scheme becoming effective and as such, there will not be an easily determinable market value, if any, for the Offeror Shares. No assurance can be given to Shareholders that there will be a market for the Offeror Shares. Shares of unlisted companies are generally valued at a discount to the shares of comparable listed companies as a result of lack of marketability.

As such, taking into account also the transfer restrictions on the Offeror Shares (please see below under "**The Offeror Shares are not freely transferable**"), Offeror Shareholders may face difficulties liquidating their investments in the Offeror Shares. This may result in Offeror Shareholders not being able to realise their investments in the Offeror Shares.



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## APPENDIX C – LETTER FROM THE OFFEROR TO THE SHAREHOLDERS

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### 2. The Offeror Shares are not freely transferable

As set out in Schedule B of this Offeror's Letter, there are restrictions in the Offeror M&AA on the right to transfer the Offeror Shares. In particular, an Offeror Shareholder who wishes to sell its Offeror Shares must first offer such Offeror Shares to HoldCo. It should be noted, however, that HoldCo shall not be obliged to accept any offer made by such Offeror Shareholder.

In addition, as set out in Schedule B of this Offeror's Letter, under the Offeror M&AA, HoldCo has a drag-along right in the event that it desires to transfer all (and not only some) of its Offeror Shares to a third-party purchaser. In such event, HoldCo shall be entitled to require all the other Offeror Shareholders to sell to such third-party purchaser all (and not some only) of their Offeror Shares.

### 3. There is no assurance that the Offeror will declare dividends on Offeror Shares

The Offeror's ability to declare dividends is dependent on many factors, including the Offeror's financial condition, the results of its investments, capital needs and investment plans. Further, as the Offeror is an investment holding company, the Offeror's ability to declare dividends is (i) dependent on the dividends the Offeror receives from its investments (and restrictions on the investment companies to declare dividends to the Offeror) and (ii) may be limited by any covenants to which the Offeror is subject under the terms of financing arrangements which the Offeror or its investment companies have entered into or may enter into.

Any dividend that the Offeror's directors may recommend or declare in respect of any particular financial year or period will be subject to the factors set out above. There is therefore no assurance that the Offeror will declare dividends nor is there any indication of the levels of dividends that shareholders can expect from the Offeror Shares.

### 4. Control by certain Offeror Shareholders whose interests may differ from that of the other Offeror Shareholders may limit the ability of such other Offeror Shareholders to influence the outcome of decisions requiring the approval of the Offeror Shareholders

The expected shareholding structure of the Offeror on completion of the Acquisition, the Scheme and the Management Reinvestments and following the issuance of Offeror Shares pursuant to the Management Reinvestments are set out in paragraphs 7.1.1 and 7.1.2 of this Offeror's Letter based on the scenarios described therein.

In each scenario, the Offeror will be primarily controlled by HoldCo, whose interests may differ from that of the other Offeror Shareholders. HoldCo will be able to exercise significant influence over all matters requiring Offeror Shareholders' approval, including the election of directors and the approval of significant corporate transactions. Additionally, HoldCo will also have veto power with respect to any shareholders' action or approval requiring a majority vote of the Offeror Shareholders.

There is therefore a risk that such concentration of ownership may also have the effect of delaying, preventing or deterring a subsequent change in control of the Offeror which may otherwise benefit the other Offeror Shareholders.

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## APPENDIX C – LETTER FROM THE OFFEROR TO THE SHAREHOLDERS

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**5. The Offeror is not subject to the same corporate disclosure requirements that RE&S has been subjected to**

**As the Offeror is not listed on the SGX-ST or any other securities exchange, it is not subject to the disclosure requirements of the SGX-ST or any other securities exchange. Furthermore, as the Offeror is not a Singapore incorporated company, the company is not governed or regulated by any Singapore law requirements on corporate disclosure.** In addition, the Offeror, being an unlisted company, will not be obliged or required to have independent directors, to make quarterly or half-yearly financial reporting or disclosures of any material information (financial or otherwise) or to seek shareholders' approval for certain corporation actions and other continuing listing obligations prescribed by the listing rules of the SGX-ST.

As such, the Offeror may not have obligations to keep Offeror Shareholders fully informed of material information concerning the Offeror in the manner and to the extent that RE&S has, and Offeror Shareholders may not receive information on the Offeror that they may consider relevant to their investment in Offeror Shares in the manner and to the extent that they are accustomed to expect from RE&S. There is no requirement under Cayman Islands law for general meetings to be held in the Cayman Islands. However, it is uncertain whether the Offeror will be holding its general meetings in Singapore. As Offeror Shareholders may have limited access, if any, to information concerning the Offeror, Shareholders who elect to receive Offeror Shares should know that they are electing to hold or own securities in a company in respect of which they may have limited information.

**6. Offeror Shareholders may face difficulty in enforcing their rights as shareholders**

As the Offeror is incorporated in the Cayman Islands, it is subject to the laws concerning companies incorporated in the Cayman Islands and not Singapore corporate law, as in the case of RE&S.

The extent of shareholders' protection rights under Cayman Island laws and the extent to which Cayman Islands laws will give and enforce protection to shareholders, is uncertain. As such, Shareholders who elect to receive Offeror Shares may subsequently face difficulties in enforcing shareholders' rights against the Offeror and/or its directors.

**7. Cayman Islands Tax laws**

The Cayman Islands currently levy no taxes on individuals or corporations based upon profits, income, gains or appreciations and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to the Offeror levied by the Government of the Cayman Islands save for certain stamp duties which may be applicable, from time to time, on certain instruments executed in or brought within the jurisdiction of the Cayman Islands. The Cayman Islands are a party to a double tax treaty entered into with the United Kingdom in 2010 but otherwise is not party to any double tax treaties.

No stamp duty is payable in the Cayman Islands on transfers of shares of Cayman Islands companies except those which hold interests in land in the Cayman Islands.

However, Shareholders should note that there is no assurance that the tax laws of the Cayman Islands will not change in the future.

The above information is not intended to be and does not constitute legal or tax advice and Shareholders who wish to have advice on the tax consequences under the tax laws of the Cayman Islands should consult independent tax advisers.

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## APPENDIX C – LETTER FROM THE OFFEROR TO THE SHAREHOLDERS

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### SCHEDULE D

### DISCLOSURES

#### 1. HOLDINGS

##### 1.1 Company Securities

Save as disclosed in the Scheme Document and in this paragraph 1 of this Schedule D, as at the Latest Practicable Date, none of the Offeror, the directors of the Offeror, parties acting in concert with the Offeror or any of the Undertaking Shareholders, owns, controls or has agreed to acquire any Company Securities.

Name	Direct Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%
Hiroshi Tatara <sup>(1)</sup>	220,503,130	62.32	–	–
Foo Kah Lee <sup>(1)</sup>	9,000,000	2.54	–	–
Lim Shyang Zheng <sup>(1)</sup>	7,834,000	2.21	166,000	0.05
Yek Hong Liat John <sup>(1)</sup>	60,000,000	16.96	–	–

**Note:**

(1) Each of Hiroshi Tatara, Foo Kah Lee, Lim Shyang Zheng and Yek Hong Liat John is an Undertaking Shareholder and is not a concert party of the Offeror.

##### 1.2 Offeror Securities

Save as disclosed in the Scheme Document and in this paragraph 1 of this Schedule D, as at the Latest Practicable Date, none of the Offeror, the directors of the Offeror, parties acting in concert with the Offeror or any of the Undertaking Shareholders, owns, controls or has agreed to acquire any Offeror Securities.

Name	Direct Interest		Deemed Interest	
	No. of Offeror Shares	%	No. of Offeror Shares	%
Euphoria Investments	10	100	–	–

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## APPENDIX C – LETTER FROM THE OFFEROR TO THE SHAREHOLDERS

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### 2. DEALINGS

#### 2.1 Company Securities

As at the Latest Practicable Date, none of (i) the Offeror, its directors, or parties acting in concert with it or (ii) to the knowledge of the Offeror after making reasonable enquiries, the Undertaking Shareholders, has dealt for value in any Company Securities during the period commencing three months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

#### 2.2 Offeror Securities

As at the Latest Practicable Date, none of (i) the directors of the Offeror, or parties acting in concert with the Offeror or (ii) to the knowledge of the Offeror after making reasonable enquiries, the Undertaking Shareholders, has dealt for value in any Offeror Securities during the period commencing three months prior to the Joint Announcement Date and ending on the Latest Practicable Date.<sup>12</sup>

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<sup>12</sup> The Offeror was incorporated on 8 March 2024.

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## APPENDIX C – LETTER FROM THE OFFEROR TO THE SHAREHOLDERS

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### SCHEDULE E

#### GENERAL INFORMATION

##### 1. SPECIAL ARRANGEMENTS

**1.1 No Agreement having any Connection with or Dependence upon the Scheme.** As at the Latest Practicable Date, save as disclosed in the Scheme Document (including this Offeror's Letter), there is no agreement, arrangement or understanding between (i) the Offeror or any party acting in concert with it and (ii) any of the current or recent directors of the Company or any of the current or recent Shareholders or any other person that has any connection with, or is dependent on or is conditional upon, the Scheme or its outcome.

**1.2 Transfer of Shares.** As at the Latest Practicable Date, save as disclosed in the Scheme Document (including this Offeror's Letter), there is no agreement, arrangement or understanding whereby any of the Shares acquired by the Offeror pursuant to the Scheme will be transferred to any other person. However, the Offeror reserves the right to direct or transfer any of the Shares to any of its related corporations.

Pursuant to the Offeror's financing arrangements for the Scheme, as set out in paragraph 6 of Schedule A of this Offeror's Letter, the Acquisition Facility will be secured by, inter alia, (i) an equitable share mortgage over the shares of the Offeror to be executed by HoldCo in favour of the Bank; (ii) a share charge over the Company to be executed by the Offeror in favour of the Bank; and (iii) a debenture to be executed by the Offeror in favour of the Bank. Accordingly, all of the Shares acquired by the Offeror pursuant to the Scheme will be charged in favour of the Offeror's financing banks as security for the Offeror's obligations under such the financing arrangements.

**1.3 No Payment or Benefit to Directors of the Company.** As at the Latest Practicable Date, save as disclosed in the Scheme Document (including this Offeror's Letter), there is no agreement, arrangement or understanding for any payment or other benefit to be made or given to any director of the Company or of any of its related corporations (within the meaning of Section 6 of the Companies Act) as compensation for loss of office or otherwise in connection with the Scheme.

**1.4 Directors' and Managers' Service Contracts.** As at the Latest Practicable Date, save as disclosed in the Scheme Document (including this Offeror's Letter), the emoluments of the respective directors of the Offeror will not be varied or affected by the implementation of the Scheme or any other associated relevant transaction.

##### 2. MARKET QUOTATIONS

**2.1 Closing Prices.** The closing prices of the Shares on the SGX-ST (as extracted from Bloomberg L.P.) on (i) the Latest Practicable Date was S\$0.350 and (ii) Last Trading Day was S\$0.230.

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## APPENDIX C – LETTER FROM THE OFFEROR TO THE SHAREHOLDERS

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The following table sets out the closing prices of the Shares on the SGX-ST (as extracted from Bloomberg L.P.) on a monthly basis commencing six months prior to the Joint Announcement Date and ending on the Latest Practicable Date, and the corresponding premium based on the Scheme Consideration of S\$0.360:

<b>Date</b>	<b>Closing Price (S\$)</b>	<b>Premium based on the Scheme Consideration of S\$0.360<sup>(13)</sup></b>
27 November 2023	0.250	44.0%
29 December 2023	0.265	35.8%
31 January 2024	0.250	44.0%
29 February 2024	0.250	44.0%
25 March 2024	0.235	53.2%
29 April 2024	0.230	56.5%
13 May 2024 (Last Trading Day)	0.230	56.5%
31 May 2024	0.350	2.9%
28 June 2024	0.355	1.4%
24 July 2024 (Latest Practicable Date)	0.350	2.9%

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13 Rounded to the nearest one (1) decimal place.

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## APPENDIX C – LETTER FROM THE OFFEROR TO THE SHAREHOLDERS

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**2.2 Highest and Lowest Prices.** The highest and lowest closing prices of the Shares on the SGX-ST (as extracted from Bloomberg L.P.) during the period commencing on the six months prior to the Joint Announcement Date and ending on the Latest Practicable Date and the corresponding premium based on the Scheme Consideration of S\$0.360 are as follows:

	Price (S\$)	Date	Premium/(Discount) based on the Scheme Consideration of S\$0.360 <sup>(5)</sup>
Highest Closing Price	0.355	18 June 2024, 21 June 2024, 28 June 2024, 1 July 2024, 2 July 2024, 3 July 2024, 5 July 2024, 9 July 2024, 11 July 2024, 16 July 2024, 17 July 2024, 18 July 2024, 22 July 2024 and 23 July 2024	1.4%
Lowest Closing Price	0.210	23 April 2024 and 24 April 2024	71.4%

### 3. CONSENT

The Offeror Financial Adviser has given and has not withdrawn its written consent to the issue of this Offeror's Letter with the inclusion herein of their name and all references to their names in the form and context in which it appears in this Offeror's Letter.

### 4. DOCUMENTS FOR INSPECTION

Copies of the following documents will be made available for inspection during normal business hours at the registered office of the Company at 32 Tai Seng St, #07-00 RE&S Building, Singapore 533972 for three (3) months from the date of the Scheme Document or up until the Effective Date, whichever is the later:

- (a) the Implementation Agreement;
- (b) the Irrevocable Undertakings;
- (c) the letter of consent referred to in paragraph 3 above; and
- (d) the Offeror M&AA.



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## APPENDIX D – GENERAL INFORMATION RELATING TO THE COMPANY

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### 1. DIRECTORS

The names, addresses and designations of the directors of Company as at the Latest Practicable Date are as follows:

<b>Name</b>	<b>Address</b>	<b>Designation</b>
Mr. Ben Yeo Chee Seong	c/o 32 Tai Seng Street #07-00 RE&S Building Singapore 533972	Non-Executive Chairman and Independent Director
Mr. Hiroshi Tatara	c/o 32 Tai Seng Street #07-00 RE&S Building Singapore 533972	Executive Director and President
Mr. Foo Kah Lee	c/o 32 Tai Seng Street #07-00 RE&S Building Singapore 533972	Executive Director and Chief Executive Officer
Mr. Lim Shyang Zheng	c/o 32 Tai Seng Street #07-00 RE&S Building Singapore 533972	Executive Director and Chief Operating Officer
Mr. Lee Lap Wah, George	c/o 32 Tai Seng Street #07-00 RE&S Building Singapore 533972	Independent Director
Ms. Heng Mui Mui	c/o 32 Tai Seng Street #07-00 RE&S Building Singapore 533972	Independent Director

### 2. PRINCIPAL ACTIVITIES

The Company was incorporated in Singapore on 26 May 2017 under the Companies Act and was listed on the Catalist Board of the SGX-ST on 22 November 2017.

The Group is engaged substantially in the business of owning and operating Japanese F&B outlets in Singapore and Malaysia, and a procurement office in Japan.

### 3. SHARES

#### 3.1. Shares

As at the Latest Practicable Date, the Company has an issued and paid-up share capital of S\$32,829,118, comprising 353,837,700 Shares, excluding 162,300 treasury shares. The Company has not issued any Shares since the end of FY2023.

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## APPENDIX D – GENERAL INFORMATION RELATING TO THE COMPANY

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### 3.2. Rights of the Shareholders in respect of Capital, Dividends and Voting

Selected texts of the Company's Constitution relating to the rights of the Shareholders in respect of capital, dividends and voting have been extracted and reproduced in Appendix E to this Scheme Document.

### 3.3. Convertible Instruments and Share Plans

As at the Latest Practicable Date, there are no outstanding instruments convertible into, rights to subscribe for, and options in respect of, the Shares or securities which carry voting rights affecting the Shares.

## 4. FINANCIAL INFORMATION

### 4.1. Financial Information of the Group

Set out below is certain financial information extracted from the audited consolidated financial statements of the Group for FY2021, FY2022, and FY2023, and the unaudited consolidated financial statements of the Group for 1HFY2024.

The financial information for FY2021, FY2022, and FY2023 should be read in conjunction with the audited consolidated financial statements of the Group and the accompanying notes as set out in the annual reports of the Group for FY2021, FY2022, and FY2023 respectively and the financial information for 1HFY2024 should be read in conjunction with the unaudited consolidated financial statements of the Group and the accompanying notes as set out in the unaudited consolidated financial statements of the Group for 1HFY2024.

	Unaudited 1HFY2024 (S\$'000)	Audited FY2023 (S\$'000)	Audited FY2022 (S\$'000)	Audited FY2021 (S\$'000)
Revenue	89,253	174,057	154,835	127,833
Exceptional items	–	–	–	–
Gross profit	66,689	126,563	111,297	93,442
Net profit before tax	3,188	9,898	11,303	10,877
Net profit after tax	2,444	7,645	9,451	9,490
Profit attributable to minority interests	–	–	–	–
<u>Net earnings per share (in cents)</u>				
– Basic	0.69	2.16	2.67	2.68
– Diluted	0.69	2.16	2.67	2.68

Set out below is also a summary of the dividend per Share declared in respect of each of the years of 2021, 2022 and 2023.

	2023	2022	2021
Net dividends per share (in cents)	1.80	1.70	1.70

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## APPENDIX D – GENERAL INFORMATION RELATING TO THE COMPANY

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### 4.2. Consolidated Statement of Financial Position

The audited consolidated statement of financial position of the Group as at 30 June 2023, being the latest published audited consolidated statement of financial position of the Group prior to the Latest Practicable Date, is set out below.

The audited consolidated statement of financial position of the Group as at 30 June 2023 should be read in conjunction with the audited consolidated financial statements of the Group and the accompanying notes as set out in the annual report of Company for FY2023 and the accompanying notes as set out in the unaudited consolidated financial statements of the Group for 1HFY2024.

	<b>Unaudited 1HFY2024 As at 31 December 2023 (S\$'000)</b>	<b>Audited FY2023 As at 30 June 2023 (S\$'000)</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	32,711	31,215
Right-of-use assets	65,244	72,961
Investments in subsidiaries	–	–
Other receivables	–	–
Other non-financial assets	3,516	6,159
Deferred tax assets	32	15
<b>Total non-current assets</b>	<b>101,503</b>	<b>110,350</b>
<b>Current assets</b>		
Inventories	4,545	4,276
Trade and other receivables	2,237	2,536
Other financial assets	5,638	6,155
Other non-financial assets	4,800	3,110
Cash and cash equivalents	14,484	17,618
<b>Total current assets</b>	<b>31,704</b>	<b>33,695</b>
<b>Total assets</b>	<b>133,207</b>	<b>144,045</b>

## APPENDIX D – GENERAL INFORMATION RELATING TO THE COMPANY

	Unaudited 1HFY2024 As at 31 December 2023 (S\$'000)	Audited FY2023 As at 30 June 2023 (S\$'000)
<b>EQUITY AND LIABILITIES</b>		
Share capital	32,307	32,307
Treasury shares	(42)	(42)
Merger reserve	(18,149)	(18,149)
Retained earnings	26,404	27,145
Foreign currency translation reserve	(223)	(219)
<b>Total equity</b>	<b>40,297</b>	<b>41,042</b>
<b>Non-current liabilities</b>		
Deferred tax liabilities	1,197	1,148
Provisions	1,661	1,585
Other financial liabilities	–	–
Lease liabilities	53,156	56,009
<b>Total non-current liabilities</b>	<b>56,014</b>	<b>58,742</b>
<b>Current liabilities</b>		
Income tax payable	1,972	2,193
Trade and other payables	17,112	19,720
Other financial liabilities	–	–
Other non-financial liabilities	25	32
Lease liabilities	17,787	22,316
<b>Total current liabilities</b>	<b>36,896</b>	<b>44,261</b>
<b>Total liabilities</b>	<b>92,910</b>	<b>103,003</b>
<b>Total equity and liabilities</b>	<b>133,207</b>	<b>144,045</b>

### 4.3. Material Changes in Financial Position

Save as disclosed in the unaudited consolidated financial statements of the Group for 1HFY2024 and any other information on the Group which is publicly available (including without limitation, the announcements released by the Company on SGXNet), there have been no material changes in the financial position of Company since 30 June 2023, being the date of the last published audited consolidated financial statements of the Group.

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## APPENDIX D – GENERAL INFORMATION RELATING TO THE COMPANY

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### 4.4. Significant Accounting Policies

The significant accounting policies of the Group are set out in the notes to the audited consolidated financial statements of the Group for FY2023 and the unaudited consolidated financial statements of the Group for 1HFY2024. Save as disclosed in the notes to the audited consolidated financial statements of the Group for FY2023 and the unaudited consolidated financial statements of the Group for 1HFY2024, there are no significant accounting policies or any matter from the notes of the financial statements of the Group which are of any major relevance for the interpretation of the financial statements of the Group.

### 4.5. Changes in Accounting Policies

As at the Latest Practicable Date, there are no changes in the accounting policies of the Group which will cause the figures disclosed in paragraph 4.1 of this Appendix D not to be comparable to a material extent.

## 5. DISCLOSURE OF INTERESTS

### 5.1. Holdings of Offeror Securities by the Company

As at the Latest Practicable Date, none of the Group Companies owns, controls or has agreed to acquire any Offeror Securities.

### 5.2. Interests of Directors in Offeror Securities

As at the Latest Practicable Date, and save as disclosed in this Scheme Document, none of the Directors has any direct or indirect interests in the Offeror Securities.

### 5.3. Interests of Directors in Company Securities

As at the Latest Practicable Date, based on the Register of Directors' Shareholdings maintained by the Company, the interests in Shares held by the directors of the Company are set out below.

Directors	Direct Interest		Deemed Interest		Total Interest	
	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>
Mr Ben Yeo Chee Seong	–	–	2,999,985 <sup>(2)</sup>	0.85 <sup>(2)</sup>	2,999,985 <sup>(2)</sup>	0.85 <sup>(2)</sup>
Mr Hiroshi Tatara	–	–	220,503,130 <sup>(3)</sup>	62.32 <sup>(3)</sup>	220,503,130 <sup>(3)</sup>	62.32 <sup>(3)</sup>
Mr Foo Kah Lee	9,000,000	2.54	–	–	9,000,000	2.54
Mr Lim Shyang Zheng	7,834,000	2.21	166,000 <sup>(4)</sup>	0.05 <sup>(4)</sup>	8,000,000 <sup>(4)</sup>	2.26 <sup>(4)</sup>
Mr Lee Lap Wah, George	–	–	–	–	–	–
Ms Heng Mui Mui	–	–	–	–	–	–

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## APPENDIX D – GENERAL INFORMATION RELATING TO THE COMPANY

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### Notes:

- (1) All references to percentage shareholding of the issued Shares of the Company in this paragraph 5.3 are rounded to the nearest two (2) decimal places and based on the total issued Shares as at the Latest Practicable Date.
- (2) Mr Ben Yeo Chee Seong is deemed to have an interest in 2,999,985 Shares held through DBS Nominees (Private) Limited.
- (3) Mr Hiroshi Tatara is deemed to have an interest in 220,503,130 Shares held through DBS Nominees (Private) Limited.
- (4) Mr Lim Shyang Zheng is deemed to have an interest in 166,000 Shares held through ABN AMRO Clearing Bank N.V.

As at the Latest Practicable Date, and save as disclosed in this Scheme Document, none of the Directors has any direct or indirect interests in the Company Securities.

### 5.4. Interests of Substantial Shareholders in Shares

As at the Latest Practicable Date, based on the Register of Substantial Shareholders maintained by the Company, the interests in the Shares held by the substantial shareholders of the Company are set out below.

Directors	Direct Interest		Deemed Interest		Total Interest	
	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>
Mr Hiroshi Tatara	–	–	220,503,130 <sup>(2)</sup>	62.32 <sup>(2)</sup>	220,503,130 <sup>(2)</sup>	62.32 <sup>(2)</sup>
Mr. Yek Hong Liat John	60,000,000	16.96	–	–	60,000,000	16.96

### Notes:

- (1) All references to percentage shareholding of the issued Shares of the Company in this paragraph 5.4 are rounded to the nearest two (2) decimal places and based on the total issued Shares as at the Latest Practicable Date.
- (2) Mr Hiroshi Tatara is deemed to have an interest in 220,503,130 Shares held through DBS Nominees (Private) Limited.

## 6. DEALINGS DISCLOSURE

### 6.1. Dealings in Offeror Securities by the Company

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

### 6.2. Dealings in Offeror Securities by the Directors

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

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## **APPENDIX D – GENERAL INFORMATION RELATING TO THE COMPANY**

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### **6.3. Dealings in Company Securities by the Directors**

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

## **7. INTERESTS OF THE INDEPENDENT FINANCIAL ADVISER**

### **7.1. Interests of the IFA in Company Securities**

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

### **7.2. Dealings in Company Securities by the IFA**

None of the IFA, its related corporations or funds whose investments are managed by the IFA or its related corporations on a discretionary basis has dealt for value in Company Securities during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

### **7.3. Interests of the IFA in Offeror Securities**

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

### **7.4. Dealings in Offeror Securities by the IFA**

None of the IFA, its related corporations or funds whose investments are managed by the IFA or its related corporations on a discretionary basis has dealt for value in Offeror Securities during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

## **8. ARRANGEMENTS AFFECTING DIRECTORS**

### **8.1. No Payment or Benefit to Directors**

As at the Latest Practicable Date, save as disclosed in this Scheme Document, there is no agreement, arrangement or understanding for any payment or other benefit to be made or given to any Director of the Company or to any director of any other corporation which, by virtue of Section 6 of the Companies Act, is deemed to be related to the Company as compensation for loss of office or otherwise in connection with the Scheme.



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## **APPENDIX D – GENERAL INFORMATION RELATING TO THE COMPANY**

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### **8.2. No Agreement Conditional upon Outcome of the Scheme**

As at the Latest Practicable Date, save as disclosed below and in this Scheme Document (including the Offeror's Letter), there is no agreement, arrangement or understanding made between any of the Directors of the Company and any other person in connection with or conditional upon the outcome of the Scheme:

- (a) as set out in the Term Sheets, it is intended that pursuant to the Irrevocable Undertakings given by FKL and LSZ and the Term Sheets, each of FKL and LSZ will reinvest their respective Reinvestment Amounts to subscribe for a certain number of Offeror Shares, based on the Issue Price;
- (b) it is envisaged that FKL and LSZ will be appointed as directors to the Offeror Board following completion of the Acquisition, the Scheme and the Management Reinvestments;
- (c) it is envisaged that the Offeror will establish the Management Incentive Arrangements after completion of the Acquisition and the Scheme, to reward FKL, LSZ and other RE&S Executives upon the occurrence of certain prescribed exit events, with the specific terms of the Management Incentive Arrangements to be finalised by the Offeror Board after completion of the Acquisition, the Scheme and the Management Reinvestments; and
- (d) the Offeror envisages that it may request the RE&S Executives (including FKL and LSZ) to execute the Employment Agreement Arrangements, with the specific terms of the Employment Agreement Arrangements to be finalised by the Offeror Board after completion of the Acquisition, the Scheme and the Management Reinvestments.

### **8.3. No Material Interest in Material Contracts**

As at the Latest Practicable Date, save as disclosed in this Scheme Document (including the Offeror's Letter), there is no material contract entered into by the Offeror in which any Director of the Company has a material personal interest, whether direct or indirect.

## **9. MATERIAL LITIGATION**

As at the Latest Practicable Date:

- (a) none of the Group Companies is engaged in any material litigation or arbitration proceedings, as plaintiff or defendant, which might materially or adversely affect the financial position of the Group taken as a whole; and
- (b) the Directors are not aware of any proceedings pending or threatened against any of the Group Companies or of any facts likely to give rise to any proceedings which might materially or adversely affect the financial position of the Group taken as a whole.

## **10. GENERAL DISCLOSURE**

### **10.1. Financial Statements for FY2023 and 1HFY2024**

The audited consolidated financial statements of the Group for FY2023 and the unaudited consolidated financial statements of the Group for 1HFY2024 are set out in Appendix F and Appendix G to this Scheme Document, respectively.

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## APPENDIX D – GENERAL INFORMATION RELATING TO THE COMPANY

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### 10.2. Directors' Service Contracts

As at the Latest Practicable Date:

- (a) there are no service contracts between any of the Directors of the Company or proposed directors with any Group Company which have more than 12 months to run and which are not terminable by the employing company within the next 12 months without paying any compensation; and
- (b) there are no such contracts entered into or amended during the period commencing six (6) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

### 10.3. Material Contracts with Interested Persons

As at the Latest Practicable Date, save for the entry into the Implementation Agreement and save as disclosed in the annual reports of the Group for FY2021, FY2022 and FY2023 and any other information on the Group which is publicly available (including without limitation, the announcements released by the Company on SGXNet) none of the Group Companies has entered into any material contracts (not being contracts which are in the ordinary course of business) with interested persons (within the meaning of Note 1 on Rule 23.12 of the Code) during the period beginning three (3) years before the Joint Announcement Date and ending on the Latest Practicable Date.

### 10.4. Costs and Expenses

In the event that the Scheme does not become effective and binding for any reason, the expenses and costs incurred by the Company in connection with the Scheme will be borne by the Company.

### 10.5. Directors' Intentions with respect to their Shares

In the absence of a Competing Offer, all the Directors who own legally and/or beneficially Shares (amounting to approximately 67.97%<sup>14</sup> of the total number of Shares), as set out in paragraph 5.3 of this Appendix D to this Scheme Document have informed the Company that they will **VOTE IN FAVOUR** of the Scheme.

## 11. VALUATION ON PROPERTY

### 11.1. General

The Company has commissioned the Valuer to conduct an independent valuation of the Property. Please refer to Appendix H to this Scheme Document for the Valuation Summary issued by the Valuer for the purposes of inclusion in this Scheme Document.

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<sup>14</sup> Rounded to the nearest two (2) decimal places.

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## APPENDIX D – GENERAL INFORMATION RELATING TO THE COMPANY

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### 11.2. Potential Tax Liability

Under Rule 26.3 of the Code, the Group is required, *inter alia*, to make an assessment of any potential tax liability which would arise if the Property, which is the subject of a valuation given in connection with an offer, were to be sold at the amount of valuation. The Company has confirmed that: (a) they do not expect any potential tax liability on the revaluation surplus arising from the independent valuation of the Property as the initial intention of acquiring the Property was to use it as the Company's own office and was used as such; and (b) in the hypothetical scenario where the Property is sold at the market value, on the basis that the Property was used as its own office, any gains on disposal of the Property will be capital in nature as it refers to a gain realised from the disposal of the Company's fixed asset. Any gain should therefore not be liable to Singapore income tax as Singapore does not impose tax on such capital gains.

However, if any sales proceeds from the disposal of the Property is attributable to any qualifying plant and equipment which are entitled to capital allowances claims, the computation of balancing allowances/charges will be applicable. If the relevant proceeds exceed the tax written down value of the qualifying plant and equipment, the balancing charge will be taxable, which will be restricted to the total amount of capital allowances claimed previously.

## 12. CONSENTS

### 12.1. General

Rajah & Tann Singapore LLP, RSM SG Assurance LLP and the Share Registrar have each given and have not withdrawn their respective written consents to the issue of this Scheme Document with the inclusion herein of their names and all the references to their names in the form and context in which they respectively appear in this Scheme Document.

### 12.2. IFA

The IFA has given and has not withdrawn its written consent to the issue of this Scheme Document with the inclusion herein of its name, the IFA Letter set out in Appendix B to this Scheme Document, and all references to its name in the form and context in which it appears in this Scheme Document.

### 12.3. Valuer

The Valuer has given and has not withdrawn its written consent to the issue of this Scheme Document with the inclusion herein of its name, the Valuation Summary set out in Appendix H to this Scheme Document, and all references to its name in the form and context in which it appears in this Scheme Document.

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## APPENDIX D – GENERAL INFORMATION RELATING TO THE COMPANY

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### 13. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 32 Tai Seng Street, #07-00 RE&S Building, Singapore 533972 during normal business hours from the date of this Scheme Document up to the Effective Date:

- (a) the Constitution;
- (b) the annual reports of the Group for FY2021, FY2022 and FY2023;
- (c) the unaudited consolidated financial statements of the Group for 1HFY2024;
- (d) the Valuation Summary;
- (e) the Implementation Agreement;
- (f) the IFA Letter;
- (g) the Irrevocable Undertakings;
- (h) the agreed form of the Offeror M&AA; and
- (i) the letters of consents referred to in paragraph 12 of this Appendix D.

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## APPENDIX E – EXTRACTS FROM THE COMPANY’S CONSTITUTION

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*All capitalised terms used in the following extracts shall have the same meanings given to them in the Constitution, a copy of which is available for inspection at the registered office of the Company during normal business hours from the date of this Scheme Document up to the Effective Date.*

The rights of Shareholders in respect of capital, dividends and voting as extracted and reproduced from the Constitution are set out below

### 1. THE RIGHTS OF SHAREHOLDERS IN RESPECT OF CAPITAL

#### ISSUE OF SHARES

6. The Company may issue shares for which no consideration is payable to the Company
7. (a) Subject to the Statutes and the provisions of these presents, no shares may be issued by the Directors without the prior approval of the Company in General Meeting but subject thereto and to Regulation 11, and to any special rights attached to any shares for the time being issued, the Directors may allot and issue shares or grant options over or otherwise dispose of shares to such persons on such terms and conditions and for such consideration (if any) and at such time and subject or not to the payment of any part of the amount (if any) thereof in cash as the Directors may think fit, and any shares may be issued with such preferential, deferred, qualified or special rights, privileges, conditions or restrictions whether as regards dividend, return of capital, participation in surplus assets and profits, conversion, redemption or otherwise, as the Directors may think fit, PROVIDED THAT:
  - (i) (subject to any direction to the contrary that may be given by the Company in a General Meeting) any issue of shares for cash to Members holding shares of any class shall be offered to such Members in proportion as nearly as may be to the number of shares of such class then held by them and the provisions of the second sentence of Regulation 11(a) with such adaptations as are necessary shall apply; and
  - (ii) the rights attaching to shares of a class other than ordinary shares shall be expressed in the resolution creating the same and in the provisions of these presents.
- (b) Subject to Regulation 7(c) (where applicable), the Company has the power to issue different classes of shares.
- (c) The rights attaching to shares of a class other than ordinary shares shall be clearly defined in this Constitution.

Appendix 4C  
Paragraph  
1(b)

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## APPENDIX E – EXTRACTS FROM THE COMPANY’S CONSTITUTION

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8. (a) Preference shares may be issued subject to such limitation thereof as may be prescribed by the Exchange. Preference shareholders shall have the same rights as Ordinary shareholders as regards receiving notices, reports and balance sheets and attending General Meetings of the Company. Preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital or winding up or sanctioning a sale of the undertaking of the Company or where the proposal to be submitted to the meeting directly affects their rights and privileges or when the dividend on the preference shares is in arrears for more than six (6) months. Appendix 4C Paragraphs 1(a) and 1(d)
- (b) The Company has power to issue further preference capital ranking equally with, or in priority to, preference shares already issued. Appendix 4C Paragraph 1(c)

### VARIATION OF RIGHTS

9. Whenever the share capital of the Company is divided into different classes of shares, subject to the Statutes and the terms of issue of shares of that class, preference capital (other than redeemable preference capital) may be repaid and the special rights attached to any class may be varied or abrogated either with the consent in writing of holders of three-quarters of the issued shares of that class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of the shares of the class (but not otherwise) and may be so repaid, varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up. To every such separate General Meeting, all the provisions of these presents relating to General Meeting of the Company and to the proceedings thereat shall *mutatis mutandis* apply, except that the necessary quorum shall be two (2) persons at least holding or representing by proxy or attorney at least one-third of the issued shares of that class and that any holder of shares of the class present in person or by proxy or attorney may demand a poll, PROVIDED THAT where the necessary majority for such a Special Resolution is not obtained at such General Meeting, consent in writing if obtained from holders of three-quarters of the issued shares of that class concerned within two (2) months of such General Meeting shall be as valid and effectual as a Special Resolution passed at such General Meeting. The foregoing provisions of this Regulation shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the special rights whereof are to be varied. Appendix 4C Paragraph 5(a)
10. The special rights attached to any class of shares having preferential rights shall not, unless otherwise expressly provided by the terms of issue thereof, be deemed to be varied by the issue of further shares ranking as regards participation in the profits or assets of the Company in some or all respects *pari passu* therewith but in no respect in priority thereto.



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## APPENDIX E – EXTRACTS FROM THE COMPANY’S CONSTITUTION

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### ALTERATION OF SHARE CAPITAL

11. (a) Subject to any direction to the company that may be given by the Company in a General Meeting, or except as permitted under the listing rules of the Exchange, all new shares shall, before issue, be offered to such persons who as at the date of the offer are entitled to receive notices from the Company of General Meetings in proportion, as far as the circumstances admit, to the number of the existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may dispose of those shares in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot, in the opinion of the Directors, be conveniently offered under this Regulation.
- (b) Notwithstanding Regulation 11(a), the Company may by ordinary resolution in General Meeting give to the Directors a general authority, either unconditionally or subject to such conditions as may be specified in the ordinary resolution, to:
- (i) (A) issue shares whether by way of rights, bonus or otherwise; and/or
- (B) make or grant offers, agreements or options (collectively, “Instruments”) that might or would
- require shares to be issued including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares; and
- (i) (notwithstanding the authority conferred by the ordinary resolution may have ceased to be in force) issue shares in pursuance of any instrument made or granted by the Directors while the ordinary resolution was in force,

Appendix 4C  
Paragraph  
1(e)

#### PROVIDED THAT:

- (1) the aggregate number of shares to be issued pursuant to the ordinary resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to the ordinary resolution) shall be subject to such limits and manner or calculation as may be prescribed by the Exchange;
- (2) in exercising the authority conferred by the ordinary resolution, the Company shall comply with the provisions of the listing rules of the Exchange for the time being in force (unless such compliance is waived by the Exchange) and these presents; and

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## APPENDIX E – EXTRACTS FROM THE COMPANY’S CONSTITUTION

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- (3) (unless revoked or varied by the Company in General Meeting) the authority conferred by the ordinary resolution shall not continue in force beyond the conclusion of the Annual General Meeting of the Company next following the passing of the ordinary resolution, or the date by which such Annual General Meeting of the Company is required by law to be held, or the expiration of such other period as may be prescribed by the Statutes (whichever is the earliest).
  - (c) Except so far as otherwise provided by the conditions of issue or by the provisions of these presents, all new shares shall be subject to the Statutes and the provisions of these presents with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture and otherwise.
12. (a) The Company may by ordinary resolution, subject to and in accordance with the Statutes:
- (i) consolidate and divide all or any of its shares;
  - (ii) cancel any shares which at the date of the passing of the resolution in that behalf have not been taken or agreed to be taken by any person or which have been forfeited and diminish the amount of its capital by the number of shares so cancelled;
  - (iii) sub-divide its shares, or any of them, in accordance with the Statutes, these presents and the bye-laws or listing rules of the Exchange, and so that the resolution whereby any share is sub-divided may be determine that, as between the holders of the shares resulting from such sub-division, one (1) or more of the shares may, as compared with the others, have any such preferred, deferred or other special rights, or be subject to any such restrictions as the Company has power to attach to new shares; and
  - (iv) convert its share capital or any class of shares from one (1) currency into another currency.
- (b) The Company may by Special Resolution, subject to and in accordance with the Statutes, convert one (1) class of shares into another class of shares.
13. (a) The Company may by Special Resolution, subject to and in accordance with the Statutes, reduce its share capital or any undistributable reserve in any manner and with and subject to any incident authorised and consent required by law.
- (b) Subject to and in accordance with the Statutes, the Company may purchase or otherwise acquire any of its issued shares on such terms and in such manner as the Company may from time to time think fit and in the manner prescribed by the Act. If required by the Act, any share which is so purchased or acquired by the Company, unless held in

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## APPENDIX E – EXTRACTS FROM THE COMPANY’S CONSTITUTION

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treasury in accordance with the Act, shall be deemed to be cancelled immediately on purchase or acquisition by the Company. On the cancellation of any share as aforesaid, the rights and privileges attached to that share shall expire. In any other instance, the Company may hold or deal with any such share which is so purchased or acquired by it in accordance with the Act. Without prejudice to the generality of the foregoing, upon cancellation of any share purchased or otherwise acquired by the Company pursuant to these presents, the number of issued shares of the Company shall be diminished by the number of the shares so cancelled, and, where any such cancelled share was purchased or acquired out of the capital of the Company, the amount of share capital of the Company shall be reduced accordingly in accordance with the Act.

- (c) Shares that the Company purchases or otherwise acquires may be held as treasury shares in accordance with the provisions of these presents and the Act.
- (d) Where the shares purchased or otherwise acquired are held as treasury shares by the Company, the Company shall be entered in the Register of Members as the Member holding the treasury shares.
- (e) The Company shall not exercise any right in respect of treasury shares other than as provided by the Act. Subject thereto, the Company may hold or deal with its treasury shares in the manner authorised by, or prescribed pursuant to, the Act.

### SHARES

- 14. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or compelled in any way (except by the Statutes or the provisions of these presents) to recognise any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or any other right in respect of any share, except an absolute right to the entirety thereof in the person (other than the Depository or its nominee, as the case may be) entered in the Register of Members as the registered holder thereof or (as the case may be) a person whose name is entered in the Depository Register in respect of that share.
- 15. Without prejudice to any special rights previously conferred on the holders of any shares or class of shares for the time being issued, any share in the Company may be issued with such preferred, deferred or other special rights, or subject to such restrictions (as regards dividend, return of capital, voting or otherwise), as the Company may from time to time by ordinary resolution or, if required by the Statutes, by Special Resolution determine (or, in the absence of any such determination, but subject to the Statutes, as the Directors may determine) and subject to the Statutes, the Company may issue preference shares which are, or at the option of the Company are, liable to be redeemed.

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16. Subject to the Statutes and the provisions of these presents relating to authority, pre-emption rights and otherwise and of any resolution of the Company in a General Meeting passed pursuant thereto, all new shares shall be at the disposal of the Directors and they may allot (with or without conferring a right of renunciation), grant options over or otherwise dispose of them to such persons, at such times and on such terms as they think proper.
17. The Company may exercise the powers of paying commissions or brokerage on any issue of shares at such rate or amount and in such manner as the Directors may deem fit. Such commissions or brokerage may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other.
18. Subject to the terms and conditions of any application for shares, the Directors shall allot shares applied for within 10 Market Days of the closing date of any such application (or such other period as may be approved by the Exchange). The Directors may, at any time after the allotment of any share but before any person has been entered in the Register of Members as the holder or (as the case may be) before that share is entered against the name of a depositor in the Depository Register, recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose.

### SHARE CERTIFICATES

19. Every shares certificate shall be issued under the Seal and shall specify such information as required in the Act and shall bear the autographic or facsimile signatures of one (1) Director and the Secretary or a second Director or some other person appointed by the Directors. The facsimile signatures may be reproduced by mechanical, electronic or other method approved by the Directors. No certificate shall be issued representing shares of more than one (1) class.
20. (a) The Company shall not be bound to register more than three (3) persons as the registered joint holders of a share except in the case of executor, trustees or administrators of the estate of a deceased Member. Appendix 4C Paragraph 4(d)
- (b) (In the case of a share registered jointly in the names of several persons, the Company shall not be bound to issue more than one (1) certificate thereof and delivery of a certificate to any one (1) of the registered joint holders shall be sufficient delivery to all.
21. Subject to the listing rules of the Exchange, every person whose name is entered as a Member in the Register of Members shall be entitled to receive within 10 Market Days of the closing date of any application for shares (or such other period as may be approved by the Exchange) or, as the case may be, within 10 Market Days of the date of lodgement of a registrable transfer (or such other period as may be approved by the Exchange), one (1) certificate for all his shares of any one (1) class or several certificates in Appendix 4C Paragraph 2(a)

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reasonable denominations each for a part of the shares comprised in a certificate or where such a Member requires the Company to cancel any certificate or certificates and issue a new certificate or certificates for the purpose of subdividing his holding in a different manner, the old certificate or certificates shall be cancelled and a new certificate or certificates for the balance of such shares issued in lieu thereof and such Member shall pay a maximum fee of S\$2 for each new certificate (or such other fee as the Directors may from time to time determine having regard to any limitation thereof as may be prescribed by the Exchange).

22. (a) Any two (2) or more certificates representing shares of any one (1) class held by any person whose name is entered in the Register of Members may at his request be cancelled and a single new certificate for such shares issued in lieu without charge.
- (b) If any person whose name is entered in the Register of Members shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu two (2) or more share certificates representing such shares in such proportions as he may specify, the Directors may, if they think fit, comply with such request. Such person shall (unless such fee is waived by the Directors) pay a maximum fee of S\$2 for each share certificate issued in lieu of a share certificate surrendered for cancellation or such other fee as the Directors may from time to time determine having regard to any limitation thereof as may be prescribed by the Exchange.
- (c) In the case of shares registered jointly in the names of several persons, any such request may be made by any one (1) of the registered joint holders.
23. Subject to the Statutes, if any share certificate shall be defaced, worn-out, destroyed, lost or stolen, it may be renewed on such evidence being produced and a letter of indemnity (if required) being given by the shareholder, transferee, person entitled, purchaser, member firm or member company of the Exchange or on behalf of its or their client or clients as the Directors shall require, and (in the case of defacement or wearing out) on delivery of the old certificate and in any case on payment of such sum not exceeding S\$2 as the Directors may from time to time require. In the case of destruction, loss or theft, a shareholder or person entitled to whom such renewed certificate is given shall also bear the loss and pay to the Company all expenses incidental to the investigations by the Company of the evidence of such destruction or loss.

Appendix 4C  
Paragraph 1(f)

### CALLS ON SHARES

24. The Directors may from time to time make calls upon the Members in respect of any moneys unpaid on their shares but subject always to the terms of issue of such shares. A call shall be deemed to have been made at the time when the resolution of the Directors authorizing the call was passed and may be made payable by instalments.

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25. Each Member shall (subject to receiving at least 14 days’ notice specifying the time or times and place of payment) pay to the Company, the amount called on his shares, at the time or times and place of payment specified by the Company. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof. A call may be revoked or postponed as the Directors may determine.
26. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate (not exceeding 10% per annum) as the Directors may determine but the Directors shall be liberty in any case or cases to waive payment of such interest wholly or in part.
27. Any sum which by the terms of issue of a share becomes payable upon allotment or at any fixed date shall for all the purposes of the provisions of these presents be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable. In case of non-payment, all the relevant provisions of these presents as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
28. The Directors may on the issue of shares differentiate between the holders as to the amount of calls to be paid and the times of payment.
29. The Directors may, if they think fit, receive from any Member willing to advance the same all or any part of the moneys uncalled and unpaid upon the shares held by him and such payment in advance of calls shall extinguish *pro tanto* the liability upon the shares in respect of which it is made and upon the moneys so received (until and to the extent that the same would but for such advance become payable) the Company may pay interest at such rate (not exceeding 8% per annum) as the Member paying such sum and the Directors may agree. Capital paid on shares in advance of calls shall not, while carrying interest, confer a right to participate in profits.

### FORFEITURE AND LIEN

30. If a Member fails to pay in full any call or instalment of a call on the due date for payment thereof, the Directors may at any time thereafter serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued thereon and any expenses incurred by the Company by reason of such non-payment.
31. The notice shall name a further day (not being less than 14 days from the date of service of the notice) on or before which and the place where the payment required by the notice is to be made, and shall state that in the event of non-payment in accordance therewith, the shares on which the call has been made will be liable to be forfeited.

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32. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest and expenses due in respect thereof has been made, be forfeited by a resolution of a Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before forfeiture. The Directors may accept a surrender of any share liable to be forfeited hereunder.
33. A share so forfeited or surrendered shall become the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto or to any other person upon such terms and in such manner as the Directors shall think fit and at any time before a sale, re-allotment or disposition, the forfeiture or surrender may be cancelled on such terms as the Directors think fit. The Directors may, if necessary, authorise some person to transfer or effect the transfer of a forfeited or surrendered share to any such other person as aforesaid.
34. A Member whose shares have been forfeited or surrendered shall cease to be a Member in respect of the shares but shall notwithstanding the forfeiture or surrender remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were presently payable by him to the Company in respect of the shares with interest thereon at 8% per annum (or such lower rate as the Directors may determine) from the date of forfeiture or surrender until payment and the Directors may at their absolute discretion enforce payment without any allowance for the value of the shares at the time of forfeiture or surrender or waive payment in whole or in part.
35. The Company shall have a first and paramount lien on every share (not being a fully paid share) and on the dividends from time to time declared in respect of such shares. Such lien shall be restricted to unpaid calls and instalment upon the specific shares in respect of which such moneys are due and unpaid, and to such amounts as the Company may be called upon by law to pay in respect of the shares of the Member or deceased Member. The Directors may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this Regulation.
36. The Company may sell in such manner as the Directors think fit any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of 14 days after a notice in writing stating and demanding payment of the sum presently payable and giving notice of intention to sell in default shall have been given to the holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy or otherwise.

Appendix 4C  
Paragraph  
3(a)



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## APPENDIX E – EXTRACTS FROM THE COMPANY’S CONSTITUTION

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37. The residue of the proceeds of such sale pursuant to Regulation 36 after the satisfaction of the unpaid calls and accrued interest and expenses of such sale shall be paid to the person entitled to the shares at the time of the sale or to his executors, administrators or assigns, or as he may direct. For the purpose of giving effect to any such sale, the Directors may authorize some person to transfer of effect the transfer of the shares sold to the purchaser. Appendix 4C Paragraph 3(b)
38. A statutory declaration in writing that the declarant is a Director of the Secretary of the Company and that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. Such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal thereof together (where the same be required) with the share certificate delivered to a purchaser (or where the purchaser is a depositor, to the Depository or its nominee, as the case may be) or allottee thereof shall (subject to the execution of a transfer if the same is required) constitute a good title to the share and the share shall be registered in the name of the person to whom the share is sold, re-allotted or disposed of or, where such person is a depositor, the Company shall procure that his name be entered in the Depository Register in respect of the share so sold, re-allotted or disposed of. Such person shall not be bound to see the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, surrender, sale, re-allotment or disposal of the share.

### TRANSFER OF SHARES

39. All transfers of the legal title in shares may be effected by the registered holders thereof by transfer in writing in the form for the time being approved by the Exchange or in any other form acceptable to the Directors. The instrument of transfer of any share shall be signed by or on behalf of both the transferor and the transferee and be witnessed, PROVIDED THAT an instrument of transfer in respect of which the transferee is the Depository or its nominee (as the case may be) shall be effective although not signed or witnessed by or on behalf of the Depository or its nominee (as the case may be). The transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the Register of Members in respect thereof. Appendix 4C Paragraph 4(a)
40. The Register of Members may be closed at such times and for such period as the Directors may from time to time determine, PROVIDED THAT the Register of Members shall not be closed for more than 30 days in any year. The Company shall give prior notice of such closure as may be required to the Exchange, stating the period and purpose or purposes for which the closure is made.
41. (a) Subject to the provisions of these presents, there shall be no restriction on the transfer of fully paid up shares (except where required by law or by the rules, bye-laws or listing rules of the Exchange) but the Directors may in their absolute discretion decline to register any transfer of shares upon which the Company has a lien and in the case of shares Appendix 4C Paragraph 4(c)

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not fully paid up, may refuse to register a transfer to a transferee of whom they do not approve. PROVIDED ALWAYS THAT in the event of the Directors refusing to register a transfer of shares, they shall within 10 Market Days beginning with the date on which the application for a transfer of shares was made, serve a notice in writing to the applicant stating the facts which are considered to justify the refusal as required by the Statutes.

- (b) The Directors may in their sole discretion refuse to register any instrument of transfer of shares unless:
- (i) such fee not exceeding S\$2 as the Directors may from time to time require is paid to the Company in respect thereof;
  - (ii) the amount of proper duty (if any) with which each instrument of transfer is chargeable under any law for the time being in force relating to stamps is paid;
  - (iii) the instrument of transfer is deposited at the Office or at such other place (if any) as the Directors may appoint accompanied by the certificates of the shares to which it relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer and, if the instrument of transfer is executed by some other person on his behalf, the authority of the person so to do; and
  - (iv) the instrument of transfer is in respect of only one (1) class of shares.
42. If the Directors refuse to register a transfer of any shares, they shall within 10 Market Days after the date on which the transfer was lodged with the Company send to the transferor and to the transferee, written notice of the refusal stating reasons for the refusal as required by the Statutes.
43. All instruments of transfer which are registered may be retained by the Company.
44. There shall be paid to the Company in respect of the registration of any instrument of transfer or probate or letters of administration or certificate of marriage or death or stop notice or power of attorney or other document relating to or affecting the title to any shares such fee not exceeding S\$2 as the Directors may from time to time require or prescribe.
45. The Company shall be entitled to destroy all instruments of transfer which have been registered at any time after the expiration of six (6) years from the date of registration thereof and all dividend mandates and notifications of change of address at any time after the expiration of six (6) years from the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of six (6) years from the date of the cancellation thereof and it shall conclusively be presumed in favour of the Company that every entry in the Register of Members purporting to have been made on the basis of an instrument of transfer or other document so

Appendix 4C  
Paragraph  
4(b)

Appendix 4C  
Paragraph  
4(b)

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destroyed was duly and properly made and every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company, PROVIDED THAT:

- (a) the provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;
- (b) nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this Regulation; and
- (c) references herein to the destruction of any document include references to the disposal thereof in any manner.

### TRANSMISSION OF SHARES

- 46.
  - (a) In the case of the death of a Member whose name is entered in the Register of Members, the survivor or survivors where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only person(s) recognised by the Company as having any title to his interest in the shares.
  - (b) In the case of the death of a Member who is a depositor, the survivor or survivors where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder and where such executors or administrators are entered in the Depository Register in respect of any shares of the deceased Member, shall be the only person(s) recognised by the Company as having any title to his interest in the shares.
  - (c) Nothing in this Regulation shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share held by him.
- 47. Any of the following persons:
  - (a) a person becoming entitled to the legal title in a share in consequence of the death or bankruptcy of a person whose name is entered in the Register of Members;
  - (b) any guardian of an infant becoming entitled to the legal title in a share and whose name is entered in the Register of Members; and

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- (c) any person as properly has the management of the estate of a Member whose name is entered in the Register of Members and:
  - (i) who becomes mentally disordered; or
  - (ii) whose person or estate is liable to be dealt with in any way under the law relating to mental capacity,

may (subject as hereinafter provided) upon supplying to the Company such evidence as the Directors may reasonably require to show his legal title to the share either be registered himself as holder of the share upon giving to the Company notice in writing of such desire or have some other person nominated by him registered as the transferee thereof by executing to that other person a transfer of the share, but the Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by the person whose name is entered in the Register of Members. All the limitations, restrictions and provisions of these presents relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the circumstances referred to in this Regulation had not occurred and the notice or transfer were a transfer executed by such person.

- 48. Save as otherwise provided by or in accordance with the provisions of these presents, a person becoming entitled to a share pursuant to Regulation 46(a), Regulation 46(b) or Regulation 47 (upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share) shall be entitled to the same dividends and other advantages as those to which he would be entitled if he were the Member in respect of the share except that he shall not be entitled in respect thereof (except with the authority of the Directors) to exercise any right conferred by membership in relation to meetings of the Company until he shall have been registered as a Member in the Register of Members or his name shall have been entered in the Depository Register in respect of the share.

### STOCK

- 49. The Company may from time to time by ordinary resolution convert any paid up shares into stock and may from time to time by like resolution reconvert any stock into paid up shares.
- 50. The holders of stock may transfer the same or any part thereof in the same manner and subject to the same Regulations and subject to which the shares from which the stock arose might previously to conversion have been transferred (or as near thereto as circumstances admit) but no stock shall be transferable except in such units as the Directors may from time to time determine.
- 51. The holders of stock shall, according to the number of stock units held by them, have the same rights, privileges and advantages as regards dividend, return of capital, voting and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except as

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regards participation in the profits or assets of the Company) shall be conferred by any number of stock units which would not, if existing in shares, have conferred such privilege or advantage; and no such conversion shall affect or prejudice any preference or other special privileges attached to the shares so converted.

### 2. THE RIGHTS OF SHAREHOLDERS IN RESPECT OF DIVIDENDS

#### DIVIDENDS

127. The Company may by ordinary resolution declare dividends but no such dividend shall exceed the amount recommended by the Directors. No dividends may be paid, unless otherwise provided in the Act, to the Company in respect of treasury shares.
128. If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may declare and pay the fixed dividends on any class of shares carrying a fixed dividend expressed to be payable on fixed dates on the half-yearly or other dates prescribed for the payment thereof and may also from time to time declare and pay interim dividends on shares of any class of such amounts and on such dates and in respect of such periods as they think fit.
129. Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide and except as otherwise permitted under the Act:
- (a) all dividends in respect of shares must be paid in proportion to the number of shares held by a Member but where shares are partly paid all dividends must be apportioned and paid proportionately to the amounts paid or credited as paid on the partly paid shares; and
  - (b) all dividends must be apportioned and paid proportionately to the amounts so paid or credited as paid during any portion or portions of the period in respect of which dividend is paid.
- For the purposes of this Regulation, no amount paid on a share in advance of calls shall be treated as paid on the share.
130. No dividend shall be paid otherwise than out of profits available for distribution under the Statutes.
131. No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company.
132. (a) The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

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- (b) The Directors may retain the dividends payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a Member, or which any person is under those provisions entitled to transfer, until such person shall become a Member in respect of such shares or shall transfer the same.
133. The payment by the Directors of any unclaimed dividends or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof. All dividends and other moneys payable on or in respect of a share that are unclaimed after first becoming payable may be invested or otherwise made use of by the Directors for the benefit of the Company and any dividend or any such moneys unclaimed after a period of six (6) years from the date they are first payable may be forfeited and if so shall revert to the Company but the Directors may at any time thereafter at their absolute discretion annul any such forfeiture and pay the moneys so forfeited to the person entitled thereto prior to the forfeiture. A payment by the Company to the Depository of any dividend or other moneys payable to a depositor shall, to the extent of the payment made, discharge the Company from any liability in respect of that payment. If the Depository returns any such dividend or moneys to the Company, the relevant depositor shall not have any right or claim in respect of such dividend or moneys against the Company if a period of six (6) years has elapsed from the date on which such dividend or other moneys are first payable.
134. The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the shareholder (or the person entitled to the share in consequence of the death or bankruptcy or otherwise of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Company.
135. The Company may upon the recommendation of the Directors by ordinary resolution direct payment of a dividend in whole or in part by the distribution of specific assets (and in particular of paid up shares or debentures of any other company) and the Directors shall give effect to such resolution. Where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional certificates, may fix the value for distribution of such specific assets or any part thereof, may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors.

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136. (a) Whenever the Directors or the Company in General Meeting have resolved or proposed that a dividend (including an interim, final, special or other dividend) be paid or declared on shares of a particular class in the capital of the Company, the Directors may further resolve that Members entitled to such dividend be entitled to elect to receive an allotment of shares of that class credited as fully paid in lieu of cash in respect of the whole or such part of the dividend as the Directors may think fit. In such case, the following provisions shall apply:
- (i) the basis of any such allotment shall be determined by the Directors;
  - (ii) the Directors shall determine the manner in which Members shall be entitled to elect to receive an allotment of shares of the relevant class credited as fully paid in lieu of cash in respect of the whole or such part of any dividend in respect of which the Directors shall have passed such a resolution as aforesaid, and the Directors may make such arrangements as to the giving of notice to Members, providing for forms of election for completion by Members (whether in respect of a particular dividend or dividends or generally), determining the procedure for making such elections or revoking the same and the place at which and the latest date and time by which any forms of election or other documents by which elections are made or revoked must be lodged, and otherwise make all such arrangements and do all such things, as the Directors consider necessary or expedient in connection with the provisions of this Regulation;
  - (iii) the right of election may be exercised in respect of the whole of that portion of the dividend in respect of which the right of election has been accorded PROVIDED THAT the Directors may determine, either generally or in any specific case, that such right shall be exercisable in respect of the whole or any part of that portion; and
  - (iv) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on the shares of the relevant class in respect whereof the share election has been duly exercised (the “elected shares”) and in lieu and in satisfaction thereof shares of the relevant class shall be allotted and credited as fully paid to the holders of the elected shares on the basis of allotment determined as aforesaid and for such purpose and notwithstanding the provisions of Regulation 141, the Directors shall capitalise and apply out of the amount standing to the credit of any of the Company’s reserve accounts or any amount standing to the credit of the profit and loss account or otherwise available for distribution as the Directors may determine, such sum as may be required to pay up in full the appropriate number of shares for allotment and distribution to and among the holders of the elected shares on such basis, or apply the sum which would otherwise have been payable in cash to the holders of the elected shares towards payment of the appropriate



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number of shares of the relevant class for allotment and distribution to and among the holders of the elected shares on such basis.

- (b) The shares of the relevant class allotted pursuant to the provisions of Regulation 136(a) shall rank *pari passu* in all respects with the shares of that class then in issue save only as regards participation in the dividend which is the subject of the election referred to above (including the right to make the election referred to above) or any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneous with the payment or declaration of the dividend which is the subject of the election referred to above, unless the Directors shall otherwise specify.
- (c) The Directors may, on any occasion when they resolve as provided in Regulation 136(a), determine that rights of election under that paragraph shall not be made available to the persons who are registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register, or in respect of shares the transfer of which is registered, after such date as the Directors may fix subject to such exceptions as the Directors may think fit, and in such event the provisions of Regulation 136 shall be read and construed subject to such determination.
- (d) The Directors may, on any occasion when they resolve as provided in Regulation 136(a), further determine that:
  - (i) no allotment of shares or rights of election for shares under Regulation 136(a) shall be made available or made to Members whose registered addresses entered in the Register of Members or (as the case may be) the Depository Register is outside Singapore or to such other Members or class of Members as the Directors may in their sole discretion decide and in such event the only entitlement of the Members aforesaid shall be to receive in cash the relevant dividend resolved or proposed to be paid or declared; and
  - (ii) no allotment of shares or rights of election for shares under Regulation 136(a) shall be made available or made to a person, or any persons, if such allotment or rights of election would in the opinion of the Directors cause such person, or such persons, to hold or control voting shares in excess of any shareholding or other limits which may from time to time be prescribed in any Statute, without the approval of the applicable regulatory or other authority as may be necessary.
- (e) Notwithstanding the foregoing provisions of this Regulation, if at any time after the Directors’ resolution to apply the provisions of Regulation 136(a) in relation to any dividend but prior to the allotment of shares pursuant thereto, the Directors shall consider that by reason of any event or circumstance (whether arising before or after such resolution) or by reason of any matter whatsoever it is no longer expedient or

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## APPENDIX E – EXTRACTS FROM THE COMPANY’S CONSTITUTION

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appropriate to implement that proposal, the Directors may at their absolute discretion and as they deem fit in the interest of the Company and without assigning any reason therefor, cancel the proposed application of Regulation 136(a).

- (f) The Directors may do all acts and things considered necessary or expedient to give effect to the provisions of Regulation 136(a), with full power to make such provisions as they think fit in the case of shares of the relevant class becoming distributable in fractions (including, notwithstanding any provision to the contrary in these presents, provisions whereby, in whole or in part, fractional entitlements are disregarded or rounded up or down).
137. Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address appearing in the Register of Members or (as the case may be) the Depository Register of a Member or person entitled thereto (or, if two (2) or more persons are registered in the Register of Members or (as the case may be) entered in the Depository Register as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy or otherwise of the holder, to any one (1) of such persons) or to such person at such address as such Member or person or persons may by writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the share in consequence of the death or bankruptcy or otherwise of the holder may direct and payment of the cheque or warrant by the banker upon whom it is drawn shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby.
138. Notwithstanding the provisions of Regulation 137 and the provisions of Regulation 140, the payment by the Company to the Depository of any dividend payable to a depositor shall, to the extent of the payment made to the Depository, discharge the Company from any liability to the depositor in respect of that payment.
139. If two (2) or more persons are registered in the “Register of Members or (as the case may be) the Depository Register as joint holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy or otherwise of the holder, any one (1) of them may give effectual receipts for any dividend or other moneys payable or property distributable on or in respect of the share.
140. Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in a General Meeting or a resolution of the Directors, may specify that the same shall be payable to the persons registered as the holders of such shares in the Register of Members or (as the case may be) the Depository Register at the close of business on a particular date and thereupon the dividend shall be payable to them in accordance with their respective holdings so registered, but without prejudice to the rights *inter se* in respect of such dividend of transferors and transferees of any such shares.

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## APPENDIX E – EXTRACTS FROM THE COMPANY’S CONSTITUTION

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### BONUS ISSUES AND CAPITALISATION OF PROFITS AND RESERVES

141. (a) Subject to Regulation 7 and Regulation 11, the Company may, upon the recommendation of the Directors, by ordinary resolution, including any ordinary resolution passed pursuant to Regulation 11(b):
- (i) issue bonus shares for which no consideration is payable to the Company to the persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on:
    - (A) the date of the ordinary resolution (or such other date as may be specified therein or determined as therein provided); or
    - (B) (in the case of an ordinary resolution passed pursuant to Regulation 11(b)) such other date as may be determined by the Directors,in proportion to their then holdings of shares; and/or
  - (ii) capitalise any sum standing to the credit of any of the Company’s reserve accounts (or other undistributable reserve) or any sum standing to the credit of profit and loss account by appropriating such sum to the persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register as the close of business on:
    - (A) the date of the ordinary resolution (or such other date as may be specified therein or determined as therein provided); or
    - (B) (in the case of an ordinary resolution passed pursuant to Regulation 11(b)) such other date as may be determined by the Directors,in proportion to their then holdings of shares and applying such sum on their behalf in paying up in full new shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being issued, new shares of any other class not being redeemable shares) for allotment and distribution credited as fully paid up to and amongst them as bonus shares in the proportion aforesaid.
- (b) The Directors may do all acts and things considered necessary or expedient to give effect to any such bonus issue and/or capitalisation under Regulation 141(a), with full power to the Directors to make such provisions as they think fit for any fractional entitlements which would arise on the basis aforesaid (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the Members concerned). The Directors may authorise any person to enter on behalf of all the Members interested into an agreement with the Company, providing for any such bonus issue or capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

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## APPENDIX E – EXTRACTS FROM THE COMPANY’S CONSTITUTION

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142. In addition and without prejudice to the powers provided for by Regulation 141, the Directors shall have power to issue shares for which no consideration is payable and/or to capitalise any undivided profits or other money of the Company not required for the payment or provision of any dividend on any shares entitled to cumulative or non-cumulative preferential dividends (including profits or other moneys carried and standing to any reserve or reserves) and to apply such profits or other moneys in paying up in full new shares on terms that such shares shall, upon issue:
- (a) be held by or for the benefit of participants of any share incentive or option scheme or plan implemented by the Company and approved by shareholders in General Meeting in such manner and on such terms as the Directors shall think fit; or
  - (b) be held by or for the benefit of non-executive Directors as part of their remuneration under Regulations 84 or 85(a) approved by shareholders in General Meeting in such manner and on such terms as the Directors shall think fit.

The Directors may do all such acts and things considered necessary or expedient to give effect to any of the foregoing.

### 3. THE RIGHTS OF SHAREHOLDERS IN RESPECT VOTING

#### GENERAL MEETINGS

52. Save as otherwise permitted under the Statutes, an Annual General Meeting shall be held once in every year, at such time (within a period of not more than 15 months after the holding of the last preceding Annual General Meeting) and place as may be determined by the Directors. All other General Meetings shall be called Extraordinary General Meetings.
53. The Directors may whenever they think fit, and shall on requisition in accordance with the Statutes, proceed with proper expedition to convene an Extraordinary General Meeting.

#### NOTICE OF GENERAL MEETINGS

54. (a) Subject to the Act, any General Meeting at which it is proposed to pass a Special Resolution shall be called by 21 days’ notice in writing at the least. An annual General Meeting and any other Extraordinary General Meeting shall be called by 14 days’ notice in writing at the least. The period of notice shall in each case be exclusive of the day on which it is served or deemed to be served and of the day on which the meeting is to be held and shall be given in the manner hereafter mentioned to all Members other than those who are not under the provisions of these presents and the Act entitled to receive such notices from the Company, PROVIDED THAT a General Meeting notwithstanding that it has been called by a shorter notice than that specified above shall be deemed to have been duly called if it is so agreed:
- (i) in the case of an Annual General Meeting, by all the Members entitled to attend and vote thereat; and

Appendix 4C  
Paragraph  
7(a)

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## APPENDIX E – EXTRACTS FROM THE COMPANY’S CONSTITUTION

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- (ii) in the case of an Extraordinary General Meeting, by a majority in number of the Members having a right to attend and vote thereat, being a majority together holding not less than 95% of the total voting rights of all the Members having a right to vote at that meeting.

PROVIDED ALSO THAT the accidental omission to give notice to or the non-receipt of notice by any person entitled thereto shall not invalidate the proceedings at any General Meeting.

- (b) Where special notice is required of a resolution pursuant to the Act, notice of the intention to move the resolution shall be given to the Company and notice of any General Meeting shall be called in accordance with the Act and in particular, Section 185 of the Act. Appendix 4C  
Paragraph  
7(a)
  - (c) So long as the shares in the Company are listed on the Exchange, at least 14 days’ notice of any General Meeting shall be given by advertisement in the daily press and in writing to the Exchange.
55. (a) Every notice calling a General Meeting shall specify the place and the day and hour of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him and that a proxy need not be a Member of the Company. Appendix 4C  
Paragraph  
7(a)
- (b) In the case of an Annual General Meeting, the notice shall also specify the meeting as such.
  - (c) In the case of any General Meeting at which business other than routine business is to be transacted, the notice shall specify the general nature of such business; and if any resolution is to be proposed as a Special Resolution, the notice shall contain a statement to that effect.
56. Routine business shall mean and include only business transacted at an Annual General Meeting of the following classes, that is to say:
- (a) declaring dividends;
  - (b) considering and adopting the financial statements, the statement of the Directors and report of the Auditor, and other documents required to be annexed to the financial statements;
  - (c) appointing or re-appointing Directors, whether to fill vacancies arising at the meeting on retirement, whether by rotation or otherwise;
  - (d) appointing or re-appointing the Auditor;
  - (e) fixing the remuneration of the Auditor or determining the manner in which such remuneration is to be fixed; and
  - (f) fixing the remuneration of the Directors (in cash, shares or otherwise) proposed to be paid in respect of their office as such under Regulation 84 and Regulation 85(a).

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## APPENDIX E – EXTRACTS FROM THE COMPANY’S CONSTITUTION

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57. Any notice of a General Meeting to consider special business shall be accompanied by a statement regarding the effect of any proposed resolution of the Company in respect of such special business. Appendix 4C Paragraph 7(a)

### PROCEEDINGS AT GENERAL MEETINGS

58. The chairman of the Board, failing whom the deputy chairman of the Board, shall preside as chairman at a General Meeting. If there be no such chairman or deputy chairman, or if at any meeting neither be present within 15 minutes after the time appointed for holding the meeting and willing to act, the Directors present shall choose one (1) of their number to be chairman of the meeting. If the Directors who are present are unable to do so, the Members present shall elect a Director present to be chairman of the meeting, or, if no Director be present or if all the Directors present decline to take the chair, the Members present shall choose one (1) of their number to be chairman of the meeting.
59. No business other than the appointment of a chairman shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business. Save as herein otherwise provided, the quorum at any General Meeting shall be two (2) or more Members present in person or by proxy or attorney, PROVIDED THAT:
- (a) a proxy representing more than one (1) Member shall only count as one (1) Member for the purpose of determining the quorum; and
  - (b) where a Member is represented by more than one (1) proxy such proxies shall count as only one (1) Member for the purpose of determining the quorum.
60. If within 30 minutes from the time appointed for a General Meeting (or such longer interval as the chairman of the meeting may think fit to allow) a quorum is not present, the meeting, if convened on the requisition of Members, shall be dissolved. In any other case, it shall stand adjourned to the same day in the next week (or if that day is a public holiday, then to the next business day following that public holiday) at the same time and place or such other day, time or place as the Directors may by not less than 10 days’ notice appoint. At the adjourned meeting, any one (1) or more Members present in person or by proxy or attorney shall be a quorum.
61. The chairman of any General Meeting at which a quorum is present may with the consent of the meeting (and shall if so directed by the meeting) adjourn the meeting from time to time (or *sine die*) and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. Where a meeting is adjourned *sine die*, the time and place for the adjourned meeting shall be fixed by the Directors. When a meeting is adjourned for 30 days or more or *sine die*, not less than seven (7) days’ notice of the adjourned meeting shall be given in like manner as in the case of the original meeting.

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## APPENDIX E – EXTRACTS FROM THE COMPANY’S CONSTITUTION

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62. Save as hereinbefore expressly provided, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
63. If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a Special Resolution, no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.
64. (a) If required by the listing rules of the Exchange, all resolutions at General Meetings shall be voted by poll unless such requirement is waived by the Exchange.
- (b) Subject to Regulation 64(a), at any General Meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by:
- (i) The chairman of the meeting;
  - (ii) Not less than five (5) Members present in person or by proxy or attorney and entitled to vote at the meeting;
  - (iii) A Member present in person or by proxy or attorney and representing not less than 5% of the total voting rights of all the Members having the right to vote at the meeting; or
  - (iv) A Member present in person or by proxy or attorney and holding shares conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than 5% of the total sum paid up on all shares of the Company conferring that right,

PROVIDED THAT no poll shall be demanded on the choice of a chairman or on a question of adjournment.

65. A demand for a poll made pursuant to Regulation 64(b) may be withdrawn only with the approval of the chairman of the meeting. Unless a poll is demanded, a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against such resolution. Where a poll is taken, it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the chairman of the meeting may direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was taken. The chairman of the meeting may (and if required by the listing rules of the Exchange or if so directed by the meeting shall) appoint scrutineers and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.



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## APPENDIX E – EXTRACTS FROM THE COMPANY’S CONSTITUTION

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66. A poll on any question shall be taken either immediately or at such subsequent time (not being more than 30 days from the date of the meeting) and place as the chairman may direct. No notice need be given of a poll not taken immediately. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded.
67. In the case of an equality of votes, whether on a poll or on a show of hands, the chairman of the meeting at which the poll or show of hands takes place shall be entitled to a second or casting vote.

### VOTES OF MEMBERS

68. Subject and without prejudice to any special privileges or restrictions as to voting for the time being attached to any special class of shares for the time being forming part of the capital of the Company and to Regulation 13(e), each Member entitled to vote may vote in person or by proxy or attorney. Every such Member who is present in person or by proxy or attorney shall:

Appendix 4C  
Paragraph  
8(e)

- (a) on a show of hands, have one (1) vote PROVIDED THAT:
- (i) in the case of a Member who is not a relevant intermediary and who is represented by two (2) proxies, only one (1) of the two (2) proxies as determined by that Member or, failing such determination, by the chairman of the meeting (or by a person authorised by him) in his sole discretion, shall be entitled to vote on a show of hands; and
  - (ii) in the case of a Member who is a relevant intermediary and who is represented by two (2) or more proxies, each proxy shall be entitled to vote on a show of hands and shall have one (1) vote each; and
- (b) save as otherwise provided by the Act, on a poll, have one (1) vote for every share which he holds or represents.

For the purpose of determining the number of votes which a Member, being a depositor, or his proxy may cast at any General Meeting on a poll, the reference to shares held or represented shall, in relation to shares of that depositor, be the number of shares entered against his name in the Depository Register as at 72 hours before the time of the relevant General Meeting (or such other time specified in Section 81SJ of the Securities and Futures Act) as certified by the Depository to the Company.

69. In the case of joint holders of a share, any one (1) of such persons may vote, and be reckoned in quorum at any General Meeting, either personally or by proxy or by attorney as if he were solely entitled thereto, but if more than one (1) of such joint holders are so present at any meeting, then the person present whose name stands first in the Register of Members or (as the case may be) the Depository Register in respect of the share be entitled to disregard any vote cast by the other joint holder(s) present at the General Meeting.

Appendix 4C  
Paragraph  
8(b)

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## APPENDIX E – EXTRACTS FROM THE COMPANY'S CONSTITUTION

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70. Where in Singapore or elsewhere, a receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that behalf to exercise powers with respect to the property or affairs of any Member on the ground (however formulated) of mental disorder, the Directors may in their absolute discretion, upon or subject to production of such evidence of the appointment as the Directors may require, permit such receiver or other person on behalf of such Member to vote in person or by proxy or attorney at any General Meeting or to exercise any other right conferred by membership in relation to meetings of the Company.
71. Any member who is a holder of shares in the capital of the Company (conferring the right to attend and vote at any General Meeting) shall be entitled to be present and to vote either personally or by proxy or by attorney and to be reckoned in a quorum, at any General Meeting of the Company, in respect of any share or shares upon which all calls due to the Company have been paid.
72. No objection shall be raised as to the admissibility of any vote or the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is or may be given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection shall be referred to the chairman of the meeting whose decision shall be final and conclusive.
73. (a) if at any General Meeting any votes shall be counted which ought not to have been counted or might have been rejected, the error shall not vitiate the result of the voting unless it be pointed out at the same meeting, and be of sufficient magnitude to vitiate the result of the voting.
- (b) To the extent permitted by the Act, and any other applicable laws or regulations, where a Member is required by the listing rules of the Exchange or a court order to abstain from voting on a resolution at a General Meeting, such Member shall not be entitled to vote on the relevant resolution and shall be required to abstain from voting his shares (including by proxy or by attorney) in respect of such resolution, and if the Member casts any votes in contravention of this Regulation, or if the listing rules of the Exchange require the Company to do so, the Company shall be entitled to disregard such votes.
74. On a poll, votes may be given personally or by proxy or attorney and a person entitled to more than one (1) vote need not use all his votes or cast all the votes he uses in the same way.

Appendix 4C  
Paragraph  
8(a)

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## APPENDIX E – EXTRACTS FROM THE COMPANY’S CONSTITUTION

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75. (a) Save as otherwise provided in the Act:
- (i) a Member who is not a relevant intermediary may appoint not more than two (2) proxies to attend, speak and vote at the same General Meeting. Where such Member’s instrument of proxy appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified, the first-named proxy shall be deemed to represent 100% of the shareholding to which the instrument of proxy relates, and the second-named proxy shall be deemed to be an alternate to the first-named proxy; and
  - (ii) a Member who is a relevant intermediary may appoint more than two (2) proxies to attend, speak and vote at the same General 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 instrument of proxy appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument of proxy.
- (b) In any case where a Member is a depositor, the Company shall be entitled and bound:
- (i) to reject any instrument of proxy lodged if the depositor is not shown to have any shares entered against his name in the Depository Register as at 72 hours before the time of the relevant General Meeting (or such other time specified in Section 81SJ of the Securities and Futures Act) as certified by the Depository to the Company; and
  - (ii) to accept as the maximum number of votes which in aggregate the proxy or proxies appointed by the depositor is or are able to cast on a poll a number which is the number of shares entered against the name of that depositor in the Depository Register as at 72 hours before the time of the relevant General Meeting (or such other time specified in Section 81SJ of the Securities and Futures Act) as certified by the Depository to the Company, whether that number is greater or smaller than the number specified in any instrument of proxy executed by or on behalf of that depositor.
- (c) The Company shall be entitled and bound, in determining rights to vote and other matters in respect of a completed instrument of proxy submitted to it, to have regard to the instructions (if any) given by and the notes (if any) set out by the Company in the instrument of proxy.
- (d) A proxy need not be a Member of the Company. Any appointment of a proxy shall be deemed to be revoked if a member attends the General Meeting in person.

Appendix 4C  
Paragraph  
8(c)

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## APPENDIX E – EXTRACTS FROM THE COMPANY’S CONSTITUTION

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76. (a) An instrument appointing a proxy shall be in writing in any usual or common form or in any other form which the Directors may approve and:
- (i) in the case of an individual, shall be:
    - (A) signed under hand by the appointor or his attorney if the instrument is delivered personally or sent by post; or
    - (B) authorised by that individual through such method and in such manner as may be approved by the Directors, if the instrument is submitted by electronic communication; and
  - (ii) in the case of a corporation or limited liability partnership, shall be:
    - (A) either given under its common seal (if any) or signed under hand on its behalf by an attorney or a duly authorised officer of the corporation or limited liability partnership if the instrument is delivered personally or sent by post; or
    - (B) authorised by that corporation or limited liability partnership through such method and in such manner as may be approved by the Directors, if the instrument is submitted by electronic communication.
- The Directors may, for the purposes of Regulations 76(a)(i)(B) and 76(a)(ii)(B), designate procedures for authenticating any such instrument, and any such instrument not so authenticated by use of such procedures shall be deemed not to have been received by the Company.
- (b) The signature on, or authorisation of such instrument need not be witnessed. Where an instrument appointing a proxy is signed or authorised 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 pursuant to Regulation 77(a), failing which the instrument may be treated as invalid.
  - (c) The Directors may, in their absolute discretion:
    - (i) approve the method and manner for an instrument appointing a proxy to be authorised; and
    - (ii) designate the procedure for authenticating an instrument appointing a proxy,

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## APPENDIX E – EXTRACTS FROM THE COMPANY’S CONSTITUTION

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as contemplated in Regulations 76(a)(i)(B) and 76(a)(ii)(B) for application to such Members or class of Members as they may determine. Where the Directors do not so approve and designate in relation to a Member (whether of a class or otherwise), Regulation 76(a)(i)(A) and/or (as the case may be) Regulation 76(a)(ii)(A) shall apply.

77. (a) An instrument appointing a proxy:
- (i) if sent personally or by post, must be left at such place or one (1) of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified, at the Office); or
  - (ii) if submitted by electronic communication, must be received through such means as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting,

and in either case, not less than 72 hours before the time appointed for the holding of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used, and in default shall not be treated as valid. The instrument shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates, PROVIDED THAT an instrument of proxy relating to more than one (1) meeting (including any adjournment thereof) having once been so delivered in accordance with this Regulation for the purposes of any meeting shall not be required again to be delivered for the purposes of any subsequent meeting to which it relates.

- (b) The Directors may, in their absolute discretion, and in relation to such Members or class of Members as they may determine, specify the means through which instruments appointing a proxy may be submitted by electronic communication, as contemplated in Regulation 77(a)(ii). Where the Directors do not so specify in relation to a Member (whether of a class or otherwise), Regulation 77(a)(i) shall apply.

78. An instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll, to move any resolution or amendment thereto and to speak at the meeting.

Appendix 4C  
Paragraph  
8(d)

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## APPENDIX E – EXTRACTS FROM THE COMPANY’S CONSTITUTION

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79. A vote cast by proxy shall not be invalidated by the previous death or mental disorder or the principal or by the revocation of the appointment of the proxy or of the authority under which the appointment was made PROVIDED THAT no intimation in writing of such death, mental disorder or revocation shall have been received by the Company at the Office at least one (1) hour before the commencement of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll at which the vote is cast.
80. Subject to these presents and the Statutes, the Board may, at its sole discretion, approve and implement, subject to such security measures as may be deemed necessary or expedient, such voting methods to allow Members who are unable to vote in person at any General Meeting the option to vote in absentia, including but not limited to voting by mail, electronic mail or facsimile.

### **CORPORATIONS ACTING BY REPRESENTATIVES**

81. Any corporation which is a Member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of Members of the Company. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual Member of the Company and such corporation shall for the purposes of the provisions of these presents (but subject to the Act), be deemed to be present in person at any such meeting if a person so authorised is present thereat.“

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**APPENDIX F – AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
OF THE GROUP FOR FY2023**

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**RE&S HOLDINGS LIMITED**

(Registration No: 201714588N)

**Statement by Directors and Financial Statements**

Year Ended 30 June 2023

**RSM Chio Lim LLP**

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Wilkie Edge, Singapore 228095

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**Business Advisors to Growing Businesses**



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**APPENDIX F – AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
OF THE GROUP FOR FY2023**

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**RE&S HOLDINGS LIMITED**

**Statement by Directors and Financial Statements**

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## APPENDIX F – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2023

### RE&S HOLDINGS LIMITED

#### Statement by Directors

The directors of the company are pleased to present the accompanying financial statements of RE&S Holdings Limited (the “company”) and its subsidiaries (the “group”) for the reporting year ended 30 June 2023.

#### 1. Opinion of the directors

In the opinion of the directors,

- (a) the accompanying financial statements and the consolidated financial statements are drawn up so as to give a true and fair view of the financial position and performance of the company and, of the financial position and performance of the group for the reporting year covered by the financial statements or consolidated financial statements; and
- (b) at the date of the statement, there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

The board of directors approved and authorised these financial statements for issue.

#### 2. Directors

The directors of the company in office at the date of this statement are:

Hiroshi Tataru	(Executive Director and President)
Yek Hong Liat John	(Non-Executive and Non-Independent Director)
Ben Yeo Chee Seong	(Chairman and Independent Director)
Lee Lap Wah, George	(Independent Director)
Foo Kah Lee	(Executive Director and Chief Executive Officer)
Lim Shyang Zheng	(Executive Director and Chief Operating Officer)
(Lin Xiangzheng)	

#### 3. Directors’ interests in shares and debentures

The directors of the company holding office at the end of the reporting year had no interests in shares in or debentures of the company or other related body corporate as recorded in the register of directors’ interests in shares in or debentures kept by the company under section 164 of the Companies Act 1967 (the “Act”) except as follows:

Name of directors and companies in which interests are held	Direct interests		Deemed interests	
	At beginning of the reporting year	At end of the reporting year	At beginning of the reporting year	At end of the reporting year
<u>The company</u>	<u>Number of shares of no par value</u>			
Hiroshi Tataru	–	–	220,503,130	220,503,130
Yek Hong Liat John	60,000,000	60,000,000	–	–
Ben Yeo Chee Seong	–	–	2,999,985	2,999,985
Foo Kah Lee	9,000,000	9,000,000	–	–
Lim Shyang Zheng (Lin Xiangzheng)	7,834,000	7,834,000	–	–

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## APPENDIX F – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2023

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### RE&S HOLDINGS LIMITED

#### 3. Directors' interests in shares and debentures (cont'd)

By virtue of section 7 of the Act, Hiroshi Tatara is deemed to have an interest in the company and in all the related body corporates of the company.

The directors' interests as at 21 July 2023 were the same as those at the end of the reporting year.

#### 4. Arrangements to enable directors to acquire benefits by means of the acquisition of shares and debentures

Neither at the end of the reporting year nor at any time during the reporting year did there subsist arrangements to which the company is a party, being arrangements whose objects are, or one of whose objects is, to enable directors of the company to acquire benefits by means of the acquisition of shares in or debentures of the company or any other body corporate except as mentioned below.

#### 5. Employee Share Option Scheme

At a shareholder meeting held on 26 October 2017, the shareholders of the company approved the "RE&S Employee Share Option Scheme" (the "ESOS").

The ESOS provides eligible participants with an opportunity to participate in the equity of the company as well as to motivate them to perform better through increased loyalty and dedication to the group. The ESOS, which forms an integral and important component of the group's remuneration and compensation plan, is designed to primarily reward and retain executive directors and employees whose services are essential to the group's well being and prosperity.

Executive and independent directors and full-time employees of the group are eligible to participate in the ESOS. Directors who are controlling shareholders of the company and their associates are not eligible to participate in the ESOS.

The total number of shares over which options may be granted shall not exceed 15% of the issued share capital of the company on the day preceding the date of the relevant grant.

The Administration Committee is charged with the administration of the ESOS in accordance with the rules of the ESOS. The Administration Committee consists of members of the Nominating Committee and Remuneration Committee of the company, with powers to make and vary the regulations (not being inconsistent with the ESOS) for the implementation and administration of the ESOS as they think fit. A member of the Administration Committee who is also a participant of the ESOS must not be involved in its deliberation in respect of options granted or to be granted to him.

The exercise price for each share in respect of which an option is exercisable shall be determined by the Administration Committee at its absolute discretion at: (a) a price equal to the average of the last dealt prices for a share on the Catalist for the period of five consecutive trading days immediately prior to the relevant date of the grant ("market price") but not less than its par value ("market price options"); or (b) a price which is set at a discount to the market price, provided that the maximum discount shall not exceed 20% of the market price. Options granted at a discount are exercisable after 2 years from the date of grant. Other options are exercisable after one year from date of grant.



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## APPENDIX F – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2023

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### RE&S HOLDINGS LIMITED

#### 5. Employee Share Option Scheme (cont'd)

Options must be exercised before the expiry of 10 years from the date of grant in the case of employees and before the expiry of 5 years in the case of independent directors or such earlier date as may be determined by the Administration Committee.

During the reporting year, no option to take up unissued shares of the company was granted.

During the reporting year, there were no shares issued by virtue of the exercise of an option to take up unissued shares.

At the end of the reporting year, there were no unissued shares under option.

#### 6. Independent auditor

RSM Chio Lim LLP has expressed willingness to accept re-appointment.

#### 7. Report of Audit Committee

The members of the Audit Committee at the date of this report are as follows:

Ben Yeo Chee Seong	(Chairman of Audit Committee and Independent Director)
Lee Lap Wah, George	(Independent Director)

The Audit Committee performs the functions specified by section 201B (5) of the Act. Among other functions, it performed the following:

- Reviewed with the independent external auditor their audit plan;
- Reviewed with the independent external auditor their evaluation of the company's internal accounting controls relevant to their statutory audit, and their report on the financial statements and the assistance given by management to them;
- Reviewed with the internal auditor the scope and results of the internal audit procedures (including those relating to financial, operational and compliance controls and risk management) and the assistance given by the management to them;
- Reviewed the financial statements of the group and the company prior to their submission to the directors of the company for adoption; and
- Reviewed the interested person transactions (as defined in Chapter 9 of the Singapore Exchange Securities Trading Limited's Listing Manual).

Other functions performed by the Audit Committee are described in the Corporate Governance Report included in the annual report of the company. It also includes an explanation of how independent external auditor's objectivity and independence are safeguarded where the independent external auditor provides non-audit services.

The Audit Committee has recommended to the board of directors that the independent auditor, RSM Chio Lim LLP, be nominated for re-appointment as the independent auditor for the ensuing year at the forthcoming annual general meeting of the company.

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## APPENDIX F – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2023

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### RE&S HOLDINGS LIMITED

#### 8. Directors' opinion on the adequacy of internal controls

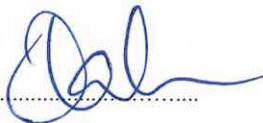
Based on the internal controls established and maintained by the company, work performed by the internal and external auditors, and reviews performed by management, other committees of the board and the board, with the concurrence of the Audit Committee, is of the opinion that the company's internal controls (including financial, operational, compliance and information technology controls), and risk management systems were adequate and effective as at 30 June 2023 to address the risks that the company considers relevant and material to its operations.

#### 9. Subsequent developments

There are no significant developments subsequent to the release of the group's and the company's preliminary financial statements, as announced on 23 August 2023, which would materially affect the group's and the company's operating and financial performance as of the date of this report.

On behalf of the directors

.....  
Foo Kah Lee  
Director



.....  
Lim Shyang Zheng (Lin Xiangzheng)  
Director



4 October 2023

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## APPENDIX F – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2023

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RSM Chio Lim LLP

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www.RSMSingapore.sg

### Independent Auditor's Report to the Members of RE&S HOLDINGS LIMITED

#### Report on the audit of the financial statements

##### Opinion

We have audited the accompanying financial statements of RE&S Holdings Limited (the "company") and its subsidiaries (the "group"), which comprise the consolidated statement of financial position of the group and the statement of financial position of the company as at 30 June 2023, and the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the group, and statement of changes in equity of the company for the reporting year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the group and the statement of financial position and statement of changes in equity of the company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)") so as to give a true and fair view of the consolidated financial position of the group and the financial position of the company as at 30 June 2023 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the group and the changes in equity of the company for the reporting year ended on that date.

##### Basis for opinion

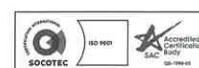
We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current reporting year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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RSM Chio Lim LLP is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.



**Business Advisors to Growing Businesses**



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## APPENDIX F – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2023

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### Independent Auditor's Report to the Members of RE&S HOLDINGS LIMITED

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#### Key audit matters (cont'd)

(1) **Accounting for leases and right-of-use assets**

Refer to Note 2 for the relevant accounting policy and Notes 15 and 28 for the disclosure of right-of-use assets and lease liabilities respectively.

*Key Audit Matter*

We refer to Notes 15 and 28 to the financial statements on the recognition of right-of-use assets and lease liabilities respectively. As at 30 June 2023, the group had recognised right-of-use assets and lease liabilities for leases with carrying amounts of \$72,961,000 and \$78,325,000 respectively. We determined this to be a key audit matter because it requires management to exercise significant judgements for specific assumptions applied in determining right-of-use assets and lease liabilities. The specific assumptions include the determination of appropriate discount rates and assessment of lease terms, including renewal options of the leases.

*How we addressed the matter in our audit*

Our audit procedures focused on evaluating the key assumptions and estimates used by the management in accounting for leases. These procedures included:

- Discussed with management to understand the group's process in identifying lease contracts, or contracts which contained leases;
- Assessed the appropriateness of the discount rates applied in determining lease liabilities based on the lease contracts and relevant inputs;
- Assessed the appropriateness of the assumptions applied in determining the lease terms of the lease liabilities, including renewal options of the leases; and
- Assessed the accuracy of the underlying lease data by agreeing a representative sample of leases to original contracts or other supporting documents.

We also found the disclosures in the consolidated financial statements are appropriate.

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## APPENDIX F – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2023

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### Independent Auditor's Report to the Members of RE&S HOLDINGS LIMITED

– 3 –

#### Key audit matters (cont'd)

##### (2) Completeness of revenue

Refer to Note 2 for the relevant accounting policy and Note 5 for the disclosure of revenue.

##### Key Audit Matter

The group's revenue from sale of food and beverages amounted to \$173,853,000, which represents 99.9% of the group's total revenue for the reporting year.

We determined this to be a key audit matter as the revenue recognised from sales generated from retail outlets are material to the group and poses a higher risk of material misstatement to the financial statements on the timing and amount of revenue recognised due to the magnitude of the sales transactions, which involves large volume of low value transactions.

##### How we addressed the matter in our audit

Our audit procedures focused on the design and the operating effectiveness of internal controls surrounding sales and obtain evidence that postings to the accounts were reliable. These procedures included:

- Tested key controls over the revenue cycle and assessed recognition of the related revenue;
- Performed tests of completeness and revenue cut-off procedures using data analytics tools to test the correlation of sales transactions from point-of-sales system to general ledger to evaluate the completeness of revenue recorded for all outlets for the reporting year; and
- Performed procedures by tracing samples of sales transactions against cash receipts deposited to financial institutions and the statements from financial institutions.

We also found the disclosures in the consolidated financial statements are appropriate.

#### Other information

Management is responsible for the other information. The other information comprises the information included in the statement by directors and the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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## APPENDIX F – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2023

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### Independent Auditor's Report to the Members of RE&S HOLDINGS LIMITED

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#### **Responsibilities of management and directors for the financial statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the group's financial reporting process.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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## APPENDIX F – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2023

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### Independent Auditor's Report to the Members of RE&S HOLDINGS LIMITED

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#### **Auditor's responsibilities for the audit of the financial statements (cont'd)**

- d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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**APPENDIX F – AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
OF THE GROUP FOR FY2023**

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**Independent Auditor's Report to the Members of  
RE&S HOLDINGS LIMITED**

– 6 –

**Report on other legal and regulatory requirements**

In our opinion, the accounting and other records required by the Act to be kept by the company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Poh Chin Beng.



RSM Chio Lim LLP  
Public Accountants and  
Chartered Accountants  
Singapore

4 October 2023

Engagement partner - effective from year ended 30 June 2023

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**APPENDIX F – AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
OF THE GROUP FOR FY2023**

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**RE&S HOLDINGS LIMITED**

**Consolidated Statement of Profit or Loss and Other Comprehensive Income  
Year Ended 30 June 2023**

	<u>Notes</u>	<u>2023</u> \$'000	<u>2022</u> \$'000
<b>Revenue</b>	5	174,057	154,835
Other operating income	6	3,730	7,205
Raw materials and consumables used		(47,038)	(42,990)
Changes in inventories of finished goods		(456)	(548)
Employee benefits expense	7	(60,665)	(51,613)
Depreciation of property, plant and equipment	14	(6,711)	(6,336)
Depreciation of right-of-use assets	15	(20,540)	(20,369)
Operating lease expenses	28	(2,596)	(1,921)
Utilities expenses		(6,373)	(4,846)
Finance costs	8	(2,579)	(2,988)
Other operating expenses	9	(18,032)	(16,162)
Other expenses	10	(2,899)	(2,964)
<b>Profit before income tax</b>		<u>9,898</u>	<u>11,303</u>
Income tax expense	11	(2,253)	(1,852)
<b>Profit, net of income tax</b>		<u>7,645</u>	<u>9,451</u>
<b><u>Other comprehensive loss:</u></b>			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations, net of income tax		<u>(78)</u>	<u>(88)</u>
<b>Other comprehensive loss for the year, net of income tax</b>		<u>(78)</u>	<u>(88)</u>
<b>Total comprehensive income for the year</b>		<u>7,567</u>	<u>9,363</u>
		<u>Cents</u>	<u>Cents</u>
Basic and diluted earnings per share	13	<u>2.2</u>	<u>2.7</u>

The accompanying notes form an integral part of these financial statements.

**APPENDIX F – AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
OF THE GROUP FOR FY2023**

**RE&S HOLDINGS LIMITED**

**Statements of Financial Position  
As at 30 June 2023**

	Notes	Group		Company	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	14	31,215	32,200	–	–
Right-of-use assets	15	72,961	58,398	–	–
Investment in subsidiaries	16	–	–	21,868	21,868
Other receivables	17	–	–	10,671	10,671
Other non-financial assets	18	6,159	4,532	–	–
Deferred tax assets	11	15	92	–	–
<b>Total non-current assets</b>		<b>110,350</b>	<b>95,222</b>	<b>32,539</b>	<b>32,539</b>
<b>Current assets</b>					
Inventories	19	4,276	3,820	–	–
Trade and other receivables	20	2,536	1,786	3,958	3,891
Other financial assets	21	6,155	4,178	–	–
Other non-financial assets	22	3,110	3,106	9	5
Cash and cash equivalents	23	17,618	24,595	618	528
<b>Total current assets</b>		<b>33,695</b>	<b>37,485</b>	<b>4,585</b>	<b>4,424</b>
<b>Total assets</b>		<b>144,045</b>	<b>132,707</b>	<b>37,124</b>	<b>36,963</b>
<b>EQUITY AND LIABILITIES</b>					
Share capital	24	32,307	32,307	32,307	32,307
Treasury shares	24	(42)	–	(42)	–
Merger reserve	25	(18,149)	(18,149)	–	–
Retained earnings		27,145	25,695	4,182	3,905
Foreign currency translation reserve		(219)	(141)	–	–
<b>Total equity</b>		<b>41,042</b>	<b>39,712</b>	<b>36,447</b>	<b>36,212</b>
<b>Non-current liabilities</b>					
Deferred tax liabilities	11	1,148	1,293	–	–
Provisions	26	1,585	1,521	–	–
Other financial liabilities	27	–	6,529	–	–
Lease liabilities	28	56,009	44,765	–	–
<b>Total non-current liabilities</b>		<b>58,742</b>	<b>54,108</b>	<b>–</b>	<b>–</b>
<b>Current liabilities</b>					
Income tax payable		2,193	1,244	20	8
Trade and other payables	29	19,720	17,329	657	743
Other financial liabilities	27	–	940	–	–
Other non-financial liabilities	30	32	46	–	–
Lease liabilities	28	22,316	19,328	–	–
<b>Total current liabilities</b>		<b>44,261</b>	<b>38,887</b>	<b>677</b>	<b>751</b>
<b>Total liabilities</b>		<b>103,003</b>	<b>92,995</b>	<b>677</b>	<b>751</b>
<b>Total equity and liabilities</b>		<b>144,045</b>	<b>132,707</b>	<b>37,124</b>	<b>36,963</b>

The accompanying notes form an integral part of these financial statements.



**APPENDIX F – AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
OF THE GROUP FOR FY2023**

**RE&S HOLDINGS LIMITED**

**Statements of Changes in Equity  
Year Ended 30 June 2023**

<u>Group:</u>	Total equity \$'000	Share capital \$'000	Treasury shares \$'000	Merger reserve \$'000	Retained earnings \$'000	Foreign currency translation reserve \$'000
<b>Current year:</b>						
Opening balance at 1 July 2022	39,712	32,307	-	(18,149)	25,695	(141)
<b>Changes in equity:</b>						
Acquisition of treasury shares	(42)	-	(42)	-	-	-
Total comprehensive income (loss) for the year	7,567	-	-	-	7,645	(78)
Dividends paid (Note 12)	(6,195)	-	-	-	(6,195)	-
<b>Closing balance at 30 June 2023</b>	<b>41,042</b>	<b>32,307</b>	<b>(42)</b>	<b>(18,149)</b>	<b>27,145</b>	<b>(219)</b>
<b>Previous year:</b>						
Opening balance at 1 July 2021	36,367	32,307	-	(18,149)	22,262	(53)
<b>Changes in equity:</b>						
Total comprehensive income (loss) for the year	9,363	-	-	-	9,451	(88)
Dividends paid (Note 12)	(6,018)	-	-	-	(6,018)	-
<b>Closing balance at 30 June 2022</b>	<b>39,712</b>	<b>32,307</b>	<b>-</b>	<b>(18,149)</b>	<b>25,695</b>	<b>(141)</b>

The accompanying notes form an integral part of these financial statements.

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**APPENDIX F – AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
OF THE GROUP FOR FY2023**

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**RE&S HOLDINGS LIMITED**

**Statements of Changes in Equity (cont'd)  
Year Ended 30 June 2023**

<b><u>Company:</u></b>	<b><u>Total equity</u></b> \$'000	<b><u>Share capital</u></b> \$'000	<b><u>Treasury shares</u></b> \$'000	<b><u>Retained earnings</u></b> \$'000
<b>Current year:</b>				
Opening balance at 1 July 2022	36,212	32,307	–	3,905
<b>Changes in equity:</b>				
Acquisition of treasury shares	(42)	–	(42)	–
Total comprehensive income for the year	6,472	–	–	6,472
Dividends paid (Note 12)	(6,195)	–	–	(6,195)
<b>Closing balance at 30 June 2023</b>	<b><u>36,447</u></b>	<b><u>32,307</u></b>	<b><u>(42)</u></b>	<b><u>4,182</u></b>
<b>Previous year:</b>				
Opening balance at 1 July 2021	36,107	32,307	–	3,800
<b>Changes in equity:</b>				
Total comprehensive income for the year	6,123	–	–	6,123
Dividends paid (Note 12)	(6,018)	–	–	(6,018)
<b>Closing balance at 30 June 2022</b>	<b><u>36,212</u></b>	<b><u>32,307</u></b>	<b><u>–</u></b>	<b><u>3,905</u></b>

The accompanying notes form an integral part of these financial statements.

**APPENDIX F – AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
OF THE GROUP FOR FY2023**

**RE&S HOLDINGS LIMITED**

**Consolidated Statement of Cash Flows  
Year Ended 30 June 2023**

	<u>2023</u> \$'000	<u>2022</u> \$'000
<b><u>Cash flows from operating activities</u></b>		
Profit before income tax	9,898	11,303
Adjustments for:		
Interest income	(201)	(15)
Interest expense on borrowings	181	96
Interest expense on lease liabilities	2,398	2,892
Depreciation of property, plant and equipment	6,711	6,336
Depreciation of right-of-use assets	20,540	20,369
Covid-19 related rent concessions from lessors	–	(536)
Loss on remeasurement of right-of-use assets	134	133
Loss on disposal of property, plant and equipment	–	2
Property, plant and equipment written off	422	362
Unrealised (gain) loss on financial assets at fair value through profit or loss ("FVTPL")	(875)	830
Loss on disposal of financial assets at FVTPL	356	276
Net effect of exchange rate changes in consolidating foreign operations	(69)	(86)
Operating cash flows before changes in working capital	<u>39,495</u>	<u>41,962</u>
Inventories	(456)	(548)
Trade and other receivables	(750)	122
Other non-financial assets	(4)	163
Trade and other payables	2,391	4,594
Other non-financial liabilities	(14)	(933)
Net cash flows from operations	<u>40,662</u>	<u>45,360</u>
Income taxes paid	(1,372)	(1,536)
Net cash flows from operating activities	<u>39,290</u>	<u>43,824</u>
<b><u>Cash flows used in investing activities</u></b>		
Purchase of property, plant and equipment (Note 23B)	(6,048)	(9,373)
Disposal of property, plant and equipment	–	6
Reinstatement cost utilised	(47)	–
Other non-financial assets	(1,627)	(765)
Purchase of other financial assets	(3,381)	(6,953)
Disposal of other financial assets	1,923	1,669
Interest received	201	15
Net cash used in investing activities	<u>(8,979)</u>	<u>(15,401)</u>
<b><u>Cash flows used in financing activities</u></b>		
Cash restricted in use	166	–
Dividends paid to equity owners	(6,195)	(6,018)
Decrease in other financial liabilities	(7,469)	(914)
Purchase of treasury shares	(42)	–
Lease liabilities – principal and interest paid	(23,401)	(22,678)
Interest paid	(181)	(96)
Net cash flows used in financing activities	<u>(37,122)</u>	<u>(29,706)</u>
<b>Net decrease in cash and cash equivalents</b>	<b>(6,811)</b>	<b>(1,283)</b>
Cash and cash equivalents, statement of cash flows, beginning balance	<u>24,429</u>	<u>25,712</u>
<b>Cash and cash equivalents, statement of cash flows, ending balance (Note 23A)</b>	<b><u>17,618</u></b>	<b><u>24,429</u></b>

The accompanying notes form an integral part of these financial statements.

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## APPENDIX F – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2023

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### RE&S HOLDINGS LIMITED

#### Notes to the Financial Statements 30 June 2023

##### 1. General

RE&S Holdings Limited (the “company”) is incorporated in Singapore with limited liability. It is listed on the Catalist Board (the “Catalist”) of Singapore Exchange Securities Trading Limited.

The financial statements are presented in Singapore Dollar and they cover the company (referred to as “parent”) and its subsidiaries (“group”). All financial information have been rounded to the nearest thousand (“000”), except when otherwise stated.

The board of directors approved and authorised these financial statements for issue on the date of the statement by directors. The directors have the power to amend and reissue the financial statements.

The principal activities of the company are those of investment holding and providing management services to the subsidiaries in the group.

The principal activities of the subsidiaries are disclosed in Note 16 to the financial statements.

The registered office is: 32 Tai Seng Street, #07-00 RE&S Building, Singapore 533972. The company is situated in Singapore.

As at the end of the reporting year, the group’s current liabilities exceeded the current assets by \$10,566,000 (2022: \$1,402,000) due to the lease liabilities classified as current. Excluding lease liabilities of \$22,316,000 (2022: \$19,328,000), the group had a positive working capital of \$11,750,000 (2022: \$17,926,000). The financial position of the entity, its cash flows, liquidity position and borrowing facilities are described in the notes to the financial statements. In addition, the notes to the financial statements include the objectives, policies and processes for managing capital, the financial risk management objectives, details of its financial instruments, availability of borrowing facilities and its exposures to credit risk and liquidity risk. The group is able to generate adequate cash flows to manage its current liabilities.

The financial statements have been prepared on a going concern basis, which assumes that the group will be able to meet its obligations as and when they fall due in the next twelve months. The group also had net operating cash inflows in 2023 and 2022.

After consideration of the above, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in preparing the financial statements.

##### **Statement of compliance with financial reporting standards**

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) (“SFRS(I)s”) and the related Interpretations to SFRS(I) (“SFRS(I) INT”) as issued by the Accounting Standards Committee under ACRA. They comply with the provisions of the Companies Act 1967 and with the International Financial Reporting Standards (“IFRSs”) issued by the International Accounting Standards Board (“IASB”).



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## APPENDIX F – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2023

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### RE&S HOLDINGS LIMITED

#### 1. General (cont'd)

##### **Accounting convention**

The financial statements are prepared on a going concern basis under the historical cost convention except where a financial reporting standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in the financial reporting standards may not be applied when the effect of applying them is not material. The disclosures required by financial reporting standards may not be provided if the information resulting from that disclosure is not material.

##### **Basis of preparation of the financial statements**

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Changes in estimates are reflected in profit or loss in the reporting year they occur. Apart from those involving estimations, management has made judgements in the process of applying the accounting policies. The areas requiring management's most difficult, subjective or complex judgements, or areas where assumptions and estimates are material to the financial statements, are disclosed in Note 2C below, where applicable.

##### **Basis of presentation and principles of consolidated**

The consolidated financial statements include the financial statements made up to the end of the reporting year of the company and all of its subsidiaries. The consolidated financial statements are the financial statements of the group (the parent and its subsidiaries) presented as those of a single economic entity and are prepared using uniform accounting policies for like transactions and other events in similar circumstances. All significant intragroup balances and transactions are eliminated on consolidation. Subsidiaries are consolidated from the date the reporting entity obtains control of the investee. They are de-consolidated from the date that control ceases.

Changes in the group's ownership interest in a subsidiary that do not result in the loss of control are accounted for within equity as transactions with owners in their capacity as owners. The carrying amounts of the group's and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. When the group loses control of a subsidiary, it derecognises the assets and liabilities and related equity components of the former subsidiary. Any gain or loss is recognised in profit or loss. Any investment retained in the former subsidiary is measured at fair value at the date when control is lost and is subsequently accounted as equity investments financial assets in accordance with the financial reporting standard on financial instruments.

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## APPENDIX F – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2023

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### RE&S HOLDINGS LIMITED

#### 2. Significant accounting policies and other explanatory information

##### 2A. Significant accounting policies

###### Revenue and income recognition

The financial reporting standard on revenue from contracts with customers establishes a five-step model to account for revenue arising from contracts with customers. Revenue is recognised at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer (which excludes estimates of variable consideration that are subject to constraints, such as right of return exists, and modifications), net of any related taxes and excluding any amounts collected on behalf of third parties. An asset (goods or services) is transferred when or as the customer obtains control of that asset. As a practical expedient, the effects of any significant financing component is not adjusted if the payment for the good or service will be within one year.

Sales of food and beverage – Revenue is recognised upon the satisfaction of each performance obligation which is usually on serving or delivery of food and beverages to customers at a point in time.

Rental income – Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is representative of the time pattern of the user's benefit, even if the payments are not on that basis.

Interest income – Recognised using the effective interest method.

###### Government grants

Government grants are recognised at fair value when there is reasonable assurance that the conditions attaching to them will be complied with and that the grants will be received. Grants in recognition of specific expenses are recognised in profit or loss on a systematic basis over the periods necessary to match them with the related costs that they are intended to compensate.

###### Employee benefits

Contributions to a defined contribution retirement benefit plan are recorded as an expense as they fall due. The entity's legal or constructive obligation is limited to the amount that it is obligated to contribute for the Singapore employees to an independently administered fund (such as the Central Provident Fund in Singapore, a government managed defined contribution retirement benefit plan). Certain subsidiaries overseas have defined contribution retirement benefit plans in which employees are entitled to join upon fulfilling certain conditions. The assets of the fund may or may not be held separately from those of the reporting entity in an independently administered fund. The entity contributes a fixed percentage of the salary of each participating employee. For employee leave entitlement, the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the entity is contractually obliged or where there is constructive obligation based on past practice.



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## APPENDIX F – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2023

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### RE&S HOLDINGS LIMITED

#### 2. Significant accounting policies and other explanatory information (cont'd)

##### 2A. Significant accounting policies (cont'd)

###### **Borrowing costs**

Borrowing costs are interest and other costs incurred in connection with the borrowings. Interest expense is calculated using the effective interest rate method. Borrowing costs are recognised as an expense in the period in which they are incurred.

###### **Foreign currency transactions**

The functional currency is the Singapore Dollar as it reflects the primary economic environment in which the entity operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At each end of the reporting year, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the end of the reporting year and fair value measurement dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss except when a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. The presentation is in the functional currency.

###### **Translation of financial statements of other entities**

Each entity in the group determines the appropriate functional currency as it reflects the primary economic environment in which the relevant reporting entity operates. In translating the financial statements of such an entity for incorporation in the consolidated financial statements in the presentation currency, the assets and liabilities denominated in other currencies are translated at end of the reporting year rates of exchange and the income and expense items for each statement presenting profit or loss and other comprehensive income are translated at average rates of exchange for the reporting year. The resulting translation adjustments (if any) are recognised in other comprehensive income and accumulated in a separate component of equity until the disposal of that relevant reporting entity.

###### **Income tax**

The income taxes are accounted using the asset and liability method that requires the recognition of taxes payable or refundable for the current year and deferred tax liabilities and assets for the future tax consequence of events that have been recognised in the financial statements or tax returns. The measurements of current and deferred tax liabilities and assets are based on provisions of the enacted or substantially enacted tax laws; the effects of future changes in tax laws or rates are not anticipated. Tax expense (tax income) is the aggregate amount included in the determination of profit or loss for the reporting year in respect of current tax and deferred tax. For items recognised outside profit or loss, the current tax and deferred tax are recognised (a) in other comprehensive income if the tax is related to an item recognised in other comprehensive income and (b) directly in equity if the tax is related to an item recognised directly in equity. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same income tax authority. The carrying amount of deferred tax assets is reviewed at each end of the reporting year and is reduced, if necessary, by the amount of any tax benefits that, based on available evidence, are not expected to be realised.



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## APPENDIX F – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2023

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### RE&S HOLDINGS LIMITED

#### 2. Significant accounting policies and other explanatory information (cont'd)

##### 2A. Significant accounting policies (cont'd)

###### Income tax (cont'd)

A deferred tax amount is recognised for all temporary differences, unless the deferred tax amount arises from the initial recognition of an asset or liability in a transaction which (i) is not a business combination; and (ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss). A deferred tax liability or asset is recognised for all taxable temporary differences associated with investments in subsidiaries, associates and joint arrangements except where the reporting entity is able to control the timing of the reversal of the taxable temporary difference and it is probable that the taxable temporary difference will not reverse in the foreseeable future or for deductible temporary differences, they will not reverse in the foreseeable future and they cannot be utilised against taxable profits.

###### Property, plant and equipment

Property, plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight-line method to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets (or, for leasehold improvements and certain leased assets, the shorter lease term). The annual rates of depreciation are as follows:

Leasehold property	–	Over lease term or 3.33%
Plant and equipment	–	5% to 33%

An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle. Fully depreciated assets still in use are retained in the financial statements.

The gain or loss arising from the derecognition of an item of property, plant and equipment is recognised in profit or loss. The residual value and the useful life of an asset is reviewed at least at each end of the reporting year and, if expectations differ significantly from previous estimates, the changes are accounted for as a change in an accounting estimate, and the depreciation charge for the current and future periods are adjusted.

Cost also includes acquisition cost, borrowing cost capitalised and any cost directly attributable to bringing the asset or component to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent costs are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss when they are incurred.

Cost includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period. See Note 26 on provisions.

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## APPENDIX F – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2023

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### RE&S HOLDINGS LIMITED

#### 2. Significant accounting policies and other explanatory information (cont'd)

##### 2A. Significant accounting policies (cont'd)

###### Right-of-use assets

The right-of-use assets are accounted and presented as if they were owned such as plant and equipment.

The annual rates of depreciation are as follows:

Restaurant premises – Over the terms of lease that range from 14% to 50%

###### Leases of lessee

A lease conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. Where a lease arrangement is identified, a liability to the lessor is recognised as a lease obligation calculated at the present value of minimum lease payments. A corresponding right-of-use asset is recorded (or included in property, plant and equipment). Lease payments are apportioned between finance costs and reduction of the lease liability so as to reflect the interest on the remaining balance of the liability. Finance charges are recorded as a finance cost. Right-of-use assets are depreciated over the shorter of the estimated useful life of the asset and the lease term. Leases with a term of 12 months or less and leases for low value are not recorded as a liability and lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

###### Leases of lessor

For a lessor a lease is classified as either an operating lease or a finance lease. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. Operating leases are for rental income. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset and it is presented in its statements of financial position as a receivable at an amount equal to the net investment in the lease. For a finance lease the finance income is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

###### Subsidiaries

A subsidiary is an entity including unincorporated and special purpose entity that is controlled by the reporting entity and the reporting entity is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The existence and effect of substantive potential voting rights that the reporting entity has the practical ability to exercise (that is, substantive rights) are considered when assessing whether the reporting entity controls another entity.

In the reporting entity's separate financial statements, an investment in a subsidiary is accounted for at cost less any allowance for impairment in value. Impairment loss recognised in profit or loss for a subsidiary is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying value and the net book value of the investment in a subsidiary are not necessarily indicative of the amount that would be realised in a current market exchange.



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## APPENDIX F – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2023

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### RE&S HOLDINGS LIMITED

#### 2. Significant accounting policies and other explanatory information (cont'd)

##### 2A. Significant accounting policies (cont'd)

###### **Business combinations**

There were no business combinations during the reporting year.

###### **Inventories**

Inventories are stated at the lower of cost and selling price less costs to complete and sell. Cost is calculated using the weighted average method. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

###### **Carrying amounts of non-financial assets**

Irrespective of whether there is any indication of impairment, an annual impairment test is performed at about the same time every year on an intangible asset with an indefinite useful life or an intangible asset not yet available for use. The carrying amount of other non-financial assets is reviewed at each end of the reporting year for indications of impairment and where an asset is impaired, it is written down through profit or loss to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is expensed. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. When the fair value less costs of disposal method is used, any available recent market transactions are taken into consideration. When the value in use method is adopted, in assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). At each end of the reporting year non-financial assets other than goodwill with impairment loss recognised in prior periods are assessed for possible reversal of the impairment. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been measured, net of depreciation or amortisation, if no impairment loss had been recognised.

###### **Financial instruments**

Recognition and derecognition of financial instruments:

A financial asset or a financial liability is recognised when, and only when, the entity becomes party to the contractual provisions of the instrument. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised and derecognised, as applicable, using trade date accounting or settlement date accounting. A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. A financial liability is removed from the statements of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is discharged or cancelled or expires.

At initial recognition the financial asset or financial liability is measured at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

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## APPENDIX F – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2023

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### RE&S HOLDINGS LIMITED

#### 2. Significant accounting policies and other explanatory information (cont'd)

##### 2A. Significant accounting policies (cont'd)

###### Financial instruments (cont'd)

Classification and measurement of financial assets:

Financial assets are classified into (1) Financial asset classified as measured at amortised cost; (2) Financial asset that is an equity investment measured at fair value through other comprehensive income ("FVTOCI"); (3) Financial asset that is a debt asset instrument classified as measured at fair value through other comprehensive income ("FVTOCI"); and (4) Financial asset classified as measured at fair value through profit or loss ("FVTPL"). At the end of the reporting year, the reporting entity had the following financial assets:

- Financial asset classified as measured at amortised cost: A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL, that is (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Typically trade and other receivables, bank and cash balances are classified in this category.
- Financial asset classified as measured at FVTPL: All other financial assets are classified as measured at FVTPL. In addition, on initial recognition, management may irrevocably designate a financial asset as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Classification and measurement of financial liabilities:

Financial liabilities are classified as at FVTPL in either of the following circumstances: (1) the liabilities are managed, evaluated and reported internally on a fair value basis; or (2) the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise. All other financial liabilities are carried at amortised cost using the effective interest method. Reclassification of any financial liability is not permitted.

###### Cash and cash equivalents

For the consolidated statement of cash flows, cash and cash equivalents includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand that form an integral part of cash management. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Other financial assets and financial liabilities at FVTPL are presented within the section on operating activities as part of changes in working capital in the statement of cash flows.



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## APPENDIX F – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2023

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### RE&S HOLDINGS LIMITED

#### 2. Significant accounting policies and other explanatory information (cont'd)

##### 2A. Significant accounting policies (cont'd)

###### Derivative financial instruments

A derivative financial instrument is a financial instrument with all three of the following characteristics (a) its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices, credit ratings or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract; (b) it requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors; and (c) it is settled at a future date. The derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently classified as measured at FVTPL unless the derivative is designated and effective as a hedging instrument.

###### Fair value measurement

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or a liability, market observable data to the extent possible is used. If the fair value of an asset or a liability is not directly observable, an estimate is made using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (e.g. by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis, or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset or liability that market participants would take into account. The entity's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value.

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety: Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). Transfers between levels of the fair value hierarchy are recognised at the end of the reporting period during which the change occurred.

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are material differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements. The recurring measurements are made at each reporting year end date.

In making the fair value measurement for a non-financial asset, management determines the highest and best use of the asset and whether the asset is used in combination with other assets or on a stand-alone basis.

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## APPENDIX F – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2023

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### RE&S HOLDINGS LIMITED

#### 2. Significant accounting policies and other explanatory information (cont'd)

##### 2B. Other explanatory information

###### Provisions

A liability or provision is recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A provision is made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

###### Treasury shares

Where the entity reacquires its own equity instruments as treasury shares, the consideration paid, including any directly attributable incremental cost is deducted from equity attributable to the entity's owners until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the entity's owners and no gain or loss is recognised in profit or loss.

###### Segment reporting

The reporting entity discloses financial and descriptive information about its consolidated reportable segments. Reportable segments are operating segments or aggregations of operating segments that meet specified criteria. Operating segments are components about which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing the performance. Generally, financial information is reported on the same basis as is used internally for evaluating operating segment performance and deciding how to allocate resources to operating segments.

##### 2C. Critical judgements, assumptions and estimation uncertainties

The critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements and the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities currently or within the next reporting year are discussed below. These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

###### Assessment of carrying amounts of property, plant and equipment:

An assessment is made for the reporting year whether there is any indication that the asset may be impaired. If any such indication exists, an estimate is made of the recoverable amount of the asset. The recoverable amounts of cash-generating units if applicable is measured based on the fair value less costs of disposal or value in use calculations. It is impracticable to disclose the extent of the possible effects. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting year that are different from assumptions could require a material adjustment to the carrying amount of the balances affected. The carrying amount of the specific asset or class of assets at the end of the reporting year affected by assumption is disclosed in the note on property, plant and equipment.



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## APPENDIX F – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2023

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### RE&S HOLDINGS LIMITED

#### 2. Significant accounting policies and other explanatory information (cont'd)

#### 2C. Critical judgements, assumptions and estimation uncertainties (cont'd)

Assessment of carrying amounts of right-of-use assets:

Significant judgement is applied by management when determining impairment allowance of the right-of-use assets. Impairment allowance is assessed for separable parts of leased premises that have been or will be vacated in the near future. The impairment allowance is sensitive to changes in the performance of the various outlets. Judgement is also involved when determining the lease term for contracts that have extension or termination options. The carrying amount at the end of the reporting year is disclosed in the note on right-of-use assets.

Useful lives of property, plant and equipment:

The estimates for the useful lives and related depreciation charges for plant and equipment are based on commercial and other factors which could change significantly as a result of innovations and in response to market conditions. The depreciation charge is increased where useful lives are less than previously estimated lives, or the carrying amounts written off or written down for technically obsolete items or assets that have been abandoned. It is impracticable to disclose the extent of the possible effects. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting year that are different from assumptions could require a material adjustment to the carrying amount of the balances affected. The carrying amount of the specific asset at the end of the reporting year affected by the assumption is disclosed in the note on property, plant and equipment.

Critical judgement over the lease terms:

The lease liabilities are initially measured by discounting the lease payments over the lease terms. For leases with extension or renewal options, management applied judgement in determining whether such extension or renewal options should be reflected in measuring the lease liabilities. This requires the consideration of whether the facts and circumstances created an economic incentive for the exercise of the lease extension or renewal option. The amount of the lease liabilities at the end of the reporting year is disclosed in the note on lease liabilities.

#### 3. Related party relationships and transactions

The financial reporting standard on related party disclosures requires the reporting entity to disclose: (a) related party relationships, transactions and outstanding balances, including commitments, including (b) relationships between parents and subsidiaries irrespective of whether there have been transactions between those related parties. A party is related to a party if the party controls, or is controlled by, or can significantly influence or is significantly influenced by the other party.

The ultimate controlling party is Hiroshi Tatara, a director and substantial shareholder.

#### 3A. Related party transactions

There are transactions and arrangements between the group and its related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The related party balances and transfer of resources, services or obligations, if any are unsecured, without fixed repayment terms and interest or charge unless stated otherwise.

Intragroup transactions and balances that have been eliminated in these consolidated financial statements are not disclosed as related party transactions and balances below.



**APPENDIX F – AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
OF THE GROUP FOR FY2023**

**RE&S HOLDINGS LIMITED**

**3. Related party relationships and transactions (cont'd)**

**3B. Key management compensation**

	<u>2023</u> \$'000	<u>Group</u>	<u>2022</u> \$'000
Salaries and other short-term employee benefits	1,956		1,939

The above amounts are included under employee benefits expense. Included in the above amounts are following items:

	<u>2023</u> \$'000	<u>Group</u>	<u>2022</u> \$'000
Remuneration of directors of the company	1,402		1,563
Remuneration of directors of the subsidiary	36		–
Fees to directors of the company	210		210
Fees to directors of the subsidiary	18		19

Further information about the remuneration of individual directors is provided in the corporate governance report.

Key management personnel include the directors and those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly.

**3C. Other receivables from related parties**

The trade transactions and the related receivables balances arising from sales and purchases of goods and services are disclosed elsewhere in the notes to the financial statements.

The movements in other receivables from related parties are as follows:

<u>Company</u>	<u>2023</u> \$'000	<u>Subsidiary</u>	<u>2022</u> \$'000
<b>Other receivables</b>			
Balance at beginning of year	13,671		13,671
Dividends received	(6,186)		(6,009)
Dividends declared	6,372		6,009
Balance at end of the year	<u>13,857</u>		<u>13,671</u>
Presented in the statement of financial position as:			
Other receivables, non-current (Note 17)	10,671		10,671
Other receivables, current (Note 20)	3,186		3,000
Balance at end of the year	<u>13,857</u>		<u>13,671</u>

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### RE&S HOLDINGS LIMITED

#### 4. Financial information by operating segments

##### 4A. Primary analysis by business segment

For management purposes, the group is organised into the following two major operating segments that offer different products:

- 1) The full-service restaurants segment (“Restaurants”) which caters to customers seeking the full dining experience where they may sit down to have their meals and are provided with table service; and
- 2) The quick-service restaurants, convenience and others segment (“Quick services”) which caters to customers seeking a quicker meal experience and / or in which they may order their meals for take-away. This segment also includes the preparation of Japanese food products, such as bento and onigiri (Japanese rice balls), for third party businesses in Singapore.

This is determined by the nature or risks and returns associated with each business segment and defines the management structure as well as the internal reporting system. It also represents the basis on which management reports the primary segment information.

Inter-segment sales are measured on the basis that the entity actually uses to price the transfers. Internal transfer pricing policies of the group are, as far as practicable, based on market prices. The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment assets consist primarily of property, plant and equipment, right-of-use assets, inventories, trade and other receivables, other assets and cash and cash equivalents. Segment liabilities comprise trade and other payables, lease liabilities, other financial liabilities, provisions and other liabilities.

The management reporting system evaluates performances based on a number of factors. However, the primary profitability measurement to evaluate segment’s operating results comprises two major financial indicators: (1) earnings from operations before depreciation, interests and income taxes (called “Recurring EBITDA”) and (2) operating result before income taxes and other unallocated items (called “ORBT”).

The following tables illustrate the information about the reportable segment profit or loss, assets and liabilities.

The information on each business segment is as follows:

	<u>2023</u> \$'000	<u>2022</u> \$'000
<b>Revenue by segment:</b>		
Restaurants	89,994	81,216
Quick services	<u>84,063</u>	<u>73,619</u>
Total	<u>174,057</u>	<u>154,835</u>

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**4. Financial information by operating segments (cont'd)**

**4B. Profit or loss from continuing operations and reconciliations**

	<u>Restaurants</u> \$'000	<u>Quick services</u> \$'000	<u>Unallocated</u> \$'000	<u>Elimination</u> \$'000	<u>Total</u> \$'000
<b>2023:</b>					
<b>Revenue by segment</b>					
Total revenue by segment	89,994	84,063	–	–	174,057
Inter-segment sales	–	6,941	–	(6,941)	–
Total revenue	<u>89,994</u>	<u>91,004</u>	<u>–</u>	<u>(6,941)</u>	<u>174,057</u>
<b>Recurring EBITDA</b>					
Depreciation	(12,218)	(13,023)	(2,010)	–	(27,251)
Finance costs	(1,241)	(1,159)	(179)	–	(2,579)
ORBT	14,211	12,089	(16,402)	–	9,898
Income tax expense	–	–	(2,253)	–	(2,253)
Profit, net of income tax					<u>7,645</u>
<b>2022:</b>					
<b>Revenue by segment</b>					
Total revenue by segment	81,216	73,619	–	–	154,835
Inter-segment sales	–	6,919	–	(6,919)	–
Total revenue	<u>81,216</u>	<u>80,538</u>	<u>–</u>	<u>(6,919)</u>	<u>154,835</u>
<b>Recurring EBITDA</b>					
Depreciation	(12,121)	(11,892)	(2,692)	–	(26,705)
Finance costs	(1,517)	(1,375)	(96)	–	(2,988)
ORBT	15,597	10,644	(14,938)	–	11,303
Income tax expense	–	–	(1,852)	–	(1,852)
Profit, net of income tax					<u>9,451</u>

The unallocated expenses mainly included the group's headquarters expenses such as employee benefits expenses, operating lease expenses and utilities expenses.

**4C. Assets and reconciliations**

	<u>Restaurants</u> \$'000	<u>Quick services</u> \$'000	<u>Unallocated</u> \$'000	<u>Total</u> \$'000
Total assets for reportable segments:				
2023:	<u>58,888</u>	<u>56,863</u>	<u>28,294</u>	<u>144,045</u>
2022:	<u>51,580</u>	<u>54,651</u>	<u>26,476</u>	<u>132,707</u>

The unallocated assets mainly included the group's headquarters' property, plant and equipment.

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**4. Financial information by operating segments (cont'd)**

**4D. Liabilities and reconciliations**

	<u>Restaurants</u> \$'000	<u>Quick services</u> \$'000	<u>Unallocated</u> \$'000	<u>Total</u> \$'000
Total liabilities for reportable segments:				
2023:	<u>52,684</u>	<u>45,443</u>	<u>4,876</u>	<u>103,003</u>
2022:	<u>41,535</u>	<u>39,887</u>	<u>11,573</u>	<u>92,995</u>

The unallocated liabilities mainly included the other financial liabilities, income tax payable and deferred tax liabilities.

**4E. Other material items and reconciliations**

	<u>Restaurants</u> \$'000	<u>Quick services</u> \$'000	<u>Unallocated</u> \$'000	<u>Total</u> \$'000
Expenditures for non-current assets:				
2023:	<u>1,349</u>	<u>3,550</u>	<u>1,260</u>	<u>6,159</u>
2022:	<u>1,806</u>	<u>5,931</u>	<u>1,669</u>	<u>9,406</u>

**4F. Geographical information**

The group operates primarily in Singapore with revenue generated in Singapore. Accordingly, analysis of revenue and assets of the group by geographical distribution has not been presented.

**4G. Information on major customers**

There is no single customer with revenue transactions more than 10% of the group's total revenue. The revenue is spread over a broad base of customers.

**5. Revenue**

	<u>Group</u>	
	<u>2023</u> \$'000	<u>2022</u> \$'000
Sale of food and beverages	173,853	154,592
Rental income	<u>204</u>	<u>243</u>
	<u>174,057</u>	<u>154,835</u>

Revenue from sale of food and beverages is recognised at point in time.

Rental income is accounted for on a straight-line basis over the lease terms.



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**6. Other operating income**

	<u>2023</u> \$'000	<u>Group</u> <u>2022</u> \$'000
Interest income	201	15
Jobs Support Scheme grants	–	4,248
Unrealised gain on financial assets at FVTPL	779	–
Foreign exchange adjustment gains, net	289	–
Other government grants	1,997	1,497
Other income	464	909
Rent concessions received from lessors (Note 28)	–	536
	<u>3,730</u>	<u>7,205</u>

**7. Employee benefits expense**

	<u>2023</u> \$'000	<u>Group</u> <u>2022</u> \$'000
Short-term employee benefits	46,615	39,606
Contributions to defined contribution plan	5,975	5,414
Other benefits	8,075	6,593
	<u>60,665</u>	<u>51,613</u>

**8. Finance costs**

	<u>2023</u> \$'000	<u>Group</u> <u>2022</u> \$'000
Interest expense on lease liabilities (Note 28)	2,398	2,892
Interest expense on borrowings	181	96
	<u>2,579</u>	<u>2,988</u>

**9. Other operating expenses**

	<u>2023</u> \$'000	<u>Group</u> <u>2022</u> \$'000
The major components include the following:		
Credit card commission	3,087	2,198
Delivery and transportation	2,513	2,298
Food delivery platform commission	3,899	4,894
Repair and maintenance	1,980	1,445
	<u>1,980</u>	<u>1,445</u>

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**10. Other expenses**

	<u>2023</u>	<u>Group</u>	<u>2022</u>
	\$'000		\$'000
The major components include the following:			
Audit services:			
Independent auditors of the company	121		118
Other independent auditors	48		48
Non-audit services:			
Independent auditors of the company	31		29
Loss on disposal of plant and equipment	–		2
Plant and equipment written off	422		362
Consultancy expenses	57		49
Legal and professional fees	921		579
Unrealised loss on financial assets at FVTPL	–		830
Loss on disposal of financial assets at FVTPL	356		276
	<u>356</u>		<u>276</u>

**11. Income tax**

**11A. Components of tax expense recognised in profit or loss include:**

	<u>2023</u>	<u>Group</u>	<u>2022</u>
	\$'000		\$'000
<u>Current tax expense:</u>			
Current tax expense	2,149		1,553
Under provision adjustments to current tax in respect of prior periods	148		–
Withholding tax	24		16
Subtotal	<u>2,321</u>		<u>1,569</u>
<u>Deferred tax (benefit) expense:</u>			
Deferred tax expense	105		293
Over provision adjustments to deferred tax in respect of prior periods	(173)		(10)
Subtotal	<u>(68)</u>		<u>283</u>
Total income tax expense	<u>2,253</u>		<u>1,852</u>



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**11. Income tax (cont'd)**

**11A. Components of tax expense recognised in profit or loss include (cont'd):**

The income tax in profit or loss varied from the amount of income tax amount determined by applying the Singapore income tax rate of 17% (2022: 17%) to profit before income tax as a result of the following differences:

	<u>2023</u> \$'000	<u>Group</u> <u>2022</u> \$'000
Profit before income tax	<u>9,898</u>	<u>11,303</u>
Income tax expense at the above rate	1,683	1,922
Expenses not deductible for tax purposes	505	153
Tax exemptions	(35)	(61)
Over provision adjustments to tax in respect of prior years	(25)	(10)
Unrecognised deferred tax assets	(26)	(156)
Effect of different tax rates in different countries	29	17
Withholding tax	24	16
Others	<u>98</u>	<u>(29)</u>
Total income tax expense	<u>2,253</u>	<u>1,852</u>

There are no income tax consequences of dividends to owners of the company.

The major non-deductible (taxable) items are as follows:

	<u>2023</u> \$'000	<u>Group</u> <u>2022</u> \$'000
Depreciation expense of non-qualifying assets	2,312	2,544
Contractual lease payment	(445)	282
Loss on disposal on financial assets at FVTPL	356	276
Non qualifying plant and equipment written off	422	362
Other non qualifying equipment expensed off	489	334
Unrealised (gain) loss on financial assets at FVTPL	(779)	830
Capital exchange loss	48	194
Non-taxable government grants	<u>-</u>	<u>(4,184)</u>

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**11. Income tax (cont'd)**

**11B. Deferred tax (benefit) expense recognised in profit or loss includes:**

	<u>2023</u> \$'000	<u>Group</u> <u>2022</u> \$'000
Excess of net book value of plant and equipment over tax value	(44)	(139)
Excess of tax values over net book value of plant and equipment	1	1
Tax loss carryforwards	(11)	260
Others	(40)	5
Unrecognised deferred tax assets	26	156
Total deferred tax (benefit) expense recognised in profit or loss	<u>(68)</u>	<u>283</u>

**11C. Deferred tax balance in the statements of financial position:**

	<u>2023</u> \$'000	<u>Group</u> <u>2022</u> \$'000
Excess of net book value of plant and equipment over tax values	(1,347)	(1,391)
Excess of tax values over net book value of plant and equipment	14	15
Provisions	133	133
Tax loss carryforwards	95	84
Others	55	15
Unrecognised deferred tax assets	(83)	(57)
Net balance liabilities	<u>(1,133)</u>	<u>(1,201)</u>

Presented in the statements of financial position as follows:

	<u>2023</u> \$'000	<u>Group</u> <u>2022</u> \$'000
Deferred tax liabilities	(1,148)	(1,293)
Deferred tax assets	15	92
Net balance	<u>(1,133)</u>	<u>(1,201)</u>

It is impracticable to estimate the amount expected to be settled or used within one year.

The above deferred tax assets have not been recognised in respect of the remaining balance, as the future profit streams are not probable against which the deductible temporary difference can be utilised. The realisation of the future income tax benefits from tax loss carry forward and temporary differences from capital allowances is available for an unlimited future period subject to the conditions imposed by law including the retention of majority shareholders as defined.

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**12. Dividends on equity shares**

	<u>Rate per share – dollars</u>		<u>Group</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
			\$'000	\$'000
Interim and tax exempt (one-tier) dividend	0.0090	0.0085	3,186	3,009
Final tax exempt (one-tier) dividend	<u>0.0085</u>	<u>0.0085</u>	<u>3,009</u>	<u>3,009</u>
			<u>6,195</u>	<u>6,018</u>

In respect of the current reporting year, the directors have proposed that a final dividend of 0.90 cent per share that totals \$3,186,000 be paid to shareholders after the annual general meeting to be held in future. There are no income tax consequences on the company. This dividend is subject to approval by shareholders at the next annual general meeting and has not been included as a liability in these financial statements. The proposed dividend is payable in respect of all ordinary shares in issue at the end of the reporting year and including any new qualifying shares issued up to the date the dividend becomes payable.

**13. Earnings per share**

Basic earnings per share are calculated by dividing profit for the year, net of tax, attributable to the owners of the company by the weighted average number of shares outstanding during the reporting year.

The following illustrates the numerators and denominators used to calculate basic and diluted earnings per share of no par value:

	<u>Group</u>	
	<u>2023</u>	<u>2022</u>
	\$'000	\$'000
<u>Numerator</u>		
Profit attributable to owners of the company, net of income tax	<u>7,645</u>	<u>9,451</u>
	'000	'000
<u>Denominator</u>		
Weighted average number of equity shares	<u>353,956</u>	<u>354,000</u>
	<u>Cents</u>	<u>Cents</u>
Basic and diluted earnings per share	<u>2.2</u>	<u>2.7</u>

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**14. Property, plant and equipment**

<u>Group</u>	<u>Leasehold property</u> \$'000	<u>Plant and equipment</u> \$'000	<u>Total</u> \$'000
<u>Cost:</u>			
At 1 July 2021	19,505	62,890	82,395
Additions	–	9,406	9,406
Disposals	–	(10)	(10)
Written off	–	(8,060)	(8,060)
Foreign exchange adjustments	–	(77)	(77)
At 30 June 2022	<u>19,505</u>	<u>64,149</u>	<u>83,654</u>
Additions	–	6,159	6,159
Written off	–	(2,774)	(2,774)
Foreign exchange adjustments	–	(84)	(84)
At 30 June 2023	<u>19,505</u>	<u>67,450</u>	<u>86,955</u>
<u>Accumulated depreciation:</u>			
At 1 July 2021	4,821	48,073	52,894
Depreciation for the year	707	5,629	6,336
Disposals	–	(2)	(2)
Written off	–	(7,698)	(7,698)
Foreign exchange adjustments	–	(76)	(76)
At 30 June 2022	<u>5,528</u>	<u>45,926</u>	<u>51,454</u>
Depreciation for the year	707	6,004	6,711
Written off	–	(2,352)	(2,352)
Foreign exchange adjustments	–	(73)	(73)
At 30 June 2023	<u>6,235</u>	<u>49,505</u>	<u>55,740</u>
<u>Carrying amount:</u>			
At 1 July 2021	<u>14,684</u>	<u>14,817</u>	<u>29,501</u>
At 30 June 2022	<u>13,977</u>	<u>18,223</u>	<u>32,200</u>
At 30 June 2023	<u>13,270</u>	<u>17,945</u>	<u>31,215</u>

The leasehold property is mortgaged as security for the bank facilities (see Note 27) and the legal mortgage will be discharged in the next reporting year.

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**15. Right-of-use of assets**

<u>Group</u>	<u>Restaurant premises</u> \$'000
<u>Cost:</u>	
At 1 July 2021	140,424
Additions	3,278
Remeasurements	12,043
Foreign exchange adjustments	(70)
At 30 June 2022	<u>155,675</u>
Additions	33,127
Remeasurements	2,735
Foreign exchange adjustments	(389)
At 30 June 2023	<u>191,148</u>
<u>Accumulated depreciation:</u>	
At 1 July 2021	77,486
Depreciation for the year	20,369
Remeasurements	(519)
Foreign exchange adjustments	(59)
At 30 June 2022	<u>97,277</u>
Depreciation for the year	20,540
Remeasurements	671
Foreign exchange adjustments	(301)
At 30 June 2023	<u>118,187</u>
<u>Carrying amount:</u>	
At 1 July 2021	<u>62,938</u>
At 30 June 2022	<u>58,398</u>
At 30 June 2023	<u>72,961</u>

Other information about the leasing activities relating to the right-to-use assets are summarised as follows:

	<u>Restaurant premises</u>	
	<u>2023</u>	<u>2022</u>
Number of right-to-use assets	51	43
Remaining term – range (years)	0.2 to 7.7	1.0 to 5.4
Remaining term – average (years)	3.1	3.2
Weighted average incremental borrowing rate applied to lease liabilities	<u>4%</u>	<u>4%</u>

The leases are for restaurant premises. The lease contracts are for fixed periods of two to four years. Lease terms contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

The group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised (see Note 2).



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**16. Investments in subsidiaries**

	Company	
	2023 \$'000	2022 \$'000
Movements during the year. At cost:		
Balance at beginning and end of the year	21,868	21,868
Total cost comprising:		
Unquoted equity shares at cost	21,868	21,868
Net book value of subsidiaries	25,217	24,120

The subsidiaries held by the company are listed below:

<u>Name of subsidiaries, country of incorporation, place of operations and principal activities</u>	<u>Costs in books of company</u>		<u>Effective percentage of equity held by company</u>	
	2023 \$'000	2022 \$'000	2023 %	2022 %
R E & S Enterprises Pte Ltd <sup>(a)</sup> Singapore Restaurateur	20,949	20,949	100	100
Kabe No Ana Pte. Ltd. <sup>(a)</sup> Singapore Restaurateur	232	232	100	100
Promote Japan Enterprise Pte. Ltd. <sup>(a)</sup> Singapore Event organiser	– <sup>(d)</sup>	– <sup>(d)</sup>	100	100
R E & S Enterprises (M) Sdn. Bhd. <sup>(b)</sup> Malaysia Restaurateur	447	447	100	100
RE&S Japan Co., Ltd. <sup>(c)</sup> Japan Providing raw food supply	240	240	100	100
	21,868	21,868		

Held by R E & S Enterprises Pte Ltd

Ebisu Private Limited <sup>(a)</sup> Singapore Restaurateur			100	100
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<sup>(a)</sup> Audited by RSM Chio Lim LLP in Singapore.

<sup>(b)</sup> Audited by RSM Malaysia, a member firm of RSM International of which RSM Chio Lim LLP in Singapore is a member.

<sup>(c)</sup> Not required to be audited.

<sup>(d)</sup> Cost of investment is less than \$1,000.



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**17. Other receivables**

	Company	
	2023	2022
	\$'000	\$'000
Loans receivable from a subsidiary (Note 3)	10,671	10,671

The loans receivable has no terms or interest and is not expected to be settled in the foreseeable future, as repayment is dependent on cash flows of the subsidiary. The fair value is not determinable as the timing of the future cash flows arising from the loan cannot be estimated reliably. The amount is stated at cost.

The other receivables at amortised cost shown above are subject to the expected credit losses model under the financial reporting standard on financial instruments. Other receivables are regarded as of low credit risk if they have a low risk of default and the debtor has a strong capacity to meet its contractual cash flow obligations in the near term. The methodology applied for impairment loss depends on whether there has been a significant increase in credit risk.

**18. Other non-financial assets, non-current**

	Group	
	2023	2022
	\$'000	\$'000
Deposits to secure services	6,159	4,532

**19. Inventories**

	Group	
	2023	2022
	\$'000	\$'000
Raw materials and consumables	4,276	3,820

There are no inventories pledged as security for liabilities.

**20. Trade and other receivables**

	Group		Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
<u>Trade receivables:</u>				
Outside parties	2,527	1,744	–	–
Subsidiaries (Note 3)	–	–	772	891
Net trade receivables – subtotal	2,527	1,744	772	891
<u>Other receivables:</u>				
Outside parties	9	42	–	–
Subsidiary (Note 3)	–	–	3,186	3,000
Net other receivables – subtotal	9	42	3,186	3,000
Total trade and other receivables	2,536	1,786	3,958	3,891

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**20. Trade and other receivables (cont'd)**

Trade receivables comprises mainly creditworthy debtors with good payment record and credit card receivables that will be settled in a few days and are considered to have low credit risk, hence these customers can be graded as low risk individually. No loss allowance is necessary.

The amounts are written off when there are indications that there is no reasonable expectation of recovery or the failure of a debtor to make contractual payments over an extended period. There are no collateral held as security and other credit enhancements for the trade receivables.

At each subsequent reporting date, an evaluation is made whether there is a significant change in credit risk by comparing the debtor's credit risk at initial recognition (based on the original, unmodified cash flows) with the credit risk at the reporting date (based on the modified cash flows). Adjustment to the loss allowance is made for any increase or decrease in credit risk.

As part of the process of setting customer credit limits, different credit terms are used. The average credit period generally granted to trade receivable customers is about 30 days (2022: 30 days). However some customers take a longer period to settle the amounts.

- (a) Ageing analysis of the age of trade receivable amounts that are past due as at the end of the reporting year but not impaired:

	<u>Group</u>	
	<u>2023</u>	<u>2022</u>
	\$'000	\$'000
<u>Trade receivables:</u>		
31 to 60 days	189	196
61 to 90 days	192	10
Over 90 days	12	46
Total	393	252

- (b) As at the end of the reporting year, there were no amounts that were impaired.

Concentration of trade receivables customers as at end of reporting year:

	<u>Group</u>	
	<u>2023</u>	<u>2022</u>
	\$'000	\$'000
Top 1 customer	742	534
Top 2 customers	1,275	916

The other receivables at amortised cost shown above are subject to the expected credit losses model under the financial reporting standard on financial instruments. Other receivables are regarded as of low credit risk if they have a low risk of default and the debtor has a strong capacity to meet its contractual cash flow obligations in the near term. The methodology applied for impairment loss depends on whether there has been a significant increase in credit risk.

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**21. Other financial assets**

	<u>Group</u>	
	<u>2023</u>	<u>2022</u>
	\$'000	\$'000
Financial assets at FVTPL (Note 21A)	6,046	4,165
Gain on forward foreign exchange contracts (Note 21B)	109	13
	<u>6,155</u>	<u>4,178</u>

**21A. Financial assets at FVTPL**

	<u>Group</u>	
	<u>2023</u>	<u>2022</u>
	\$'000	\$'000
Movements during the year:		
Fair value at beginning of the year	4,165	–
Additions	3,381	6,953
Disposals	(1,923)	(1,669)
Loss on disposals through profit or loss	(356)	(276)
Increase (decrease) in fair value through profit or loss	779	(843)
Fair value at end of the year	<u>6,046</u>	<u>4,165</u>

The fair value (Level 1) of the financial assets approximates to bid prices in an active market at the end of the reporting year.

**21B. Forward foreign exchange contracts**

The gross amounts of all notional values for contracts that have not yet been settled or cancelled at the end of the reporting year are as follows:

<u>Group</u>	<u>Notional amount</u>		<u>Net fair value gain (loss)</u> \$'000
	<u>Sell</u> US\$'000	<u>Buy</u> \$'000	
<u>2023:</u>			
Within 6 months	3,200	4,259	116
	<u>JPY'000</u>	<u>\$'000</u>	
Within 6 months	60,000	597	<u>(7)</u>
			<u>109</u>
<u>2022:</u>	<u>US\$'000</u>	<u>\$'000</u>	
Within 6 months	2,507	3,430	17
	<u>EUR'000</u>	<u>\$'000</u>	
Within 6 months	303	450	(6)
	<u>JPY'000</u>	<u>\$'000</u>	
Within 6 months	55,710	600	<u>2</u>
			<u>13</u>

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**21. Other financial assets (cont'd)**

**21B. Forward foreign exchange contracts (cont'd)**

The amount of notional value outstanding is not necessarily a measure or indication of market risk, as the exposure of certain contracts may be offset by that of other contracts.

The fair value (Level 2) of forward foreign exchange contracts is based on current value of the difference between the contractual exchange rate and the market rate at the end of the reporting year. The valuation technique uses market observable inputs.

**21C. Disclosures relating to investments in financial assets at FVTPL**

The information gives a summary of the significant sector concentrations within the investment portfolio including Level 1 and 2 securities:

	<u>Level</u>	<u>2023</u> \$'000	<u>Group</u> <u>2022</u> \$'000	<u>2023</u> %	<u>2022</u> %
<u>Quoted equity shares:</u>					
Technology industry United States	1	2,207	1,289	35.86	30.85
Financial service industry United States	1	1,231	925	20.00	22.14
Technology industry Hong Kong	1	326	7	5.30	0.17
Media industry United States	1	256	94	4.16	2.26
Retail industry Hong Kong	1	251	138	4.08	3.30
Electronics industry Japan	1	200	–	3.25	–
Healthcare industry United States	1	198	–	3.22	–
Retail industry Japan	1	180	108	2.92	2.58
Consumer goods industry Hong Kong	1	135	163	2.19	3.90
Technology industry Japan	1	130	296	2.11	7.08
Food and beverages industry China	1	61	162	0.99	3.88
Automotive industry Japan	1	–	152	–	3.64
Semiconductor industry Netherlands	1	–	150	–	3.59
Real estate industry Hong Kong	1	–	121	–	2.90
Others	1	871	560	14.15	13.40
Subtotal		<u>6,046</u>	<u>4,165</u>	<u>98.23</u>	<u>99.69</u>
Derivative financial instruments	2	109	13	1.77	0.31
Total		<u>6,155</u>	<u>4,178</u>	<u>100.00</u>	<u>100.00</u>



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**21. Other financial assets (cont'd)**

**21C. Disclosures relating to investments in financial assets at FVTPL (cont'd)**

There were no transfers between Level 1 and Level 2 of the fair value hierarchy.

**Sensitivity analysis for price risk of equity shares at FVTPL:**

There are investments in equity shares or similar instruments. Such investments are exposed to both currency risk and market price risk arising from uncertainties about future values of the investment securities.

Sensitivity analysis: The effect is as follows:

	<u>Group</u>	
	<u>2023</u>	<u>2022</u>
	\$'000	\$'000
A hypothetical 10% increase in the market index of quoted equity shares at FVTPL would have an effect on fair value of	605	417

**22. Other non-financial assets, current**

	<u>Group</u>		<u>Company</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	\$'000	\$'000	\$'000	\$'000
Deposits to secure services	2,288	2,103	–	–
Prepayments	822	1,003	9	5
	3,110	3,106	9	5

**23. Cash and cash equivalents**

	<u>Group</u>		<u>Company</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	\$'000	\$'000	\$'000	\$'000
Not restricted in use	17,618	24,429	618	528
Cash restricted in use	–	166	–	–
	17,618	24,595	618	528
Interest earning balances	6,938	166	–	–

The rate of interest for the interest earning balances is 0.10% to 4.50% (2022: 0.25%) per annum.

**23A. Cash and cash equivalents in the consolidated statement of cash flows:**

	<u>Group</u>	
	<u>2023</u>	<u>2022</u>
	\$'000	\$'000
Amount as shown above	17,618	24,595
Cash restricted in use over 3 months	–	(166)
Cash and cash equivalents for consolidated statement of cash flows purposes at end of the year	17,618	24,429

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**23. Cash and cash equivalents (cont'd)**

**23B. Non-cash transactions for purchase of property, plant and equipment:**

	<u>Group</u>	
	<u>2023</u> \$'000	<u>2022</u> \$'000
Purchase of property, plant and equipment (Note 14)	6,159	9,406
Additions for provision for restoration (Note 26)	(111)	(33)
	<u>6,048</u>	<u>9,373</u>

**23C. Reconciliation of liabilities arising from financing activities:**

	At beginning of the reporting year \$'000	Cash flows \$'000	Non- cash changes \$'000	At end of the reporting year \$'000
<u>Group:</u>				
<u>2023:</u>				
Long-term borrowings	6,529	(6,529)	–	–
Short-term borrowings	940	(940)	–	–
Lease liabilities	64,093	(23,401)	37,633 <sup>(a)</sup>	78,325
Total liabilities from financing activities	<u>71,562</u>	<u>(30,870)</u>	<u>37,633</u>	<u>78,325</u>
<u>2022:</u>				
Long-term borrowings	7,462	–	(933)	6,529
Short-term borrowings	921	(914)	933	940
Lease liabilities	68,452	(22,678) <sup>(b)</sup>	18,319 <sup>(a) (b)</sup>	64,093
Total liabilities from financing activities	<u>76,835</u>	<u>(23,592)</u>	<u>18,319</u>	<u>71,562</u>

(a) Made up of interest expense of \$2,398,000 (2022: \$2,892,000) and additions and remeasurement of lease liabilities of \$33,127,000 (2022: \$3,278,000) and \$2,198,000 (2022: \$12,695,000) respectively.

(b) Net of Covid-19 related rent concessions from lessors of \$536,000.

**24. Share capital**

	<u>Group and company</u>			
	Number of shares <u>issued</u> '000	Share <u>capital</u> \$'000	Treasury <u>shares</u> '000	<u>Total</u> \$'000
Balance at 1 July 2021 and 30 June 2022	354,000	32,307	–	32,307
Treasury shares purchased <sup>(a)</sup>	(162)	–	(42)	(42)
Balance at 30 June 2023	<u>353,838</u>	<u>32,307</u>	<u>(42)</u>	<u>32,265</u>

(a) Under the mandate approved at the extraordinary general meeting held on 27 October 2021, 162,000 treasury shares were acquired for a total cash consideration of \$42,000 during the reporting year on the Singapore Stock Exchange.



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#### 24. Share capital (cont'd)

The ordinary shares of no par value are fully paid, carry one vote each and have no right to fixed income. The company is not subject to any externally imposed capital requirements.

Capital management:

In order to maintain its listing on the Singapore Stock Exchange it has to have share capital with a free float of at least 10% of the shares. The company met the capital requirement on its initial listing and the rules limiting treasury share purchases mean it will automatically continue to satisfy that requirement, as it did throughout the reporting year. Management receives a report from the share registrars frequently on substantial share interests showing the non-free float to ensure continuing compliance with the 10% limit throughout the reporting year.

The company is a Catalist company and had appointed a sponsor to comply with the Catalist Rules and to facilitate certain corporate actions including rights issues, placement of shares, warrants or other convertible securities for cash, major transactions, transactions requiring shareholders' approval and schemes of arrangement.

The objectives when managing capital are: to safeguard the reporting entity's ability to continue as a going concern, so that it can continue to provide returns for owners and benefits for other stakeholders, and to provide an adequate return to owners by pricing the sales commensurately with the level of risk. The management sets the amount of capital to meet its requirements and the risk taken. There were no changes in the approach to capital management during the reporting year. The management manages the capital structure and makes adjustments to it where necessary or possible in the light of changes in conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the management may adjust the amount of dividends paid to owners, return capital to owners, issue new shares, or sell assets to reduce debt. Adjusted capital comprises all components of equity (that is, share capital and reserves).

The management monitors the capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt / adjusted capital (as shown below). Net debt is calculated as total borrowings less cash and cash equivalents.

	<u>2023</u>	<u>Group</u>	<u>2022</u>
	\$'000		\$'000
Net debt:			
All current and non-current borrowings excluding leases	–		7,469
Lease liabilities	<u>78,325</u>		<u>64,093</u>
All current and non-current borrowings including leases	78,325		71,562
Less cash and cash equivalents	<u>(17,618)</u>		<u>(24,595)</u>
Net debt	<u>60,707</u>		<u>46,967</u>
Adjusted capital:			
Total equity	<u>41,042</u>		<u>39,712</u>
Debt-to-adjusted capital ratio	<u>147.9%</u>		<u>118.3%</u>

The unfavourable change as shown by the increase in the debt-to-adjusted capital ratio for the reporting year resulted primarily from the increase in lease liabilities.

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**25. Merger reserve**

This represents the difference between the consideration paid and the equity acquired under common control.

**26. Provisions**

	<u>2023</u> \$'000	<u>Group</u> <u>2022</u> \$'000
Provision for restoration	1,585	1,521
Movements in above provision:		
Balance at beginning of year	1,521	1,488
Additions (Note 23B)	111	33
Utilisation	(47)	–
At end of the year	1,585	1,521

The provision is based on the present value of costs to be incurred to remove leasehold improvements from leasehold property. The estimate is based on quotation from external contractors. The unwinding of discount is not significant.

**27. Other financial liabilities**

	<u>2023</u> \$'000	<u>Group</u> <u>2022</u> \$'000
<u>Non-current:</u>		
<u>Financial instruments with floating interest rates:</u>		
Bank loan (secured)	–	6,529
Non-current	–	6,529
<u>Current:</u>		
<u>Financial instruments with floating interest rates:</u>		
Bank loan (secured)	–	940
Current	–	940
Total	–	7,469

The non-current portion is repayable as follows:

Due within 2 to 5 years	–	3,845
After 5 years	–	2,684
Total non-current portion	–	6,529

The loan bears interest at 0.85% over the prevailing 3-month SIBOR or COF, whichever is higher and ranged as follows for the current reporting year:

	<u>2023</u> %	<u>Group</u> <u>2022</u> %
Bank loan (secured)	2.08 to 4.87	1.14 to 1.35

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#### 27. Other financial liabilities (cont'd)

The term loan is secured by legal mortgage over the group's property and a corporate guarantee by the company. The loan is repayable over 120 monthly instalments commencing April 2020. The loan has been fully repaid in April 2023 and the legal mortgage will be discharged in the next reporting year.

#### 28. Lease liabilities

Lease liabilities are presented in the statements of financial position as follows:

	<u>2023</u> \$'000	<u>Group</u> <u>2022</u> \$'000
Lease liabilities, current	22,316	19,328
Lease liabilities, non-current	56,009	44,765
	<u>78,325</u>	<u>64,093</u>

Movements of lease liabilities for the reporting year are as follows:

	<u>2023</u> \$'000	<u>Group</u> <u>2022</u> \$'000
Total lease liabilities at beginning of reporting year	64,093	68,452
Additions	33,127	3,278
Remeasurement	2,198	12,695
Accretion of interest (Note 8)	2,398	2,892
Covid-19 related rent concessions from lessors (Note 6)	–	(536)
Lease payments – principal and interest paid	(23,401)	(22,678)
Foreign exchange adjustments	(90)	(10)
Total lease liabilities at end of reporting year	<u>78,325</u>	<u>64,093</u>

The lease liability above does not include the short-term leases of less than 12 months and leases of low-value underlying assets. Variable lease payments which do not depend on an index or a rate or based on a percentage of revenue are not included from the initial measurement of the lease liability and the right-of-use assets.

A summary of the maturity analysis of lease liabilities is disclosed in Note 33E. Total cash outflows from leases are shown in the consolidated statement of cash flows. The related right-of-use assets are disclosed in Note 15.

At reporting year date, there were no commitments on leases which had not yet commenced.

The future cash outflows commitments to which the lessee is potentially exposed are not reflected in the measurement of lease liabilities above. This includes exposure arising from: (1) variable lease payments and (2) extension options and termination options.

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**28. Lease liabilities (cont'd)**

The following are the amounts recognised in profit or loss:

<u>Lease under SFRS(I) 16</u>	<u>Notes</u>	<u>Group</u>	
		<u>2023</u> \$'000	<u>2022</u> \$'000
Depreciation of right-of-use assets	15	20,540	20,369
Interest on lease liabilities	8	2,398	2,892
Fixed rental expense on short-term leases and low-value assets		1,543	1,092
Variable rental expense on operating leases		1,053	829
Total amount recognised in profit or loss		<u>25,534</u>	<u>25,182</u>

**29. Trade and other payables**

	<u>Group</u>		<u>Company</u>	
	<u>2023</u> \$'000	<u>2022</u> \$'000	<u>2023</u> \$'000	<u>2022</u> \$'000
<u>Trade payables:</u>				
Outside parties	10,122	8,273	42	34
Accrued liabilities	8,193	6,850	490	603
Subsidiaries (Note 3)	–	–	119	100
Trade payables – subtotal	<u>18,315</u>	<u>15,123</u>	<u>651</u>	<u>737</u>
<u>Other payables:</u>				
Outside parties	1,405	2,206	6	6
Other payables – subtotal	<u>1,405</u>	<u>2,206</u>	<u>6</u>	<u>6</u>
Total trade and other payables	<u>19,720</u>	<u>17,329</u>	<u>657</u>	<u>743</u>

**30. Other non-financial liabilities, current**

	<u>Group</u>	
	<u>2023</u> \$'000	<u>2022</u> \$'000
Deferred income	<u>32</u>	<u>46</u>

**31. Capital commitments**

Estimated amounts committed at the end of the reporting year for future capital expenditure but not recognised in the financial statements are as follows:

	<u>Group</u>	
	<u>2023</u> \$'000	<u>2022</u> \$'000
Commitments to purchase plant and equipment	<u>1,487</u>	<u>453</u>



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#### 32. Operating lease income commitments – as lessor

Operating lease income is for rentals receivables for its operating premises. The lease to the tenant is usually on a month-to-month basis with no commitment terms. At the end of the reporting year, the total of future minimum lease receivables committed under non-cancellable operating leases are not significant.

#### 33. Financial instruments: information on financial risks

##### 33A. Categories of financial assets and liabilities

The following table categorises the carrying amount of financial assets and liabilities recorded at the end of the reporting year:

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Financial assets:</b>				
Financial assets at amortised cost	20,154	26,381	15,247	15,090
Financial assets at FVTPL	6,155	4,178	–	–
	<u>26,309</u>	<u>30,559</u>	<u>15,247</u>	<u>15,090</u>
<b>Financial liabilities:</b>				
Financial liabilities at amortised cost	98,045	88,891	657	743

Further quantitative disclosures are included throughout these financial statements.

##### 33B. Financial risk management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the entity's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate risk, currency risk and price risk exposures. Management has certain practices for the management of financial risks. The guidelines set up the short and long term objectives and action to be taken in order to manage the financial risks. The guidelines include the following:

- (i) Minimise interest rate, currency, credit and market risk for all kinds of transactions.
- (ii) Maximise the use of "natural hedge": favouring as much as possible the natural off-setting of sales and costs and payables and receivables denominated in the same currency and therefore put in place hedging strategies only for the excess balance (if necessary). The same strategy is pursued with regard to interest rate risk.
- (iii) All financial risk management activities are carried out and monitored by senior management staff.
- (iv) All financial risk management activities are carried out following market practices.
- (v) When appropriate, consideration is given to investing in shares or similar instruments.
- (vi) When appropriate, consideration is given to entering into derivatives or any other similar instruments solely for hedging purposes.

The chief financial officer monitors the procedures and reports to the Audit Committee of the board.

There have been no changes to the exposures to risks, the objectives, policies and processes for managing the risks and the methods used to measure the risks.

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#### 33. Financial instruments: information on financial risks (cont'd)

##### 33C. Fair values of financial instruments

The analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include the material financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments. The disclosures of fair values are not made when the carrying amounts of current financial instruments are reasonable approximation of their fair values.

##### 33D. Credit risk on financial assets

Financial assets are principally from cash balances with banks, cash equivalents, receivables and other financial assets at amortised cost. They are potentially subject to credit risk due to failures by counterparties to discharge their obligations in full or in a timely manner. The maximum exposure to credit risk is the total of the fair value of the financial assets at the end of the reporting year. Credit risk on cash balances and any other financial instruments with banks and other financial institutions is limited because the counterparties are entities with acceptable credit ratings. For expected credit losses ("ECL") on financial assets, a simplified approach (that is, to recognise the loss allowance at an amount equal to lifetime ECL at initial recognition and throughout its life at each reporting date) is permitted by the financial reporting standard on financial instruments for financial assets that do not contain a significant financing component, such as trade receivables and contract assets. For the credit risk on the financial assets an ongoing credit evaluation is performed on the financial condition of the debtors and any loss is recognised in profit or loss. Reviews and assessments of credit exposures in excess of designated limits are made. Renewals and reviews of credits limits are subject to the same review process.

Cash and cash equivalents are also subject to the impairment requirements of the standard on financial instruments. There was no identified impairment loss.



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**33. Financial instruments: information on financial risks (cont'd)**

**33E. Liquidity risk – financial liabilities maturity analysis**

Liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be paid at their contractual maturity.

The following table analyses the non-derivative financial liabilities by remaining contractual maturity (contractual and undiscounted cash flows) at the end of the reporting year:

<u>Group</u>	<u>Less than 1 year \$'000</u>	<u>2 – 5 years \$'000</u>	<u>After 5 years \$'000</u>	<u>Total \$'000</u>
Non-derivative financial liabilities:				
<u>2023:</u>				
Trade and other payables	19,720	–	–	19,720
Lease liabilities	24,976	50,860	9,623	85,459
At end of the year	<u>44,696</u>	<u>50,860</u>	<u>9,623</u>	<u>105,179</u>
<u>2022:</u>				
Gross borrowing commitments	1,015	4,059	2,726	7,800
Trade and other payables	17,329	–	–	17,329
Lease liabilities	21,279	46,876	805	68,960
At end of the year	<u>39,623</u>	<u>50,935</u>	<u>3,531</u>	<u>94,089</u>
				<u>Less than 1 year \$'000</u>
<u>Company</u>				
Non-derivative financial liabilities:				
<u>2023:</u>				
Trade and other payables				657
At end of the year				<u>657</u>
<u>2022:</u>				
Trade and other payables				743
At end of the year				<u>743</u>

The undiscounted amounts on the borrowings with fixed and floating interest rates are determined by reference to the conditions existing at the report date.

The above amounts disclosed in the maturity analysis are the contractual undiscounted cash flows and such undiscounted cash flows differ from the amount included in the statements of financial position. When the counter-party has a choice of when an amount is paid, the liability is included on the basis of the earliest date on which it can be required to pay.

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**33. Financial instruments: information on financial risks (cont'd)**

**33E. Liquidity risk – financial liabilities maturity analysis (cont'd)**

Financial guarantee contracts - For issued financial guarantee contracts, the maximum amount of the guarantee is allocated to the earliest period in which the guarantee could be called. At the end of the reporting year, no claims on the financial guarantees are expected to be payable. The following table shows the maturity analysis of the contingent liabilities from financial guarantees:

<u>Group</u>	<u>Less than 1 year \$'000</u>	<u>2 – 5 years \$'000</u>	<u>Total \$'000</u>
<u>2023:</u>			
Bank guarantees	<u>1,382</u>	<u>3,159</u>	<u>4,541</u>
<u>2022:</u>			
Bank guarantees	<u>981</u>	<u>2,302</u>	<u>3,283</u>

The above bank guarantees have a guarantee by the company.

<u>Company</u>	<u>Less than 1 year \$'000</u>	<u>2 – 5 years \$'000</u>	<u>More than 5 years \$'000</u>	<u>Total \$'000</u>
<u>2023:</u>				
Corporate guarantees in favour of financial institutions for facilities extended to subsidiaries	<u>1,382</u>	<u>3,159</u>	<u>–</u>	<u>4,541</u>
<u>2022:</u>				
Corporate guarantees in favour of financial institutions for facilities extended to subsidiaries	<u>1,921</u>	<u>6,147</u>	<u>2,683</u>	<u>10,751</u>

The average credit period taken to settle trade payables is about 30 to 60 days (2022: 30 to 60 days). The other payables are with short-term durations. The classification of the financial assets is shown in the statements of financial position as they may be available to meet liquidity needs and no further analysis is deemed necessary. In order to meet such cash commitments, the operating activities are expected to generate sufficient cash inflows.

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**33. Financial instruments: information on financial risks (cont'd)**

**33F. Interest rate risk**

Interest rate risk arises on interest-bearing financial instruments. The interest from financial assets is not material.

The following table analyses the breakdown of the significant financial instruments by type of interest rate at the end of the reporting year:

	<u>Group</u>	
	<u>2023</u>	<u>2022</u>
	\$'000	\$'000
<u>Financial assets:</u>		
Fixed rate	6,938	166
Total at end of the year	<u>6,938</u>	<u>166</u>
<u>Financial liabilities:</u>		
Fixed rate	78,325	64,093
Floating rate	–	7,469
Total at end of the year	<u>78,325</u>	<u>71,562</u>

The floating rate debt instruments are with interest rates that are re-set regular intervals. The interest rates are disclosed in the respective notes.

Sensitivity analysis:

	<u>Group</u>	
	<u>2023</u>	<u>2022</u>
	\$'000	\$'000
<u>Financial liabilities:</u>		
A hypothetical variation in interest rates by 100 basis points with all other variables held constant, would have a decrease in pre-tax profit for the year by	<u>–</u>	<u>75</u>

The analysis has been performed for floating interest rate over a year for financial instruments. The impact of a change in interest rates on floating interest rate financial instruments has been assessed in terms of changing of their cash flows and therefore in terms of the impact on profit or loss. The hypothetical changes in basis points are not based on observable market data (unobservable inputs).

**33G. Foreign currency risk**

Foreign exchange risk arises on financial instruments that are denominated in a foreign currency, i.e. in a currency other than the functional currency in which they are measured. For the purpose of this financial reporting standard on financial instruments: disclosures, currency risk does not arise from financial instruments that are non-monetary items or from financial instruments denominated in the functional currency.

Sensitivity analysis: The group has no significant exposure to foreign currency risk after taking into consideration hedged transactions. The company has no significant exposure to foreign currency risk.

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## APPENDIX F – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR FY2023

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### RE&S HOLDINGS LIMITED

#### 34. Changes and adoption of financial reporting standards

For the current reporting year, the Accounting Standards Committee under ACRA issued new or revised financial reporting standards. These applicable new or revised standards did not require any material modification of the measurement methods or the presentation in the financial statements.

<u>SFRS(I) No.</u>	<u>Title</u>
Various	Annual Improvements to SFRS(I)s 2018-2020 – Amendments to SFRS(I) 1 First-time Adoption of SFRS(I); IFRS 9 Financial Instruments; SFRS(I) 16 Leases; and SFRS(I) 1-41 Agriculture

#### 35. New or amended standards in issue but not yet effective

For the future reporting years, the Accounting Standards Committee under ACRA issued certain new or revised financial reporting standards and these will only be effective for future reporting years. The transfer to the applicable new or revised standards from the effective dates is not expected to result in any material modification of the measurement methods or the presentation in the financial statements for the following reporting year from the known or reasonably estimable information relevant to assessing the possible impact that application of the new or revised standards may have on the group's financial statements in the period of initial application. Those applicable to the group for future reporting years are listed below.

<u>SFRS(I) No.</u>	<u>Title</u>	<u>Effective date for periods beginning on or after</u>
SFRS(I) 1-1	Presentation of Financial Statements – Amendment relating to Classification of Liabilities as Current or Non-current	1 January 2024
SFRS(I) 1-1	Disclosure of Accounting Policies – Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2 Making Materiality Judgements	1 January 2023
SFRS(I) 1-8	Definition of Accounting Estimates – Amendments	1 January 2023
SFRS(I) 1-12, SFRS(I) 1	Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments	1 January 2023

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**APPENDIX G – UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS  
OF THE GROUP FOR 1HFY2024**

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**RE&S HOLDINGS LIMITED**  
(Registration No: 201714588N)

**Unaudited Condensed Interim Financial Statements**  
**For the Half Year (“1H 2024”)**  
**Ended 31 December 2023**

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**APPENDIX G – UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS  
OF THE GROUP FOR 1HFY2024**

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RE&S Holdings Limited

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## APPENDIX G – UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR 1HFY2024



**RE&S HOLDINGS LIMITED**  
(Incorporated in the Republic of Singapore)  
(Company Registration No. 201714588N)

### A. Condensed interim consolidated statement of profit or loss and other comprehensive income

	Notes	Group		Increase/ (decrease) %
		1H FY2024 S\$'000	1H FY2023 S\$'000	
Revenue	3	89,253	87,982	1.4%
Raw materials and consumables used		(22,295)	(22,711)	(1.8%)
Changes in inventories of finished goods		(269)	(750)	(64.4%)
Other operating income		355	620	(42.7%)
Employee benefits expense		(32,433)	(29,072)	11.6%
Operating lease expenses		(898)	(1,565)	(42.6%)
Utilities expenses		(3,289)	(3,168)	3.8%
Depreciation of property, plant and equipment		(3,382)	(3,327)	1.7%
Depreciation of right-of-use assets		(11,680)	(10,214)	14.4%
Other operating expenses		(9,152)	(8,169)	12.0%
Other expenses – Non-operating		(1,472)	(1,246)	18.1%
Finance costs		(1,550)	(1,324)	17.1%
<b>Profit before income tax</b>		<u>3,188</u>	<u>7,056</u>	<u>(54.8%)</u>
Income tax expense	5	(744)	(1,500)	(50.4%)
<b>Profit, net of income tax</b>		<u><b>2,444</b></u>	<u><b>5,556</b></u>	<u>(56.0%)</u>
<b><u>Other comprehensive loss:</u></b>				
Item that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations, net of income tax		(4)	(18)	(77.8%)
<b>Total comprehensive income</b>		<u><b>2,440</b></u>	<u><b>5,538</b></u>	<u>(55.9%)</u>
Profit attributable to owners of the Company, net of income tax		<u><b>2,444</b></u>	<u><b>5,556</b></u>	<u>(56.0%)</u>
Profit attributable to non-controlling interest, net of income tax		-	-	N.M.
<b>Profit net of income tax</b>		<u><b>2,444</b></u>	<u><b>5,556</b></u>	<u>(56.0%)</u>
Total comprehensive income attributable to owners of the Company		<u><b>2,440</b></u>	<u><b>5,538</b></u>	<u>(55.9%)</u>
Total comprehensive profit attributable to non-controlling interest		-	-	N.M.
<b>Total comprehensive income</b>		<u><b>2,440</b></u>	<u><b>5,538</b></u>	<u>(55.9%)</u>

### Earnings per share for profit for the period attributable to the owners of the Company during the period:

Basic and Diluted (SGD in cent)	7	<u>0.7</u>	<u>1.6</u>	(56.3%)
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N.M.: Not meaningful

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**APPENDIX G – UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS  
OF THE GROUP FOR 1HFY2024**

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**RE&S HOLDINGS LIMITED**  
(Incorporated in the Republic of Singapore)  
(Company Registration No. 201714588N)

**A. Condensed interim consolidated statement of profit or loss and other comprehensive income (cont'd)**

Profit before income tax is arrived at after charging / (crediting) the following:

	Group		<i>Increase/ (decrease)</i>
	1HFY2024	1HFY2023	%
	S\$'000	S\$'000	
Government grants	(89)	(355)	(74.9%)
Interest income	(173)	(47)	268.1%
Other income	(188)	(218)	(13.8%)
Plant and equipment written off	405	160	153.1%
Loss on disposal of financial assets at fair value through profit or loss ("FVTPL")	836	96	770.8%
Unrealised (Gain) loss of financial assets at FVTPL	(1,115)	137	N.M.
Finance costs:			
- interest expense on borrowings	-	111	N.M.
- lease-related interest expense	1,550	1,213	27.8%

**APPENDIX G – UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS  
OF THE GROUP FOR 1HFY2024**



**RE&S HOLDINGS LIMITED**  
(Incorporated in the Republic of Singapore)  
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**B. Condensed interim statements of financial position**

	<u>Notes</u>	<u>Group</u>		<u>Company</u>	
		<u>Unaudited</u> <u>31.12.2023</u> \$'000	<u>Audited</u> <u>30.06.2023</u> \$'000	<u>Unaudited</u> <u>31.12.2023</u> \$'000	<u>Audited</u> <u>30.06.2023</u> \$'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	8	32,711	31,215	–	–
Right-of-use assets	9	65,244	72,961	–	–
Investment in subsidiaries	10	–	–	32,539	21,868
Other receivables, non-current		–	–	–	10,671
Other non-financial assets, non-current	11	3,516	6,159	–	–
Deferred tax assets		32	15	–	–
<b>Total non-current assets</b>		<b>101,503</b>	<b>110,350</b>	<b>32,539</b>	<b>32,539</b>
<b>Current assets</b>					
Inventories		4,545	4,276	–	–
Trade and other receivables, current	12	2,237	2,536	1,425	3,958
Other financial assets, current	13	5,638	6,155	–	–
Other non-financial assets, current	11	4,800	3,110	19	9
Cash and cash equivalents		14,484	17,618	232	618
<b>Total current assets</b>		<b>31,704</b>	<b>33,695</b>	<b>1,676</b>	<b>4,585</b>
<b>Total assets</b>		<b>133,207</b>	<b>144,045</b>	<b>34,215</b>	<b>37,124</b>
<b>EQUITY AND LIABILITIES</b>					
Share capital	14	32,307	32,307	32,307	32,307
Treasury shares		(42)	(42)	(42)	(42)
Merger reserve		(18,149)	(18,149)	–	–
Retained earnings		26,404	27,145	1,050	4,182
Foreign currency translation reserve		(223)	(219)	–	–
<b>Total equity</b>		<b>40,297</b>	<b>41,042</b>	<b>33,315</b>	<b>36,447</b>
<b>Non-current liabilities</b>					
Deferred tax liabilities		1,197	1,148	–	–
Provisions, non-current		1,661	1,585	–	–
Other financial liabilities, non-current		–	–	–	–
Lease liabilities, non-current	15	53,156	56,009	–	–
<b>Total non-current liabilities</b>		<b>56,014</b>	<b>58,742</b>	<b>–</b>	<b>–</b>
<b>Current liabilities</b>					
Income tax payable		1,972	2,193	31	20
Trade and other payables	16	17,112	19,720	869	657
Other financial liabilities, current		–	–	–	–
Other non-financial liabilities		25	32	–	–
Lease liabilities, current	15	17,787	22,316	–	–
<b>Total current liabilities</b>		<b>36,896</b>	<b>44,261</b>	<b>900</b>	<b>677</b>
<b>Total liabilities</b>		<b>92,910</b>	<b>103,003</b>	<b>900</b>	<b>677</b>
<b>Total equity and liabilities</b>		<b>133,207</b>	<b>144,045</b>	<b>34,215</b>	<b>37,124</b>

**APPENDIX G – UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS  
OF THE GROUP FOR 1HFY2024**



**RE&S HOLDINGS LIMITED**  
(Incorporated in the Republic of Singapore)  
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**C. Condensed interim statements of changes of equity**

<b><u>Group:</u></b>	<b><u>Total equity</u></b> \$'000	<b><u>Share capital</u></b> \$'000	<b><u>Merger reserve</u></b> \$'000	<b><u>Retained earnings</u></b> \$'000
<b>Current period:</b>				
Opening balance at 1 July 2023	41,042	32,265	(18,149)	27,145
<b>Movement in equity:</b>				
Total comprehensive income (loss) for the period	2,440	–	–	2,444
Dividends paid (Note 6)	(3,185)	–	–	(3,185)
<b>Closing balance at 31 December 2023</b>	<b><u>40,297</u></b>	<b><u>32,265</u></b>	<b><u>(18,149)</u></b>	<b><u>26,404</u></b>
<b>Previous period:</b>				
Opening balance at 1 July 2022	39,712	32,307	(18,149)	25,695
<b>Movement in equity:</b>				
Total comprehensive income (loss) for the period	5,538	–	–	5,556
Dividends paid (Note 6)	(3,009)	–	–	(3,009)
<b>Closing balance at 31 December 2022</b>	<b><u>42,241</u></b>	<b><u>32,307</u></b>	<b><u>(18,149)</u></b>	<b><u>28,242</u></b>

**APPENDIX G – UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS  
OF THE GROUP FOR 1HFY2024**



**RE&S HOLDINGS LIMITED**  
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**C. Condensed Interim Statements of Changes of Equity (cont'd)**

<b><u>Company:</u></b>	<b><u>Total equity</u></b> \$'000	<b><u>Share capital</u></b> \$'000	<b><u>Retained earnings</u></b> \$'000
<b>Current period:</b>			
Opening balance at 1 July 2023	36,447	32,265	4,182
<b>Changes in equity:</b>			
Dividends paid (Note 6)	(3,185)	–	(3,185)
Total comprehensive income for the period	53	–	53
<b>Closing balance at 31 December 2023</b>	<b><u>33,315</u></b>	<b><u>32,265</u></b>	<b><u>1,050</u></b>
<b>Previous period:</b>			
Opening balance at 1 July 2022	36,212	32,307	3,905
<b>Changes in equity:</b>			
Dividends paid (Note 6)	(3,009)	–	(3,009)
Total comprehensive income for the period	40	–	40
<b>Closing balance at 31 December 2022</b>	<b><u>33,243</u></b>	<b><u>32,307</u></b>	<b><u>936</u></b>

**APPENDIX G – UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS  
OF THE GROUP FOR 1HFY2024**



**RE&S HOLDINGS LIMITED**  
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**D. Condensed Interim Consolidated Statements of Cash Flows**

	<u>1H FY2024</u> \$'000	<u>1H FY2023</u> \$'000
<b><u>Cash flows from operating activities</u></b>		
Profit before income tax	3,188	7,056
Adjustments for:		
Interest income	(173)	(47)
Interest expense on borrowings	-	111
Interest expense on lease liabilities	1,550	1,213
Depreciation of property, plant and equipment	3,382	3,327
Depreciation of right-of-use assets	11,680	10,214
COVID-19 related rent concessions from lessors	-	-
Loss on remeasurement of right-of-use assets	58	-
Loss on disposal of plant and equipment	-	-
Loss in disposal of financial asset at FVTPL	836	96
Unrealised (gain) loss of financial asset at FVTPL	(1,115)	137
Plant and equipment written off	405	160
Net effect of exchange rate changes in consolidating foreign operations	(1)	(23)
Operating cash flows before changes in working capital	19,810	22,244
Inventories	(269)	(1,553)
Trade and other receivables, current	299	(590)
Other non-financial assets, current	(1,690)	(2,116)
Reinstatement cost utilised	-	-
Trade and other payables	(2,608)	(434)
Other non-financial liabilities	76	(7)
Net cash flows from operations	15,618	17,544
Income taxes paid	(933)	(724)
Net cash flows from operating activities	<b>14,685</b>	<b>16,820</b>
<b><u>Cash flows from investing activities</u></b>		
Purchase of plant and equipment	(5,282)	(2,419)
Purchase of other financial assets	(1,314)	(1,368)
Disposal of other financial assets	2,099	1,096
Other non-financial assets, non-current	2,643	1,272
Interest received	173	47
Net cash used in investing activities	<b>(1,681)</b>	<b>(1,372)</b>
<b><u>Cash flows from financing activities</u></b>		
Cash restricted in use	-	-
Dividend paid to equity owners	(3,185)	(3,009)
Decrease in other financial liabilities	-	(426)
Lease liabilities – principal portion paid	(12,953)	(11,715)
Interest paid	-	(111)
Net cash flows used in financing activities	<b>(16,138)</b>	<b>(15,261)</b>
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>(3,134)</b>	<b>187</b>
Cash and cash equivalents, statement of cash flows, beginning balance	17,618	24,429
<b>Cash and cash equivalents, statement of cash flows, ending balance</b>	<b>14,484</b>	<b>24,616</b>
<b><u>For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:</u></b>		
Cash and cash equivalents in the statement of financial position	14,484	24,782
Cash restricted over 3 months	-	(166)
<b>Cash and cash equivalents as shown above</b>	<b>14,484</b>	<b>24,616</b>



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## APPENDIX G – UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR 1HFY2024

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**RE&S HOLDINGS LIMITED**  
(Incorporated in the Republic of Singapore)  
(Company Registration No. 201714588N)

### E. Notes to the Condensed Interim Financial Statements

#### 1. General

RE&S Holdings Limited (the “**Company**”) is incorporated in Singapore with limited liability. It is listed on the Catalist Board (the “**Catalist**”) of Singapore Exchange Securities Trading Limited. The financial statements are presented in Singapore Dollar and they cover the Company (referred to as “**parent**”) and the subsidiaries (“**Group**”).

The board of directors approved and authorised these condensed interim financial statements for issue on the date of this announcement. The directors have the power to amend and reissue the financial statements.

The financial information contained in this announcement has neither been audited nor reviewed by the auditors.

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

The principal activities of the Company are those of investment holding and providing management services to the subsidiaries in the Group.

The principal activities of the subsidiaries are:

- (i) Restaurateur;
- (ii) Event organiser; and
- (iii) Provision of raw food supply

The registered office is: 32 Tai Seng Street, #07-00 RE&S Building, Singapore 533972. The Company is domiciled in Singapore.

#### Basis of presentation

The 1H FY2024 condensed consolidated interim financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) (“**SFRS (I) s**”) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. They are also in compliance with the International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) and the provisions of the Catalist Rules.

The accounting policies and methods of computation applied in these condensed consolidated interim financial statements are consistent with those of the latest audited annual financial statements. However, the typical notes and information included in the latest audited annual financial statements are not included in these interim financial statements except for the selected explanatory notes included to explain events and transactions that are significant to an understanding of the changes in the performance and financial position of the Group since the latest audited annual financial statements.

#### Critical judgements, assumptions and estimation uncertainties

These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates. The nature and the carrying amount of such significant assets and liabilities are disclosed with further details in the relevant Notes to these condensed consolidated interim financial statements.

The significant judgements made by Management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2023.

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## APPENDIX G – UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR 1HFY2024

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**RE&S HOLDINGS LIMITED**  
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### 1. General (cont'd)

#### ***Assessment of carrying amounts of property, plant and equipment:***

An assessment is made for the reporting year whether there is any indication that the asset may be impaired. If any such indication exists, an estimate is made of the recoverable amount of the asset. The recoverable amounts of cash-generating units if applicable is measured based on the fair value less costs of disposal or value in use calculations. It is impracticable to disclose the extent of the possible effects. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting year that are different from assumptions could require a material adjustment to the carrying amount of the balances affected. The carrying amount of the specific asset or class of assets at the end of the reporting year affected by assumption is disclosed in the Note on property, plant and equipment.

#### ***Assessment of carrying amounts of right-of-use assets:***

Significant judgement is applied by management when determining impairment allowance of the right-of-use assets. Impairment allowance is assessed for separable parts of leased premises that have been or will be vacated in the near future. The impairment allowance is sensitive to changes in the performance of various outlets. Judgement is also involved when determining the lease term for contracts that have extension or termination options. The carrying amount at the end of the reporting year is disclosed in the Note on right-of-use assets.

#### ***Useful lives of property, plant and equipment:***

The estimates for the useful lives and related depreciation charges for plant and equipment are based on commercial and other factors which could change significantly as a result of innovations and in response to market conditions. The depreciation charge is increased where useful lives are less than previously estimated lives, or the carrying amounts written off or written down for technically obsolete items or assets that have been abandoned. It is impracticable to disclose the extent of the possible effects. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting year that are different from assumptions could require a material adjustment to the carrying amount of the balances affected. The carrying amount of the specific asset at the end of the reporting year affected by the assumption is disclosed in the Note on property, plant and equipment.

#### ***Critical judgement over the lease terms:***

The lease liabilities are initially measured by discounting the lease payments over the lease terms. For leases with extension or renewal options, management applied judgement in determining whether such extension or renewal options should be reflected in measuring the lease liabilities. This requires the consideration of whether the facts and circumstances created an economic incentive for the exercise of the lease extension or renewal option. The amount of the lease liabilities at the end of the reporting year is disclosed in the Note on lease liabilities.

### 2. Seasonal operations

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

## APPENDIX G – UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR 1HFY2024



**RE&S HOLDINGS LIMITED**  
(Incorporated in the Republic of Singapore)  
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### 3. Financial information by operating segments

#### 3A. Primary analysis by business segment

For management purposes, the Group is organised into the following two major operating segments that offer different products:

- 1) The full-service restaurants segment (“**FSR**”) which caters to customers seeking the full dining experience where they may sit down to have their meals and are provided with table service; and
- 2) The quick-service restaurants, convenience and others segment (“**QSR**”) which caters to customers seeking a quicker meal experience and/or in which they may order their meals for take-away. This segment also includes the preparation of Japanese food products, such as bento and onigiri (Japanese rice balls), for third party businesses in Singapore.

This is determined by the nature or risks and returns associated with each business segment and defines the management structure as well as the internal reporting system. It also represents the basis on which management reports the primary segment information.

Inter-segment sales are measured on the basis that the entity actually uses to price the transfers. Internal transfer pricing policies of the Group are as far as practicable based on market prices. The accounting policies of the operating segments are consistent with those of the latest audited annual financial statements for the year ended 30 June 2023.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment assets consist primarily of property, plant and equipment, right-of-use assets, inventories, trade and other receivables, other assets and cash and cash equivalents. Segment liabilities comprise trade and other payables, lease liabilities, other financial liabilities, provisions and other liabilities.

The management reporting system evaluates performances based on a number of factors. However the primary profitability measurement to evaluate segment’s operating results comprises two major financial indicators: (1) earnings from operations before depreciation, interests and income taxes (called “**Recurring EBITDA**”) and (2) operating result before income taxes and other unallocated items (called “**ORBT**”).

The following tables illustrate the information about the reportable segment profit or loss, assets and liabilities.

The information on each business segment is as follows:

	<b>1H FY2024</b>	<b>1H FY2023</b>
	<b>\$’000</b>	<b>\$’000</b>
<b>Revenue by segment:</b>		
FSR	42,217	45,487
QSR	47,036	42,495
<b>Total</b>	<b>89,253</b>	<b>87,982</b>

**APPENDIX G – UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS  
OF THE GROUP FOR 1HFY2024**



**RE&S HOLDINGS LIMITED**  
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**3. Financial information by operating segments (cont'd)**

**3A. Profit or loss from continuing operations and reconciliations**

	<u>FSR</u> \$'000	<u>QSR</u> \$'000	<u>Unallocated</u> \$'000	<u>Elimination</u> \$'000	<u>Total</u> \$'000
<b><u>1H FY2024</u></b>					
<b>Revenue by segment</b>					
Total revenue by segment	42,217	47,036	–	–	89,253
Inter-segment sales	–	3,225	–	(3,225)	–
<b>Total revenue</b>	<b>42,217</b>	<b>50,261</b>	<b>–</b>	<b>(3,225)</b>	<b>89,253</b>
<b>Recurring EBITDA</b>					
Depreciation	(6,110)	(7,849)	(1,103)	–	(15,062)
Finance costs	(733)	(817)	–	–	(1,550)
ORBT	–	–	–	–	3,188
Income tax income	–	–	(744)	–	(744)
Profit, net of income tax	–	–	–	–	<b>2,444</b>
<b><u>1H FY2023</u></b>					
<b>Revenue by segment</b>					
Total revenue by segment	45,487	42,495	–	–	87,982
Inter-segment sales	–	3,605	–	(3,605)	–
<b>Total revenue</b>	<b>45,487</b>	<b>46,100</b>	<b>–</b>	<b>(3,605)</b>	<b>87,982</b>
<b>Recurring EBITDA</b>					
Depreciation	(6,109)	(6,559)	(873)	–	(13,541)
Finance costs	(627)	(586)	(111)	–	(1,324)
ORBT	–	–	–	–	7,056
Income tax income	–	–	(1,500)	–	(1,500)
Profit, net of income tax	–	–	–	–	<b>5,556</b>

The unallocated expenses mainly included the Group's headquarters expenses such as employee benefits expenses, operating lease expenses and utilities expenses.

**3B. Assets and reconciliations**

	<u>FSR</u> \$'000	<u>QSR</u> \$'000	<u>Unallocated</u> \$'000	<u>Total</u> \$'000
<b>Total assets for reportable segments:</b>				
31 December 2023	46,448	59,572	27,187	133,207
30 June 2023	58,888	56,863	28,294	144,045

The unallocated assets mainly included the Group's headquarters property, plant and equipment.

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**3. Financial information by operating segments (cont'd)**

**3C. Liabilities and reconciliations**

	<u>FSR</u> \$'000	<u>QSR</u> \$'000	<u>Unallocated</u> \$'000	<u>Total</u> \$'000
<b>Total liabilities for reportable segments:</b>				
31 December 2023	40,706	47,349	4,855	92,910
30 June 2023	52,684	45,443	4,876	103,003

The unallocated liabilities mainly included the other financial liabilities, income tax payables and deferred tax liabilities.

**3D. Other material items and reconciliations**

	<u>FSR</u> \$'000	<u>QSR</u> \$'000	<u>Unallocated</u> \$'000	<u>Total</u> \$'000
<b>Expenditures for non-current assets:</b>				
31 December 2023	635	3,863	784	5,282
31 December 2022	241	1,795	383	2,419

**3E. Geographical information**

The Group operates primarily in Singapore with revenue generated in Singapore. Accordingly, analysis of revenue and assets of the Group by geographical distribution has not been presented.

**3F. Information on major customers**

There is no single customer with revenue transactions more than 10% of the Group's total revenue. The revenue is spread over a broad base of customers.

**4. Related party transactions – Group**

**4A. Key management compensation**

	<u>1H FY2024</u> \$'000	<u>Group</u> <u>1H FY2023</u> \$'000
Salaries and other short-term employee benefits	1,031	764

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**4A. Key management compensation (cont'd)**

The above amounts are included under employee benefits expense. Included in the above amounts are following items:

	<u>Group</u>	
	<u>1H FY2024</u>	<u>1H FY2023</u>
	<u>\$'000</u>	<u>\$'000</u>
Remuneration of directors of the company	531	568
Fees to directors of the company	94	105
Fees to directors of the subsidiaries	9	9
	<u>          </u>	<u>          </u>

Key management personnel include the directors and those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly.

**5. Income tax – Group**

	<u>Group</u>	
	<u>1H FY2024</u>	<u>1H FY2023</u>
	<u>\$'000</u>	<u>\$'000</u>
<u>Current tax expense:</u>		
Current tax expense	686	1,321
Withholding tax	9	10
<b>Subtotal</b>	<u>695</u>	<u>1,331</u>
<u>Deferred tax income:</u>		
Deferred tax income	49	169
Subtotal	49	169
<b>Total income tax income</b>	<u>744</u>	<u>1,500</u>

**6. Dividends on equity shares**

	<u>Group and Company</u>			
	<u>Rate per share – dollars</u>			
	<u>1H FY2024</u>	<u>1H FY2023</u>	<u>1H FY2024</u>	<u>1H FY2023</u>
			<u>\$'000</u>	<u>\$'000</u>
Final tax exempt (one-tier) dividend	0.0090	0.0085	3,185	3,009
<b>Total dividend paid during the period</b>	<u>0.0090</u>	<u>0.0085</u>	<u>3,185</u>	<u>3,009</u>



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**7. Earnings per share**

	<u>1H FY2024</u> \$'000	<u>1H FY2023</u> \$'000
<u>Numerator</u>		
Profit attributable to owners of the Company, net of income tax	2,444	5,556
<u>Denominator</u>		
Weighted average number of equity shares: At beginning and end of the period ('000)	353,838	354,000
Basic and diluted earnings per share (SGD cents)	0.7	1.6

The basic and diluted earnings per share are the same as the Company and the Group did not have any potentially dilutive instruments for the respective financial periods.

**8. Property, plant and equipment**

<u>Group</u>	<u>Leasehold property</u> \$'000	<u>Plant and equipment</u> \$'000	<u>Total</u> \$'000
<u>Cost:</u>			
At 1 July 2022	19,505	64,149	83,654
Additions	–	6,159	6,159
Disposals	–	(2,774)	(2,774)
Foreign exchange adjustments	–	(84)	(84)
At 30 June 2023 and 1 July 2023	19,505	67,450	86,955
Additions	–	5,282	5,282
Disposals	–	(3,074)	(3,074)
Foreign exchange adjustments	–	(131)	(131)
At 31 December 2023	<b>19,505</b>	<b>69,527</b>	<b>89,032</b>
<u>Accumulated depreciation:</u>			
At 1 July 2022	5,528	45,926	51,454
Additions	707	6,004	6,711
Disposals	–	(2,352)	(2,352)
Foreign exchange adjustments	–	(73)	(73)
At 30 June 2023 and 1 July 2023	6,235	49,505	55,740
Depreciation for the period	354	3,028	3,382
Disposals	–	(2,669)	(2,669)
Foreign exchange adjustments	–	(132)	(132)
At 31 December 2023	<b>6,589</b>	<b>49,732</b>	<b>56,321</b>
<u>Carrying amount:</u>			
At 30 June 2023	<b>13,270</b>	<b>17,945</b>	<b>31,215</b>
At 31 December 2023	<b>12,916</b>	<b>19,795</b>	<b>32,711</b>

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### 9. Right-of-use of assets

<u>Group</u>	<u>Restaurant Premises \$'000</u>
<b>Cost:</b>	
At 1 July 2022	155,675
Additions	33,127
Remeasurement	2,735
Foreign exchange adjustments	(389)
At 30 June 2023 and 1 July 2023	<u>191,148</u>
Additions	3,671
Remeasurement	254
Foreign exchange adjustments	1
At 31 December 2023	<u>195,074</u>
<b>Accumulated depreciation:</b>	
At 1 July 2022	97,277
Depreciation for the year	20,540
Remeasurement	671
Foreign exchange adjustments	(301)
At 30 June 2023 and 1 July 2023	<u>118,187</u>
Depreciation for the period	11,680
Remeasurement	(52)
Foreign exchange adjustments	15
At 31 December 2023	<u>129,830</u>
<b>Carrying amount:</b>	
At 30 June 2023	<u>72,961</u>
At 31 Decemeber 2023	<u>65,244</u>

The leases are for restaurant premises. The lease contracts are for fixed periods of three to six years. Lease terms contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

The Group has several lease contracts that include extension and termination options. These options are negotiated by Management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised (Note 1).

### 10. Investment in subsidiaries

	<u>Company</u>	
	<u>31.12.2023</u>	<u>30.06.2023</u>
	\$'000	\$'000
Unlisted investments at cost	21,868	21,868
Loans to subsidiaries	10,671	—
	<u>32,539</u>	<u>21,868</u>

The loans to subsidiaries are non-interest bearing and not expected to be repaid in the foreseeable future. The loans are therefore deemed to form part of the Company's interest in subsidiaries.

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### 11. Other non-financial assets

	Group	
	31.12.2023 \$'000	30.06.2023 \$'000
Deposits to secure services	7,658	8,447
Prepayments	658	822
	<u>8,316</u>	<u>9,269</u>
Presented in condensed interim statements of financial position:		
Non-current	3,516	6,159
Current	4,800	3,110

### 12. Trade and other receivables, current

	Group	
	31.12.2023 \$'000	30.06.2023 \$'000
<u>Trade receivables:</u>		
Outside parties	2,226	2,527
Net trade receivables – subtotal	<u>2,226</u>	<u>2,527</u>
<u>Other receivables:</u>		
Outside parties	11	9
Net other receivables – subtotal	<u>11</u>	<u>9</u>
Total trade and other receivables	<u>2,237</u>	<u>2,536</u>

Trade receivables comprise mainly creditworthy debtors with good payment record and credit card receivables that will be settled in a few days and are considered to have low credit risk, hence these customers can be graded as low risk individually. No loss allowance is necessary. There are no collateral held as security and other credit enhancements for the trade receivables.

### 13. Other financial assets, current

	Group	
	31.12.2023 \$'000	30.06.2023 \$'000
Financial assets at FVTPL, current (Note 13A)	5,540	6,046
Gain on forward foreign exchange contracts	98	109
	<u>5,638</u>	<u>6,155</u>

### 13A Financial assets at FVTPL

	Group	
	31.12.2023 \$'000	30.06.2023 \$'000
Movements during the year:		
Fair value at beginning of the year	6,046	4,165
Additions	1,314	3,381
Disposals	(2,099)	(1,923)
Loss on disposals through profit or loss	(836)	(356)
Increase in fair value through profit or loss	1,115	779
	<u>5,540</u>	<u>6,046</u>

The fair value (Level 1) of the financial assets approximates to bid prices in an active market at the end of the reporting period and year respectively.

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### 14. Share capital

	<u>Group and Company</u>			<u>Total</u> \$'000
	<u>Number</u> <u>of shares</u> <u>issued</u> <u>'000</u>	<u>Share</u> <u>capital</u> \$'000	<u>Treasury</u> <u>shares</u> \$'000	
Balance at 30 June 2023 and 31 December 2023	353,838	32,307	(42)	32,265

The Company holds 162,300 treasury shares as at 31 December 2023 and 30 June 2023, which represented 0.05% of the Company's total number of ordinary shares (excluding treasury shares) as at 31 December 2023 and 30 June 2023. There was no sale, transfer, cancellation and/or use of treasury shares during and as at the end of the current financial year reported on.

### 15. Lease liabilities

Lease liabilities are presented in the statement of financial position as follows:

	<u>Group</u>	
	<u>31.12.2023</u> \$'000	<u>30.06.2023</u> \$'000
Lease liabilities, current	17,787	22,316
Lease liabilities, non-current	53,156	56,009
	<u>70,943</u>	<u>78,325</u>

Movements of lease liabilities for the reporting period are as follows:

	<u>Group</u>	
	<u>31.12.2023</u> \$'000	<u>30.06.2023</u> \$'000
Total lease liabilities at beginning of reporting period	78,325	64,093
Additions	3,671	33,127
Remeasurement	364	2,198
Accretion of interest	1,550	2,398
Lease payments – principal portion paid	(12,953)	(23,401)
Foreign exchange adjustments	(14)	(90)
Total lease liabilities at end of reporting period	<u>70,943</u>	<u>78,325</u>

The lease liability above does not include the short-term leases of less than 12 months and leases of low-value underlying assets. Variable lease payments which do not depend on an index or a rate or based on a percentage of revenue are not included from the initial measurement of the lease liability and the right-of-use assets.

Total cash outflows from leases are shown in the consolidated statement of cash flows. The related right-of-use assets are disclosed in Note 9.

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### 16. Trade and other payables

	<u>Group</u>	
	<u>31.12.2023</u>	<u>30.06.2023</u>
	\$'000	\$'000
<b>Trade payables:</b>		
Outside parties	7,092	10,122
Accrued liabilities	8,892	8,193
Trade payables – subtotal	<u>15,984</u>	<u>18,315</u>
<b>Other payables:</b>		
Outside parties	1,128	1,405
Other payables – subtotal	<u>1,128</u>	<u>1,405</u>
<b>Total trade and other payables</b>	<u><b>17,112</b></u>	<u><b>19,720</b></u>

### 17. Net asset value

	<u>Company</u>		<u>Group</u>	
	<u>31.12.2023</u>	<u>30.06.2023</u>	<u>31.12.2023</u>	<u>30.06.2023</u>
	cents	cents	cents	cents
Net asset value per share based on existing issued share capital as at the respective dates	<u>9.4</u>	<u>10.3</u>	<u>11.4</u>	<u>11.6</u>

The net asset value per ordinary share of the Group and the Company as at 31 December 2023 were calculated based on the total issued number of ordinary shares (excluding treasury shares) of 353,837,700 (30 June 2023: 353,837,700).

### 18. Categories of financial assets and liabilities

The following table categorises the carrying amount of financial assets and liabilities recorded at the end of the reporting year:

	<u>Group</u>	
	<u>31.12.2023</u>	<u>30.06.2023</u>
	\$'000	\$'000
<b>Financial assets:</b>		
Financial assets at amortised cost	16,721	20,154
Financial assets at FVTPL	5,638	6,155
	<u>22,359</u>	<u>26,309</u>
<b>Financial liabilities:</b>		
Financial liabilities at amortised cost	<u>88,055</u>	<u>98,045</u>

### 19. Changes and adoption of financial reporting standards

The same accounting policies and methods of computations used in the latest audited annual financial statements have been applied to this set of interim financial statements.

### 20. Subsequent events

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

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### **F. Other information required by Catalyst Rule Appendix 7C**

**1. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:**

- (a) any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) any material factors that affect the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.**

#### **Consolidated Statement of Comprehensive Income** **1H FY2024 compared to 1H FY2023**

##### Revenue

The increase in Group's revenue in 1H FY2024 was primarily due to the increase in revenue contribution from Quick-Service Restaurants, Convenience and Others ("QSR").

Revenue from Full-Service Restaurants ("FSR") decreased by 7.2% from S\$45.5 million in 1H FY2023 to S\$42.2 million in 1H FY2024 mainly due to interim closure of certain food outlets for revamping and conversion into QSR concepts, in line with shift to labour lean concepts.

The revenue for QSR segment increased by 10.7% or approximately S\$4.5 million, from S\$42.5 million in 1H FY2023 to S\$47.0 million in 1H FY2024 mainly due to the opening of 6 new QSR outlets. The revenue contribution of QSR segment increased to 52.7% in 1H FY2024 as compared to 48.3% in 1H FY2023.

##### Raw materials and consumables used

Raw materials and consumables used (taking into account the changes in closing inventories) were 25.3% and 26.7% of total revenue for 1H FY2024 and 1H FY2023 respectively. The decrease was mainly due to lower raw materials costs, particularly for salmon.

##### Other operating income

Other operating income decreased mainly due to a decrease in government grants.

##### Employee benefits expense

The Group's employee benefits expense represented 36.3% and 33.0% of total revenue for 1H FY2024 and 1H FY2023 respectively. The increase in employee benefits expense as a percentage of total revenue was mainly due to: i) an improvement in the employee compensation package to ease recruitment and; ii) increased in hiring of workers due to the opening of new outlets.

##### Operating lease expenses

Operating lease expenses represents 1.0% and 1.8% of total revenue for 1H FY2024 and 1H FY2023 respectively. The reason for the reduction was mainly due to a reclassification adjustment between operating lease expenses and other operating expenses, for better presentation. Excluding this adjustment, operating lease expenses represents 1.4% and 1.8% of total revenue for 1H FY2024 and 1H FY2023 respectively.

##### Utilities expenses

Utilities expenses increased mainly due to an increase in the electricity tariff and the increase in new outlets in 2H FY2023 and 1HF Y2024.

##### Depreciation expense

Depreciation expense increased mainly due to the increase in depreciation for plant and equipment and right-of-use assets. The increase was mainly due to the increase in new outlets.

##### Other operating expenses

Other operating expenses increased mainly due to the increase of general expenses such as delivery, transportation expenses and computer and software related expenses.

##### Other expenses – Non-operating

Other expenses - non-operating increased mainly due to i) increase in professional fees mainly attributed to new outlets; ii) increase in plant and equipment written off due to revamp of outlets and offset with an unrealised gain of financial assets held at FVTPL.



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### **Consolidated Statement of Comprehensive Income (cont'd)** **1H FY2024 compared to 1H FY2023**

#### Finance costs

Finance costs increased mainly due to an increase in new leases.

#### Profit before tax

As a result of the above, profit before tax decreased by approximately S\$3.9 million, from S\$7.1 million in 1H FY2023 to S\$3.2 million in 1H FY2024.

#### Income tax expense

Income tax expense decreased by approximately S\$0.8 million, mainly due to a decrease in profit in 1H FY2024 compared to 1H FY2023.

#### Profit, net of income tax

As a result of the foregoing, the Group recorded a profit after tax of S\$2.4 million in 1H FY2024.

### **Consolidated Statements of Financial Position**

***The comparative performance for both the assets and liabilities are based on the Group's financial statements as at 31 December 2023 and 30 June 2023.***

#### Non-current assets

The Group's non-current assets decreased by S\$8.8 million from S\$110.4 million as at 30 June 2023 to S\$101.5 million as at 31 Dec 2023 mainly due to (i) a decrease in the right-of-use assets ("ROU") of S\$7.7 million; (ii) a decrease in other non-financial asset, non-current of S\$2.6 million and partially offset by (iii) an increase in property, plant and equipment of S\$1.5 million.

ROU assets decreased by S\$7.7 million mainly due to the amortisation whilst the decrease in other non-financial assets, non-current was due to the refundable rental deposits placed with the lessors for existing leases which were less than a year. The increase in property, plant and equipment was mainly due to the addition of plant and equipment amounting to S\$5.3 million; partially offset by the write-off of renovation and fixtures for certain outlets and depreciation of S\$3.8 million.

#### Current assets

The Group's current assets decreased by S\$2.0 million from S\$33.7 million as at 30 June 2023 to S\$31.7 million as at 31 Dec 2023. This was mainly due to (i) a decrease in cash and cash equivalents of S\$3.1 million; (ii) a decrease in trade and other receivables of S\$0.3 million; (iii) a decrease in other financial assets, current of S\$0.5 million; offset by (v) an increase in inventories of S\$0.3 million and (vi) an increase in other assets, current of S\$1.7 million.

The decrease in trade and other receivables, current was mainly due to a decrease in amount owing from external customers while the decrease in other financial assets, current was due to the disposal of securities. The decrease in cash and bank balances was mainly due to payout of final dividend for FY2023. The increase in inventories was mainly due to the increasing purchase of raw materials while the increase in other non-financial assets, current was mainly attributable to the downpayments placed with the contractors for the renovations of outlets and the rental deposit placed for existing leases with less than a year which are pending renewal.

#### Non-current liabilities

The Group's non-current liabilities decreased by S\$2.7 million from S\$58.7 million as at 30 June 2023 to S\$56.0 million as at 31 Dec 2023. This was mainly due to the the repayment of lease liabilities.

#### Current liabilities

The Group's current liabilities decreased by S\$7.4 million from S\$44.3 million as at 30 June 2023 to S\$36.9 million as at 31 Dec 2023. This was mainly attributable to (i) a decrease in income tax payable of S\$0.2 million; (ii) a decrease in other payable of S\$2.6 million mainly due to the reversal of bonus provision and lesser amount owing to the suppliers (iii) a decrease in lease liabilities of S\$4.5 million due to repayment for leases less than a year from the next renewal.

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### **Consolidated Statements of Financial Position (cont'd)**

#### **Negative working capital**

As at 31 December 2023, the Group had a negative working capital of approximately S\$5.2 million due to the lease liabilities classified as current. Excluding lease liabilities of approximately S\$17.8 million, the Group had a positive working capital of S\$12.6 million as of 31 December 2023. The Board believes that the Group is able to meet its short term debt obligations as and when they fall due, as it still continues to generate positive cash flows from operations.

### **Consolidated Statements of Cash Flows**

The Group's net cash flows generated from operating activities was S\$14.7 million in 1H FY2024, mainly due to operating cash flows before changes in the working capital of S\$19.8 million, net working capital outflows of S\$4.2 million and income taxes paid of S\$0.9 million. The net working capital outflows were mainly due to (i) a decrease in trade payables of S\$2.6 million; (ii) an increase in other non-financial assets, current of S\$1.7 million; (iii) an increase in inventories of S\$0.3 million; and (iv) an decrease in trade and other receivables, current of S\$0.3 million.

The Group's net cash flows used in investing activities was S\$1.7 million in 1H FY2024, mainly attributable to (i) the purchase of plant and equipment amounting to S\$5.3 million; and partially offset by (ii) an increase in other non-financial assets, non-current of S\$2.6 million.

The Group's net cash flows used in financing activities was S\$16.1 million in 1H FY2024, mainly due to (i) lease payment of S\$13.0 million; and (ii) dividend paid of S\$3.2 million.

As a result, cash and cash equivalents decreased by S\$3.1 million in 1H FY2024.

**2. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable as no specific forecast or a prospect statement has been issued previously.

**3. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.**

The F&B industry in Singapore is expected to be challenging, dealing with increasing rentals and surging raw material prices, which contribute to the rising operating costs. The industry continues to encounter challenges in hiring and retaining workers due to the ongoing issue of labour shortages resulting in rising labour cost. In addition, the rise in interest rates, inflationary pressures, and economic uncertainty are dampening consumer sentiment, potentially leading to reduced discretionary spending.

The Group will remain vigilant amidst swiftly changing business environments and will adjust the growth strategies and productivity initiatives accordingly.

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**4. Dividend information**

If a decision regarding dividend has been made:-

(a) **Whether an interim/final ordinary dividend has been declared/recommended; and**

Yes.

(b) **Amount per share (cents)**

<b>Name of Dividend</b>	Interim
<b>Type of Dividend</b>	Cash
<b>Total number of Issued ordinary shares ('000)</b>	353,838
<b>Dividend per share</b>	0.60 Singapore cent

(c) **Corresponding period of the immediately preceding financial year**

Any dividend declared for the corresponding period of the immediately preceding financial year?

<b>Name of Dividend</b>	Interim
<b>Type of Dividend</b>	Cash
<b>Total number of Issued ordinary shares ('000)</b>	354,000
<b>Dividend per share</b>	0.90 Singapore cent

(d) **Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

The proposed dividend is one-tier tax exempt.

(e) **The date the dividend is payable.**

1 March 2024

(f) **The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined**

22 February 2024

**5. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.**

Not applicable, as the Company has declared an interim dividend for 1H FY2024.

**6. Interested person transactions**

The Group has not obtained a general mandate from shareholders of the Company for interested person transactions.

**7. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7H under Rule 720(1) of the Catalist Listing Manual**

The Company has received undertakings from all its directors and executive officers in the format as set out in Appendix 7H under Rule 720(1) of the Catalist Listing Manual.

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## APPENDIX G – UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE GROUP FOR 1HFY2024

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**RE&S HOLDINGS LIMITED**  
(Incorporated in the Republic of Singapore)  
(Company Registration No. 201714588N)

**8. Negative Assurance Confirmation Interim Financial Results pursuant to Rule 705(5) of the Catalyst Listing Manual**

The Board of Directors of the Company confirms that to the best of their knowledge, nothing has come to their attention which may render the unaudited condensed interim financial statements of the Company and the Group for the first half ended 31 December 2023 to be false or misleading in any material aspect.

**Foo Kah Lee**  
Executive Director and CEO

**Hiroshi Tatara**  
Executive Director and President

**9. Disclosure on Incorporation of Entities, Acquisition and Realisation of Shares pursuant to Catalyst Rule 706A**

During 1H FY2024, the Company did not incorporate or acquire any shares resulting in any company becoming a subsidiary and/or associated company or increase its shareholdings in any subsidiary. The Company also did not dispose any shares resulting in a company ceasing to be a subsidiary or associated company or decreasing its shareholding percentage in any subsidiary.

**For and on behalf of the Board**

**Foo Kah Lee**  
Executive Director and CEO  
14 February 2024

*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 Ms. Lim Hui Ling, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, [sponsorship@ppcf.com.sg](mailto:sponsorship@ppcf.com.sg).*

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## APPENDIX H – VALUATION SUMMARY

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*This Appendix H sets out the Valuation Summary in respect of the Property. The Valuation Summary of the Property is available for inspection during normal business hours at the registered office of the Company from the date of this Scheme Document up until the Effective Date.*



Cushman & Wakefield VHS Pte. Ltd.  
88 Market Street  
#47-01 CapitaSpring  
Singapore 048948  
Tel +65 6535 3232  
Fax +65 6535 1028  
cushmanwakefield.com  
Company Registration No. 200709839D

12 July 2024

**RE&S Enterprises Pte Ltd**  
32 Tai Seng Street #07-01  
RE&S Building  
Singapore 533972

Attn : Ms Yap Fangling, CFO

Dear Sirs,

### **VALUATION OF 32 TAI SENG STREET, SINGAPORE 533972 (“the Property”)**

Cushman & Wakefield (“C&W”) has been instructed by RE&S Enterprises Pte Ltd (referred to as “Client”), to provide the Market Value as at 31 May 2024 and report in respect of the abovementioned property (“the Property”) for company privatization purposes.

C&W has prepared the valuation in accordance with the requirements of the instruction and the following international definition of Market Value:

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

The valuation has been made on the assumption that the owner sells the property on the open market in their existing state taking into account the terms of the existing occupancy arrangements, where appropriate, but without the benefit of any other deferred term contract, joint venture or any similar arrangement which would affect the value of the property.

We provide a valuation summary on the Property together with the key factors that have been considered in determining the market value of the Property. The value conclusion reflects all information known by the valuers of C&W who worked on the valuation in respect to the Property, market conditions and available data.

### **Reliance on This Letter**

This letter is a summary of the report that C&W has prepared and it does not contain all the necessary information and assumptions that are included in the report. Further reference may be made to the report, copy of which are held by the client.

The valuation contained in the report is not guarantees or predictions but are based on the information obtained from RE&S Enterprises Pte Ltd. Whilst C&W has endeavoured to obtain accurate information, it has not independently verified all the information provided by RE&S Enterprises Pte Ltd or other reliable and reputable agencies.

C&W has also relied to a considerable extent the property data provided by the client on matters such as land lease, site and building plans, site and floor areas, date of completion and all other relevant matters.

No allowance has been made in the valuation for any charges, mortgages or amounts owing on the Property. C&W has assumed that the Property is free from encumbrances, restrictions or other outgoings of an onerous nature which would affect the market values, other than those which have been made known to C&W.

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## APPENDIX H – VALUATION SUMMARY

---

### VALUATION OF 32 TAI SENG STREET, SINGAPORE 533972



We have valued the Property in its existing use and condition and based on the remaining leasehold interest.

The methodologies used in valuing the Property, are namely, the Discounted Cash Flow Method and Comparison Method.

The income approach, where used, are based on our professional opinion and estimates of the future results and are not guarantees or predictions. Each methodology is based on a set of assumptions as to the income and expenses taking into consideration the changes in economic conditions and other relevant factors affecting the property. The resultant value is, in our opinion, the best estimate but it is not to be construed as a guarantee or prediction and it is fully dependent upon the accuracy of the assumptions made. This summary does not contain all the necessary support data and details included in the report. For further information on that, reference should be made to the report to understand the complexity of the methodologies and the variables involved in order to appreciate the context in which the values are arrived at.

We have not conducted structural surveys nor tested the building services as this is not part of our terms of reference and, as such, we cannot report that the Property are free from rot, infestation or any other structural defects. For the purpose of this valuation, the Property are assumed to be in sound structural condition and the building services in good working order. Our valuation assumes that the premises and any works thereto comply with all relevant statutory and planning regulations.

We have also not carried out investigations on site in order to determine the suitability of ground conditions, nor have we undertaken archaeological, ecological or environmental surveys. Our valuation is on the basis that these aspects are satisfactory.

#### **Valuation Rationale**

In arriving at our valuation, we have considered relevant general and economic factors and researched recent transactions of comparable properties that have occurred in the vicinity or in similar standard localities. We have utilized the Discounted Cash Flow Method and Comparison Method in undertaking our assessment for the Property.

#### **Discounted Cash Flow Method**

The Discounted Cash Flow Method (DCF) of valuation involves an assessment of the long-term return that is likely to be derived from a property with a combination of both rental and capital growth over an assumed investment horizon. We have undertaken a DCF analysis over a 10-year investment horizon in which we have assumed that the Property is sold at the commencement of the eleventh year of the cash flow period, in addition to a wide range of assumptions including target discount rate or internal rate of return, rental growth, vacancy provision, sale price of property at the end of the investment horizon, costs associated with ownership and disposal of the Property.

Under this approach, we have discounted the estimated annual net income at an appropriate discount rate and projected a terminal value to arrive at the market value. The net income is derived by deducting from the gross income, the operating expenses incurred in the management and maintenance of the building, property expenses such as property tax and other related expenses as well as a general vacancy provision for leasing downtime period and rent-free period, if any. No allowance for interest and other funding costs have been made.

The estimated gross income takes into account potential income from available space and other sustainable incomes such as car park income, if any. The terminal value is arrived by capitalizing the estimated eleventh year net operating income after allowing for disposal and related expenses and having regard to the remaining period of the tenure of the Property. It is then discounted to present value and added to the 10-year discounted cash flow to derive the capital value of the Property.

In deriving the valuation for the Property, our DCF analysis takes into consideration our projection of income stream based on information provided.

#### **Comparison Method**

In this method, comparison is made with sales of similar developments in the vicinity or in similar standard localities. Adjustments are made for differences in tenure, age and condition, size, type, location and time, amongst other factors, before arriving at the value of the Property.



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## APPENDIX H – VALUATION SUMMARY

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VALUATION OF 32 TAI SENG STREET, SINGAPORE 533972



### Summary of Valuation

The valuation of the Property is summarized below:

Address	Land Area (sf)	Balance Lease (years)	Market Value as at 31 May 2024 (SGD)
32 Tai Seng Street, Singapore 533972	41,570	47.7	S\$40,000,000

Our valuation is exclusive of Goods and Services Tax, where applicable.

The Valuation Certificate containing more property details is attached.

### Disclaimers and General Comments

We have prepared this valuation summary on the Property to determine market value for company privatization purposes. We only make warranty or representation as to the accuracy of the information in this valuation summary and the report.

All information provided to us is treated as correct and true and we accept no responsibility for subsequent changes in information and reserve the right to change our valuation if any information provided were to materially change.

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, unbiased professional analyses, opinions and conclusions.

We have no present or prospective interest in the Property and are not a related corporation of nor do we have a relationship with the property owner(s) or other party/parties whom the client is contracting with.

The valuer's compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

We hereby certify that the valuers undertaking the valuation are authorized to practice as valuers in the respective jurisdictions and have the necessary experience in valuing similar types of properties.

Yours faithfully,

For and on behalf of

**CUSHMAN & WAKEFIELD VHS PTE. LTD.**

A handwritten signature in blue ink, appearing to read 'Claire Woo'.

**Claire Woo**  
MSISV,  
Licensed Appraiser No AD41-2006273E  
Director  
Valuation & Advisory, Singapore

A handwritten signature in blue ink, appearing to read 'Thomas Teh'.

**Thomas Teh**  
MSISV,  
Licensed Appraiser No AD41-2008612G  
Senior Manager  
Valuation & Advisory, Singapore

Enc: Valuation Certificate & Appendix 1

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## APPENDIX H – VALUATION SUMMARY

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### VALUATION OF 32 TAI SENG STREET, SINGAPORE 533972



#### VALUATION CERTIFICATE

<b>Date of Valuation:</b>	31 May 2024	
<b>Property Address:</b>	32 Tai Seng Street, Singapore 533972	
<b>Client:</b>	RE&S Enterprises Pte Ltd	
<b>Interest to be Valued:</b>	Leasehold interest in the Property with balance 47.7 years approximately.	
<b>Purpose of Valuation:</b>	To determine market value for company privatization purposes.	
<b>Basis of Valuation</b>	Market value of the Property in its existing use and condition and based on the remaining leasehold interest.	
<b>Registered Lessee:</b>	RE&S Enterprises Pte Ltd	
<b>Legal Description:</b>	Lot 7060P of Mukim 23	
<b>Tenure/ Interest Valued :</b>	Leasehold for 30 + 30 years commencing 23 February 2012 (balance lease term of approximately 47.7 years)	
<b>Master Plan Zoning:</b>	Zoned "Business 2" use with plot ratio 3.5 - White (2019 Edition)	
<b>Location Description:</b>	The Property is located at the north-western junction of Airport Road and Tai Seng Street. It is located within the designated JTC Tai Seng Food Zone, some 7 km north-east of the city centre at Raffles Place. The immediate areas are predominantly industrial in nature, comprising JTC factories and other industrial buildings.	
<b>Brief Description of Property:</b>	The Property is a 7-storey purpose-built industrial building suitable for food manufacturing, processing and storage uses. The building accommodates coldroom areas (freezers & chillers), central kitchen areas, food production/ processing and storage areas on levels 4 to 6. Level 7 accommodates ancillary office areas. Car parking lots are available on levels 2 and 3. We understand that Temporary Occupation Permit (TOP) and Certificate of Statutory Completion (CSC) were obtained on 19 July 2013 and 2 December 2014 respectively.	
<b>Land Area:</b>	3,862.0 sq m or approximately 41,570 sq ft	
<b>Gross Floor Area (GFA):</b>	Approximately 9,655.0 sq m or 103,926 sq ft – according to information provided	
<b>Master Plan (2019):</b>	Zoned "Business 2 - White" use with plot ratio 3.5	
<b>Occupancy:</b>	The Property is occupied by the registered Lessee	
<b>Land premium:</b>	Based on information provided, the land premium for first lease term of 30 years has been paid to JTC. We have assumed that an upfront land premium will be payable to JTC for the further lease term of 30 years.	
<b>Valuation Approaches:</b>	Discounted Cash Flow Analysis   Comparison Method	
<b>Terminal Capitalisation Rate:</b>	6.00%	
<b>Discount Rate:</b>	7.25%	
<b>Market Value as at 31 May 2024, assuming free from encumbrances:</b>	<b>S\$40,000,000/-</b> <b>(Singapore Dollars Forty Million Only)</b>	
<b>Value per GFA:</b>	S\$385 per square foot	

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## APPENDIX H – VALUATION SUMMARY

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VALUATION OF 32 TAI SENG STREET, SINGAPORE 533972



### Appendix 1 Limiting Conditions

The Report is prepared subject to the following terms and conditions: -

- 1) The Report is:
  - a. restricted to the use by the client to whom this report is addressed;
  - b. for the specific purpose stated therein; and
  - c. for the sole purpose for which it was commissioned.Any reliance on its contents shall be made within a reasonable time from the Valuation Date. We disclaim any liability arising from any reliance on the valuation report by any other person or for any other purpose or beyond a reasonable time.
- 2) Neither the whole nor any part of this valuation report or any reference to it may be included in any document, circular, statement, correspondence nor publication in any way without our prior written approval of the form and context in which it may appear. We bear no responsibility for any unauthorised inclusion or publication.
- 3) Where it is stated in the report that information has been supplied to us by you or another party, this information is believed to be complete, reliable and accurate and we disclaim all responsibility if this information should later prove not to be so. Where information is given without being attributed directly to another party, it shall be taken that this information has been obtained by our own search of records and examination of documents, or by our enquiry from Government or quasi-Government departments.
- 4) The values assessed in this report for the subject property and any allocation of values between parts of the property apply strictly on the terms of and for the purpose of this valuation (where applicable). The values assessed should not be used in conjunction with any other assessment, as they may prove incorrect if so used.
- 5) While due care is taken in the course of inspection to note serious building defects, no structural survey has been made and no guarantee is given that the building is free from rot, termite, pest infestation or other hidden defects (where applicable). We have also not made any test on the building services such as air-conditioning, fire-fighting systems, lifts, escalators, plumbing and lighting etc. and the services are presumed to be in good working order (where applicable).
- 6) Our valuation assumes that the title(s) is (are) in good order and are marketable, free from any liens, mortgages, encumbrances, restrictions and other legal impediments (where applicable). We accept no responsibility for investigations into title(s), searches, legal requisitions, legal validity of title or any charges, claims, liabilities registered against the title(s). The client is advised to consult his solicitors on any matter concerning the title(s) (where applicable).
- 7) Any plans that are included in this report are meant for identification purposes and to assist the client in visualising the subject property (where applicable). The plans should not be treated as certified true copies of areas or other particulars contained therein. We have not made any survey of the property and assume no responsibility in connection with such matters (where applicable).
- 8) We have not taken into account of any plant and machinery in our valuation.
- 9) We have not made any requisition for the Road Line Plan or for drainage proposal (where applicable). We have also not made any application for information/document in respect of Building Control Records. Such requisitions/applications will not be made unless specifically instructed by our client (where applicable).
- 10) As matters concerning compulsory acquisitions by the Government are confidential, we are unable to provide information relating to Government acquisitions unless the subject property has already been gazette for acquisition (where applicable).
- 11) Our valuation assumes that the subject property, as currently used, is in compliance with the existing land use zoning and is not in contravention of any planning rules or regulations (where applicable).
- 12) Our valuation assumes that all development charges and maintenance/ service/ conservancy charges, if any, whether outstanding or payable as at the date of valuation, have already been fully paid (where applicable).

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## APPENDIX H – VALUATION SUMMARY

---

VALUATION OF 32 TAI SENG STREET, SINGAPORE 533972



- 13) Our valuation further assumes that, as at the date of valuation, there are no outstanding liabilities or charges attached to the property (ies) (where applicable).
- 14) Subject at all times to the provisions in these terms and conditions and in the letter of engagement, we shall not be liable to you in contract, tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of our services in respect of:
  - a) any direct loss of profit;
  - b) any indirect, special or consequential loss whatsoever howsoever caused including without limitation (i) indirect loss of profit; (ii) loss of business; (iii) loss of goodwill; (iv) loss of use of money; (v) loss of opportunity, and the parties agree that the sub-clauses of this clause shall be severable.
- 15) Subject at all times to the provisions in these terms and conditions and in the letter of engagement, we shall not be liable to you in negligence for pure economic loss arising in connection with the performance or contemplated performance of our services.
- 16) Where you or a third party has caused or contributed to the losses, damages, costs, claims or expenses, we shall not be liable to make any contribution in respect of such liability.
- 17) Save in respect of third parties directly instructed by us and not on your behalf, we shall not be liable for the services or products provided by other third parties, nor shall we be required to inspect or supervise such third parties, irrespective of the third party services or products being incidental to or necessary for the provision of our services to you (where applicable).
- 18) Subject to the provisions in these terms and conditions and in the letter of engagement, our total aggregate liability (including that of our partners and employees) to you in contract, tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of our services shall be limited to (i) an aggregate sum not exceeding the fee paid for each instruction accepted; or (ii) SGD500,000.00, whichever is lower.
- 19) We shall be released from our obligations to the extent that performance thereof is delayed, hindered or prevented by any circumstances beyond our reasonable control (examples being a strike, act of God or act of terrorism). On becoming aware of any circumstance which gives rise, or which is likely to give rise, to any failure or delay in the performance of our obligations, we will notify you by the most expeditious method then available.
- 20) Our pricing structure has been established by reference to these limitations on our liability and our level of professional indemnity insurance in respect of the services we provide. If you feel that it is necessary to discuss with us a variation in these levels, then please raise the issue with your client partner who will be able to let you have proposals for a revised pricing structure to reflect the agreed level of our liability and/or professional indemnity cover.
- 21) Responsibility for our valuation extends only to the party(ies) to whom it is addressed. However, in the event of us being asked by you to re-address our report to another party or other parties or permit reliance upon it by another party or other parties, we will give consideration to doing so, to named parties, subject to payment of additional fees.

These fees are exclusive of GST & expenses (including the cost of re-addressing the report) and are subject to a minimum fee of SGD1,000. Should additional work be involved, over and above that undertaken to provide the initial report, we may make a further charge although we will agree this with you before commencing the work.
- 22) Where we consent to reliance on our report by another party or other parties, we do so on the basis that these terms and conditions will apply to the new addressee(s) as if it/they had been a party to the original letter of engagement between us. Where we consent to such reliance, you agree to furnish the addressee with a copy of any reliance letter issued by us and/or a copy of these terms and conditions.
- 23) Where you provide a copy of and/or permit another party or parties to rely upon our valuation report without obtaining our express written consent (in accordance with clauses 21 and 22 above), you agree to indemnify and us, our affiliates and their respective shareholders, directors, officers and employees, harmless from and against all damages, expenses, claims and costs, including reasonable attorneys' fees,

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## APPENDIX H – VALUATION SUMMARY

---

### VALUATION OF 32 TAI SENG STREET, SINGAPORE 533972



- incurred in investigating and defending any claim arising from or in any way connected to the use of, or reliance upon, the valuation report by any such unauthorised person or entity.
- 24) Save where we have consented to another party or other parties relying on the valuation report in accordance with clauses 21 and 22, where a valuation report is prepared or where we consent to a valuation report being used for the purpose of a public offering in accordance with any stock exchange listing rules, you agree to indemnify us for any liability whatsoever that we have to any party or parties which exceeds our aggregate cap on liability (referred to in clause 18) which arises from their use and/or reliance on the valuation report.
- 25) Where reference is made to “Reinstatement Cost for Insurance Values”, such insurance value is the value of property on the appropriate basis as defined in the insurance contract or policy (where applicable).
- 26) Where reference is made to “Forced Sale Value”, such value is the amount that may reasonably be received from the sale of a property under (forced sale) conditions that do not meet all the criteria of a normal market transaction. Such Forced Sale Value is not a representation of the market value (where applicable).
- 27) The report is prepared on the basis that we are not required to give testimony or appear in court or any other tribunal or to any government agency by reason of this valuation report or with reference to the property in question unless prior arrangements have been made and we are properly reimbursed.
- 28) We retain ownership of the intellectual property rights in the valuation report and we provide you with an irrevocable, non-transferrable and royalty-free license (with no right to sub-licence) to use the intellectual property for the purpose or purposes stated in the valuation report.
- 29)
- a) In connection with performance of this agreement, each party represent and warrant to the other party that they comply with, will comply with, and will not cause the other Party to violate, all applicable laws related to anti-bribery or anti-corruption (“**Anti-Corruption Laws**”), including, but not limited to, the U.S. Foreign Corrupt Practices Act (15 U.S.C. §§ 78dd-1 et seq.), and the UK Bribery Act of 2010.
  - b) You represent and warrant that:
    - (i) in connection with performance of this agreement, you and your shareholders, directors, officers, or employees comply with, will comply with, and will not cause us to violate applicable laws related to the import and export of goods, technology and services, economic or financial sanctions, trade embargoes, or other restrictions on trade (“**Sanctions & Trade Controls**”), including, but not limited to, sanctions laws and regulations of the United States (as administered and enforced by the U.S. Department of the Treasury’s Office of Foreign Assets Control (“**OFAC**”) and U.S. Department of State), the U.S. Export Administration Regulations (31 C.F.R. Parts 730-774), the International Traffic in Arms Regulations (22 C.F.R. Parts 120-130), U.S. antiboycott regulations (as administered and enforced by the U.S. Department of Commerce’s Office of Antiboycott Compliance and the U.S. Department of the Treasury’s Internal Revenue Service), and sanctions laws and regulations of the United Kingdom (as administered and enforced by Her Majesty’s Treasury), provided that the representations and warranties contained in this Clause b(i) are given only to the extent that they would not result in a violation of or conflict with Council Regulation (EC) No. 2271/96, as amended (or any law or regulation implementing such Regulation in any member state of the European Union or any equivalent law or regulation in the United Kingdom), the German Foreign Trade Act or any similar, applicable anti-boycott or blocking law or regulation;
    - (ii) in connection with performance of this agreement, you and your shareholders, directors, officers, or employees comply with, will comply with, and will not cause us to violate applicable laws related to money laundering, terrorist financing, or related financial recordkeeping and reporting requirements (“**AML Laws**”), including, but not limited to, the Bank Secrecy Act (31 U.S.C. §§ 5311 et seq.), Money Laundering Control Act of 1986 (18 U.S.C. §§ 1956 et seq.), USA PATRIOT Act, EU Money Laundering Directives, UK Prevention of Terrorism Act 2005, UK Serious Organised Crime and Police Act 2005, UK Money Laundering Regulations 2003, UK Proceeds of Crime Act 2002, and UK Anti-Terrorism, Crime and Security Act 2001;
    - (iii) neither you nor any of your shareholders, directors, officers, or employees (i) is blocked, debarred, designated, excluded, sanctioned, or denied import or export privileges under applicable

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## APPENDIX H – VALUATION SUMMARY

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VALUATION OF 32 TAI SENG STREET, SINGAPORE 533972



Sanctions & Trade Controls and/or AML Laws; (ii) located in, resident in or organized under the laws of a country or territory which is a subject of country-wide or territory-wide Sanctions and Trade Controls at the date of this Agreement, Crimea, Cuba, Iran, Syria or North Korea); or (iii) owned (with a 20% or greater interest) or controlled by any person identified in (i) (collectively, "**Restricted Persons**"); and

(iv) in connection with performance of this agreement, you are not engaged in, and will not knowingly engage in, any dealings or transactions or be otherwise associated with Restricted Persons in violation of Applicable Law or provided that, if a person is considered a Restricted Person solely based on its inclusion in a relevant list, but its inclusion on that list is limited to a specific purpose or purposes, that person would be considered a Restricted Person only with respect to that specific purpose or purposes and not any other purpose or purposes.

c) Notice

If, at any time, you become aware that any of the representations set out in Clause b are no longer accurate, you will notify us immediately in writing.

d) Termination

We will have the unilateral right, exercisable immediately upon written notice, to terminate this agreement and will be entitled to receive payment of the fees for services rendered pursuant to this agreement together with any and all reasonable additional costs incurred due to such early termination in the event that:

- (i) in connection with performance of this agreement, you violate, or causes us to violate, applicable Anti-Bribery Laws and Rules or Sanctions and AML Laws;
- (ii) we believe in good faith that you have acted in a way that may subject us to liability under applicable Anti-Bribery Laws and Rules or Sanctions and AML Laws; or
- (iii) you or any of your direct or indirect shareholders becomes a Restricted Person.



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## APPENDIX I – SCHEME CONDITIONS

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*All capitalised terms used and not defined in the following extracts shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection during normal business hours at the registered office of the Company from the date of this Scheme Document up until the Effective Date.*

As at the Latest Practicable Date, save for the Scheme Conditions set out in paragraph (d)(i) of this Appendix I which have been satisfied (or, where applicable, waived), the Scheme is conditional upon the satisfaction (or, where applicable, waiver) of the remaining Scheme Conditions as set out in this Appendix I by the Cut-Off Date.

**The completion of the Acquisition is conditional upon the satisfaction (or, where applicable, the waiver) of the following:**

- (a) **Approval by Shareholders:** the approval of the Scheme by a majority in number representing three-fourths in value of the Shareholders present and voting at the Scheme Meeting pursuant to the requirements of Section 210(3AB) of the Companies Act;
- (b) **Court Order:** the grant of the Court Order sanctioning the Scheme and such Court Order having become final;
- (c) **Lodgement of Court Order with ACRA:** the lodgement of the Court Order with ACRA pursuant to Section 210(5) of the Companies Act;
- (d) **Regulatory Approvals:** prior to the first application to the Court for the order to convene the Scheme Meeting, the following Regulatory Approvals having been obtained or granted and remaining in full force and effect from the date such Regulatory Approvals are obtained or granted up to the Relevant Date, and where such Regulatory Approvals are subject to conditions, such conditions being satisfied on or prior to the Relevant Date:
  - (i) confirmation from the SIC that:
    - (A) Rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29 and 33.2 and Note 1(b) to Rule 19 of the Code do not apply to the Scheme, subject to any conditions that the SIC may deem fit to impose but without prejudice to Clause 3.4 of the Implementation Agreement;
    - (B) it has no objections to the Scheme Conditions as set out in this Appendix I;
    - (C) the Irrevocable Undertakings given by HT and YHLJ do not amount to an agreement or arrangement between Offeror and each of HT and YHLJ to co-operate to obtain or consolidate effective control of the Company; and
    - (D) (I) the FKL and LSZ Arrangements will not constitute Special Deals for the purposes of Rule 10 of the Code; (II) the FKL and LSZ Arrangements will not amount to an agreement or arrangement between the Offeror and each of FKL and LSZ to co-operate to obtain or consolidate effective control of the Company; and (III) FKL and LSZ will be permitted to attend and vote on the Scheme at the Scheme Meeting, subject to any conditions that the SIC may deem fit to impose but without prejudice to Clause 3.4 of the Implementation Agreement; and
  - (ii) the clearance by the Sponsor and/or the SGX-ST (as the case may be) of the Scheme Document and the approval-in-principle of the SGX-ST for the proposed delisting of the Company from the SGX-ST after the Scheme becomes effective and binding in accordance with its terms;

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## APPENDIX I – SCHEME CONDITIONS

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- (e) **No Illegality:** between the date of the Implementation Agreement and up to the Relevant Date:
- (i) no order, injunction, judgment or decree issued by any Governmental Authority or other legal restraints or prohibition preventing the consummation of the Acquisition or implementation of the Scheme shall be in effect;
  - (ii) no bona fide official proceeding initiated by any Governmental Authority shall be pending which has the effect of or a reasonable prospect of materially restraining, enjoining or otherwise preventing the consummation of the Acquisition or implementation of the Scheme or resulting in the same; and
  - (iii) no law shall have been enacted, entered, promulgated or enforced by any Governmental Authority that prohibits, materially restricts or makes illegal the consummation of the Acquisition or the implementation of the Scheme;
- (f) **No Prescribed Occurrence:** between the date of the Implementation Agreement and up to the Relevant Date, no Prescribed Occurrence in relation to the Offeror (as set out in Part 1 of Appendix J) or any RE&S Group Company (as set out in Part 2 of Appendix J), in each case, occurring other than as required or contemplated by the Implementation Agreement or the Scheme;
- (g) **Company Warranties:** there having been no material breach by the Company of its Warranties given under the Implementation Agreement as at the date of the Implementation Agreement and as at the Relevant Date as though made on and as at each such date except to the extent any Warranty expressly relates to an earlier date (in which case as at such earlier date), in each such case which has resulted in a material adverse effect on the business of the RE&S Group (taken as a whole) and is material in the context of the Scheme;
- (h) **Offeror Warranties:** there having been no material breach by the Offeror of its Warranties given under the Implementation Agreement as at the date of the Implementation Agreement and as at the Relevant Date as though made on and as at each such date except to the extent any Warranty expressly relates to an earlier date (in which case as at such earlier date), in each such case which has resulted in a material adverse effect on the business of the Offeror (taken as a whole) and is material in the context of the Scheme;
- (i) **No Material Adverse Event:** there being no occurrence of any event or events whether individually or in aggregate, occurring from the date hereof, which has or have the effect of causing a diminution of more than 10 per cent. in either the EBITDA or revenue of the RE&S Group for the three-month period ending on:
- (i) the date to which the latest consolidated unaudited management accounts of the RE&S Group available as at the date hereof have been drawn up; or
  - (ii) if any subsequent set of consolidated unaudited managements accounts of the RE&S Group are drawn up and made available at any time between the date of the Implementation Agreement and the date of the Court hearing to sanction the Scheme, the date to which such consolidated unaudited managements accounts of the RE&S Group have been drawn up,

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## APPENDIX I – SCHEME CONDITIONS

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in each case, as reflected in or derived from such accounts (provided such accounts are prepared in accordance with the accounting principles, policies, bases, practices and estimation techniques used in preparing the Accounts applied on a consistent basis) as compared to the EBITDA or revenue (as the case may be) of the RE&S Group for the corresponding three-month period in the previous financial year, as reflected in or derived from the Accounts and Management Accounts;

- (j) **No Termination of Lease Agreements:** between the date of the Implementation Agreement and up to the Relevant Date, there being no termination of any such lease agreement or lease agreements (other than the lease agreement in respect of the Property located at Changi City Point #B1-12/13, 5 Changi Business Park Central 1, Singapore 486038) which, either individually or in aggregate:
- (i) relate to Properties which comprise at least 10 per cent. of the total square footage of all Properties leased by the RE&S Group; or
  - (ii) relate to outlets operated by the RE&S Group which account for at least 10 per cent. of the revenue of the RE&S Group for the twelve-month period ending on the date to which the latest available consolidated unaudited management accounts (to be prepared in accordance with the accounting principles, policies, bases, practices and estimation techniques used in preparing the Accounts applied on a consistent basis) immediately prior to the Relevant Date have been drawn up, as reflected in or derived from such accounts;
- (k) **Major Landlords:** the relevant RE&S Group Companies having obtained the written consent of each Major Landlord for the transactions contemplated under the Implementation Agreement, to the extent such Major Landlord's consent is required under the relevant lease agreement entered into by such RE&S Group Company and such Major Landlord. For the purpose of the Implementation Agreement, a "**Major Landlord**" refers to the major corporate landlords of the RE&S Group being Century Square LLP, DBS Trustee Limited (as trustee of Lendlease Global Commercial REIT), DBS Trustee Limited (as trustee of Mapletree Pan Asia Commercial Trust), DBS Trustee Limited (as trustee of Paragon REIT), FC Retail Trustee Pte. Ltd. (as trustee-manager of Sapphire Star Trust), Frasers Property North Gem Trustee Pte. Ltd. (as trustee-manager of North Gem Trust), Gold Ridge Pte Ltd, GWC Commercial Pte. Ltd., Hougang Mall LLP, HSBC Institutional Trust Services (Singapore) Limited (as trustee of Capitaland Integrated Commercial Trust), HSBC Institutional Trust Services (Singapore) Limited (as trustee of Frasers Centrepoint Trust), Lendlease Retail Investments 3 Pte. Ltd., Magical Leap Limited, Mercatus Alpha Co-operative Limited, Novena Square Investments Ltd, NTUC Club, Prime Asset Holdings Limited, Quintique Investment Pte. Ltd., Tampines 1 LLP, The Seletar Mall Pte. Ltd.;
- (l) **GKK Contract:** between the date of the Implementation Agreement and up to the Relevant Date, there being no termination of the agreement dated 17 April 2024 entered into between RE&SE and Cascade Co. Ltd. in relation to the operation of the "Gokoku Shichifuku" and "Gokoku Japanese Bakery" franchise; and
- (m) **No termination of Senior Employees:** between the date of the Implementation Agreement and up to the Relevant Date, no Senior Employee having resigned from the Company or having been terminated by the Company or having given or received any notice terminating his or her employment with the Company.

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## APPENDIX J – PRESCRIBED OCCURRENCES

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*All capitalised terms used and not defined in the following extracts shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection during normal business hours at the registered office of the Company from the date of this Scheme Document up until the Effective Date.*

### Part 1 – Prescribed Occurrence in relation to the Offeror

“**Prescribed Occurrence**” means, in relation to the Offeror, any of the following:

1. **Injunction:** an injunction or other order issued against the Offeror by any court of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the Scheme or the Acquisition or any part thereof by the Offeror;
2. **Resolution for Winding Up:** the Offeror resolving that it be wound up;
3. **Appointment of Liquidator and Judicial Manager:** the appointment of a liquidator, provisional liquidator, judicial manager, provisional judicial manager and/or any other similar officer of the Offeror;
4. **Order of Court for Winding Up:** the making of an order by a court of competent jurisdiction for the winding up of the Offeror;
5. **Composition:** the Offeror entering into any arrangement or general assignment or composition for the benefits of its creditors generally;
6. **Appointment of Receiver:** the appointment of a receiver or a receiver and manager, in relation to the property or assets of the Offeror;
7. **Insolvency:** the Offeror becoming or being deemed by Law or a court to be insolvent or being unable to pay its debts when they fall due or stops or suspends or threatens to stop or suspend payment of its debts of a material amount as they fall due;
8. **Cessation of Business:** the Offeror ceases or threatens to cease for any reason to carry on business in the usual and ordinary course;
9. **Investigations and Proceedings:** if the Offeror or any of its directors is the subject of any governmental, quasi-governmental, criminal, regulatory or stock exchange investigation and/or proceeding; or
10. **Analogous Event:** any event occurs which, under the Laws of any jurisdiction, has an analogous or equivalent effect to any of the foregoing event(s).

### Part 2 – Prescribed Occurrence in relation to the Company (and where applicable, any RE&S Group Company)

“**Prescribed Occurrence**” means, in relation to the Company (or where applicable, any RE&S Group Company), any of the following:

1. **Conversion of Shares:** any RE&S Group Company converting all or any of its shares into a larger or smaller number of shares;

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## APPENDIX J – PRESCRIBED OCCURRENCES

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2. **Share Buy-back:** any RE&S Group Company (a) undertaking any share buy-backs pursuant to its existing share buy-back mandate; or (b) entering into a share buy-back agreement or resolving to approve the terms of a share buy-back agreement under the Companies Act or the equivalent companies or securities legislation;
3. **Alteration of Share Capital:** any RE&S Group Company resolving to reduce or otherwise alter its share capital in any way;
4. **Allotment of Shares or Units:** any RE&S Group Company making an allotment of, or granting an option to subscribe for, any shares, units or securities convertible into shares or units or agreeing to make such an allotment or to grant such an option or convertible security;
5. **Issuance of Debt Securities:** any RE&S Group Company issuing, or agreeing to issue, convertible notes or other debt securities;
6. **Dividends:** any RE&S Group Company declaring, making or paying any dividends or any other form of distribution to its shareholders;
7. **Injunction:** an injunction or other order issued against any RE&S Group Company by any court of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the Scheme or the Acquisition or any part thereof by any RE&S Group Company;
8. **Resolution for Winding Up:** any RE&S Group Company resolving that it be wound up;
9. **Appointment of Liquidator and Judicial Manager:** the appointment of a liquidator, provisional liquidator, judicial manager, provisional judicial manager and/or any other similar officer of any RE&S Group Company;
10. **Order of Court for Winding Up:** the making of an order by a court of competent jurisdiction for the winding up of any RE&S Group Company;
11. **Composition:** any RE&S Group Company entering into any arrangement or general assignment or composition for the benefits of its creditors generally;
12. **Appointment of Receiver:** the appointment of a receiver or a receiver and manager, in relation to the property or assets of any RE&S Group Company;
13. **Insolvency:** any RE&S Group Company becoming or being deemed by Law or a court to be insolvent or being unable to pay its debts when they fall due or stops or suspends or threatens to stop or suspend payment of its debts of a material amount as they fall due;
14. **Cessation of Business:** any RE&S Group Company ceases or threatens to cease for any reason to carry on business in the usual ordinary course;
15. **Investigations and Proceedings:** if any RE&S Group Company or any of their respective directors is the subject of any governmental, quasi-governmental, criminal, regulatory or stock exchange investigation and/or proceeding; or
16. **Analogous Event:** any event occurs which, under the Laws of any jurisdiction, has an analogous or equivalent effect to any of the foregoing event(s).



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## APPENDIX K – OFFEROR’S WARRANTIES

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*All capitalised terms used and not defined in the following extracts shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection during normal business hours at the registered office of the Company from the date of this Scheme Document up until the Effective Date.*

The Offeror hereby warrants and undertakes to and with the Company that:

**1. Incorporation, Authority, Capacity, etc.**

**1.1** It is a company duly incorporated and validly existing under its laws of incorporation.

**1.2** It (i) has full power and capacity to sign and deliver the Implementation Agreement (and the Transaction Documents to which it is a party) and to exercise all its rights and perform all its obligations under the Implementation Agreement (and the Transaction Documents to which it is a party) and (ii) has taken all necessary corporate action to authorise its entry into and delivery of, the Implementation Agreement (and the Transaction Documents to which it is a party) and the exercise of its rights and the performance of its obligations under the Implementation Agreement (and the Transaction Documents to which it is a party).

**1.3** The Implementation Agreement and the Transaction Documents to which it is a party, when executed, will constitute valid and legally binding obligations on it, enforceable in accordance with their respective terms.

**1.4** Save as expressly provided in the Implementation Agreement (and the Transaction Documents), all action, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents from third parties, any Governmental Authority or other authority) in order:

**1.4.1** to enable it lawfully to enter into, exercise its rights and perform and comply with its obligations under the Implementation Agreement (and the Transaction Documents to which it is a party); and

**1.4.2** to ensure that those obligations are valid, legally binding and enforceable,

have been taken, fulfilled and done, and are in full force and effect and all conditions of each such consent or authorisation have been complied with.

**1.5** The execution and delivery of, and the performance by it of its obligations under, the Implementation Agreement and any other Transaction Document to which it is a party will not:

**1.5.1** result in a breach of any provision of its Constitutional Documents; or

**1.5.2** result in a breach of, or give any third party a right to terminate or modify, or result in the creation of any Encumbrance under, any agreement, licence or other instrument or result in a breach of any order, judgment or decree of any court, Governmental Authority or regulatory body to which it is a party or by which it or any of its assets is bound.

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## **APPENDIX K – OFFEROR’S WARRANTIES**

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### **2. No Litigation**

No litigation, arbitration or administrative proceeding against it is current or pending or threatened to restrain the entry into, exercise of its rights under and/or performance or enforcement of or compliance with its obligations under the Implementation Agreement (or any of the Transaction Documents to which it is a party).

### **3. No Insolvency**

**3.1** It is not insolvent, or unable to pay its debts when due.

**3.2** No resolutions have been passed nor has any other step been taken or legal proceedings been started or threatened against it, for its bankruptcy, winding-up or dissolution or for the appointment of a liquidator, judicial manager, receiver, administrator, administrative receiver or similar officer over any or all of its assets which would prevent it from fulfilling, or inhibit or impair its ability to fulfil, its obligations under the Implementation Agreement and any Transaction Document to which it is a party.

### **4. Sufficiency of Financial Resources**

The Offeror has sufficient financial resources to undertake and complete the Acquisition and implement the Scheme, and shall procure that a confirmation of the Offeror’s financial resources to satisfy the Scheme Consideration will be provided by an appropriate third party in compliance with the requirements of the Code and the SIC.

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## APPENDIX L – COMPANY’S WARRANTIES

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*All capitalised terms used and not defined in the following extracts shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection during normal business hours at the registered office of the Company from the date of this Scheme Document up until the Effective Date.*

The Company hereby warrants and undertakes to and with the Offeror that:

### **1. Corporate Information**

#### **1.1 Incorporation, Authority, Capacity, Etc.**

- 1.1.1** The RE&S Group Companies are companies duly incorporated and validly existing under the laws of their jurisdiction of incorporation.
- 1.1.2** It is the direct or indirect owner of such percentage of equity interest in each RE&S Group Company (other than the Company) as disclosed in the Due Diligence Information and holds such equity interest free from any Encumbrance.
- 1.1.3** It (i) has full power and capacity to sign and deliver the Implementation Agreement and to exercise all its rights and perform all its obligations under the Implementation Agreement and (ii) has taken all necessary corporate action to authorise its entry into and delivery of, the Implementation Agreement and the exercise of its rights and the performance of its obligations under the Implementation Agreement.
- 1.1.4** The Implementation Agreement constitutes valid and legally binding obligations on it, enforceable in accordance with their respective terms.
- 1.1.5** Save as expressly provided in the Implementation Agreement, all actions, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents from any Governmental Authority or other authority) in order:
- (i) to enable it lawfully to enter into, exercise its rights and perform and comply with its obligations under the Implementation Agreement; and
  - (ii) to ensure that those obligations are valid, legally binding and enforceable, have been taken, fulfilled and done, and are in full force and effect and all conditions of each such consent or authorisation have been complied with.
- 1.1.6** Save for the approvals as expressly provided in the Implementation Agreement, the execution and delivery of, and the performance by it of its obligations under, the Implementation Agreement will not:
- (i) result in a breach of any provision of the Constitutional Documents of any RE&S Group Company; or
  - (ii) result in a breach of, or give any third party a right to terminate or modify, or result in the creation of any Encumbrance under, any agreement, licence or other instrument or result in a breach of any order, judgment or decree of any court, Governmental Authority or regulatory body to which any RE&S Group Company is a party or by which such RE&S Group Company or any of its assets is bound.

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## APPENDIX L – COMPANY’S WARRANTIES

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### 1.2 The Shares and the RE&S Group Companies

- 1.2.1** No person has the right (whether exercisable now or in the future and whether contingent or not) to call for the allotment, conversion, issue, registration, sale or transfer, amortisation or repayment of any share or loan capital or any other security giving rise to a right over, or an interest in, the capital of any RE&S Group Company under any option, agreement or other arrangement (including conversion rights and rights of pre-emption).
- 1.2.2** No RE&S Group Company has any branch, division, establishment or operations outside the jurisdiction in which it is incorporated.
- 1.2.3** No RE&S Group Company has given a power of attorney or any other authority (express, implied or ostensible) which is still outstanding or effective to any person to enter into any contract or commitment or to do anything on its behalf, other than any authority to Relevant Employees to enter into routine trading contracts in the normal course of their duties.
- 1.2.4** No RE&S Group Company is currently involved in any corporate or group restructuring, including by way of merger, demerger or hive-down of assets, nor is any such restructuring envisaged.
- 1.2.5** As at the date hereof, no RE&S Group Company has or has agreed to acquire any interest of any nature in any shares, debentures or other securities issued by any undertaking (other than in another RE&S Group Company).

### 1.3 Constitutional Documents, Corporate Registers and Minute Books

- 1.3.1** The constitutions in the Data Room are true and accurate copies of the constitutions of the RE&S Group Companies and there have not been and are not any breaches by any RE&S Group Company of its constitution.
- 1.3.2** The registers, statutory books, books of account and other records of whatsoever kind of each RE&S Group Company:
- (i) are up-to-date;
  - (ii) are maintained in accordance with applicable law on a proper and consistent basis;
  - (iii) contain accurate records of all matters required to be dealt with in such books and records; and
  - (iv) have attached to them copies of all such resolutions and agreements as are required by law to be delivered to the Registrar of Companies and all other resolutions passed by the relevant RE&S Group Company or any class of members or shareholders, other than resolutions relating to ordinary business at any Annual General Meeting.

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## APPENDIX L – COMPANY’S WARRANTIES

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**1.3.3** All registers (excluding those registers required to be maintained electronically by the Registrar of Companies under the Companies Act), books and records referred to in paragraph 1.3.2 and all other documents (including documents of title and copies of all subsisting agreements to which any RE&S Group Company is a party) which are the property of each RE&S Group Company or ought to be in its possession are in the possession (or under the control) of the relevant RE&S Group Company and no notice or allegation that any of such books and records is incorrect or should be rectified has been received.

**1.3.4** All financial statements, documents and returns required by law to be delivered or made to the Registrar of Companies have been duly and correctly delivered or made on a timely basis.

## **2. Accounts**

### **2.1 Latest Accounts**

**2.1.1** The Accounts have been prepared:

- (i) in accordance with applicable law and the accounting principles, standards and practices generally accepted at the date of the Implementation Agreement in Singapore; and
- (ii) subject to paragraph 2.1.1(i), on a basis consistent with that adopted in preparing the audited financial statements of the RE&S Group Companies for the previous three financial years.

**2.1.2** The Accounts give a true and fair view of the assets, liabilities and state of affairs of each of the RE&S Group Companies and of the RE&S Group at the Accounts Date and of the profits or losses of each of the RE&S Group Companies and of the RE&S Group for the period concerned.

**2.1.3** As at the Accounts Date, the Accounts:

- (i) make full provision for all actual liabilities;
- (ii) disclose all contingent liabilities; and
- (iii) make provision reasonably regarded as adequate for all bad and doubtful debts.

### **2.2 Management Accounts**

**2.2.1** The Management Accounts have been prepared in accordance with accounting policies used in preparing the Accounts applied on a consistent basis.

**2.2.2** The Management Accounts are fair and not misleading having regard to the purpose for which they were drawn up and do not materially misstate the assets and liabilities of the RE&S Group as at the Management Accounts Date nor the profits or losses of the RE&S Group for the period concerned.

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## APPENDIX L – COMPANY’S WARRANTIES

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**2.2.3** As at the Management Accounts Date, to the best of the Company’s knowledge, information and belief, the Management Accounts:

- (i) make full provision for all actual liabilities;
- (ii) disclose all contingent liabilities; and
- (iii) make provision reasonably regarded as adequate for all bad and doubtful debts.

### **2.3 Depreciation of Fixed Assets**

In the Accounts, the Management Accounts and in the financial statements of each RE&S Group Company for the three preceding financial years, the fixed assets of each RE&S Group Company have been depreciated in accordance with the accounting policies set out in the Accounts.

### **2.4 Non-Recurring Items etc.**

The profits and losses of the RE&S Group for the three years ended on the Accounts Date as shown by the Accounts and by the audited consolidated financial statements of the RE&S Group for previous periods delivered as part of the Due Diligence Information and the trend of profits and losses shown by such financial statements have not (except as fairly disclosed in such financial statements) been affected by changes or inconsistencies in accounting treatment, by any non-recurring items of income or expenditure, by transactions of an abnormal or unusual nature or entered into otherwise than on normal commercial terms or by any other factors (other than factors related to the Covid-19 pandemic) rendering such profits and losses for all or any of such periods exceptionally high or low.

### **2.5 Taxation**

**2.5.1** Full provision or reserve has been made in the Accounts and the Management Accounts for all Taxation liable to be assessed on each RE&S Group Company or for which each is or may become accountable in respect of:

- (i) profits, gains or income (as computed for Taxation purposes) arising or accruing or deemed to arise or accrue on or before the Accounts Date (or, in relation to the Management Accounts, the Management Accounts Date); and
- (ii) any transactions effected or deemed to be effected on or before the Accounts Date (or, in relation to the Management Accounts, the Management Accounts Date) or provided for in the Accounts or the Management Accounts.

**2.5.2** Full provision for deferred Taxation has been made in the Accounts and Management Accounts in accordance with accounting principles, standards and practices generally accepted at the date of the Implementation Agreement in Singapore.



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## APPENDIX L – COMPANY’S WARRANTIES

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### 3. Financial Obligations

#### 3.1 Financial Facilities

Details of all financial facilities (including loans, derivatives, bank guarantees, performance guarantees, credit cards, overdraft and hedging arrangements) outstanding or available to the RE&S Group Companies are given in the Data Room, the relevant RE&S Group Company is in compliance with all such facilities in accordance with their terms and, so far as the Company is aware, there are no circumstances whereby the continuation of any such facilities might be prejudiced or affected as a result of a transaction effected by the Implementation Agreement.

#### 3.2 Guarantees

Save as disclosed on the SGXNET, and other than in the ordinary and usual course of business, there is no outstanding guarantee, indemnity, suretyship or security (whether or not legally binding) given:

**3.2.1** by any RE&S Group Company; or

**3.2.2** for the benefit of any RE&S Group Company,

nor is any RE&S Group Company liable, by virtue of any act or omission as director, shadow director or “de facto” director of another person, to pay all or part of the debts or liabilities of that person.

#### 3.3 Borrowing Limits

**3.3.1** The amounts borrowed by each RE&S Group Company under overdraft facilities do not exceed applicable overdraft limits.

**3.3.2** The amounts borrowed by each RE&S Group Company do not exceed any limitation on its borrowings contained in its constitutional documents or in any agreement or instrument binding upon it.

#### 3.4 Off-Balance Sheet Financing

No RE&S Group Company has outstanding any loan capital, nor has it factored, discounted or securitised any of its receivables, nor has it engaged in any financing of a type which would not be required to be shown or reflected in the Accounts or borrowed any money which it has not repaid.

#### 3.5 Grants and Subsidies

**3.5.1** Details of all government authority investment grants, loan subsidies or financial aid received by or pledged to any RE&S Group Company during the previous three years are set out in the Data Room.

**3.5.2** The entering into, and the performance of, the Implementation Agreement and any of the documents to be entered into pursuant to or in connection with the Implementation Agreement, will not result in the forfeit or repayment of any grant, subsidy or financial aid.

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## APPENDIX L – COMPANY’S WARRANTIES

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**3.5.3** Details of all current applications for government authority investment grants, loan subsidies or financial aid are set out in the Data Room.

**3.5.4** So far as the Company is aware, there are no circumstances in which any grant, subsidy or financial aid received or applied for by any RE&S Group Company might have to be wholly or partly forfeited or repaid.

### **3.6 No Undisclosed Liabilities**

Save as disclosed on the SGXNET, there are no liabilities, whether actual or contingent, of the RE&S Group Companies other than (i) liabilities disclosed or provided for in the Accounts and the Management Accounts; (ii) liabilities incurred in the ordinary and usual course of business since the Accounts Date or the Management Accounts Date (as the case may be), none of which is material results or will result in a material adverse change in the financial or trading position or prospects or turnover of the RE&S Group Companies; or (iii) liabilities disclosed elsewhere in the Implementation Agreement or the Disclosure Letter.

## **4. Assets**

### **4.1 Properties**

#### **4.1.1 Title to the Central Kitchen Property**

- (i) RE&SE is the registered legal owner of, and solely and beneficially entitled to, the leasehold title to the Central Kitchen Property held under Certificate of Title (SUB) Volume 724 Folio 157.
- (ii) Title to the Central Kitchen Property is free from Encumbrances.
- (iii) RE&SE has not granted any subsisting right, option, or right of first refusal to any third party to acquire the Central Kitchen Property.
- (iv) RE&SE has in its possession or unconditionally held to its order all the original documents of title pertaining to the Central Kitchen Property.
- (v) RE&SE has not entered into any contract pursuant to which the Central Kitchen Property is subject to any adverse estate, right, interest, covenant, restriction, stipulation, easement, option, right of pre-emption, wayleave, profit a prendre, licence or other right or informal arrangement in favour of any third party (whether in the nature of a public or private right or obligation) nor is there any agreement to give or create any of the foregoing.
- (vi) There is no encroachment (a) affecting the Central Kitchen Property, or (b) by any structure located on or at any part of the Central Kitchen Property into any adjoining property.
- (vii) The JTC Lease is valid and subsisting and there is no breach or non-observance of any covenant, condition or agreement contained therein. RE&SE has not received any written notice from JTC under the JTC Lease notifying RE&SE that it is in breach of any covenant of the JTC Lease or that the JTC Lease has been terminated.

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## APPENDIX L – COMPANY’S WARRANTIES

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(viii) There is no actual, pending or, so far as the Company is aware, threatened action, dispute, claim or demand against RE&SE under or in connection with the JTC Lease.

(ix) There are no outstanding or, so far as the Company is aware, threatened actions, disputes, claims or demands between RE&SE and any third party affecting the Central Kitchen Property.

### 4.1.2 Compulsory Acquisition

RE&SE has not received any notice of acquisition or intended acquisition of, or notice of publication of a gazette notification under the Land Acquisition Act 1966 in respect of, the Central Kitchen Property (whether in whole or in part), from the Government of Singapore or any such competent authority.

### 4.1.3 Property Tax

Save as disclosed in the Data Room, RE&SE has not received any notice from the Inland Revenue Authority of Singapore or any other competent authority giving notice to increase the annual value of the Central Kitchen Property (or any part thereof) or the amount of the property tax payable in respect of the Central Kitchen Property (or any part thereof).

### 4.1.4 State and Condition of the Central Kitchen Property

In relation to the Central Kitchen Property:

- (i) a fire certificate has been issued in respect of the Central Kitchen Property and there has been no breach of the provisions or conditions contained therein;
- (ii) the building(s) and other structure(s) comprised in the Central Kitchen Property are in good and substantial repair; and
- (iii) there are no inherent, structural, latent or other defects affecting the structure of the building(s) comprised in the Central Kitchen Property.

### 4.1.5 Planning

- (i) No development at or any alteration and addition works to the Central Kitchen Property or use of the Central Kitchen Property has been undertaken in breach of the JTC Lease or planning legislation or any other statutes or any regulations, orders, consents or permissions made or given thereunder.
- (ii) The planning consents and permissions affecting the Central Kitchen Property are either unconditional or are subject only to conditions which have been satisfied or fully observed and performed.
- (iii) There is no pending planning application, planning appeal or other planning proceedings in respect of the Central Kitchen Property.

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## **APPENDIX L – COMPANY’S WARRANTIES**

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- (iv) There is no outstanding written notice, order, complaint, requirement, enforcement notice, breach of condition notice, statutory notice or informal notice relating to the Central Kitchen Property or any business carried on thereat or the use or development thereof.
- (v) No notice from any governmental authority has been issued which is still outstanding and requiring RE&SE to perform building works or rectification works or cease such works in respect of the Central Kitchen Property.
- (vi) No notice from any governmental authority has been issued requiring RE&SE to perform demolition works in respect of the Central Kitchen Property.
- (vii) All requisite Temporary Occupation Permit(s) and Certificate(s) of Statutory Completion based on the current approved building plan(s) in respect of the Central Kitchen Property and all additions and alterations thereto (if any) have been obtained.
- (viii) All development charge and differential premium (if any) payable in respect of the development of the Central Kitchen Property have been fully paid.

### **4.1.6 Other Matters relating to the Central Kitchen Property**

- (i) Save and except for any statutory and governmental rights for the free and uninterrupted passage and running of water, gas, sewage, electricity, telephone and other services and the cables, pipes, lines and ancillary apparatus installed by the relevant governmental authority or licensed service providers, which are now upon, over or under the surface of the Central Kitchen Property, and the rights, restrictions and obligations created under the JTC Lease, there is (a) no easement or restriction affecting the Central Kitchen Property but benefiting the adjoining properties, and (b) no easement or restriction imposed on the adjoining properties and benefitting the Central Kitchen Property.
- (ii) RE&SE has not entered into any agreement for airspace rights or rights of access which affect the Central Kitchen Property.
- (iii) RE&SE has not entered into any agreement with any adjoining owner or governmental authority undertaking construction, maintenance, repair or payment obligations in relation to any facilities or building works on any adjoining properties or the Central Kitchen Property.
- (iv) RE&SE has fulfilled the following requirements, for the grant of the further 30 year term referred to under Clause 3A of the Memorandum of Lease No. IB/293564T (incorporated by reference in the JTC Lease):
  - (a) the aggregate investment on building and civil works and plant and machinery of at least S\$17,000,000 on the Central Kitchen Property; and
  - (b) development of the Central Kitchen Property with a gross plot ratio of not less than 2.50 but not more than 2.50.

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## APPENDIX L – COMPANY’S WARRANTIES

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### 4.1.7 Leases

- (i) There is no alleged or subsisting breach, nor any non-observance of any covenant, condition or agreement contained in each lease in respect of any Properties (other than the Central Kitchen Property) leased to the RE&S Group Companies (each, a “**Lease**”) on either the part of the RE&S Group Company or, as far as the Company is aware, the landlord thereunder.
- (ii) The landlord under each Lease has not refused to accept rent or made any complaint or objection and the receipt for the payment of rent which fell due immediately prior to the date of the Implementation Agreement is unqualified.
- (iii) No RE&S Group Company has received any claim alleging any right of adverse possession with respect to any of the Properties, and as far as the Company is aware, no such right exists.
- (iv) There are no restrictions in the Leases which prevent the Properties being used now or in the future for the present use.
- (v) No alterations have been made to the Properties at the expense of the RE&S Group Companies without all necessary consents and approvals.
- (vi) No RE&S Group Company has received any notice of intended acquisition of any of the Properties (in whole or in part) from any governmental or other competent authority.
- (vii) No RE&S Group Company has entered into any other agreements or instruments with the relevant counterparty which supplement vary or modify the Leases.

### 4.1.8 Properties Not Subject to Leases and Licences

No Property is the subject of any lease or licence for the benefit of any person other than the RE&S Group Companies.

## 4.2 Ownership of Assets

Save as disclosed, all assets included in the Accounts or acquired by any of the RE&S Group Companies or which have otherwise arisen since the Accounts Date, other than any assets disposed of or realised in the ordinary and usual course of business:

- 4.2.1 are legally and beneficially owned by the RE&S Group Companies;
- 4.2.2 are, where capable of possession, in the possession or under the control of the relevant RE&S Group Company;
- 4.2.3 are free from Encumbrances; and
- 4.2.4 are not the subject of any factoring arrangement, conditional sale or credit agreement.

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## APPENDIX L – COMPANY’S WARRANTIES

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### 4.3 Debts

None of the debts receivable or due to any RE&S Group Company which are included in the Accounts or which have subsequently arisen, where the value of such debts receivable exceeds S\$10,000:

**4.3.1** has been outstanding for more than three months from its due date for payment;  
or

**4.3.2** has been released on terms that the debtor has paid less than the full value of his debt,

and all such debts have realised or will realise in the normal course of collection their full value as included in the Accounts or in the books of the relevant RE&S Group Company after taking into account the provision for bad and doubtful debts made in the Accounts. For the avoidance of doubt, a debt shall not be regarded as realising its full value to the extent that it is paid, received or otherwise recovered in circumstances in which such payment, receipt or recovery is or may be void, voidable or otherwise liable to be reclaimed or set aside.

### 4.4 Plant and Machinery etc.

The plant and machinery, vehicles and other equipment owned or used by each RE&S Group Company are in good repair and condition (fair wear and tear excepted) and in reasonable working order, have been regularly and properly maintained and are not dangerous, obsolete, inefficient or surplus to requirements.

### 4.5 Sufficiency of Assets

The property, rights and assets owned or leased by the RE&S Group Companies comprise all the property, rights and assets necessary for the carrying on of the business of each RE&S Group Company in the manner in, and to the extent to, which it is presently conducted.

### 4.6 Investment Portfolio

The assets (including cash, fixed income, equities, hedge funds, private equity, real estate or commodities) maintained in any investment portfolios held in the name of any RE&S Group Company have been fairly valued in the Accounts and/or the Management Accounts and can be liquidated on demand by such RE&S Group Company and any such liquidation would not result in any adverse tax or fee implications on such RE&S Group Company that have not been provisioned for or disclosed in the Accounts and/or the Management Accounts (as the case may be).



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## APPENDIX L – COMPANY’S WARRANTIES

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### 5. Intellectual Property

#### 5.1 Definitions

For the purposes of this paragraph 5:

“**Business IP**” means:

- 5.1.1 all Intellectual Property registrations and applications for registration, and all unregistered trade marks, which are currently used for the carrying on of the business of each RE&S Group Company; and
- 5.1.2 the Intellectual Property authored, created, invented or contributed to by the employees of any RE&S Group Company in the course of their employment or by consultants or third parties pursuant to their engagement with any RE&S Group Company; and
- 5.1.3 all Intellectual Property used or intended to be used in connection with the business of any RE&S Group Company.

“**Business IT**” means all material Information Technology which is used in connection with the business of any RE&S Group Company;

“**Information Technology**” means computer systems, communication systems, software and hardware;

“**Licensed Business IP**” means Business IP other than Owned Business IP;

“**Owned Business IP**” means Business IP which is owned by any RE&S Group Company; and

“**Owned Business IT**” means all Business IT which is owned by any RE&S Group Company.

#### 5.2 Ownership etc.

- 5.2.1 All Business IP is either legally and beneficially owned by a RE&S Group Company or lawfully used with the consent of the owner under a licence.
- 5.2.2 So far as the Company is aware, all Owned Business IP is not being infringed, attacked, disputed, claimed, challenged or opposed by any person, and there are no actual or threatened claims, pending or completed actions or proceedings in any country which are inconsistent with or contesting a RE&S Group Company’s ownership of the rights, title and interests in and to the Owned Business IP.
- 5.2.3 All Owned Business IP is not subject to any Encumbrance or any licence or authority in favour of another.
- 5.2.4 So far as the Company is aware, no claims have been made and no intellectual property applications are pending which if pursued or granted might be material to the truth and accuracy of any of the above paragraphs 5.2.1, 5.2.2 or 5.2.3.

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## APPENDIX L – COMPANY’S WARRANTIES

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### 5.3 Registered Intellectual Property

To the extent that any Owned Business IP is registered or the subject of applications for registration, all filing and/or renewal fees which are due and steps which are required for their registration, maintenance and protection have been paid and taken.

### 5.4 Validity

**5.4.1** All Owned Business IP is (or, in the case of pending applications, will be) valid and enforceable.

**5.4.2** In respect of all Licensed Business IP: (i) all agreements or arrangements granting licence to any of the RE&S Group Companies to use such Business IP are in full force and effect (and so far as the Company is aware, with no notice having been given by, or any circumstances existing or having existed which would entitle, any party to each of the said agreements and arrangements to terminate the said agreement or agreement); (ii) the rights of the RE&S Group Companies to the said agreements and arrangements, so far as the Company is aware, remain fully valid and effective; and (iii) the obligations of the relevant RE&S Group Company to the said agreements and arrangements have been materially complied with, and so far as the Company is aware, no disputes or disagreements have arisen at any time or are foreseeable in respect thereof.

### 5.5 Infringement of Third Party Rights in Intellectual Property

So far as the Company is aware, the Business IP do not infringe any rights or interests of third parties in Intellectual Property and no claims of infringement of any such rights or interests have been made by any third party.

### 5.6 Loss of Intellectual Property Rights

So far as the Company is aware, neither entering into, nor compliance with, nor completion of the Implementation Agreement will, or is likely to result in a material breach of, or give any third party a right to terminate or vary any licence to use any Licensed Business IP.

### 5.7 Goodwill

The RE&S Group Companies have not and will not do or omit to do anything which might materially and prejudicially affect any goodwill in the Business IP.

### 5.8 Sufficiency of Business IP

The Business IP comprises all the rights and interest in Intellectual Property necessary for the carrying on of the business of each RE&S Group Company in the manner in and to the extent to which it is presently conducted.

### 5.9 Information Technology

**5.9.1** Each of the Business IT is owned by or licensed (including where offered on a software-as-a-service basis) to the relevant RE&S Group Company.

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## APPENDIX L – COMPANY’S WARRANTIES

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**5.9.2** The Owned Business IT is in good working order. The present capacity and performance of the Owned Business IT is sufficient to satisfy the current and reasonably projected business requirements (including requirements as to data volumes) of the RE&S Group Companies.

**5.9.3** All service contracts relating to, and licences of, Business IT provided by third party vendors to the RE&S Group Companies:

- (i) are in full force and effect, no notice having been given by either side to terminate them;
- (ii) in respect of which, so far as the Company is aware, no circumstances exist or have existed which would entitle a party to terminate them, vary them and/or make a claim for money or a money equivalent in respect of them; and
- (iii) in respect of which, so far as the Company is aware, the obligations of the parties thereto have been fully complied with,

and no disputes have arisen or are foreseeable in respect of thereof.

**5.9.4** There are, and in the past two years there have been, no performance breakdowns of, or logical or physical intrusions to, any Business IT or losses of data which have had (or are having) a material adverse effect on the business of any RE&S Group Company or the use of the Business IT by the business of any RE&S Group Company and none of the RE&S Group Companies is aware of any fact or matter which may give rise to such a material adverse effect.

**5.9.5** Each RE&S Group Company has in place procedures which are reasonably adequate:

- (i) to prevent unauthorised access to and the introduction of viruses and other contaminants into the Business IT;
- (ii) to take and store on-site and off-site back-up copies of the software and data in the Business IT; and
- (iii) to ensure that the business of the RE&S Group Companies can continue without material disruption in the event of breakdown or performance reduction of the Business IT or loss of data, whether due to natural disaster, power failure or otherwise.

### 5.10 Personal Data Protection

#### 5.10.1

- (i) The performance by the Company of its obligations under the Implementation Agreement; and
- (ii) any transfer or other disclosure of Personal Data to the Offeror or its Representatives, by or on behalf of any RE&S Group Company, in connection with or as contemplated by the Implementation Agreement, whether prior to or after the date of the Implementation Agreement,

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## APPENDIX L – COMPANY’S WARRANTIES

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has been and will be in accordance with all applicable Data Protection Law and has not resulted and will not result in any RE&S Group Company breaching Data Protection Law.

**5.10.2** No individual has claimed compensation from a RE&S Group Company for a breach of Data Protection Law and to the best of the Company’s knowledge, information and belief, no grounds exist for any such claim for compensation. No individual has lodged with any RE&S Group Company any complaint in relation to any breach or purported breach by any RE&S Group Company of Data Protection Law.

**5.10.3** No RE&S Group Company has received any notice or other communication (official or otherwise) from a governmental agency or regulatory body alleging a breach or potential breach of Data Protection Law by any RE&S Group Company. No RE&S Group Company has received information which indicates that a governmental agency or regulatory body is investigating a RE&S Group Company for breach or potential breach of Data Protection Law.

**5.10.4** The RE&S Group Companies have complied with all applicable Data Protection Law, including, in relation to the RE&S Group Companies incorporated in Singapore or operating in Singapore, Sections 12, 14, 26 and 43, Part 6A of the PDPA, and has not committed any offence under Section 51 or 52 or Part 9B of the PDPA.

### **6. Contracts**

#### **6.1 Capital Commitments**

Save as disclosed in the Data Room or otherwise disclosed to the Offeror and its representatives via email sent by the Company to the Offeror’s Representatives on 21 February 2024 in respect of capital commitments in an aggregate amount not exceeding S\$7.3 million, there are no other material capital commitments entered into or proposed by any of the RE&S Group Companies. For these purposes, a material capital commitment is one involving capital expenditure of over S\$250,000, exclusive of GST or equivalent Tax.

#### **6.2 Contracts**

Save as disclosed on SGXNET, no RE&S Group Company is a party to or subject to any contract, transaction, arrangement, understanding or obligation which:

**6.2.1** is not in the ordinary and usual course of business;

**6.2.2** is not wholly on an arm’s length basis;

**6.2.3** is of a long term nature that is, unlikely to have been fully performed, in accordance with its terms, more than six months after the date on which it was entered into or undertaken or is incapable of termination in accordance with its terms by a RE&S Group Company on six months’ notice or less. For the avoidance of doubt, this does not include any contract, transaction, arrangement, understanding or obligation which is entered into in the ordinary and usual course of business;

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## APPENDIX L – COMPANY’S WARRANTIES

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- 6.2.4 is of a loss-making nature (that is, known to be likely to result in loss on completion or performance);
- 6.2.5 cannot readily be fulfilled or performed without undue or unusual expenditure of money or effort;
- 6.2.6 restricts its freedom to carry on its business in any part of the world in such manner as it thinks fit;
- 6.2.7 has a contract value equivalent to more than 5 per cent. of the net profits or aggregate revenue of the RE&S Group for the financial year ended 30 June 2023, as reflected in or derived from the Accounts, or the termination of which would result in a diminution of more than 5 per cent. of the aforesaid net profits or aggregate revenue of the RE&S Group as compared to the net profits or aggregate revenue (as the case may be) of the RE&S Group for the preceding financial year (as reflected in or derived from the audited consolidated accounts of the RE&S Group for that financial year).

### 6.3 Distribution, Agency, Marketing and Sales Agreements

Save as disclosed on SGXNET, no RE&S Group Company is or has been party to any agency, distributorship, marketing, purchasing, manufacturing or licensing agreement or arrangement.

### 6.4 Joint Ventures etc.

Save as disclosed on SGXNET, no RE&S Group Company is, or has agreed to become, a member of any joint venture, consortium, limited liability partnership, partnership or other unincorporated association.

### 6.5 Agreements with Connected Persons etc.

- 6.5.1 There is no outstanding indebtedness (actual or contingent) nor any outstanding indemnity, guarantee or security arrangement between any RE&S Group Company and any current or former employee, current or former director or any current or former consultant of any RE&S Group Company or any person connected with any of such persons within the meaning of “connected person” as defined in Section 2 of the Securities and Futures Act 2001 of Singapore.
- 6.5.2 No RE&S Group Company is or has been party to any contract, arrangement or understanding with any current or former employee or current or former director or any current or former consultant of any RE&S Group Company or any person connected with any of such persons, or in which any such person is interested (whether directly or indirectly).

### 6.6 Commission and Finder’s Fees

No person is entitled to receive from any RE&S Group Company any finder’s fee, brokerage or other commission in connection with the purchase of the Shares.

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## APPENDIX L – COMPANY’S WARRANTIES

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### 6.7 Compliance with Agreements

- 6.7.1** All the contracts and all leases, tenancies, licences, concessions and agreements of whatever nature to which any of the RE&S Group Companies is a party are valid, binding and enforceable obligations of the relevant RE&S Group Company and, as far as the Company is aware, of each other party to such contracts, and the terms thereof have been complied with by the relevant RE&S Group Company and, as far as the Company is aware, by each other party to such contracts; and
- 6.7.2** so far as the Company is aware, there are no grounds for rescission, avoidance or repudiation of any of such contracts or matters referred to in paragraph 6.7.1 and no notice of termination or of intention to terminate has been received in respect of any of them.

### 6.8 Effect of Sale of the Shares

Neither entering into, nor compliance with, nor completion of the Implementation Agreement will, or is likely to:

- 6.8.1** cause any RE&S Group Company to lose the benefit of any right or privilege it presently enjoys; or
- 6.8.2** cause any person who normally does business with or gives credit to any RE&S Group Company not to continue to do so on the same basis.

## 7. Employees and Employee Benefits

### 7.1 Employees and Terms of Employment

- 7.1.1** The Data Room contains details, in relation to each RE&S Group Company, of the total number of employees employed by the RE&S Group as at the date hereof.
- 7.1.2** Since the date falling six months prior to the date of the Implementation Agreement, there have been no proposal to amend the terms of employment of any Relevant Employee.

### 7.2 Termination of Employment

- 7.2.1** Since the date falling six months prior to the date of the Implementation Agreement, no Senior Employee has given or received notice terminating his or her employment.
- 7.2.2** Since the date falling six months prior to the date of the Implementation Agreement, there have been no proposals to terminate the employment of any Senior Employee.
- 7.2.3** No liability has been incurred, and as far as the Company is aware, no liability may be incurred, by any RE&S Group Company for breach of any contract of employment with any Relevant Employee, including redundancy payments, protective awards, compensation for wrongful dismissal, unfair dismissal or for failure to comply with any order for the reinstatement or re-engagement of any Relevant Employee.



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**7.2.4** No RE&S Group Company has made or agreed to make any payment or provided or agreed to provide any benefit to any Relevant Employee or former employee or any dependant of any such persons in connection with the proposed termination or suspension of employment or variation of any contract of employment of any such Relevant Employee or former employee.

### **7.3 Industrial Disputes**

No RE&S Group Company is involved in, and so far as the Company is aware, there are no circumstances likely to give rise to, any strike or industrial or trade dispute or any dispute or negotiation regarding a claim of material importance with any trade union, works council, staff association or other similar organisation or other body (in any such case whether or not recognised by any of the RE&S Group Companies for collective bargaining or other negotiating purpose) representing employees or former employees of any RE&S Group Company.

### **7.4 Collective Bargaining Agreements**

No RE&S Group Company has entered into any collective bargaining agreements or any other agreements with any trade unions or representative bodies in Singapore.

### **7.5 Incentive Schemes**

None of the RE&S Group Companies has in existence nor is proposing to introduce any share incentive scheme, share option scheme or profit sharing scheme for all or any of its directors or employees (other than the Management Incentive Arrangements).

## **8. Legal Compliance**

### **8.1 Licences and Consents**

**8.1.1** All licences, consents, authorisations, orders, warrants, confirmations, permissions, certificates, approvals, registrations and authorities (“**Licences**”) required for the carrying on of the businesses of each of the RE&S Group Companies as now carried on and as previously carried on have been obtained, are in full force and effect, and so far as the Company is aware, have been and are being complied with.

**8.1.2** There is no investigation, enquiry or proceeding outstanding or, so far as the Company is aware, anticipated which is likely to result in the suspension, cancellation, modification or revocation of any Licence.

**8.1.3** None of the Licences has been breached or, so far as the Company is aware, is likely to be suspended, modified or revoked or not renewed (whether as a result of the entry into or completion of the Implementation Agreement or otherwise).

### **8.2 Compliance with Laws**

**8.2.1** Each RE&S Group Company is conducting, and has conducted, the business of the RE&S Group in compliance with applicable laws, bye-laws and regulations.

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## APPENDIX L – COMPANY’S WARRANTIES

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**8.2.2** So far as the Company is aware, there is no investigation disciplinary proceeding or enquiry by, or order, decree, decision or judgment of, any court, tribunal, arbitrator, governmental agency or regulatory body outstanding or anticipated against any RE&S Group Company or any director or senior management of any RE&S Group Company whose acts or defaults it may be vicariously liable.

**8.2.3** No RE&S Group Company has received any notice or other communication (official or otherwise) from any court, tribunal, arbitrator, governmental agency or regulatory body with respect to an alleged, actual or potential violation and/or failure to comply with any such applicable law, bye-law or regulation, or requiring it to take or omit any action.

### **8.3 Anti-Bribery Law and No Questionable Payments**

**8.3.1** None of the RE&S Group Companies or, so far as the Company is aware, their current or former directors, officers, agents, employees or other persons acting on behalf of any RE&S Group Company has:

- (i) violated or committed an offence under any Anti-Bribery Law;
- (ii) authorised, offered, promised or given any financial or other advantage (including, without limitation, any payment, loan, gift or transfer of anything of value), directly or indirectly, to or for the use or benefit of any government official or employee (or to another person at the request or with the assent or acquiescence of such government official or employee), or any other natural or legal person, in order to assist any RE&S Group Company in improperly obtaining or retaining business for or with any person, in improperly directing business to any person, or in securing any improper advantage;
- (iii) been party to the use of any of the assets of the RE&S Group Companies for unlawful contributions, gifts, entertainment or other unlawful expenses relating to political activity or to the making of any direct or indirect unlawful payment to government officials or employees from such assets; to the establishment or maintenance of any unlawful or unrecorded fund of monies or other assets; to the making of any false or fictitious entries in the books or records of any RE&S Group Company; or to the making of any unlawful or undisclosed payment; or
- (iv) taken any other action that would violate any Anti-Bribery Laws.

**8.3.2** For the purposes of this paragraph 8.3, “**Anti-Bribery Laws**” means:

- (i) the U.S. Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations issued thereunder;
- (ii) the UK Bribery Act 2010 (as amended);
- (iii) the Prevention of Corruption Act 1960 of Singapore; and
- (iv) any other applicable law, rule, regulation or other legally binding measure of the jurisdictions where each of the RE&S Group Companies conducts business (including, for the avoidance of doubt, Malaysia and Japan) that relates to bribery or corruption.

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### 8.4 Compliance with Food Safety System Certification 22000, FSSC 22000

RE&SE is compliant with the requirements of the Food Safety System Certification 2200, version 5.1 certification scheme for food safety management systems consisting of ISO 22000:2018, ISO/TS 22002-1:2009 and additional FSSC 22000 requirements (version 5.1) for the scope of:

- 8.4.1 manufacturing of cooked ambient/frozen rice, cooked chilled/frozen (sauce, soup, stew, egg-based product), raw/cooked chilled/frozen noodle
- 8.4.2 processing of ready-to-eat chilled/frozen sashimi grade fish, ready-to-eat chilled sushi and onigiri; and
- 8.4.3 manufacturing of fresh baked (bread, bun, pastry), cooked/baked chilled/frozen cake and dessert, frozen dough product and ready-to-eat chilled filling,

and has been assessed, determined and certified to be in compliance with such by such relevant authority and, as far as the Company is aware, there are no facts, matters or circumstances that would lead to such certification being revoked.

## 9. Litigation

### 9.1 Current Proceedings

No RE&S Group Company (or any director or senior management of any RE&S Group Company whose acts or defaults a RE&S Group Company may be vicariously liable) is involved whether as claimant or defendant or other party in any claim, legal action, proceeding, suit, litigation, prosecution, investigation, enquiry, mediation or arbitration (other than as claimant in the collection of debts arising in the ordinary and usual course of its business).

### 9.2 Pending or Threatened Proceedings

No such claim, legal action, proceeding, suit, litigation, prosecution, investigation, enquiry, mediation or arbitration is pending or threatened by or against any RE&S Group Company (or any person for whose acts or defaults a RE&S Group Company may be vicariously liable).

### 9.3 No Court Orders etc

No RE&S Group Company, nor any of the properties, assets or operations which it owns or in which it is interested, is subject to any continuing injunction, judgment or order of any court, arbitrator, governmental agency or regulatory body, nor in default under any order, licence, regulation or demand of any governmental agency or regulatory body or with respect to any order, suit, injunction or decree of any Court.

## 10. Insurance

### 10.1 Particulars of Insurances

- 10.1.1 All the assets of each of the RE&S Group Companies which are capable of being insured have at all material times been and are insured to the full replacement value thereof against fire and other risks normally insured against by companies carrying on similar businesses or owning assets of a similar nature.

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## APPENDIX L – COMPANY’S WARRANTIES

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**10.1.2** Each RE&S Group Company has at all material times been and is adequately covered against accident, physical loss or damage, third party liability (including product liability), environmental liability (to the extent that insurance is reasonably available), and other risks normally covered by insurance by such companies.

### **10.2 Details of Policies**

In respect of the insurances referred to in paragraph 10.1:

**10.2.1** all premiums and any related insurance premium taxes have been duly paid to date;

**10.2.2** all the policies are in full force and effect;

**10.2.3** so far as the Company is aware, no act, omission, misrepresentation or non-disclosure by or on behalf of any RE&S Group Company has occurred which makes any of these policies void, voidable or unenforceable;

**10.2.4** so far as the Company is aware, no circumstances have arisen which would render any of the policies void or unenforceable for illegality or otherwise;

**10.2.5** there has been no breach of the terms, conditions and warranties of any of the policies that would entitle insurers to decline to pay all or any part of any claim made under the policies or to terminate any policy;

**10.2.6** so far as the Company is aware, there are no special or unusual limits, terms, exclusions or restrictions in any of the policies; and

**10.2.7** the premiums payable are not in excess of the normal rates and, as far as the Company is aware and save in respect of any increase in premiums in the ordinary and usual course of business, no other circumstances exist which are likely to give rise to any increase in premiums.

### **10.3 Insurance Claims**

No insurance claim is outstanding and, so far as the Company is aware, no circumstances exist which are likely to give rise to any insurance claim.

### **10.4 Claims Refused**

No claim has been refused or settled below the amount claimed in the last three years.

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### 11. Tax

#### 11.1 Returns, Information and Clearances

- 11.1.1** All returns, computations, notices and information which are or have been required to be made or given by each RE&S Group Company for any Taxation purpose (i) have been made or given within the requisite periods and on a proper basis and are up-to-date and correct, and (ii) so far as the Company is aware, none of them is, or is likely to be, the subject of any dispute with the Inland Revenue Authority of Singapore or other Tax Authorities.
- 11.1.2** Each RE&S Group Company is in possession of sufficient information or has reasonable access to such information to enable it to compute its liability to Taxation insofar as it depends on any transaction occurring on or before Closing.
- 11.1.3** No transaction has been effected by a RE&S Group Company in respect of which any consent or clearance from the relevant Tax Authorities or other governmental authorities was required or was or could have been sought (i) without such consent or clearance having been validly obtained before the transaction was effected, (ii) otherwise than in accordance with the terms of and so as to satisfy any conditions attached to such consent or clearance, and (iii) otherwise than at a time when and in circumstances in which such consent or clearance was valid and effective.
- 11.1.4** So far as the Company is aware, there are no circumstances that have arisen since any application for any such consent or clearance was made which might reasonably be expected to cause such consent or clearance to be or become invalid or to be withdrawn by the relevant Tax Authorities or the governmental authority concerned.
- 11.1.5** All particulars furnished to the relevant Tax Authorities or other governmental authorities in connection with the application for any consent or clearance by each RE&S Group Company disclosed, in accordance with all applicable laws and regulations, all facts and circumstances that may be relevant to the decision of the relevant Tax Authorities.
- 11.1.6** None of the RE&S Group Companies has taken any action which has had, or will have, the result of altering, prejudicing or in any way disturbing any arrangement or agreement which it has previously had with the relevant Tax Authorities.

#### 11.2 Penalties and Interest

None of the RE&S Group Companies has nor any director or officer of such RE&S Group Company has paid, or, as far as the Company is aware, become liable to pay, any fine, penalty or interest charged by virtue of any other statutory provision relating to Taxation.

#### 11.3 Taxation Claims, Liabilities and Reliefs

- 11.3.1** No RE&S Group Company (either alone or jointly with any other person) has, or at Closing will have, an outstanding entitlement to make: any claim (including a supplementary claim) for relief; any election, including an election for one type of relief, or one basis, system or method of Taxation, as opposed to another; any

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## APPENDIX L – COMPANY’S WARRANTIES

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appeal or further appeal against an assessment to Taxation; any application for the postponement of, or payment by instalments of, Taxation; or to disclaim or require the postponement of any allowance or relief.

- 11.3.2** No relief (whether by way of deduction, reduction, set-off, exemption, postponement, roll-over, hold-over, repayment or allowance or otherwise) from, against or in respect of any Taxation has been claimed and/or given to any RE&S Group Company which could or might be effectively withdrawn, postponed, restricted, clawed back or otherwise lost as a result of any act, omission, event or circumstance arising or occurring at or at any time after Closing.
- 11.3.3** None of the RE&S Group Companies is nor may it become liable to pay, or make reimbursement or indemnity in respect of, any Taxation (or amounts corresponding thereto) in consequence of the failure by any other person to discharge such Taxation within any specified period or otherwise, where such Taxation relates to a profit, income or gain, transaction, event, omission or circumstance arising, occurring or deemed to arise or occur (whether wholly or partly) prior to Closing.
- 11.3.4** Full particulars of any agreement, arrangement or election between any RE&S Group Company and the Inland Revenue Authority of Singapore or other Tax Authorities have been provided in the Data Room.
- 11.3.5** No RE&S Group Company has taken any action which has had, or will have, the result of altering, prejudicing or in any way disturbing any arrangement or agreement which it has previously had with the Inland Revenue Authority of Singapore or other Tax Authorities.
- 11.3.6** None of the RE&S Group Companies owns nor has agreed to acquire, any asset, nor has received or agreed to receive any services or facilities (including the benefit of any licences or agreements), the consideration for the acquisition or provision of which was or will be in excess of its market value, or otherwise than on an arm’s length basis.
- 11.3.7** None of the RE&S Group Companies has disposed nor has it agreed to dispose of any asset, nor has it provided or agreed to provide any services or facilities (including the benefit of any licences or agreements), the consideration for the disposal or provision of which was or will be less than its market value, or otherwise than on an arm’s length basis.

### **11.4 Company Residence**

Each RE&S Group Company has been resident for Tax purposes in its country of incorporation and nowhere else at all times since its incorporation and will be so resident at Closing.

### **11.5 Deductions from Payments**

Each RE&S Group Company has complied in all respects with all statutory provisions relating to Taxation and requiring the deduction of Tax from any payment made by it, and has properly accounted for, and remitted or paid to the Inland Revenue Authority of Singapore or other Tax Authorities within the time required.



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## APPENDIX L – COMPANY’S WARRANTIES

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### 11.6 Anti-avoidance Provisions

None of the RE&S Group Companies has since its incorporation engaged in, or been a party to, any transaction or series of transactions or scheme or arrangement of which the main purpose, or one of the main purposes, was or could be said to be the avoidance of, or deferral of or a reduction in the liability to, Taxation.

### 11.7 GST

**11.7.1** Each RE&S Group Company has complied fully with all statutory requirements, orders, provisions, directions or conditions relating to GST, including (for the avoidance of doubt) the terms of any agreement reached with the relevant Tax Authorities.

**11.7.2** Each RE&S Group Company has not at any time been a member of a RE&S Group made pursuant to Section 30 of the Goods and Services Tax Act 1993 of Singapore and Part 2 of the Goods and Services Tax (General) Regulations (other than a RE&S Group Registration all of the other members of which were RE&S Group Companies).

### 11.8 Stamp Duty

All documents to which each RE&S Group Company is a party or which form part of such RE&S Group Company’s title to any asset owned or possessed by it or which it may need to enforce or produce in evidence in the courts of Singapore have been duly stamped and (where appropriate) adjudicated.

## 12. Important Business Issues Since the Accounts Date

Since the Accounts Date as regards the RE&S Group:

- 12.1** there has been no material adverse change in the financial or trading position or the prospects and, to the best of the Company’s knowledge, information and belief, no event, fact or matter has occurred or is likely to occur which will or is likely to give rise to any such change;
- 12.2** the business has not been materially and adversely affected by any abnormal factor whether or not affecting similar businesses to a like extent and, to the best of the Company’s knowledge, information and belief, there are no facts which are likely to give rise to any such effects;
- 12.3** the business has been carried on as a going concern in the ordinary and usual course, without any interruption or alteration in its nature, scope or manner;
- 12.4** no RE&S Group Company has declared, made or paid any dividend or other distribution to its members;
- 12.5** no RE&S Group Company has issued or allotted or agreed to issue or allot any share capital or any other security giving rise to a right over its capital;
- 12.6** no RE&S Group Company has redeemed or purchased or agreed to redeem or purchase any of its share capital; or

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## APPENDIX L – COMPANY’S WARRANTIES

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**12.7** no RE&S Group Company has incurred any additional borrowings or incurred any other indebtedness.

### **13. Disclosure of Information**

All information contained in the Implementation Agreement, the Disclosure Letter and the Due Diligence Information was when given and remains true, complete and accurate and not misleading and the Company is not aware of any fact or matter or circumstances not disclosed in writing to the Offeror which would be or reasonably likely to render any such information untrue, inaccurate or misleading.

### **14. Insolvency etc.**

**14.1.1** No RE&S Group Company is insolvent or unable to pay its debts, and no RE&S Group Company will become insolvent or unable to pay its clients as a result of the Company entering into the Implementation Agreement.

**14.1.2** No RE&S Group Company has proposed or intends to propose any arrangement of any type with its creditors or any RE&S Group of creditors whether by court process or otherwise under which such creditors shall receive or be paid less than the amounts contractually or otherwise due to them.

**14.1.3** No RE&S Group Company nor any director, secretary or creditor of any RE&S Group Company has presented any petition, application or other proceedings for administration, creditors’ voluntary arrangement or similar relief by which the affairs, business or assets of the company concerned are managed by a person appointed for the purpose by a court, governmental agency or similar body, or by any director, secretary or creditor or by the company itself nor has any such order or relief been granted or appointment made.

**14.1.4** No order has been made, petition or application presented, resolution passed or meeting convened for the purpose of winding-up any RE&S Group Company or whereby the assets of any RE&S Group Company are to be distributed to creditors or shareholders or other contributories of any RE&S Group Company.

**14.1.5** No arrangement, procedure, step, order, petition, application, resolution or meeting, analogous to those described at paragraphs 14.1.2 to 14.1.4 above, has occurred, commenced or been taken or made in any jurisdiction.

**14.1.6** No receiver (including an administrative receiver), liquidator, trustee, administrator, supervisor, nominee, custodian or any similar or analogous officer or official in any jurisdiction has been appointed in respect of the whole or any part of the business or assets of any RE&S Group Company nor, so far as the Company is aware, has any step been taken for or with a view to the appointment of such a person nor has any event taken place or is likely to take place as a consequence of which such an appointment might be made.

**14.1.7** No creditor of any RE&S Group Company has taken, or is entitled to take any steps to enforce, or has enforced any security over any assets of any RE&S Group Company or, as far as the Company is aware, is likely to do so in the immediate future.

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## APPENDIX L – COMPANY’S WARRANTIES

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- 14.1.8** No RE&S Group Company is in default of any of its obligations in relation to any of the financial facilities referred to in paragraph 3.1 above.
- 14.1.9** No RE&S Group Company has by reason of actual or anticipated financial difficulties commenced negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness.

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## APPENDIX M – OBLIGATIONS OF THE OFFEROR

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*All capitalised terms used and not defined in the following extracts shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection during normal business hours at the registered office of the Company from the date of this Scheme Document up until the Effective Date.*

The Offeror shall in connection with the implementation of the Scheme, as expeditiously as practicable, do the following:

- (a) **Joint Announcement:** release the Joint Announcement jointly with the Company on the SGX-ST on the Joint Announcement Date;
- (b) **Offeror’s Letter to the Shareholders:** prepare the Offeror’s letter to the Shareholders in compliance with all applicable Laws and regulations, including the Code, for inclusion as part of the Scheme Document (the “**Scheme Letter**”);
- (c) **Satisfaction of the Scheme Consideration:** subject to the Scheme becoming effective in accordance with its terms, pay the cash component of the Scheme Consideration and, where applicable, allot and issue the relevant Offeror Shares in satisfaction of the equity component of the Scheme Consideration, in each case, in accordance with Rule 30 of the Code;
- (d) **Responsibility of Directors:** ensure that its directors and such other persons as the SIC may require, take responsibility for the Scheme Letter and all other information relating to the Offeror or the Offeror’s concert parties provided by or on behalf of the Offeror to the Company for inclusion in the Scheme Document and all other ancillary documents in such manner as may be required by all applicable Laws and regulations, including the Code, the Catalist Rules and the Companies Act;
- (e) **Provision of Information:** from the date of the Implementation Agreement until the Effective Date, subject to the Offeror’s legal obligations or restrictions and the Offeror’s directors’ fiduciary duties, furnish to the Company and its advisers the Scheme Letter (for inclusion as part of the Scheme Document) and such information relating to the Offeror, its directors and its concert parties as the Company and its advisers may reasonably request (i) for the preparation of the Scheme Document, for the purposes of addressing any comments or queries from the SGX-ST and/or the Sponsor (as the case may be) in relation to the clearance of the Scheme Document, the implementation of the Acquisition and/or the Scheme and to facilitate the timely notification of material matters affecting the Offeror to the Company; and (ii) to determine whether the Scheme Conditions in Appendix I are being or have been fulfilled. To the extent that legal or contractual obligations in relation to third parties or the Offeror’s directors’ fiduciary duties may limit the Offeror’s obligations to comply with this paragraph (e), the Offeror shall forthwith inform the Company of that fact;
- (f) **Review of relevant documents:** ensure that the drafts of the Scheme Letter, the Election Forms, any other document and/or information to be provided by the Offeror in the Scheme Document and all documents to be despatched by the Company to the Shareholders or submitted to any Governmental Authority in connection with the Scheme are provided to the Company with sufficient time for review, being at least five Business Days, or such longer time as the Company may reasonably require;

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## APPENDIX M – OBLIGATIONS OF THE OFFEROR

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- (g) **Implementation of the Scheme:** take all steps required to be taken by it in relation to the Scheme and will use its reasonable endeavours to procure that the Scheme is implemented on the terms set out in the Implementation Agreement and to be set out in the Scheme Document including complying with all procedures and processes imposed by the Court in connection with the Scheme;
- (h) **Financial Resources:** take all steps required to be taken by it to ensure that it has and will have sufficient financial resources to undertake and complete the Acquisition and implement the Scheme in compliance with the Implementation Agreement, the Scheme Document and the Code, and procure that an unconditional confirmation of the Offeror's financial resources is furnished by an appropriate third party in compliance with the Code;
- (i) **Representation:** (if necessary) ensure that it, through its legal counsel, is represented at Court Hearings in relation to the Scheme at which, if requested by the Court, the Offeror shall do or cause to be done all things and take or cause to be taken all steps as are reasonably possible to ensure the fulfilment of their obligations under the Implementation Agreement and the Scheme; and
- (j) **No Action:** except for the exercise of any of its rights under the Implementation Agreement (including the exercise by the Offeror of the Switch Option) and subject to the Offeror's legal obligations or restrictions and the Offeror's directors' fiduciary duties, take no action which may be prejudicial to the successful completion of the Acquisition or the implementation of the Scheme.



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## APPENDIX N – OBLIGATIONS OF THE COMPANY

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*All capitalised terms used and not defined in the following extracts shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection during normal business hours at the registered office of the Company from the date of this Scheme Document up until the Effective Date.*

Subject to (i) the fiduciary duties of its directors and (ii) compliance with all applicable Laws, the Company shall in connection with the implementation of the Scheme, as expeditiously as practicable, do the following:

- (a) **Joint Announcement:** release the Joint Announcement jointly with the Offeror on the SGX-ST on the Joint Announcement Date;
- (b) **Implementation of the Scheme:** use its reasonable endeavours to procure that the Scheme is implemented on the terms set out in the Implementation Agreement and to be set out in the Scheme Document including complying with all procedures and processes imposed by the Court in connection with the Scheme;
- (c) **IFA:** appoint an IFA to (i) advise the Non-conflicted Directors in connection with the Scheme and the FKL and LSZ Arrangements; and (ii) publicly state in its opinion, *inter alia*, whether (A) the terms of the Scheme are fair and reasonable, and (B) the FKL and LSZ Arrangements are fair and reasonable so far as the Shareholders are concerned in the context of Rule 10 of the Code;
- (d) **Scheme Document and Approval of Documents by the Offeror:**
  - (i) prepare the requisite shareholder documents, including the Scheme Document in consultation with the Offeror and in accordance with any order of the Court, the Code, the Companies Act, the Catalist Rules and all applicable Laws and regulations and despatch the same; and
  - (ii) provide the Scheme Document in draft form to the Offeror with sufficient time for the Offeror's review, being at least five Business Days, or such longer time as the Offeror may reasonably require and obtain the Offeror's written approval (such approval not to be unreasonably withheld or delayed) prior to (A) despatching all documents required for the implementation of the Scheme; (B) the making of any application to the Court under Section 210 of the Companies Act; and (C) the filing of any documents with a Governmental Authority in connection with the Scheme;
- (e) **Sponsor and SGX-ST Clearance:** diligently pursue clearance by the Sponsor and/or the SGX-ST (as the case may be) of the Scheme Document and the approval-in-principle of the SGX-ST for the delisting of the Company after the Effective Date;
- (f) **Scheme Meeting:** subject to the receipt of the SGX-ST's approval-in-principle for the clearance of the Scheme Document:
  - (i) apply to the Court for an order under Section 210(1) of the Companies Act to convene the Scheme Meeting and for any ancillary orders relating thereto, all such applications and orders, including the originating summons for the Scheme and all affidavits in support thereof, to be in such form and substance as may be approved by the Offeror, such approval not to be unreasonably withheld or delayed;

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## APPENDIX N – OBLIGATIONS OF THE COMPANY

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- (ii) diligently pursue such application so as to obtain the Court's order to convene the Scheme Meeting and other necessary ancillary orders as soon as reasonably practicable; and
- (iii) convene the Scheme Meeting;
- (g) **Despatch of Documents:** subject to obtaining the Court's order under Section 210(1) of the Companies Act to convene the Scheme Meeting, despatch to the Shareholders the Scheme Document (including a notice of the Scheme Meeting) and appropriate forms of proxy for use at the Scheme Meeting in such form and within such period as may be directed by the Court, each in form and substance reasonably acceptable to the Offeror, for use at the Scheme Meeting;
- (h) **Court Order:** subject to the Scheme being approved by the requisite majority of the Shareholders at the Scheme Meeting, apply to the Court for the Court Order and for any ancillary orders relating thereto (all such applications, orders and all affidavits in support thereof, including the Court Order, to be in such form and substance as may be approved by the Offeror, such approval not to be unreasonably withheld or delayed) and diligently pursue such application so as to obtain the sanction and confirmation of the Scheme by the Court as soon as reasonably practicable;
- (i) **Lodgement of Court Order with ACRA:** subject to the Court Order being granted, deliver a copy of the Court Order to ACRA for lodgement in accordance with such time frames as set out in Clause 5.3 of the Implementation Agreement, pursuant to Section 210(5) of the Companies Act;
- (j) **Provision of Assistance, Information and Consultation with the Offeror:** from the date of the Implementation Agreement until the Effective Date, subject to every RE&S Group Company's legal obligations or restrictions and to every RE&S Group Company's directors' fiduciary duties, co-operate with and provide (and procure that the RE&S Group and their respective Representatives will so provide) the Offeror with reasonable assistance and access to such information relating to the Company, the RE&S Group, the Company's directors and the Company's concert parties which the Offeror may reasonably require in relation to or in connection with the Acquisition, the Scheme, the Offeror's financing arrangements or the Offeror's post-Acquisition plans for the Business and to facilitate the timely notification of material matters affecting the Company to the Offeror. To the extent that any legal or contractual obligations in relation to third parties or any RE&S Group Company's directors' fiduciary duties may limit the Company's obligations to comply with this paragraph (j), the Company shall forthwith inform the Offeror of that fact;
- (k) **Access:** upon the Offeror providing reasonable notice and as the Offeror may reasonably require, make available its Representatives during Working Hours to discuss and assist with the Offeror's transition planning and financing and re-financing arrangements;
- (l) **Application for Delisting of the Company:** subject to the Scheme becoming effective in accordance with its terms, apply to the SGX-ST for a delisting of the Company with effect after the Effective Date;

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## APPENDIX N – OBLIGATIONS OF THE COMPANY

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- (m) **Directors' Responsibility:** ensure that its directors shall take responsibility for all information included in the Scheme Document (other than information relating to the Offeror and its concert parties provided by or on behalf of the Offeror to the Company for inclusion in the Scheme Document) and all ancillary documents, as required by all applicable Laws and regulations, including any order of the Court, the Code, the Catalist Rules and the Companies Act;
- (n) **No Action:** save for the exercise of any of its rights under the Implementation Agreement and subject to the Company's legal obligations or restrictions and the Company's directors' fiduciary duties, take no action which may be prejudicial to the completion of the Acquisition or the implementation of the Scheme;
- (o) **Conduct of Business by the RE&S Group:** subject to the Company's legal obligations or restrictions, during the period from the date of the Implementation Agreement up to (and including) the Effective Date or the date on which the Implementation Agreement is terminated pursuant to Clause 4 of the Implementation Agreement, undertake that the Company (and undertake to procure that all the RE&S Group Companies):
- (i) shall carry on the Business of the RE&S Group as a going concern in the ordinary and usual course consistent with past practices, and save insofar as otherwise agreed in writing by the Offeror, not:
    - (A) alter the general nature or scope of its Business;
    - (B) effect any material change in strategy, or enter into any new joint ventures if and to the extent that doing so would represent a material deviation from the current business strategy of the RE&S Group or entry into a new geographic market; or
    - (C) take any action which would be prejudicial to, or could reasonably be expected to materially delay the successful outcome of the Scheme; and
  - (ii) without prejudice to the generality of paragraph (o)(i) above and save as required by Law, shall not (and shall procure that all the RE&S Group Companies shall not), without the prior written consent of the Offeror (such consent not to be unreasonably withheld or delayed):
    - (A) to the extent it is within its power or control, make, permit or suffer any Prescribed Occurrences;
    - (B) modify, amend or waive the terms of any commercial contracts, if such modification, amendment or waiver would have a material adverse effect on the financial position of the RE&S Group (taken as a whole);
    - (C) enter into any agreements or arrangements containing a change in control provision which would give a counterparty any rights exercisable as a result of the Scheme or Acquisition;
    - (D) incur any additional borrowings or incur any other indebtedness other than in the ordinary and usual course of business and pursuant to existing credit facilities;
    - (E) make any change to its accounting practices or policies or amend its Constitutional Documents, other than for compliance with applicable Law; and/or

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## APPENDIX N – OBLIGATIONS OF THE COMPANY

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- (F) make (or seek the approval of the Court to make) any amendments to the Scheme Document after it has been despatched to the Shareholders or adjournment of the Scheme Meeting in respect of the Scheme,

provided that nothing in this paragraph (o) shall restrict any RE&S Group Company from fulfilling its obligations under existing contractual commitments, which have been disclosed in writing to the Offeror prior to the date of the Implementation Agreement; and

- (p) **Approvals and Consents:** without prejudice to Clause 3.4 of the Implementation Agreement and save as may be otherwise agreed in writing between the Parties, seek and obtain the consent of any third party whose consent to the transactions contemplated under the Implementation Agreement may be required under the terms of any contracts, tenancies, licences, concessions and agreements of whatever nature entered into by any RE&S Group Company.

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## APPENDIX O – MANNER OF CONVENING SCHEME MEETING

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The manner of convening the Scheme Meeting is set out below:

### Convening, holding and/or conducting the Scheme Meeting

1. The Company shall be at liberty to convene the Scheme Meeting at a date, time and/or location to be determined by the Company.
2. The minutes of the Scheme Meeting shall be published on the website of the Singapore Exchange Securities Trading Limited (“**SGXNet**”) and the website of the Company within one month after the date of the Scheme Meeting.

### Right or entitlement to speak on a resolution at the Scheme Meeting

3. The Company may require that a Shareholder shall, before the Scheme Meeting, send to the Company, by post to the Company’s registered office, electronic mail (“**e-mail**”) and/or such other electronic means as the Company considers appropriate, the matters which the Shareholder wishes to raise at the Scheme Meeting, and each such matter, if substantial and relevant and sent within a reasonable time before the Scheme Meeting, is to be responded to at or before the Scheme Meeting in any manner the Company determines appropriate.

### Quorum at the Scheme Meeting

4. A quorum may be formed by two (2) Shareholders attending in person or by proxy.

### Voting at the Scheme Meeting

5. Each Shareholder entitled to attend and vote at the Scheme Meeting may attend in person or shall be entitled to appoint a proxy. The proxy need not be a Shareholder and may be the Chairman of the Scheme Meeting.
6. Each Shareholder who wishes to appoint a proxy(ies) must complete the Proxy Form in accordance with the instructions printed thereon and lodge it with the Share Registrar of the Company, Boardroom Corporate & Advisory Services Pte. Ltd., via email to [srs.proxy@boardroomlimited.com](mailto:srs.proxy@boardroomlimited.com) or by post at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632, in either case, not less than 72 hours before the time fixed for the Scheme Meeting.
7. Each Shareholder who is not a relevant intermediary may only appoint one (1) proxy and may only cast all the votes it uses at the Scheme Meeting (whether in person or by proxy) in one (1) way.
8. In relation to any Shareholder who is a relevant intermediary:
  - (a) subject to paragraph 8(b) below, a Shareholder who is a relevant intermediary need not cast all the votes it uses in the same way provided that each vote is exercised in relation to a different Share; and

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## APPENDIX O – MANNER OF CONVENING SCHEME MEETING

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- (b) a Shareholder who is a relevant intermediary may appoint more than two (2) proxies in relation to the Scheme Meeting to exercise all or any of the Shareholder's rights to attend and to speak and vote at the Scheme Meeting, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by the Shareholder (which number and class of shares must be specified). Each proxy appointed in accordance with this paragraph 8(b) may only cast all the votes it uses at the Scheme Meeting in one way.
9. For purposes of determining whether the condition under Section 210(3AB)(a) of the Companies Act is satisfied:
- (a) the Company shall treat each proxy appointed in accordance with paragraphs 7 or 8(b) and who casts a vote for or against the Scheme as casting one (1) vote. Where a person has been appointed as proxy of more than one Shareholder to vote at the Scheme Meeting, the votes of such person shall be counted as the votes of the number of appointing Shareholders; and
  - (b) where a Shareholder who is a relevant intermediary casts votes both for and against the Scheme otherwise than in accordance with paragraph 8(b) above, without prejudice to the treatment of any proxies appointed in accordance with paragraph 8(b) above:
    - (i) the Company shall treat the relevant intermediary as casting one (1) vote in favour of the Scheme if the relevant intermediary casts more votes for the Scheme than against the Scheme;
    - (ii) the Company shall treat the relevant intermediary as casting one (1) vote against the Scheme if the relevant intermediary casts more votes against the Scheme than for the Scheme; and
    - (iii) the Company shall treat the relevant intermediary as casting one (1) vote for and one (1) vote against the Scheme if the relevant intermediary casts equal votes for and against the Scheme.
10. If any Shareholder fails to submit a Proxy Form (if applicable) in the manner and within the period stated therein or if the Proxy Form (if applicable) is incomplete, improperly completed, illegible or where the true intentions of the Shareholder are not ascertainable from the instructions of the Shareholder specified in the Proxy Form (if applicable), the Shareholders and the proxy of such Shareholder (if applicable) may only be admitted to the Scheme Meeting at the discretion of the Chairman. Any such Shareholder shall, nonetheless, be bound by the terms of the Scheme in the event that it becomes effective.
11. For purposes of voting at the Scheme Meeting, the Company shall be entitled to reject any Proxy Form lodged by a Shareholder if the Shareholder is not shown to be a shareholder of the Company in the Company's Register of Members or the Depository Register (collectively, the "**Registers**") as at 72 hours before the time of the Scheme Meeting.

### Laying and production of documents at the Scheme Meeting

12. The Scheme Document and any other document to be laid or produced before the Scheme Meeting may be so laid or produced by being sent or published in the manner provided in paragraph 14 below.

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## APPENDIX O – MANNER OF CONVENING SCHEME MEETING

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13. Shareholders may also obtain printed copies of the Scheme Document by submitting the Request Form to the Share Registrar of the Company, Boardroom Corporate & Advisory Services Pte. Ltd. by post or via e-mail. Printed copies of the Scheme Document will be sent by ordinary post to the Shareholder's last known Singapore address as appearing in the Registers, up to three (3) market days prior to the date of the Scheme Meeting.

### Giving of Notice of the Scheme Meeting

14. The Scheme Meeting (including any adjourned or postponed meeting) shall be called by notice in writing of not less than 14 clear days (i.e. not inclusive of the day on which the Notice of Scheme Meeting is served, and the day of the Scheme Meeting) in all of the following manners, as may be determined by the Company:
- (a) either: (i) by ordinary post to or left at the Shareholder's last known Singapore address as appearing in the Registers, or in the case of joint Shareholders, the joint Shareholder named first in the Registers at such person's address as appearing in the Registers; or (ii) by e-mail to the Shareholder's last known e-mail address as appearing in the Company's records, or in the case of joint Shareholders, the joint Shareholder named first in the Registers at such person's e-mail address as appearing in the Company's records;
  - (b) by way of advertisement in the Straits Times;
  - (c) by way of announcement on SGXNet; and
  - (d) by way of publication on the Company's website,

subject to any potential restrictions on sending the Scheme Document to any overseas jurisdiction. The Company shall not be liable for any mistake with respect to each Shareholder's address or e-mail as how it is recorded in the Registers or the Company's records, including but not limited to the said address or e-mail address being outdated or that the Shareholder no longer resides at said address or utilises said e-mail address.

15. The Notice of Scheme Meeting:
- (a) shall set out the date, time and venue of the Scheme Meeting;
  - (b) shall provide instructions on how the Shareholders can locate the Scheme Document electronically;
  - (c) shall set out how a Shareholder may vote (either in person or by proxy) at the Scheme Meeting;
  - (d) shall state how a Shareholder may submit questions in advance of the Scheme Meeting or during the Scheme Meeting; and
  - (e) may be accompanied by any other documents relevant to the Scheme Meeting.



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## APPENDIX O – MANNER OF CONVENING SCHEME MEETING

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### Other matters

16. Mr. Foo Kah Lee, or failing him, any other director of the Company, shall be appointed Chairman of the Scheme Meeting (the “**Chairman**”) and the Chairman shall report the results of the Scheme Meeting to the Court as soon as practicable after the conclusion of the Scheme Meeting.
17. Not less than 14 days before the day appointed for the Scheme Meeting, the Scheme Document consisting of, *inter alia*, the following:
  - (a) a Letter to Shareholders from the Company to the Shareholders containing details of, *inter alia*, the purpose of the Scheme Document and information relating to the purpose of the Scheme Document, as well as a copy of the Scheme;
  - (b) an Explanatory Statement which contains, *inter alia*, the information required to be disclosed under Section 211 of the Companies Act;
  - (c) a letter from SAC Capital Private Limited, as the independent financial adviser to the Non-Conflicted Directors, in respect of, *inter alia*, the Scheme;
  - (d) a letter from Relish Investments to the Shareholders;
  - (e) the Notice of Scheme Meeting;
  - (f) the Proxy Form; and
  - (g) any other ancillary documents,shall be published or sent in accordance with paragraphs 14(a), 14(c) and 14(d) above.
18. Any inadvertent omission to give any Shareholder the Notice of Scheme Meeting or the non-receipt of the Notice of Scheme Meeting by any Shareholder shall not invalidate the proceedings at the Scheme Meeting, unless otherwise ordered by the Court.

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**APPENDIX P – THE SCHEME**

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**IN THE GENERAL DIVISION OF THE HIGH COURT**  
**OF THE REPUBLIC OF SINGAPORE**

HC/OA 680/2024

In the matter of Section 210 of the  
Companies Act 1967

And

In the Matter of  
RE&S Holdings Limited  
(Company Registration No.: 201714588N)

... Applicant

**SCHEME OF ARRANGEMENT**

under Section 210 of the Companies Act 1967

Among

RE&S Holdings Limited

And

The Shareholders (as defined herein)

And

Relish Investments

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## APPENDIX P – THE SCHEME

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### PRELIMINARY

In this Scheme of Arrangement, except to the extent that the context requires otherwise, the following expressions shall bear the following respective meanings:

<b>“Acquisition”</b>	:	The proposed acquisition by the Offeror of all the Shares (excluding treasury shares)
<b>“Business Day”</b>	:	A day (other than a Saturday, Sunday or gazetted public holiday) on which banks in Singapore are generally open for business
<b>“Cash and Securities Consideration”</b>	:	S\$0.330 in cash and 0.083143 Offeror Shares per Share
<b>“Cash Consideration”</b>	:	S\$0.360 in cash per Share
<b>“CDP”</b>	:	The Central Depository (Pte) Limited
<b>“Companies Act”</b>	:	Companies Act 1967 of Singapore
<b>“Company” or “RE&amp;S”</b>	:	RE&S Holdings Limited
<b>“Court”</b>	:	The General Division of the High Court of the Republic of Singapore or, in the event of an appeal, the Appellate Division of the High Court of the Republic of Singapore or the Court of Appeal of the Republic of Singapore (as may be applicable)
<b>“Cut-Off Date”</b>	:	The date falling nine (9) months from the Joint Announcement Date or such other date as may be agreed in writing between the Offeror and the Company
<b>“Directly-Held Shares”</b>	:	Shares held by an Entitled Shareholder as a Depositor or in scrip form registered in its name
<b>“Effective Date”</b>	:	The date on which the Scheme, if approved and sanctioned by the Court, becomes effective in accordance with its terms
<b>“Electing Party”</b>	:	An Entitled Shareholder who holds Directly-Held Shares or the Entitled Depository Agent (for and on behalf of each sub-account holder who holds Indirectly-Held Shares), as more particularly described in Clause 3.2 of the Scheme
<b>“Election”</b>	:	An Entitled Shareholder making an election or electing to receive, for each Share, either the Cash Consideration or the Cash and Securities Consideration

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## APPENDIX P – THE SCHEME

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<b>“Election Closing Date”</b>	:	The last day of the Election Period
<b>“Election Form”</b>	:	The election form (to be despatched by the Offeror (or on its behalf)) on the Election Form Despatch Date to Entitled Shareholders by which Entitled Shareholders shall elect to receive either the Cash Consideration or the Cash and Securities Consideration. An Entitled Shareholder who wishes to receive the Cash Consideration does not need to complete and return the Election Form
<b>“Election Form Despatch Date”</b>	:	A date after the Record Date, being no later than three (3) Business Days after the Record Date or such other date as may be agreed between the Parties
<b>“Election Period”</b>	:	A period of 10 Business Days or such other period as may be agreed by the Parties, commencing from the Election Form Despatch Date and ending on the Election Closing Date, during which the duly completed Election Forms, Electronic Elections or Sub-Account Holders Forms (as the case may be) shall be received by the Share Registrar or CDP (as the case may be)
<b>“Encumbrance”</b>	:	Any claim, charge, mortgage, security, pledge, lien, option, restriction, equity, power of sale, hypothecation or other third party rights or interest, retention of title, right of pre-emption, right of first refusal or security interest of any kind or an agreement, arrangement or obligation to create any of the foregoing
<b>“Entitled Depository Agent”</b>	:	An Entitled Shareholder who is a Depository Agent
<b>“Entitled Shareholders”</b>	:	All Shareholders as at 5.00 p.m. on the Record Date
<b>“Implementation Agreement”</b>	:	The implementation agreement dated 19 May 2024 entered into between the Company and the Offeror setting out the terms and conditions on which Acquisition and the Scheme will be implemented
<b>“Indirectly-Held Shares”</b>	:	Shares held by an Entitled Shareholder in its capacity as a Depository Agent on behalf of sub-account holder(s)
<b>“Issue Price”</b>	:	S\$0.360 per Offeror Share
<b>“Joint Announcement”</b>	:	The joint announcement by the Company and the Offeror dated 19 May 2024 in relation to, <i>inter alia</i> , the Acquisition and the Scheme

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## APPENDIX P – THE SCHEME

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<b>“Joint Announcement Date”</b>	:	19 May 2024, being the date of the Joint Announcement
<b>“Latest Practicable Date”</b>	:	24 July 2024, being the latest practicable date prior to the publication of the Scheme Document
<b>“Offeror”</b>	:	Relish Investments, a company incorporated in the Cayman Islands
<b>“Offeror Shares”</b>	:	Ordinary shares in the capital of the Offeror
<b>“Record Date”</b>	:	The date to be announced (before the Effective Date) by the Company on which the Transfer Books and Register of Members will be closed in order to determine the entitlements of the Shareholders in respect of the Scheme
<b>“Register of Members”</b>	:	The Register of Members of the Company
<b>“Scheme”</b>	:	This scheme of arrangement under Section 210 of the Companies Act dated 31 July 2024, in its present form or with or subject to any modification thereof or amendment or addition thereto in accordance with its terms or condition(s) approved or imposed by the Court
<b>“Scheme Conditions”</b>	:	The conditions precedent in the Implementation Agreement which must be satisfied (or, where applicable, waived) by the Cut-Off Date for the Scheme to be implemented and which are reproduced in Appendix I to the Scheme Document
<b>“Scheme Consideration”</b>	:	For each Share, at the Election of each Entitled Shareholder, either:  (a) the Cash Consideration; or  (b) the Cash and Securities Consideration
<b>“Scheme Document”</b>	:	The scheme document dated 31 July 2024 (and any other document(s) which may be issued by or on behalf of the Company to the Shareholders to amend, revise, supplement or update the document(s) from time to time) containing, <i>inter alia</i> , the Scheme, the Explanatory Statement, the Notice of Scheme Meeting and the Proxy Form
<b>“Scheme Meeting”</b>	:	The meeting of the Shareholders to be convened at the direction of the Court to consider and, if thought fit, approve the Scheme (including any adjournment thereof), notice of which is set out in Appendix P to the Scheme Document

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## APPENDIX P – THE SCHEME

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<b>“Securities Account”</b>	:	The relevant securities account maintained by a Depositor with CDP but does not include a securities sub-account
<b>“SFA”</b>	:	Securities and Futures Act 2001 of Singapore
<b>“SGX-ST”</b>	:	Singapore Exchange Securities Trading Limited
<b>“Share Registrar”</b>	:	Boardroom Corporate & Advisory Services Pte. Ltd., the share registrar of the Company
<b>“Shareholders”</b>	:	Persons who are registered as holders of the Shares in the Register of Members and Depositors registered in the Depository Register as having Shares credited to their Securities Account
<b>“Shares”</b>	:	The issued and paid-up ordinary shares in the capital of the Company
<b>“SRS”</b>	:	Supplementary Retirement Scheme
<b>“SRS Agent Banks”</b>	:	Agent banks included under the SRS
<b>“SRS Investors”</b>	:	Investors who have purchased Shares using their SRS contributions pursuant to the SRS
<b>“Sub-Account Holders Form”</b>	:	The List of Sub-Account Holders Who Wish to Accept the Cash and Securities Consideration form, which will be provided to Entitled Depository Agents through the SGX-SFG service
<b>“S\$” or “SGD” and “cents”</b>	:	Singapore dollars and cents respectively, being the lawful currency of Singapore
<b>“Transfer Books”</b>		The transfer books of the Company

The terms **“Depositor”**, **“Depository Agent”**, **“Depository Register”** and **“sub-account holder”** shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

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

References to Entitled Shareholders having made an Election shall, where applicable, also refer to those who are deemed to have elected the Cash Consideration pursuant to the terms of the Scheme Document.

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

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## APPENDIX P – THE SCHEME

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Any reference to any enactment or statute shall include a reference to any subordinate legislation and any regulation made under the relevant enactment or statute and is a reference to that enactment, statute, subordinate legislation or regulation as from time to time amended, consolidated, modified, re-enacted or replaced, whether before or after the date of this Scheme.

Any reference to a time of day and date shall be a reference to Singapore time and date respectively, unless otherwise specified.

### RECITALS

- (A) The Company was incorporated in Singapore on 26 May 2017 and was listed on the Catalist Board of the SGX-ST on 22 November 2017. As at the Latest Practicable Date, the Company has an issued and paid-up share capital of S\$32,829,118, comprising 353,837,700 Shares, excluding 162,300 treasury shares.
- (B) The primary purpose of this Scheme is the acquisition by the Offeror of all the Shares (excluding treasury shares) (the “**Acquisition**”).
- (C) The Company and the Offeror have entered into the Implementation Agreement to set out their respective rights and obligations with respect to this Scheme and the implementation thereof.
- (D) The Offeror has agreed to appear by legal counsel at the hearing of the Originating Application to sanction this Scheme, and to consent thereto, and to undertake to the Court to be bound thereby and to execute and do and procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed or done by it for the purpose of giving effect to this Scheme.

### 1. CONDITIONS PRECEDENT

This Scheme is conditional upon each of the Scheme Conditions being satisfied (or, subject to the terms of the Implementation Agreement, waived) on or before the Cut-Off Date.

### 2. TRANSFER OF THE SHARES

- 2.1. With effect from the Effective Date, all the Shares held by Entitled Shareholders will be transferred to the Offeror fully paid up, free from all Encumbrances and together with all rights, benefits and entitlements attaching thereto as at the Joint Announcement Date and thereafter attaching thereto, including the right to receive and retain all dividends, rights and other distributions (if any) declared, paid or made by the Company to the Shareholders on or after the Joint Announcement Date.
- 2.2. For the purpose of giving effect to the transfer of the Shares provided for in Clause 2 of this Scheme:
  - (a) in the case of Entitled Shareholders (not being Depositors), the Company shall authorise any person to execute or effect on behalf of all such Entitled Shareholders an instrument or instruction of transfer of all the Shares held by such Entitled Shareholders and every such instrument or instruction of transfer so executed shall be effective as if it had been executed by the relevant Entitled Shareholder; and



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- (b) in the case of Entitled Shareholders (being Depositors), the Company shall instruct CDP, for and on behalf of such Entitled Shareholders, to debit, not later than seven (7) Business Days after the Effective Date, all the Shares standing to the credit of the Securities Account of such Entitled Shareholders and credit all of such Shares to the Securities Account of the Offeror or such Securities Account(s) as directed by the Offeror.

### 3. PAYMENT OF SCHEME CONSIDERATION

3.1. In consideration for the transfer of the Shares to the Offeror under Clause 2 of this Scheme and subject to Clause 1 of this Scheme, the Offeror shall pay or procure that there shall be payment to each Entitled Shareholder the Scheme Consideration for each Share transferred by the Entitled Shareholder, in the form of:

- (a) the Cash Consideration, being S\$0.360 in cash; or
- (b) in lieu of the Cash Consideration, the Cash and Securities Consideration, being S\$0.330 in cash and 0.083143 Offeror Shares, which the Offeror shall allot and issue, duly authorised, fully paid and free from all Encumbrances, at the Issue Price of S\$0.360 per Offeror Share,

as that Entitled Shareholder may elect.

### 3.2. Election Process

- (a) Each Entitled Shareholder:
  - (i) who holds Directly-Held Shares, shall only be entitled to elect to receive the Cash Consideration or, in lieu thereof, the Cash and Securities Consideration for all of its Directly-Held Shares, but not a mixture of both; and
  - (ii) who holds Indirectly-Held Shares, shall in respect of each sub-account holder, be entitled to elect to receive the Cash Consideration or, in lieu thereof, the Cash and Securities Consideration for all the Indirectly-Held Shares held on behalf of such sub-account holder, but not a mixture of both,

(each Entitled Shareholder under Clause 3.2(a)(i) and Depository Agent (for and on behalf of each sub-account holder under Clause 3.2(a)(ii)) shall be referred to as an **“Electing Party”**).

If an Entitled Shareholder holds both Directly-Held Shares and Indirectly-Held Shares through securities sub-account(s) with Depository Agent(s), such Entitled Shareholder shall elect to receive either the Cash Consideration or the Cash and Securities Consideration (and not a mixture of both) in respect of all of its Directly-Held Shares, and shall direct its Depository Agent(s) to elect to receive the same form of Scheme Consideration in respect of all of its Indirectly-Held Shares.

Entitled Shareholders who wish to elect to receive the Cash Consideration, or, in lieu thereof, the Cash and Securities Consideration, in respect of all their Shares, may do so during the Election Period.

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### (b) Election Forms

Entitled Shareholders (other than Entitled Depository Agents) should complete, sign and return the Election Forms in accordance with the procedures set out below and the provisions and instructions printed on the Election Forms during the Election Period:

#### (i) Entitled Shareholders whose Shares are not deposited with CDP

An Entitled Shareholder (not being a Depositor) who wishes to elect to receive the Cash and Securities Consideration should deliver the completed and signed Election Form to the Company in the following manner:

(A) if submitted electronically, a clear, scanned, completed and signed copy in PDF format be submitted via email to [srs.teamc@boardroomlimited.com](mailto:srs.teamc@boardroomlimited.com); or

(B) if submitted by post, be sent using the enclosed pre-addressed envelope at its own risk to the office of the Share Registrar at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632,

in either case, in accordance with the instructions therein, so as to arrive no later than 5.30 p.m. on the Election Closing Date.

#### (ii) Entitled Shareholders whose Shares are deposited with CDP (other than Entitled Depository Agents)

An Entitled Shareholder (being a Depositor who is not a Depository Agent) who wishes to accept the Cash and Securities Consideration should:

(A) deliver the completed and signed Election Form to the Company by post, using the enclosed pre-addressed envelope at its own risk to RE&S Holdings Limited c/o The Central Depository (Pte) Limited, Robinson Road Post Office, P.O. Box 1597, Singapore 903147; or

(B) submit its Election, in electronic form, via the SGX-ST's Investor portal at [investors.sgx.com](http://investors.sgx.com),

in either case, so as to arrive no later than 5.30 p.m. on the Election Closing Date.

**If an Entitled Shareholder wishes to receive the Cash Consideration in respect of all of its Shares, it does not need to complete and return the Election Form.**

### (c) Entitled Depository Agents

Entitled Depository Agents may make Elections on behalf of each sub-account holder who holds Shares via Electronic Election.

Electronic Elections must be submitted no later than 5.30 p.m. on the Election Closing Date. CDP has been authorised by the Offeror to receive Electronic Elections on its behalf. Electronic Elections submitted will be deemed irrevocable and subject to each of the terms and conditions contained in the Election Form for Depositors and the Scheme Document (including the Offeror's Letter) as if the Election Form for Depositors

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## APPENDIX P – THE SCHEME

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had been completed and delivered to CDP. By submitting their Electronic Election, each Entitled Depository Agent confirms and represents to the Offeror that in relation to each sub-account holder in respect of which such Entitled Depository Agent exercises the Election:

- (i) such Election has been exercised in respect of all (and not some) of the Shares held by the Entitled Depository Agent for such sub-account holder;
- (ii) such sub-account holder has not elected to receive a mixture of the Cash Consideration and the Cash and Securities Consideration in respect of the Shares held by such Depository Agent on its behalf; and
- (iii) such sub-account holder has confirmed to such Entitled Depository Agent that it has not elected to receive a mixture of the Cash Consideration and the Cash and Securities Consideration in respect of, if applicable, any of its Directly-Held Shares or the Indirectly-Held Shares held on its behalf by any Entitled Depository Agent(s).

If an Entitled Depository Agent wishes to elect to receive the Cash and Securities Consideration in respect of any of its sub-account holder's Shares, such Entitled Depository Agent must, in addition to making the relevant Election via Electronic Election, complete and return the Sub-Account Holders Form which will be provided to Entitled Depository Agents by CDP electronically:

- (A) if submitted electronically, a clear, scanned, completed and signed copy in PDF format be submitted via email to [srs.teamc@boardroomlimited.com](mailto:srs.teamc@boardroomlimited.com); or
- (B) if submitted by post, be sent to the office of the Share Registrar at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632,

in either case, in accordance with the instructions therein, so as to arrive no later than 5.30 p.m. on the Election Closing Date.

Entitled Depository Agents do not have to complete or return the Sub-Account Holders Form if they wish to elect to receive the Cash Consideration in respect of all of their sub-account holders' Shares.

(d) **SRS Investors**

SRS Investors should consult their SRS Agent Banks for further information on the Scheme. If they are in any doubt as to the action they should take, SRS Investors should seek independent professional advice.

(e) **Receipt**

The Election Forms and Sub-Account Holders Forms must be received no later than 5.30 p.m. on the Election Closing Date. No acknowledgement of receipt of any Election Form or Sub-Account Holders Form will be given by the Offeror, the Company, CDP or the Share Registrar. Each Entitled Shareholder is permitted to submit only one (1) Election Form and any subsequent submission of any Election Forms will be disregarded and deemed invalid. Each Entitled Depository Agent is permitted to submit

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only one (1) Sub-Account Holders Form and any subsequent submission of any Sub-Account Holders Forms will be disregarded and deemed invalid.

- (f) In the event that any Electing Party:
- (i) fails to elect to receive the Cash and Securities Consideration within the Election Period, whether due to the Share Registrar or CDP (as the case may be) (A) failing to receive from the Entitled Shareholder an Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) by the end of the Election Period; or (B) receiving an Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) which does not comply with the instructions contained in the Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) or the terms and conditions contained in the Scheme Document, or which is not complete or is invalid in any other respect;
  - (ii) to the extent applicable under the laws of the Cayman Islands and upon being notified by the Offeror, fails to provide such details and/or information as may be required to satisfy the requirements of the anti-money laundering regulations of the Cayman Islands;
  - (iii) elects to receive the Cash Consideration or the Cash and Securities Consideration in respect of only some and not all of its Shares;
  - (iv) holds both Directly-Held Shares and Indirectly-Held Shares through securities sub-account(s) with Depository Agent(s) and does not elect to receive and direct its Depository Agent(s) to elect to receive the same form of the Scheme Consideration in respect of all of its Directly-Held Shares and Indirectly-Held Shares respectively, and the Offeror is notified of such occurrence; and/or
  - (v) maintains an address recorded in the Register of Members, the Depository Register or in the records of an Entitled Depository Agent (as the case may be) that is not within Singapore and does not provide the Company, the Share Registrar or CDP (as the case may be) with an address in Singapore by the Record Date,

such Electing Party shall be deemed to have elected to receive the Cash Consideration for all of its Shares, and shall be entitled only to receive the Cash Consideration for all of its Shares as at the Record Date.

- (g) If the Share Registrar or CDP (as the case may be) fails to receive, from any Electing Party, an Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) by 5.30 p.m. on the Election Closing Date or receives an Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) which does not comply with the instructions contained in the Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) or the terms and conditions contained in the Scheme Document, or which is not complete or is invalid in any other respect, that Electing Party shall be deemed to have elected to receive the Cash Consideration for all of its Shares as at the Record Date.
- (h) Each of the Offeror and the Company reserves the right to treat Election Forms and Sub-Account Holders Forms as valid if received by or on behalf of it at any place or places determined by it otherwise than as stated in the Scheme Document, the Election Form or the Sub-Account Holders Form, as the case may be, or if made otherwise than

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in accordance with the provisions of the Scheme Document, the Election Form or the Sub-Account Holders Form. CDP and the Share Registrar take no responsibility for any such decision made by the Offeror and/or the Company.

- (i) The Offeror, the Company, CDP and the Share Registrar will each be authorised and entitled, in its absolute discretion, to accept or reject any Election Form, Electronic Election or Sub-Account Holders Form which is not entirely in order or does not comply with the Scheme Document or the provisions and instructions contained in the Election Form, the Electronic Election or the Sub-Account Holders Form (as the case may be), or which is otherwise incomplete, incorrect, unsigned or invalid in any respect. The Offeror shall not be required to notify any Entitled Shareholder or Entitled Depository Agent if its Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) is not received or is not in compliance with the instructions contained in the Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) or is otherwise incomplete or invalid in any other respect.
- (j) If an Entitled Shareholder wishes to receive the Cash and Securities Consideration, it is such Entitled Shareholder's responsibility to ensure that the Election Form, Electronic Election or Sub-Account Holders Form (as the case may be) is properly completed in all respects, signed and all required supporting documents, where applicable, are provided. Any decision to reject any Election Form, Electronic Election or Sub-Account Holders Form will be final and binding and none of the Offeror, the Company, CDP or the Share Registrar accepts any responsibility or liability in relation to such rejection, including the consequences thereof.

### 3.3. The Cash Consideration

The Offeror shall, not later than seven (7) Business Days after the Effective Date, and against the transfer of the Shares set out in Clause 2 of this Scheme, make payment of the aggregate Cash Consideration to Entitled Shareholders who elect (or are deemed to have elected) to receive the Cash Consideration and are entitled to receive the Scheme Consideration in the form of the Cash Consideration for their Shares as follows:

(a) **Entitled Shareholders whose Shares are not deposited with CDP**

The Offeror shall pay each Entitled Shareholder (not being a Depositor) by sending a cheque for the Cash Consideration payable to and made out in favour of such Entitled Shareholder by ordinary post to its address as appearing in the Register of Members at the close of business on the Record Date, at the sole risk of such Entitled Shareholder, or in the case of joint Entitled Shareholders, to the first-named Entitled Shareholder made out in favour of such Entitled Shareholder by ordinary post to its address as appearing in the Register of Members at the close of business on the Record Date, at the sole risk of such joint Entitled Shareholders.

(b) **Entitled Shareholders whose Shares are deposited with CDP**

The Offeror shall pay each Entitled Shareholder (being a Depositor) by making payment of the aggregate Cash Consideration payable to such Entitled Shareholder to CDP. CDP shall:

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- (i) in the case of an Entitled Shareholder (being a Depositor) who has registered for CDP's direct crediting service, credit the Cash Consideration payable to such Entitled Shareholder, to the designated bank account of such Entitled Shareholder; and
- (ii) in the case of an Entitled Shareholder (being a Depositor) who has not registered for CDP's direct crediting service, credit the Cash Consideration to such Entitled Shareholder's cash ledger with CDP and such Cash Consideration shall be subject to the same terms and conditions applicable to "Cash Distributions" under "The Central Depository (Pte) Limited Operation of Securities Account with the Depository Terms and Conditions" as amended, modified or supplemented from time to time, copies of which are available from CDP.

### 3.4. The Cash and Securities Consideration

In respect of the cash component of the Cash and Securities Consideration, the procedure for settlement shall be as described above in respect of the Cash Consideration.

In respect of the securities component of the Cash and Securities Consideration, the Offeror shall allot and issue new Offeror Shares, credited as fully-paid, on the basis of 0.083143 Offeror Shares at the Issue Price for every one (1) Share held by such Entitled Shareholder who elects to and is entitled to receive the Scheme Consideration in the form of the Cash and Securities Consideration for all of its Shares, and the Offeror Share Certificates shall be delivered to the relevant person/entity recorded in the Register of Members or the Depository Register as at the close of business on the Record Date (or in the case of Entitled Depository Agents, any other person(s) as such Entitled Depository Agents may direct in the Sub-Account Holders Form), regardless of whether such Entitled Shareholder holds the Shares as custodian or nominee or otherwise.

The Offeror shall, not later than seven (7) Business Days after the Effective Date, and against the transfer of the Shares set out in Clause 2 of this Scheme, do the following:

**(a) Entitled Shareholders whose Shares are not deposited with CDP**

The Offeror shall send the Offeror Share Certificates representing the relevant number of new Offeror Shares to each Entitled Shareholder (not being a Depositor) by ordinary post to its Singapore address as appearing in the Register of Members at the close of business on the Record Date at the sole risk of such Entitled Shareholder, or in the case of joint Entitled Shareholders, to the first named Entitled Shareholder, by ordinary post to its Singapore address as appearing in the Register of Members at the close of business on the Record Date at the sole risk of such joint Entitled Shareholders, save that in all cases, no Offeror Share Certificates will, in the case of Overseas Shareholders, be despatched in or into any overseas jurisdiction.

**(b) Entitled Shareholders whose Shares are deposited with CDP**

The Offeror shall send the Offeror Share Certificates representing the relevant number of new Offeror Shares to each Entitled Shareholder (being a Depositor) by ordinary post to its Singapore address as appearing in the Depository Register at the close of business on the Record Date (or in the case of Entitled Depository Agents, any other person(s) as such Entitled Depository Agents may direct in the Sub-Account Holders Form at the sole risk of such Entitled Shareholder, or in the case of joint Entitled

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Shareholders, to the first named Entitled Shareholder by ordinary post to its Singapore address as appearing in the Depository Register at the close of business on the Record Date at the sole risk of such joint Entitled Shareholders, save that in all cases, no Offeror Share Certificates will be despatched in or into any overseas jurisdiction.

- 3.5. The despatch of payment by the Offeror to each Entitled Shareholder's address and/or CDP (as the case may be) and the despatch of the Offeror Share Certificates to each Entitled Shareholder's address in accordance with the terms of this Scheme, for payment of any Scheme Consideration as referred to in Clauses 3.3 and 3.4 of this Scheme, shall be deemed as good discharge to the Offeror, the Company and CDP for the moneys represented thereby.
- 3.6. (a) In relation to Entitled Shareholders, on and after the day being six (6) calendar months after the posting of such cheques relating to the Cash Consideration or the cash component of the Cash and Securities Consideration, the Offeror shall have the right to cancel or countermand payment of any such cheque which has not been cashed (or has been returned uncashed) and shall place all such moneys in a bank account in the Company's name with a licensed bank in Singapore selected by the Company.
- (b) The Company or its successor entity shall hold such moneys until the expiration of six (6) years from the Effective Date and shall prior to such date make payments therefrom of the sums payable pursuant to Clause 3.3 and 3.4 of this Scheme to persons who satisfy the Company or its successor entity that they are respectively entitled thereto and that the cheques referred to in Clause 3.3 and 3.4 of this Scheme for which they are payees have not been cashed. Any such determination shall be conclusive and binding upon all persons claiming an interest in the relevant moneys, and any payments made by the Company hereunder shall not include any interest accrued on the sums to which the respective persons are entitled pursuant to Clause 3.1 of this Scheme.
- (c) On the expiry of six (6) years from the Effective Date, the Company and the Offeror shall be released from any further obligation to make any payments of the Cash Consideration or the cash component of the Cash and Securities Consideration under this Scheme and the Company or its successor entity shall transfer to the Offeror the balance (if any) of the sums then standing to the credit of the bank account referred to in Clause 3.6(a) of this Scheme including accrued interest, subject, if applicable, to the deduction of interest, tax or any withholding tax or any other deduction required by law and subject to the deduction of any expenses.
- (d) Clause 3.6(c) of this Scheme shall take effect subject to any prohibition or condition imposed by law.
- 3.7. From the Effective Date, each existing share certificate representing a former holding of Shares by an Entitled Shareholder (not being a Depositor) will cease to be evidence of title to the Shares represented thereby. Entitled Shareholders (not being Depositors) shall be required to forward their existing share certificates relating to their Shares to the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632 as soon as possible, but not later than seven (7) Business Days after the Effective Date for cancellation.



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### 4. EFFECTIVE DATE

- 4.1. Subject to the satisfaction of the conditions precedent set out in Clause 1 of this Scheme, this Scheme shall become effective and binding upon a copy of the order of the Court sanctioning this Scheme under Section 210 of the Companies Act being duly lodged with the Accounting and Corporate Regulatory Authority of Singapore for registration.
- 4.2. Unless this Scheme shall have become effective and binding as aforesaid on or before the Cut-Off Date (or such other date as the Court on the application of the Company or the Offeror may allow), this Scheme shall lapse.
- 4.3. The Company and the Offeror may jointly consent, for and on behalf of all concerned, to any modification of, or amendment to, this Scheme or to any condition which the Court may think fit to approve or impose.
- 4.4. In the event that this Scheme does not become effective and binding for any reason, the costs and expenses incurred by the Company in connection with this Scheme will be borne by the Company.
- 4.5. This Scheme shall be governed by, and construed in accordance with, the laws of Singapore, and the Company, the Offeror and the Shareholders submit to the non-exclusive jurisdiction of the courts of Singapore. A person who is not a party to this Scheme has no rights under the Contracts (Rights of Third Parties) Act 2001 of Singapore, to enforce any term or provision of this Scheme.

Dated 31 July 2024

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## APPENDIX Q – NOTICE OF SCHEME MEETING

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### IN THE GENERAL DIVISION OF THE HIGH COURT OF THE REPUBLIC OF SINGAPORE

HC/OA 680/2024

In the matter of Section 210 of the  
Companies Act 1967

And

In the Matter of  
RE&S Holdings Limited  
(Company Registration No.: 201714588N)

... Applicant

#### SCHEME OF ARRANGEMENT

under Section 210 of the Companies Act 1967

Among

RE&S Holdings Limited

And

The Shareholders (as defined herein)

And

Relish Investments

**NOTICE IS HEREBY GIVEN** that by an Order of Court made in the above matter, the High Court of the Republic of Singapore (the “**Court**”) has directed a meeting (the “**Scheme Meeting**”) of the Shareholders of RE&S Holdings Limited (the “**Company**”) to be convened and such Scheme Meeting shall be held at 32 Tai Seng Street, #07-01 RE&S Building, Singapore 533972, on 15 August 2024 at 10.00 a.m., for the purpose of considering and, if thought fit, approving (with or without modification) the following resolution:

#### **THE SCHEME RESOLUTION**

“**THAT** the Scheme of Arrangement dated 31 July 2024 proposed to be made pursuant to Section 210 of the Companies Act 1967 of Singapore, between (i) the Company, (ii) the Shareholders and (iii) Relish Investments, a copy of which has been circulated with this Notice convening this Scheme Meeting, be and is hereby approved.”

*All references to the Scheme Document in this Notice shall mean the Company’s Scheme Document to Shareholders dated 31 July 2024. All capitalised terms used but not otherwise defined herein shall have the same meanings given to them in the Scheme Document.*

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*By the said Order of Court, the Court has appointed Mr. Foo Kah Lee, or failing him, any other director of the Company, to act as Chairman of the Scheme Meeting and has directed the Chairman to report the results thereof to the Court.*

*The said Scheme of Arrangement will be subject to, inter alia, the subsequent sanction of the Court.*

### **IMPORTANT NOTICE FROM THE COMPANY:**

The Scheme Meeting will be convened and held in a wholly physical format at 32 Tai Seng Street, #07-01 RE&S Building, Singapore 533972 on 15 August 2024 at 10.00 a.m.. **There will be no option for Shareholders to participate virtually.**

Electronic copies of the Scheme Document (together with this Notice, the Proxy Form and the Request Form) has been made available on SGXNet at <https://sgx.com/securities/company-announcements> and the Company's corporate website at <https://res.listedcompany.com>. A Shareholder will need an internet browser and PDF reader to view these documents on the SGXNet announcement page of the Company and the corporate website of the Company. A printed copy of the Scheme Document will **NOT** be despatched to Shareholders (unless upon request). Instead, only printed copies of this Notice of Scheme Meeting, the Proxy Form and the Request Form will be despatched to Shareholders.

Shareholders (including Overseas Shareholders) may obtain printed copies of the Scheme Document by submitting the Request Form to the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. by post at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632 or via email to [srs.proxy@boardroomlimited.com](mailto:srs.proxy@boardroomlimited.com) by no later than 10.00 a.m. on 12 August 2024. Printed copies of the Scheme Document will be sent to the address in Singapore specified by the Shareholder by ordinary post at his/her/its own risk, up to three (3) Market Days prior to the date of the Scheme Meeting.

### **NOTES:**

1. A copy of the said Scheme of Arrangement and a copy of the Explanatory Statement required to be furnished pursuant to Section 211 of the Companies Act 1967 of Singapore, are incorporated in the Scheme Document of which this Notice forms part of.

### **Arrangements for Conduct of the Scheme Meeting**

2. Arrangements relating to the conduct of the Scheme meeting, including:
  - (a) attending the Scheme Meeting in person;
  - (b) submitting questions related to the Scheme Resolution to be tabled for approval at the Scheme Meeting, in advance of the Scheme Meeting or at the Scheme Meeting itself; and/or
  - (c) voting at the Scheme Meeting by the Shareholder (i) in person or (ii) by his/her/its duly appointed proxy,

are set out in this Notice of Scheme Meeting. Any reference to a time of day is made by reference to Singapore time.

Shareholders, including SRS Investors, or, where applicable, their appointed proxy who will be attending the Scheme Meeting in person should bring along their NRIC/passport so as to enable the verification of their identity on the day of the Scheme Meeting.

### **Question & Answer, Minutes of Scheme Meeting**

3. Shareholders, including SRS investors, may submit questions related to the Scheme Resolution to be tabled for approval at the Scheme Meeting, in advance of the Scheme Meeting. To do so, all questions must be submitted in the following manner by 10.00 a.m. on 8 August 2024:
  - (a) if submitted by post, be deposited at the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or
  - (b) if submitted electronically, via email to [srs.proxy@boardroomlimited.com](mailto:srs.proxy@boardroomlimited.com).

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4. Shareholders, including SRS Investors, who submit questions by post to the Share Registrar or via email to the Company must provide the following information:
  - (a) the Shareholder's full name;
  - (b) the Shareholder's full address; and
  - (c) the manner in which the Shareholder holds Shares in the Company (e.g. via SRS).
5. Shareholders are strongly encouraged to submit their questions electronically via email.
6. The Company will endeavour to address all substantial and relevant questions received by it in the manner set out above by 10.00 a.m. on 10 August 2024 (being at least 48 hours prior to the closing date and time for the lodgement of the Proxy Forms) and the Company's responses will be posted on SGXNet and the Company's corporate website. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.
7. Shareholders (including SRS Investors) or, where applicable, their appointed proxy may also ask the Chairman of the Scheme Meeting substantial and relevant questions related to the Scheme Resolution to be tabled for approval at the Scheme Meeting, at the Scheme Meeting.
8. The Company will publish the minutes of the Scheme Meeting on the Company's corporate website and on SGXNet within one (1) month from the date of the Scheme Meeting, and the minutes will include the responses to the substantial and relevant questions received from Shareholders which are addressed during the Scheme Meeting.

### **Voting, or appointing a proxy to vote, at the Scheme Meeting**

9. A Shareholder who wishes to exercise his/her/its voting rights at the Scheme Meeting may: (a) vote at the Scheme Meeting in person; or (b) appoint a proxy to vote on his/her/its behalf at the Scheme Meeting.
10. A Shareholder who is not a relevant intermediary (as defined below) and is entitled to attend and vote at the Scheme Meeting may only appoint one (1) proxy to attend and vote in his/her/its stead and may only cast all the votes he/she/it uses at the Scheme Meeting (whether in person or by proxy) in one (1) way. Where a Shareholder who is not a relevant intermediary appoints more than one (1) proxy, such additional appointments shall be invalid.
11. A proxy need not be a member of the Company and may be the Chairman of the Scheme Meeting.
12. A Shareholder who wishes to submit an instrument appointing a proxy must complete the accompanying proxy form (the "**Proxy Form**"), before submitting it in the manner set out below and the instructions set out in the Proxy Form.
13. A form of proxy applicable for the Scheme Meeting is enclosed with the printed document of which this Notice of Scheme Meeting forms part of. Printed copies of this Notice of Scheme Meeting, the Proxy Form and the Request Form will be sent to Shareholders. The Proxy Form may also be accessed at the Company's corporate website at the URL <https://res.listedcompany.com> and on SGXNet at the URL <https://www.sgx.com/securities/company-announcements>.
14. In the case of joint holders of Shares, any one of such persons may vote, but if more than one of such persons be present at the Scheme Meeting, the person whose name stands first in the Register of Members of the Company or, as the case may be, the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore) shall alone be entitled to vote.
15. The Proxy Form must be deposited with the Company's Share Registrar's Office at Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632 or sent by email to [srs.proxy@boardroomlimited.com](mailto:srs.proxy@boardroomlimited.com), by 10.00 a.m. on 12 August 2024 (being not less than seventy-two (72) hours before the time appointed for the Scheme Meeting).
16. **Shareholders are strongly encouraged to submit their completed Proxy Forms electronically via email.**

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17. If any Shareholder fails to submit a Proxy Form (if applicable) in the manner and within the period stated therein or if the Proxy Form (if applicable) is incomplete, improperly completed, illegible or where the true intentions of the Shareholder are not ascertainable from the instructions of the Shareholder specified in the Proxy Form (if applicable), the Shareholders and the proxy of such Shareholder (if applicable) may only be admitted to the Scheme Meeting at the discretion of the Chairman. Any such Shareholder shall, nonetheless, be bound by the terms of the Scheme in the event that it becomes effective.

18. Relevant intermediaries:

Persons who hold Shares through relevant intermediaries, other than SRS Investors, and who wish to participate in the Scheme Meeting should contact the relevant intermediary through which they hold such Shares as soon as possible. Persons who hold Shares through relevant intermediaries, other than SRS Investors, may (a) vote at the Scheme Meeting if they are appointed as proxy by their respective relevant intermediaries; or (b) specify their voting instructions to/arrange for their votes to be submitted with their respective relevant intermediaries, and should contact their respective relevant intermediaries as soon as possible in order for the necessary arrangements to be made.

In addition, SRS Investors may (i) vote at the Scheme Meeting if they are appointed as proxy by their respective SRS operators, and should contact their respective SRS operators if they have any queries regarding their appointment as proxy; or (ii) specify their voting instructions to/arrange for their votes to be submitted with their respective SRS operators, and should approach their respective SRS operators by 10.00 a.m. on 5 August 2024, being at least seven (7) working days before the date of the Scheme Meeting, to ensure their votes are submitted.

19. In relation to any Shareholder who is a relevant intermediary:

- (a) subject to paragraph 19(b) below, a Shareholder who is a relevant intermediary need not cast all the votes he/she/it uses in the same way provided that each vote is exercised in relation to a different Share; and
- (b) a Shareholder who is a relevant intermediary may appoint more than two (2) proxies in relation to the Scheme Meeting to exercise all or any of the Shareholder's rights to attend and to speak and vote at the Scheme Meeting, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by the Shareholder (which number and class of shares must be specified). Each proxy appointed in accordance with this paragraph 19(b) may only cast all the votes he/she/it uses at the Scheme Meeting in one (1) way.

A “**relevant intermediary**” means:

- (i) a banking corporation licensed under the Banking Act 1970 or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
- (ii) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001, and who holds shares in that capacity; or
- (iii) the Central Provident Fund Board (“**CPF Board**”) established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

20. For purposes of determining whether the condition under Section 210(3AB)(a) of the Companies Act is satisfied:

- (a) the Company shall treat each proxy appointed in accordance with paragraphs 10 or 19(b) and who casts a vote for or against the Scheme as casting one (1) vote. Where a person has been appointed as proxy of more than one (1) Shareholder to vote at the Scheme Meeting, the votes of such person shall be counted as the votes of the number of appointing Shareholders; and
- (b) where a Shareholder who is a relevant intermediary casts votes both for and against the Scheme otherwise than in accordance with paragraph 19(b) above, without prejudice to the treatment of any proxies appointed in accordance with paragraph 19(b) above:
  - (i) the Company shall treat the relevant intermediary as casting one (1) vote in favour of the Scheme if the relevant intermediary casts more votes for the Scheme than against the Scheme;

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- (ii) the Company shall treat the relevant intermediary as casting one (1) vote against the Scheme if the relevant intermediary casts more votes against the Scheme than for the Scheme; and
- (iii) the Company shall treat the relevant intermediary as casting one (1) vote for and one (1) vote against the Scheme if the relevant intermediary casts equal votes for and against the Scheme.

21. Please see the Scheme Document and the notes to the Proxy Form for more information.

### Personal data privacy

22. By either (I) attending the Scheme Meeting, (II) submitting an instrument appointing proxy to attend, speak and vote at the Scheme Meeting and/or any adjournment thereof, (III) submitting any question in advance of, or at, the Scheme Meeting, and/or (IV) submitting the Request Form to request for a printed copy of the Scheme Document, a Shareholder:

- (a) consents to the collection, use and disclosure of the Shareholder's personal data by the Company (or its respective agents or service providers) for the following purposes:
  - (i) the processing, administration and analysis by the Company (or its respective agents or service providers) of instruments appointing proxy(ies) for the Scheme Meeting (including any adjournment thereof);
  - (ii) the addressing of questions received from Shareholders in advance of or at the Scheme Meeting and, if necessary, the following up with the relevant Shareholders in relation to such questions;
  - (iii) the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the Scheme Meeting (including any adjournment thereof); and
  - (iv) in order for the Company (or its respective agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines,(collectively, the "**Purposes**");
- (b) warrants that where the Shareholder discloses the personal data of the Shareholder's proxy(ies) and/or representative(s) to the Company (or its respective agents or service providers), the Shareholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its respective agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes;
- (c) agrees to provide the Company with written evidence of such prior consent upon reasonable request;
- (d) agrees that the Shareholder will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Shareholder's breach of warranty; and
- (e) agrees and consents to such photographic, sound and/or video recordings of the Scheme Meeting as may be made by the Company (or its respective agents or service providers) for record keeping and to ensure the accuracy of the minutes prepared of the Scheme Meeting. Accordingly, the personal data of the Shareholder (such as his/her name, his/her presence at the Scheme Meeting and any questions he/she may raise or motions he/she may propose/second) may be recorded by the Company (or its respective agents or service providers) for such purpose.

Dated this 31<sup>st</sup> day of July 2024

Rajah & Tann Singapore LLP  
9 Straits View  
#06-07 Marina One West Tower  
Singapore 018937

Solicitors for  
**RE&S Holdings Limited**

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**PROXY FORM FOR SCHEME MEETING**

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**IN THE GENERAL DIVISION OF THE HIGH COURT  
OF THE REPUBLIC OF SINGAPORE**

HC/OA 680/2024

In the matter of Section 210 of the  
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And

In the Matter of  
RE&S Holdings Limited  
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... Applicant

**SCHEME OF ARRANGEMENT**

under Section 210 of the Companies Act 1967

Among

RE&S Holdings Limited

And

The Shareholders (as defined herein)

And

Relish Investments



# PROXY FORM FOR SCHEME MEETING

## RE&S HOLDINGS LIMITED

(Company Registration No. 201714588N)  
(Incorporated in Singapore)

## PROXY FORM SCHEME MEETING

(Please see notes overleaf before completing this Form)

### IMPORTANT:

1. A proxy need not be a member of the Company and may be the Chairman of the Scheme Meeting.
2. A Shareholder who is not a relevant intermediary and is entitled to attend and vote at the Scheme Meeting may appoint one (1) proxy to attend and vote in his/her/its stead. Where a Shareholder who is not a relevant intermediary appoints more than one (1) proxy, such additional appointments shall be invalid.
3. For SRS Investors who have used their SRS monies to buy shares in the Company, this Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or is purported to be used by them. SRS Investors should contact their SRS operators to submit their votes by 10.00 a.m. on 5 August 2024, being at least seven (7) working days before the date of the Scheme Meeting.
4. All capitalised terms used in this Proxy Form but not otherwise defined herein shall have the same meanings given to them in the Company's Scheme Document to Shareholders dated 31 July 2024.
5. **Please read the notes overleaf which contains instructions on, *inter alia*, the appointment of a Shareholder's proxy to attend, speak and vote on his/her/its behalf, at the Scheme Meeting.**

### Personal Data Privacy

By submitting an instrument appointing a proxy, the Shareholder accepts and agrees to the personal data privacy terms set out in the Notice of Scheme Meeting dated 31 July 2024.

I/We\* \_\_\_\_\_ (Name) \_\_\_\_\_ (NRIC/Passport No./UEN No.\*)  
of \_\_\_\_\_ (Address)  
being a member/members\* of **RE&S HOLDINGS LIMITED** (the "**Company**"), hereby appoint:

Name	Address	NRIC/Passport No.

or failing him/her\*, the Chairman of the Scheme Meeting of the Company, as my/our\* proxy to attend and to vote for me/us\* on my/our\* behalf at the Scheme Meeting to be held at 32 Tai Seng Street, #07-01 RE&S Building, Singapore 533972 on 15 August 2024 at 10.00 a.m. and at any adjournment thereof, for the purpose of considering and, if thought fit, approving the Scheme of Arrangement referred to in the notice convening the Scheme Meeting, and at such Scheme Meeting (or at any adjournment thereof) to vote for me/us\* and in my/our\* name(s) for the said Scheme or against the said Scheme as hereunder indicated.

I/We\* direct my/our\* proxy to vote for or against, or abstain from voting on, the Scheme of Arrangement as indicated hereunder. If no specific direction as to voting is given, my/our\* proxy may vote or abstain from voting at his/her\* discretion. If no person is named in the above boxes, the Chairman of the Scheme Meeting shall be my/our\* proxy to vote, for or against the Scheme of Arrangement to be proposed at the Scheme Meeting, for me/us\* and on my/our\* behalf at the Scheme Meeting and at any adjournment thereof. In appointing the Chairman of the Scheme Meeting as proxy, Shareholders must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid.

Voting will be conducted by poll.

THE SCHEME RESOLUTION	For	Against	Abstain
To approve the Scheme of Arrangement			

### Notes:

If you are a Shareholder who is not a relevant intermediary:

You may only cast all the votes you use in the Scheme Meeting **IN ONE WAY**. If you wish to vote "**FOR**" the resolution, please indicate with a tick (✓) in the box marked "**FOR**" as set out above. If you wish to vote "**AGAINST**" the resolution, please indicate with a tick (✓) in box marked "**AGAINST**" as set out above. If you wish to abstain from voting on the resolution, please indicate with a tick (✓) in the box marked "**ABSTAIN**" as set out above. **DO NOT TICK MORE THAN ONE BOX.**

If you are a Shareholder who is a relevant intermediary:

Please indicate (i) the number of votes "**FOR**" or "**AGAINST**" in the "**FOR**" or "**AGAINST**" boxes as set out above in respect of the resolution; and (ii) the number of Shares your proxy is directed to abstain from voting in the "**ABSTAIN**" box provided in respect of the resolution.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2024

Total number of Shares In:	No. of Shares
(a) CDP Register	
(b) Register of Members	

Signature(s) of Shareholder(s) and/or Common Seal

\* Delete where inapplicable

**IMPORTANT: PLEASE READ NOTES OVERLEAF**



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# PROXY FORM FOR SCHEME MEETING

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## Notes:

1. The Scheme Meeting will be convened and held in a wholly physical format. There will be no option for Shareholders to participate virtually. This Proxy Form (along with the Scheme Document, the Notice of Scheme Meeting and the Request Form) may be accessed at the Company's corporate website at the URL <https://res.listedcompany.com> and on SGXNet at the URL <https://www.sgx.com/securities/company-announcements>.
2. A Shareholder who wishes to exercise his/her/its voting rights at the Scheme Meeting may: (a) vote at the Scheme Meeting in person or (b) appoint a proxy to vote on his/her/its behalf at the Scheme Meeting.
3. A Shareholder who is not a relevant intermediary and is entitled to attend and vote at the Scheme Meeting may only appoint one (1) proxy to attend and vote in his/her/its stead and may only cast all the votes he/she/it uses at the Scheme Meeting (whether in person or by proxy) in one (1) way. Where a Shareholder who is not a relevant intermediary appoints more than one proxy, such additional appointments shall be invalid. A proxy need not be a member of the Company and may be the Chairman of the Scheme Meeting.
4. The appointment of a proxy by this instrument shall not preclude a Shareholder from attending and voting in person at the Scheme Meeting. If a Shareholder attends the Scheme Meeting in person, the appointment of a proxy shall be deemed to be revoked, and the Company reserves the right to refuse to admit such proxy to the Scheme Meeting.
5. A Shareholder should insert the total number of Shares held. If the Shareholder has Shares entered against his/her/its name in the Depository Register maintained by CDP, he/she/it should insert that number of Shares. If the Shareholder has Shares registered in his/her/its name in the Register of Members, he/she/it should insert that number of Shares. If the Shareholder has Shares entered against his/her/its name in the said Depository Register and registered in his/her/its name in the Register of Members, he/she/it 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 Shareholder.
6. If the Shareholder is shown to not have any Shares entered against his/her/its name as at seventy-two (72) hours before the time fixed for the Scheme Meeting, the Proxy Form will be rejected.
7. The Proxy Form must be under the hand of the appointor or of his/her/its attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
8. Where a Proxy Form is signed on behalf of the appointor by an attorney or a duly authorised officer, the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority must (failing previous registration with the Company) be lodged with the Proxy Form; failing which the instrument may be treated as invalid.
9. The Company shall be entitled to reject a Proxy Form which is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on and/or attached to the Proxy Form. In addition, in the case of Shares entered in the Depository Register, the Company may reject a Proxy Form if the Shareholder, being the appointor, is not shown to have Shares entered against his/her/its name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the Scheme Meeting, as certified by CDP to the Company.
10. The Proxy Form (together with the power of attorney or such other authority, if any) must be deposited with the Company's Share Registrar's Office at Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632 or sent by email to [srs.proxy@boardroomlimited.com](mailto:srs.proxy@boardroomlimited.com), by 10.00 a.m. on 12 August 2024 (being not less than seventy-two (72) hours before the time appointed for the Scheme Meeting). **Shareholders are strongly encouraged to submit their completed Proxy Forms electronically via email.**
11. If any Shareholder fails to submit a Proxy Form (if applicable) in the manner and within the period stated herein or if the Proxy Form (if applicable) is incomplete, improperly completed, illegible or where the true intentions of the Shareholder are not ascertainable from the instructions of the Shareholder specified in the Proxy Form (if applicable), the Shareholders and the proxy of such Shareholder (if applicable) may only be admitted to the Scheme Meeting at the discretion of the Chairman. Any such Shareholder shall, nonetheless, be bound by the terms of the Scheme in the event that it becomes effective.
12. **Relevant Intermediaries:**

Persons who hold Shares through relevant intermediaries, other than SRS Investors, and who wish to participate in the Scheme Meeting should contact the relevant intermediary through which they hold such Shares as soon as possible. Persons who hold Shares through relevant intermediaries, other than SRS Investors, may (a) vote at the Scheme Meeting if they are appointed as proxy by their respective relevant intermediaries; or (b) specify their voting instructions to/arrange for their votes to be submitted with their respective relevant intermediaries, and should contact their respective relevant intermediaries as soon as possible in order for the necessary arrangements to be made.

In addition, SRS Investors may (i) vote at the Scheme Meeting if they are appointed as proxy by their respective SRS operators, and should contact their respective SRS operators if they have any queries regarding their appointment as proxy; or (ii) specify their voting instructions to/arrange for their votes to be submitted with their respective SRS operators, and should approach their respective SRS operators by 10.00 a.m. on 5 August 2024, being at least seven (7) working days before the date of the Scheme Meeting, to ensure their votes are submitted.
13. In relation to any Shareholder who is a relevant intermediary:
  - (a) subject to paragraph 13(b) below, a Shareholder who is a relevant intermediary need not cast all the votes he/she/it uses in the same way provided that each vote is exercised in relation to a different Share; and
  - (b) a Shareholder who is a relevant intermediary may appoint more than two (2) proxies in relation to the Scheme Meeting to exercise all or any of the Shareholder's rights to attend and to speak and vote at the Scheme Meeting, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by the Shareholder (which number and class of shares must be specified). Each proxy appointed in accordance with this paragraph 13(b) may only cast all the votes he/she/it uses at the Scheme Meeting in one (1) way.

A "relevant intermediary" means:

  - (A) a banking corporation licensed under the Banking Act 1970 or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
  - (B) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001, and who holds shares in that capacity; or
  - (C) the Central Provident Fund Board ("CPF Board") established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
14. For purposes of determining whether the condition under Section 210(3AB)(a) of the Companies Act is satisfied:
  - (a) the Company shall treat each proxy appointed in accordance with paragraphs 3 or 13(b) and who casts a vote for or against the Scheme as casting one (1) vote. Where a person has been appointed as proxy of more than one (1) Shareholder to vote at the Scheme Meeting, the votes of such person shall be counted as the votes of the number of appointing Shareholders; and
  - (b) where a Shareholder who is a relevant intermediary casts votes both for and against the Scheme otherwise than in accordance with paragraph 13(b) above, for purposes of determining whether the condition under Section 210(3AB)(a) of the Companies Act is satisfied, without prejudice to the treatment of any proxies appointed in accordance with paragraph 13(b) above:
    - (i) the Company shall treat the relevant intermediary as casting one (1) vote in favour of the Scheme if the relevant intermediary casts more votes for the Scheme than against the Scheme;
    - (ii) the Company shall treat the relevant intermediary as casting one (1) vote against the Scheme if the relevant intermediary casts more votes against the Scheme than for the Scheme; and
    - (iii) the Company shall treat the relevant intermediary as casting one (1) vote for and one (1) vote against the Scheme if the relevant intermediary casts equal votes for and against the Scheme.
15. SRS Agent Banks acting on the request of SRS Investors who wish to attend the Scheme Meeting as observers are requested to submit in writing, a list with details of the investors' names, NRIC/Passport numbers, addresses and number of Shares held. The list, signed by an authorised signatory of the SRS Agent Bank, should reach the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632, at least 72 hours before the time appointed for holding the Scheme Meeting.
16. All references to a time of day is made by reference to Singapore time.
17. All Shareholders will be bound by the outcome of the Scheme Meeting regardless of whether they have attended or voted at the Scheme Meeting.
18. All capitalised terms not otherwise defined herein shall have the meanings given to them in the Company's Scheme Document dated 31 July 2024.

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## REQUEST FORM

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**RE&S**  
**RE&S HOLDINGS LIMITED**  
(Incorporated in the Republic of Singapore)  
(Company Registration No.: 201714588N)

31 July 2024

Dear Shareholder of RE&S Holdings Limited (the “Company”)

*All references to the Scheme Document in this Request Form shall mean the Company’s Scheme Document to Shareholders dated 31 July 2024. All capitalised terms used but not otherwise defined herein shall have the meanings given to them in the Scheme Document.*

We wish to inform you that the Scheme Meeting of the Company will be convened and held in a wholly physical format at 32 Tai Seng Street, #07-01 RE&S Building, Singapore 533972 on 15 August 2024 at 10.00 a.m.. **There will be no option for Shareholders to participate virtually.**

Printed copies of the Notice of Scheme Meeting and Proxy Form can be found in the enclosed envelope. In line with the Company’s sustainability efforts, we are implementing the use of electronic communications for the despatch of the Scheme Document. In this regard, the Scheme Document (together with the Notice of Scheme Meeting, the Proxy Form and this Request Form) has been made available for download or online viewing on SGXNet at <https://sgx.com/securities/company-announcements> and the Company’s corporate website at <https://res.listedcompany.com>. You will need an internet browser and a PDF reader to view the electronic copy of the Scheme Document. A printed copy of the Scheme Document will not be despatched to Shareholders (unless upon request).

We sincerely hope that you will join our sustainability efforts and embrace electronic communications. However, if you still wish to obtain printed copies of the Scheme Document, please complete the Request Form below and email it to [srs.proxy@boardroomlimited.com](mailto:srs.proxy@boardroomlimited.com), or post it with the envelope enclosed, by no later than **10.00 a.m. on 12 August 2024**. Please affix sufficient postage on the envelope.

By providing us with the information required in the Request Form below, you agree and acknowledge that we and/or our service provider(s) may collect, use and disclose your personal data as contained in your submitted Request Form or which is otherwise collected from you (or your authorised representative(s)), for the purpose of processing and effecting your request and in order for us and/or our service provider(s) to comply with any applicable laws, listing rules, regulations and/or guidelines.

Yours sincerely  
For and on behalf of  
**RE&S Holdings Limited**

Foo Kah Lee  
Executive Director and CEO

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## REQUEST FORM

**To: RE&S Holdings Limited**  
**c/o Boardroom Corporate & Advisory Services Pte. Ltd.**  
1 Harbourfront Avenue  
Keppel Bay Tower #14-07  
Singapore 098632

**Please complete and sign this Request Form and send it by email to [srs.proxy@boardroomlimited.com](mailto:srs.proxy@boardroomlimited.com), or post it with the envelope enclosed, by no later than 10.00 a.m. on 12 August 2024. Please affix sufficient postage on the envelope. We regret that incomplete or improperly completed Request Forms will not be processed.**

Please send me a printed copy of the Circular.

Name(s) of Shareholder(s): \_\_\_\_\_

NRIC/Passport/Company Registration No: \_\_\_\_\_

The shares are held by me/us under or through:

- CDP  
 Physical Scrip  
 Supplementary Retirement Scheme

Address: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_



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TO AFFIX  
ADEQUATE  
POSTAGE  
HERE

**RE&S HOLDINGS LIMITED**  
c/o BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD.  
1 HARBOURFRONT AVENUE  
KEPPEL BAY TOWER #14-07  
SINGAPORE 098632

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