



TRAVELITE HOLDINGS LTD.

(Incorporated in Singapore)

(Company Registration Number: 200511089K)

PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 31,549,204 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY AT AN ISSUE PRICE OF S\$0.08 FOR EACH RIGHTS SHARE, ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY TWO (2) EXISTING ORDINARY SHARES HELD BY THE ENTITLED SHAREHOLDERS OF THE COMPANY AS AT THE RECORD DATE TO BE DETERMINED, FRACTIONAL ENTITLEMENTS TO BE DISREGARDED

1. INTRODUCTION

The Board of Directors (the “**Directors**”) of Travelite Holdings Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company proposes to undertake a renounceable non-underwritten rights issue (the “**Rights Issue**”) of up to 31,549,204 new ordinary shares in the capital of the Company (the “**Rights Shares**”) at an issue price of S\$0.08 (the “**Issue Price**”) for each Rights Share on the basis of one (1) Rights Share for every two (2) existing ordinary shares in the capital of the Company (the “**Shares**”) held by the shareholders of the Company (the “**Shareholders**”) as at a time and date to be determined by the Directors for the purpose of determining the Shareholders’ entitlements under the Rights Issue (the “**Record Date**”), fractional entitlements to be disregarded.

2. PRINCIPAL TERMS OF THE RIGHTS ISSUE

2.1 The principal terms of the Rights Issue are set out below:

Issue Price	:	The Issue Price of each Rights Share will be S\$0.08, payable in full upon acceptance and/or application.
Discount	:	The Issue Price represents: (i) a discount of approximately 12% to the closing market price of S\$0.091 per Share on the Official List of the SGX-ST (as defined below) on 23 March 2023, being the last Market Day (as defined below) on which the Shares were traded immediately preceding this announcement (the “ Last Traded Price ”); and (ii) a discount of approximately 8% to the theoretical ex-rights price of S\$0.087 ¹ per Share as calculated based on the Last Traded Price.

¹ Such theoretical ex-rights price is the theoretical market price of each Share assuming the completion of the Rights Issue and is calculated based on the Last Traded Price of the Shares on the Official List of the SGX-ST of S\$0.091 and the number of Shares following the completion of the Rights Issue.

Allotment Ratio	:	The Rights Issue will be made on a renounceable basis to Entitled Shareholders (as defined below) on the basis of one (1) Rights Share for every two (2) existing Shares held by Entitled Shareholders as at the Record Date, fractional entitlements to be disregarded.
Use of Proceeds	:	The Net Proceeds (as defined below) of the Rights Issue will be entirely used to fund new investments and business expansion of the Group through acquisitions, joint ventures and/or strategic alliances as and when opportunities arise.
Purpose of Rights Issue	:	<p>The Company is undertaking the Rights Issue with the objective of raising funds to pursue its growth strategy of developing and expanding its business and strengthen its financial position, thereby placing the Company in a stronger position with availability of funds so as to be able to quickly seize investment and acquisition opportunities as and when they arise. A stronger financial position will also provide the Company with more flexibility and enhance its ability to formulate, strategise and execute its business plans.</p> <p>The Rights Issue will also provide Shareholders with an opportunity to further participate in the equity of the Company at a 12%-discount to market price as well as enable the Company to increase its capital base so as to improve the liquidity in the trading of the Shares.</p>

2.2 The Rights Issue is proposed to be made on a renounceable non-underwritten basis to Shareholders whose registered addresses with the Company or The Central Depository (Pte) Limited (“**CDP**”), as the case may be, are in Singapore as at the Record Date, or who have, at least three (3) Market Days (a “**Market Day**” being a day on which the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) is open for trading in securities) prior to the Record Date, provided to the Company or CDP, as the case may be, addresses in Singapore for the service of notices and documents (“**Entitled Shareholders**”). Fractional entitlements to the Rights Shares will be disregarded and will, together with the provisional allotments of Rights Shares which are not taken up or allotted for any reason, be aggregated and allotted to satisfy excess applications for the Rights Shares (if any), or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit for the benefit of the Company. In the allotment of excess Rights Shares, preference will be given to Entitled Shareholders for the rounding of odd lots, and Directors and substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the board of the Company will rank last in priority for the rounding of odd lots and allotment of excess Rights Shares. The Company will also not make any allotments or issuance of any excess Rights Shares that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders at a general meeting.

2.3 As at the date of this announcement, the Company has an issued and paid-up share capital of 63,098,409 Shares (excluding treasury shares and subsidiary holdings). The Company has 7,800 treasury shares as at the date of this announcement. Based on the existing issued share capital (excluding treasury shares and subsidiary holdings), assuming that the Rights Issue is fully subscribed, up to 31,549,204 Rights Shares will be issued pursuant to the Rights Issue.

- 2.4 The Issue Price represents a discount of 12% to the closing market price of S\$0.091 per Share on the Official List of the SGX-ST on 23 March 2023, being the last Market Day on which the Shares were traded immediately preceding this announcement. In determining the Issue Price and the discount as set out in paragraph 2 of this announcement, the Directors had taken into consideration the size of the Rights Issue, the volume weighted average price of the Shares on 23 March 2023 and the theoretical ex-rights price computed on the same.
- 2.5 The Issue Price will be payable in full upon acceptance and/or application. The Rights Shares, when issued and fully paid-up, will rank *pari passu* in all respects with the then existing Shares for any dividends, rights, allotments or other distributions, the record date for which falls on or after the date of issue of the Rights Shares. For this purpose, “record date” means, in relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time as may have been notified by the Company) on which Shareholders must be registered in order to participate in such dividends, rights, allotments or other distributions.
- 2.6 Entitled Shareholders will be at liberty to accept (in full or in part), decline, or otherwise renounce or (in the case of Entitled Depositors only (as defined below)) trade their provisional allotments of Rights Shares on the Official List of the SGX-ST during the provisional allotment trading period prescribed by the SGX-ST and will be eligible to apply for additional Rights Shares in excess of their provisional allotments under the Rights Issue.
- 2.7 The Rights Issue will be undertaken pursuant to the existing share issue mandate approved by Shareholders at the annual general meeting of the Company previously held on 27 July 2022, or otherwise by way of specific approval from the Shareholders to be obtained at an extraordinary general meeting (the “**EGM**”) to be convened.
- 2.8 The Rights Issue will not be underwritten. The Directors are of the opinion that there is no minimum amount that must be raised from the Rights Issue in view of the indication from the TJ Group (as defined below) of its intention to subscribe for its *pro rata* entitlement to the Rights Shares pursuant to the Rights Issue as set out in further details in paragraph 5 of this announcement. Accordingly, the Company has decided to undertake the Rights Issue on a non-underwritten basis in view of the savings in costs enjoyed by the Company as a result of not having to bear any underwriting fees and commission.
- 2.9 The terms and conditions of the Rights Issue are subject to such changes as the Directors may, in its absolute discretion, deem fit. The final terms and conditions of the Rights Issue will be contained in the offer information statement (the “**OIS**”) in connection with the Rights Issue, to be lodged with the Monetary Authority of Singapore (“**MAS**”) and to be despatched or, as the case may be, disseminated by the Company to the Entitled Shareholders in due course.

3. PURPOSE OF THE RIGHTS ISSUE AND THE USE OF PROCEEDS

- 3.1 The Company has not undertaken any previous equity fund raising in the past 12 months. The working capital available to the Group is sufficient to meet its present requirements. The Group intends to utilise its current cash to support the existing operations of the Group and to repay borrowings when due.

The Company is undertaking the Rights Issue with the objective of raising funds to pursue its growth strategy of developing and expanding its business and strengthen its financial position, thereby placing the Company in a stronger position with availability of funds so as to be able to quickly seize investment and acquisition opportunities as and when they arise. A stronger financial position will also provide the Company with more flexibility and enhance its ability to formulate, strategise and execute its business plans.

The Rights Issue will also provide Shareholders with an opportunity to further participate in the equity of the Company at a 12%-discount to market price as well as enable the Company to increase its capital base so as to improve the liquidity in the trading of the Shares.

- 3.2 Assuming that the Rights Issue is fully subscribed, the Rights Issue is expected to raise net proceeds of up to approximately S\$2.22 million (the “**Net Proceeds**”), after deducting estimated expenses of approximately S\$0.30 million. The Company intends to use the Net Proceeds entirely to fund new investments and business expansion of the Group through acquisitions, joint ventures and/or strategic alliances as and when opportunities arise.
- 3.3 Pending the deployment of the Net Proceeds for the abovementioned purpose, such proceeds may be deposited with banks and/or financial institutions, invested in short-term money markets instruments and/or marketable securities and/or used for any other purposes on a short-term basis as the Directors may, in their absolute discretion, deem appropriate in the interests of the Group.
- 3.4 The Company will make periodic announcements on the utilisation of the Net Proceeds as and when such proceeds are materially disbursed, and whether such use is in accordance with the stated use and in accordance with the percentage allocated. The Company will also provide a status report on the use of the Net Proceeds in the Company’s interim and full year financial results announcement(s) and in the Company’s annual report(s), until such time the Net Proceeds have been fully utilised. Where there is any material deviation from the stated use of the Net Proceeds, the Company will announce the reasons for such deviation.
- 3.5 As at the date of this announcement, the Directors are of the opinion that:
- (a) after taking into account the Group’s present bank facilities, the working capital available to the Group is sufficient to meet its present requirements; and
 - (b) after taking into account the Group’s present bank facilities and the Net Proceeds, the working capital available to the Group is sufficient to meet its present requirements.

Notwithstanding the above, the purpose of the Rights Issue is to fund new investments and business expansion of the Group through acquisitions, joint ventures and/or strategic alliances as and when opportunities arise. The Directors are further of the opinion that, after taking into consideration the rationale for the Rights Issue and the factors taken into consideration in arriving at the Issue Price as set out in paragraph 2.4 of this announcement, the Rights Issue is in the interest of the Company.

4. ELIGIBILITY TO PARTICIPATE IN THE RIGHTS ISSUE

4.1 Entitled Shareholders

The Company proposes to provisionally allot the Rights Shares to Entitled Shareholders under the Rights Issue. The Entitled Shareholders comprise Entitled Depositors and Entitled Scripholders (both as defined below).

Entitled Shareholders will be entitled to participate in the Rights Issue and receive a copy of the OIS to be issued by the Company in connection with the Rights Issue together with the appropriate application forms and accompanying documents at their respective Singapore addresses.

4.2 Entitled Depositors

“**Entitled Depositors**” are Shareholders whose securities accounts with CDP are credited with Shares as at 5.00 p.m. (Singapore time) on the Record Date, provided that such Entitled Depositors have registered addresses in Singapore with CDP as at the Record Date or if they have registered addresses outside Singapore, they have provided CDP, at 11 North Buona Vista Drive, #01-19/20 The Metropolis Tower 2, Singapore 138589, with a registered address in Singapore no later than 5.00 p.m. (Singapore time) on the date being three (3) Market Days prior to the Record Date.

4.3 Entitled Scripholders

“**Entitled Scripholders**” are Shareholders whose share certificates are not deposited with CDP and who have tendered to Tricor Barbinder Share Registration Service (the “**Share Registrar**”) valid transfers of their Shares and the certificates relating thereto for registration up to the Record Date, provided that such Entitled Scripholders have registered addresses in Singapore with the Share Registrar as at the Record Date or if they have registered addresses outside Singapore, they have provided the Share Registrar, at 80 Robinson Road #02-00 Singapore 068898, with a registered address in Singapore no later than 5.00 p.m. (Singapore time) on the date being three (3) Market Days prior to the Record Date.

4.4 Supplementary Retirement Scheme (“SRS”)

Members under the SRS (the “**SRS Members**”) who bought their Shares previously using their account opened with the relevant approved bank (the “**SRS Accounts**”) and who wish to accept their provisional allotments of Rights Shares and apply for excess Rights Shares (if applicable) can only do so, subject to applicable SRS rules and regulations, using monies standing to the credit of their respective SRS Accounts. Such SRS Members who wish to accept their provisional allotments of Rights Shares and apply for excess Rights Shares using SRS monies (if applicable), must instruct the relevant approved banks in which they hold their SRS Accounts to accept their provisional allotments of Rights Shares and apply for excess Rights Shares (if applicable) on their behalf in accordance with the OIS. Any application made directly to CDP or through automated teller machines of any participating bank appointed and named in the OIS by such Entitled Shareholders will be rejected. For the avoidance of doubt, monies in SRS Accounts may not be used for the purchase of the provisional allotments of Rights Shares directly from the market. Such Entitled Shareholders should refer to the OIS to be lodged with the MAS for important details relating to the offer procedure in connection with the Rights Issue.

4.5 Central Provident Fund Investment Scheme

Persons who bought their Shares previously using their Central Provident Fund Investment Scheme – Ordinary Account may use, subject to applicable Central Provident Fund (“**CPF**”) rules and regulations, their CPF ordinary account savings (the “**CPF Funds**”) for the payment of the Issue Price to accept their provisional allotments of Rights Shares and (if applicable) apply for excess Rights Shares. Such persons who wish to accept their provisional allotments of Rights Shares will need to instruct their respective approved banks where they hold their CPF investment accounts, to accept their provisional allotment of Rights Shares and (if applicable) apply for the excess Rights Shares on their behalf in accordance with the OIS. CPF Funds may not, however, be used for the purchase of the provisional allotments of the Rights Shares directly from the market.

4.6 Foreign Shareholders

For practical reasons and in order to avoid any violation of securities legislation applicable in countries other than Singapore, the Rights Shares will NOT be offered to Shareholders whose registered addresses with the Company or CDP, as the case may be, are outside Singapore as at the Record Date and who have not, at least three (3) Market Days prior thereto, provided to the Company or CDP, as the case may be, with addresses in Singapore for the service of notices and documents (the “**Foreign Shareholders**”). If it is practicable to do so, arrangements may, at the discretion of the Company, be made for the provisional allotments of the Rights Shares which would otherwise have been provisionally allotted to Foreign Shareholders to be sold “nil paid” on the Official List of the SGX-ST as soon as practicable after dealings in the provisional allotments of Rights Shares commence and the net proceeds arising therefrom will be dealt with in accordance with the terms set out in the OIS.

5. WAIVER OF MANDATORY TAKEOVER

- 5.1 As at the date of this announcement, the Executive Chairman of the Company, Mr Thang Teck Jong ("**Mr Thang**") and the parties acting in concert with him (comprising Mr Thang's spouse, brothers and nephew) collectively hold an aggregate of 31,258,887 Shares representing 49.54% of the existing issued share capital of the Company (excluding treasury shares and subsidiary holdings), while Mr Thang and his spouse, Ms Kong Ling Ting @ Kang Ling Ting (collectively, the "**TJ Group**") hold an aggregate of 28,138,185 Shares representing 44.59% of the existing issued share capital of the Company (excluding treasury shares and subsidiary holdings). The TJ Group has indicated that it intends to and will not later than the last day for acceptance and payment of the Rights Shares and subject to the approval of the Independent Shareholders (as defined below) of the Whitewash Resolution (as defined below), subscribe for and pay in full for and/or procure the subscription of and payment in full for its *pro rata* entitlement to the Rights Shares in relation to the Shares held by it as at the Record Date in compliance with the terms and conditions of the Rights Issue.
- 5.2 Under Rule 14.1 of the Singapore Code on Take-overs and Mergers (the "**Code**"), where (a) any person acquires whether by a series of transactions over a period of time or not, shares which (taken together with shares held or acquired by persons acting in concert with him) carrying 30% or more of the voting rights in the Company; or (b) any person who together with persons acting in concert with him, holds not less than 30% but not more than 50% of the voting rights in the Company and such person, or any person acting in concert with him, acquires in any period of six (6) months additional Shares carrying more than 1% of the voting rights, he is required to make a mandatory general offer for all the Shares in the Company which he does not already own or control (the "**Mandatory Offer**"). Note 5 of Rule 14.1 of the Code further provides that when the group holds over 50%, no obligation normally arises from acquisitions by any member of the group. However, subject to certain considerations, the Securities Industry Council ("**SIC**") may regard as giving rise to an obligation to make an offer any acquisition by a single member or sub-group of the group of voting rights sufficient to increase his/its holding to 30% or more or, if he/it already holds between 30% and 50%, by more than 1% in any six (6) month period.
- 5.3 In the event that only the TJ Group subscribes for its *pro rata* entitlement to the Rights Shares pursuant to the Rights Issue, the shareholding interest of the TJ Group would be approximately 54.70% following the completion of the Rights Issue. Accordingly, the subscription of the Rights Shares pursuant to the Rights Issue may result in Mr Thang acquiring more than 1% of the voting rights of the Company in any period of six (6) months and thereby incurring an obligation on his part to make the Mandatory Offer pursuant to Rule 14.1(a) of the Code, unless the approval of a resolution (the "**Whitewash Resolution**") for the waiver of the rights of the independent shareholders (being Shareholders other than Mr Thang and parties acting in concert with him) (the "**Independent Shareholders**") to receive the Mandatory Offer for the Company from Mr Thang and parties acting in concert with him, is obtained from the Independent Shareholders.
- 5.4 In view of the above, an application will be made to the SIC for, among others, a waiver of the obligations of Mr Thang and the parties acting in concert with him to make the Mandatory Offer as a result of the subscription of Rights Shares pursuant to the Rights Issue (the "**Whitewash Waiver**").
- 5.5 An independent financial adviser (the "**IFA**") will be appointed to advise the Directors who are considered independent for the purposes of making the recommendation to the Independent Shareholders in relation to the Whitewash Resolution for their approval at the EGM. The Company will make the necessary announcements upon receipt of the SIC's approval for the Whitewash Waiver and upon appointment of the IFA.

6. APPROVALS

6.1 The Rights Issue is subject to, *inter alia*, the following conditions:

- (a) the approval in-principle having been granted by the SGX-ST (and such approval not having been withdrawn or revoked on or prior to the date of completion of the Rights Issue) for the listing of and quotation for the Rights Shares on the official List of the SGX-ST and, if such approval is granted subject to conditions, such conditions being acceptable to the Company;
- (b) the Whitewash Waiver having been granted by the SIC and such waiver not having been withdrawn or revoked up to the date of completion of the Rights Issue;
- (c) the approval of the Shareholders for the Rights Issue (if required) and the approval of the independent Shareholders for the Whitewash Resolution being obtained at the EGM;
- (d) the lodgement of the OIS, together with all other accompanying documents (if applicable), to be issued by the Company in connection with the Rights Issue, with the MAS; and
- (e) all other necessary consents, approvals and waivers required from any person, financial institution or regulatory body or authority of Singapore or elsewhere under any and all agreements applicable to the Company and/or applicable laws for the Rights Issue and to give effect to the Rights Issue being obtained and not having been revoked or amended before the date of completion of the Rights Issue.

6.2 An application will be made to the SGX-ST for permission to deal in and for the listing of and quotation for the Rights Shares on the Official List of the SGX-ST. An appropriate announcement will be made in due course when the Company receives the approval in-principle for the Rights Shares from the SGX-ST.

6.3 The Record Date will also be fixed in due course after obtaining the requisite Shareholders' approval(s), for which an announcement on the Record Date will be separately made by the Company in due course.

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

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

8. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save as disclosed in this announcement, none of the Directors and substantial Shareholders has any interests, direct or indirect, in the Rights Issue, other than through each of their respective shareholding interests, direct and/or indirect, in the Company.

9. DIRECTORS' RESPONSIBILITY STATEMENT

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

and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

10. CAUTIONARY STATEMENT

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

By Order of the Board

Thang Teck Jong
Executive Chairman
24 March 2023