

CIRCULAR DATED 27 APRIL 2021

THIS CIRCULAR IS IMPORTANT AS IT CONTAINS THE RECOMMENDATION OF THE INDEPENDENT DIRECTORS OF NEO GROUP LIMITED (“COMPANY”) AND THE ADVICE OF PROVENANCE CAPITAL PTE. LTD. (AS THE INDEPENDENT FINANCIAL ADVISER TO THE INDEPENDENT DIRECTORS). THIS CIRCULAR REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

IF YOU ARE IN ANY DOUBT IN RELATION TO THIS CIRCULAR (AS DEFINED HEREIN) OR AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT, TAX ADVISER OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

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

This Circular has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, CIMB Bank Berhad, Singapore Branch (“Sponsor”), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (“SGX-ST”) Listing Manual Section B: Rules of Catalyst.

This Circular has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this Circular, including the correctness of any of the statements or opinions made or reports contained in this Circular.

The contact person for the Sponsor is Mr. Jason Chian, Head, Corporate Finance, CIMB Bank Berhad, Singapore Branch, at 50 Raffles Place #09-01 Singapore Land Tower Singapore 048623, telephone: +65 6337 5115.



NEO GROUP

NEO GROUP LIMITED

(Company Registration Number 201207080G)
(Incorporated in the Republic of Singapore)

CIRCULAR TO SHAREHOLDERS

in relation to the

VOLUNTARY CONDITIONAL CASH OFFER

by

UNITED OVERSEAS BANK LIMITED

(Company Registration No.: 193500026Z)
(Incorporated in the Republic of Singapore)

for and on behalf of

FORESTT INVESTMENT PTE. LTD.

(Company Registration No.: 202109334E)
(Incorporated in the Republic of Singapore)

to acquire the Offer Shares (as defined herein)

Independent Financial Adviser to the Independent Directors



PROVENANCE CAPITAL PTE. LTD.

(Incorporated in the Republic of Singapore)
(Company Registration Number: 200309056E)

SHAREHOLDERS SHOULD NOTE THAT ACCEPTANCES MUST BE RECEIVED BY THE CLOSE OF THE OFFER AT 5.30 P.M. (SINGAPORE TIME) ON 25 MAY 2021

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DEFINITIONS

Except where the context otherwise requires, the following definitions apply throughout this Circular:

“Acceptance Forms”	:	The FAA and the FAT collectively or any one of them, as the case may be
“ACRA”	:	The Accounting and Corporate Regulatory Authority of Singapore
“Auditors”	:	BDO LLP
“Auditors SOP Letter”	:	The letter from the independent auditors dated 27 April 2021 in relation to the Statement of Prospects, as set out in Appendix E to this Circular
“Business Day”	:	A day (other than Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore
“Catalist Rules”	:	Section B: Rules of Catalist of the SGX-ST listing manual, as amended, modified or supplemented from time to time
“CDP”	:	The Central Depository (Pte) Limited
“Circular”	:	This circular to Shareholders in relation to the Offer, setting out, <i>inter alia</i> , the recommendation of the Independent Directors and the advice of the IFA to the Independent Directors.
“Code”	:	The Singapore Code on Take-overs and Mergers
“Companies Act”	:	The Companies Act (Chapter 50) of Singapore
“Company”	:	Neo Group Limited
“Company Securities”	:	(a) Shares; (b) securities which carry voting rights in the Company; and (c) Convertible Securities, Warrants, Options and Derivatives in respect of (a) or (b)
“Concert Parties”	:	Parties acting or presumed to be acting in concert with the Offeror in connection with the Offer
“Convertible Securities”	:	Securities convertible or exchangeable into new Shares or existing Shares

DEFINITIONS

“Derivatives”	:	Includes any financial product whose value in whole or in part is determined directly or indirectly by reference to the price of an underlying security or securities
“Directors”	:	The directors of the Company as at the Latest Practicable Date
“Distributions”	:	Any dividends, rights and other distributions declared, paid or made by the Company in respect of the Shares
“Encumbrances”	:	Any claims, charges, equities, mortgages, liens, pledges, encumbrances, rights of pre-emption and other third party rights and interests of any nature whatsoever
“FAA”	:	Form of Acceptance and Authorisation for Offer Shares, which forms part of the Offer Document and which is issued to Shareholders whose Offer Shares are deposited with CDP
“FAT”	:	Form of Acceptance and Transfer for Offer Shares, which forms part of the Offer Document and which is issued to Shareholders whose Offer Shares are not deposited with CDP
“Final Closing Date”	:	5.30 p.m. (Singapore time) on 25 May 2021
“FVOCI”	:	Fair value through other comprehensive income
“FY”	:	Financial year ended or ending 31 March, as the case may be
“Group”	:	The Company and its subsidiaries, and “Group Company” means any one of them
“HY2021”	:	The six-month financial period ended 30 September 2020
“IFA Letter”	:	The letter from the IFA to the Independent Directors dated 27 April 2021 containing the advice of the IFA to the Independent Directors in respect of the Offer, a copy of which is set out in Appendix B to this Circular
“IFA SOP Letter”	:	The letter from the IFA dated 27 April 2021 in relation to the Statement of Prospects, as set out in Appendix F to this Circular

DEFINITIONS

“Independent Directors”	:	The Directors who are independent for the purpose of making a recommendation to Shareholders in respect of the Offer, namely, Mr. Yeo Kok Tong, Mr. Tan Lye Huat and Mr. Choy Bing Choong
“Irrevocable Undertakings”	:	Shall have the meaning ascribed to it at Section 5 of this Circular
“Latest Practicable Date”	:	20 April 2021, being the latest practicable date prior to the printing of this Circular
“Malaysia Subject Properties”	:	The properties of the Group at the following locations: (i) Nos. 6 & 8, Jalan Istimewa 8, Taman Perindustrian Cemerlang, 81800 Ulu Tiram, Johor, Malaysia; and (ii) No. 3343, Jalan Pekeliling Tanjung 27, Kawasan Perindustrian Indahpura, 81000 Kulai, Johor, Malaysia.
“Malaysia Valuation Reports”	:	The summary valuation reports issued by the Malaysia Valuer in respect of the Malaysia Subject Properties in connection with the Offer, as set out in Appendix H to this Circular
“Malaysia Valuer”	:	Raine & Horne International Zaki + Partners Sdn. Bhd., being the independent valuer appointed by the Independent Directors for the purposes of carrying out the valuation of the Malaysia Subject Properties in connection with the Offer
“Management Shareholders”	:	Mr. Neo and Ms. Liew
“Market Day”	:	A day on which the SGX-ST is open for trading of securities
“Minimum Acceptance Condition”	:	Shall have the meaning ascribed to it at Section 2.4 of this Circular
“Mr. Neo”	:	Mr. Neo Kah Kiat, the Founder, Chairman and Chief Executive Officer of the Company as at the Latest Practicable Date
“Ms. Liew”	:	Ms. Liew Oi Peng, the Executive Director of the Company as at the Latest Practicable Date

DEFINITIONS

“Offer”	:	The voluntary conditional cash offer by UOB, for and on behalf of the Offeror, to acquire the Offer Shares, on the terms and subject to the conditions set out in the Offer Document, the FAA and the FAT, as such offer may be amended, extended and revised from time to time by or on behalf of the Offeror
“Offer Announcement”	:	The announcement in connection with the Offer released by UOB, for and on behalf of the Offeror, on the Offer Announcement Date
“Offer Announcement Date”	:	30 March 2021, being the date of the Offer Announcement
“Offer Document”	:	The offer document dated 13 April 2021, including the FAA, the FAT, and any other document(s) which may be issued for and on behalf of the Offeror to amend, revise, supplement or update such document from time to time
“Offer Price”	:	S\$0.60 in cash for each Offer Share
“Offer Shares”	:	All the issued and paid-up Shares to which the Offer relates, as described in Sections 2.1 (Offer) and 2.2 (Offer Shares) of the Letter to Shareholders in the Offer Document and Section 2.2 of this Circular
“Offeror”	:	Forestt Investment Pte. Ltd.
“Offeror Convertible Securities”	:	Securities convertible or exchangeable into new Offeror Shares or existing Offeror Shares
“Offeror Options”	:	Options to subscribe for or purchase new Offeror Shares or existing Offeror Shares
“Offeror Securities”	:	(a) equity share capital of the Offeror; (b) securities of the Offeror which carry substantially the same rights as any to be issued as consideration for the Offer (if any); and (c) any other Offeror Convertible Securities, Offeror Warrants, Offeror Options and Derivatives in respect of (a) or (b)
“Offeror Shares”	:	Ordinary shares in the capital of the Offeror
“Offeror Warrants”	:	Rights to subscribe for new Offeror Shares or purchase existing Offeror Shares

DEFINITIONS

“Options”	:	Options to subscribe for or purchase new Shares or existing Shares
“Overseas Shareholders”	:	Shall have the meaning ascribed to it in Section 13 of this Circular
“PCPL” or “IFA”	:	Provenance Capital Pte. Ltd., the independent financial adviser to the Independent Directors in relation to the Offer
“Record Date”	:	In relation to any Distributions, the date on which Shareholders must be registered with the Company or with CDP, as the case may be, in order to participate in such Distributions
“Securities Account”	:	A securities account maintained by a Depositor with CDP but does not include a securities sub-account
“Securities and Futures Act”	:	The Securities and Futures Act (Chapter 289) of Singapore
“SGXNET”	:	A system network used by listed companies to send information and announcements to the SGX-ST or any other system networks prescribed by the SGX-ST
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Shareholders”	:	Holders of the Offer Shares, including persons whose Offer Shares are deposited with CDP or who have purchased Offer Shares on the SGX-ST, and “Shareholder” shall be construed accordingly
“Share Registrar”	:	Boardroom Corporate & Advisory Services Pte. Ltd., in its capacity as the share registrar of the Company
“Shares”	:	Ordinary shares in the capital of the Company
“SIC”	:	Securities Industry Council of Singapore
“Singapore Subject Properties”	:	The properties of the Group at the following locations: <ul style="list-style-type: none">(i) 6A Wan Lee Road, Singapore 627938;(ii) 30B Quality Road, Singapore 618826;(iii) 1 Enterprise Road, Singapore 629813;(iv) 3 Enterprise Road, Singapore 629815;(v) 5 Enterprise Road, Singapore 629817;

DEFINITIONS

- (vi) 7 Enterprise Road, Singapore 629819;
- (vii) 9 Enterprise Road, Singapore 629821;
- (viii) 14 Joo Koon Circle, Singapore 629045;
- (ix) 50 Tuas Avenue 11 #02-12, Tuas Lot, Singapore 639107;
- (x) 8A Admiralty Street #03-20 Food Xchange @ Admiralty, Singapore 757437;
- (xi) 8B Admiralty Street #02-16 Food Xchange @ Admiralty, Singapore 757440;
- (xii) 8A Admiralty Street #03-22 Food Xchange @ Admiralty, Singapore 757437; and
- (xiii) 22 Senoko Way, Singapore 758044
- “Singapore Valuation Certificates”** : The valuation certificates issued by the Singapore Valuer in respect of the Singapore Subject Properties in connection with the Offer, as set out in Appendix G to this Circular
- “Singapore Valuer”** : RHT Valuation Pte. Ltd., being the independent valuer appointed by the Independent Directors for the purposes of carrying out the valuation of the Singapore Subject Properties in connection with the Offer
- “SRS”** : Supplementary Retirement Scheme
- “SRS Agent Banks”** : Agent banks included under the SRS
- “SRS Investors”** : Investors who hold Shares purchased pursuant to SRS
- “Statement of Prospects”** : Shall have the meaning ascribed to it at paragraph 10.6 of Appendix A to this Circular
- “Substantial Shareholders”** : As defined in Section 2 of the Securities and Futures Act
- “S\$” and “cents”** : Singapore dollars and cents respectively, being the lawful currency of Singapore
- “Unconditional Announcement”** : The announcement issued on 19 April 2021 by UOB, for and on behalf of the Offeror, *inter alia*, declaring the Offer unconditional in all respects and extending the closing date of the Offer to the Final Closing Date
- “Unconditional Date”** : 6.00 p.m. (Singapore time) on 19 April 2021

DEFINITIONS

“UOB”	:	United Overseas Bank Limited
“Warrants”	:	Rights to subscribe for new Shares or purchase existing Shares
“%” or “per cent.”	:	Per centum or percentage

Unless otherwise defined, the term “**acting in concert**” shall have the meaning ascribed to it in the Code.

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

The terms “**subsidiary**” and “**related corporation**” shall have the meanings ascribed to them respectively in Section 5 and Section 6 of the Companies Act.

References to “**you**”, “**your**” and “**yours**” in this Circular are to Shareholders.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing one (1) gender shall, where applicable, include the other or neuter genders. References to persons shall, where applicable, include corporations.

Any reference in this Circular to any enactment or statutory provision is a reference to that enactment or statutory provision as for the time being amended or re-enacted. Any word defined in the Companies Act, the Securities and Futures Act, the Catalist Rules or the Code or any statutory modification thereof and not otherwise defined in this Circular shall, where applicable, have the meaning assigned to it under the Companies Act, the Securities and Futures Act, the Catalist Rules or the Code or any statutory modification thereof, as the case may be, unless the context otherwise requires.

Any reference to a time of day and date in this Circular is made by reference to Singapore time and date respectively, unless otherwise stated.

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

Statements which are reproduced in their entirety from the Offer Document, the Unconditional Announcement and the IFA Letter are set out in this Circular within quotes and in italics and capitalised terms used within these reproduced statements bear the meanings ascribed to them in the Offer Document, the Unconditional Announcement and the IFA Letter respectively.

In this Circular, any reference to the total number of issued Shares is a reference to 147,350,959 issued Shares as at the Latest Practicable Date.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements other than statements of historical facts included in this Circular are or may be forward- looking statements. Forward-looking statements include but are not limited to those using words such as “anticipate”, “believe”, “estimate”, “expect”, “forecast”, “intend”, “plan”, “project”, “seek”, “strategy”, and similar expressions or future or conditional verbs such as “could”, “may”, “might”, “should”, “will” and “would”. These statements reflect the Company’s 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. Shareholders should not place undue reliance on such forward-looking statements, and the Company assumes no obligation to update publicly or revise any forward-looking statement.

SUMMARY TIMETABLE

Date of despatch of the Offer Document : 13 April 2021

Minimum Acceptance Condition met and Offer declared unconditional in all respects. Unconditional Announcement released by UOB, for and on behalf of the Offeror : 19 April 2021

Date of despatch of this Circular : 27 April 2021

Final Closing Date⁽¹⁾ : 5.30 p.m. (Singapore time) on 25 May 2021

The Offeror has stated that the Offer will not be open for acceptance beyond 5.30 p.m. (Singapore time) on the Final Closing Date, and that acceptances received after 5.30 p.m. (Singapore time) on the Final Closing Date will be rejected.

Date of settlement of consideration for valid acceptances of the Offer⁽²⁾ :

- (i) in respect of acceptances of the Offer which are complete and valid in all respects and are received **on or before** the date on which the Offer becomes or is declared to be unconditional in all respects in accordance with its terms, within seven (7) Business Days of that date; or
- (ii) in respect of acceptances which are complete and valid in all respects and are received **after** the Offer becomes or is declared to be unconditional in all respects in accordance with its terms, but before the Offer closes, within seven (7) Business Days of the date of such receipt.

Notes:

(1) Pursuant to the Unconditional Announcement, UOB announced, for and on behalf of the Offeror, that the Offer had become unconditional in all respects on 19 April 2021 and accordingly the closing date of the Offer was extended to 5.30 p.m. (Singapore time) on 25 May 2021.

(2) Please refer to Appendix 1 to the Offer Document for further details.

LETTER TO SHAREHOLDERS

NEO GROUP LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 201207080G)

Directors:

Neo Kah Kiat (Founder, Chairman & Chief Executive Officer)
Liew Oi Peng (Executive Director)
Yeo Kok Tong (Lead Independent Director)
Tan Lye Huat (Independent Director)
Choy Bing Choong (Independent Director)

Registered Office:

1 Enterprise Road
Singapore 629813

27 April 2021

To: Shareholders of the Company

Dear Sir/Madam

VOLUNTARY CONDITIONAL CASH OFFER BY UOB, FOR AND ON BEHALF OF THE OFFEROR, FOR THE OFFER SHARES

1. INTRODUCTION

1.1 Voluntary General Offer

On 30 March 2021, UOB announced, for and on behalf of the Offeror, that the Offeror intends to make the Offer for the Offer Shares at the Offer Price of S\$0.60 for each Offer Share.

A copy of the Offer Announcement is available on the website of the SGX-ST at <http://www.sgx.com>.

1.2 Offer Document

Shareholders should by now have received a copy of the Offer Document and the relevant Acceptance Forms, which set out, *inter alia*, the terms and conditions of the Offer. **Shareholders are urged to read carefully the terms and conditions contained therein.**

A copy of the Offer Document is available on the website of the SGX-ST at <http://www.sgx.com>.

1.3 Unconditional Announcement

On 19 April 2021, UOB issued the Unconditional Announcement, for and on behalf of the Offeror, announcing that the Offer had been declared unconditional in all respects. In addition, it states that the Offer will not be open for acceptance beyond 5.30 p.m. (Singapore time) on the Final Closing Date, and that acceptances received after 5.30 p.m. (Singapore time) on the Final Closing Date will be rejected. The Unconditional Announcement also contains details on the Offeror's intention to exercise its right of compulsory acquisition in respect of the remaining Offer Shares. A copy of the Unconditional Announcement is available on the website of the SGX-ST at www.sgx.com.

Shareholders are advised to read the terms and conditions of the Offer contained in the Offer Document, as supplemented by the Unconditional Announcement, carefully.

LETTER TO SHAREHOLDERS

1.4 Independent Financial Adviser

The Independent Directors have appointed PCPL as their independent financial adviser in respect of the Offer.

1.5 Purpose of the Circular

The purpose of this Circular is to provide Shareholders with relevant information pertaining to the Company, the Offer, the advice of the IFA to the Independent Directors and the recommendation of the Independent Directors with regard to the Offer.

Shareholders should read the Offer Document, this Circular and the IFA Letter set out in Appendix B to this Circular carefully and consider the recommendation of the Independent Directors and the advice of the IFA in respect of the Offer before deciding whether or not to accept the Offer.

If you are in any doubt in relation to this Circular or as to the action you should take, you should consult your stockbroker, bank manager, accountant, solicitor, tax adviser or other professional adviser immediately.

2. THE OFFER

Based on the information set out in the Offer Document, the Offeror has offered to acquire all the Shares in accordance with Rule 15 of the Code and on the terms and subject to the conditions set out in the Offer Document, the FAA and the FAT.

2.1 Offer Price

As stated in Section 2.3 of the Offer Document, the consideration for each Offer Share is as follows:

For each Offer Share: S\$0.60 in cash (the “Offer Price”)

The Offer Price is final and subject to Section 2.3 of this Circular, the Offeror does not intend to revise the Offer Price.

2.2 Offer Shares

Section 2.2 of the Offer Document states that the Offer will be extended, on the same terms and conditions, to all the Shares, including any Shares owned, controlled or agreed to be acquired by the Concert Parties (all such Shares, the “Offer Shares”).

2.3 No Encumbrances

Pursuant to Section 2.4 of the Offer Document, the Offer Shares are to be acquired (a) fully paid, (b) free from all Encumbrances, and (c) together with all rights, benefits, entitlements and advantages attached thereto as at the Offer Announcement Date, and thereafter attaching thereto, including but not limited to the right to receive and retain all Distributions (if any), the Record Date for which falls on or after the Offer Announcement Date.

LETTER TO SHAREHOLDERS

In the event of any such Distributions on or after the Offer Announcement Date, the Offeror reserves the right to reduce the Offer Price payable to a Shareholder who validly accepts or has validly accepted the Offer by the amount of such Distribution.

2.4 Minimum Acceptance Condition

The Offer is conditional upon the Offeror having received, by the close of the Offer, valid acceptances in respect of such number of Offer Shares which, when taken together with any Offer Shares owned, controlled, acquired or agreed to be acquired by the Offeror and its Concert Parties before or during the Offer but otherwise than through acceptances of the Offer, will result in the Offeror and its Concert Parties holding such number of Shares carrying more than 90% of the voting rights attributable to the issued Shares (excluding any Shares held in treasury) as at the close of the Offer (the “**Minimum Acceptance Condition**”).

Accordingly, the Offer will not become or be capable of being declared unconditional as to acceptances until the close of the Offer, unless at any time prior to the close of the Offer, the Offeror has received valid acceptances in respect of such number of Offer Shares which, when taken together with the Shares owned, controlled, acquired or agreed to be acquired by the Offeror and its Concert Parties before or during the Offer, will result in the Offeror and its Concert Parties holding more than 90% of the voting rights attributable to the issued Shares.

Pursuant to the Irrevocable Undertakings (as set out in Section 5 of this Circular below), the Management Shareholders have undertaken to the Offeror to tender all of their respective Shares in acceptance of the Offer, being an aggregate of 121,215,850 Shares, representing approximately 82.26% of the total number of issued Shares.

Save for the Minimum Acceptance Condition, the Offer is unconditional in all other respects.

As stated in the Unconditional Announcement, as at the Unconditional Date, the Offeror had received valid acceptances of the Offer (which have not been withdrawn) in respect of an aggregate of 134,329,871 Shares which, when taken together with the Shares owned, controlled, acquired or agreed to be acquired by the Offeror and its Concert Parties before or during the Offer but otherwise than through acceptances of the Offer, will result in the Offeror and its Concert Parties holding such number of Shares carrying more than 90% of the voting rights attributable to the issued Shares (excluding any Shares held in treasury).

Accordingly, the Minimum Acceptance Condition has been satisfied and the Offer had therefore become and was thereby declared unconditional in all respects on the date of the Unconditional Announcement.

2.5 Warranty

According to Section 2.9 of the Offer Document, a Shareholder who tenders his Offer Shares in acceptance of the Offer will be deemed to unconditionally and irrevocably represent, warrant and undertake to the Offeror that he sells such Offer Shares as or on behalf of the beneficial owner(s) thereof, (a) fully paid, (b) free from all Encumbrances, and (c) together with all rights, benefits, entitlements and advantages attached thereto as at the Offer Announcement Date and thereafter attaching thereto, including the right to all Distributions (if any), the Record Date for which falls on or after the Offer Announcement Date.

LETTER TO SHAREHOLDERS

2.6 Final Closing Date

As stated in the Unconditional Announcement, in accordance with Rule 22.6 of the Code, as the Offer has become unconditional as to acceptances, the Offer will remain open for acceptance for not less than 14 days after the date on which it would have closed.

Accordingly, Shareholders should note that the closing date for the Offer has been extended from 5.30 p.m. (Singapore time) on 11 May 2021 to 5.30 p.m. (Singapore time) on the Final Closing Date. The Offer will not be open for acceptance beyond 5.30 p.m. (Singapore time) on the Final Closing Date, and acceptances received after 5.30 p.m. (Singapore time) on the Final Closing Date will be rejected.

2.7 Details of the Offer

Further details of the Offer are set out in Appendix 1 to the Offer Document, including details on, *inter alia*, (a) the duration of the Offer; (b) the settlement of the consideration for the Offer; (c) the requirements relating to the announcement of level of acceptances of the Offer; and (d) the right of withdrawal of acceptance of the Offer.

2.8 Procedures for Acceptance

The procedures for acceptance of the Offer are set out in Appendix 2 to the Offer Document, the FAA and the FAT.

3. INFORMATION ON THE OFFEROR

The following has been extracted from Section 6 of the Offer Document and is set out in italics below. Unless otherwise defined, all terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document. **Shareholders are advised to read the extract below carefully:**

“6. INFORMATION ON THE OFFEROR

6.1 *The Offeror.* *The Offeror is an investment holding company incorporated in Singapore on 16 March 2021 for the purpose of undertaking the Offer. The Offeror has not carried on any business since its incorporation, except in relation to matters in connection with the making of the Offer.*

As at the Latest Practicable Date, the Offeror has an issued and paid-up share capital of S\$100 comprising 100 ordinary shares, of which 90% is held by Mr. Neo and 10% is held by Ms. Liew.

As at the Latest Practicable Date, the Directors of the Offeror are Mr. Neo and Ms. Liew.

As at the Latest Practicable Date, the Offeror does not hold any Shares.

6.2 *Management Shareholders.* *Mr. Neo is the founder of the Group, and the Chairman and Chief Executive Officer of the Company. Ms. Liew is an Executive Director of the Company.*

LETTER TO SHAREHOLDERS

6.3 **Roll-over Arrangement.** *It is intended that following completion of the Roll-over Arrangement, notwithstanding that Mr. Neo and Ms. Liew will subscribe for additional Offeror Shares, Mr. Neo and Ms. Liew will continue to hold 90% and 10% of the Offeror Shares, respectively.*

6.4 **Additional Information.** *Additional information on the Offeror is set out in Appendix 3 to this Offer Document.”*

Additional information on the Offeror is set out in Appendix 3 to the Offer Document.

4. RATIONALE FOR THE OFFER

The full text of the rationale for the Offer has been extracted from Section 8 of the Offer Document and is set out in italics below. All terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document, unless otherwise stated. **Shareholders are advised to read the extract below carefully.**

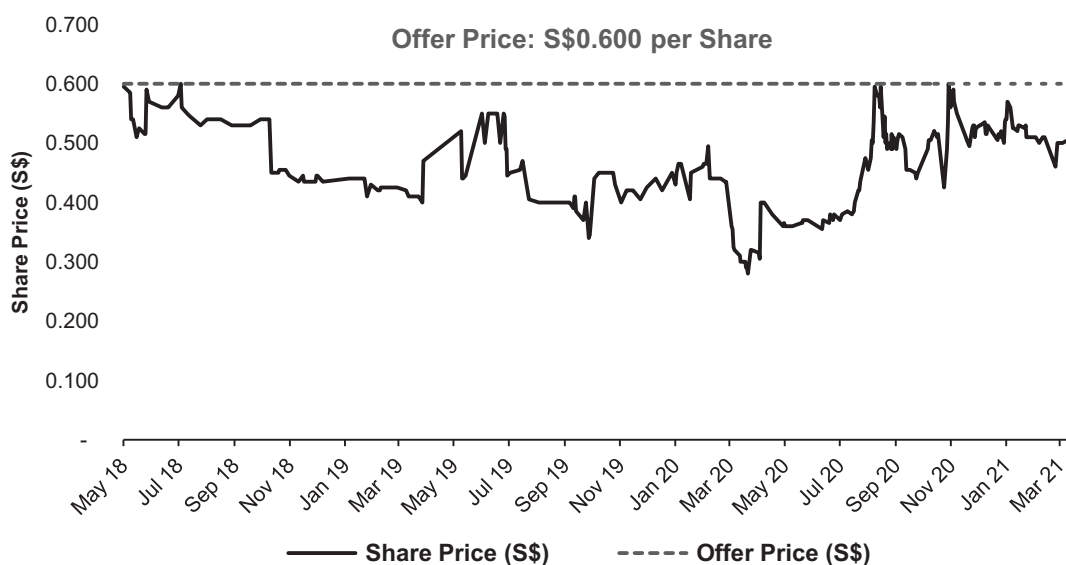
“8. RATIONALE FOR THE OFFER

The Offeror intends to make the Offer with a view to delisting and privatising the Company. The Offeror is of the view that the Offer represents an opportunity for Shareholders to realise their investment in the Shares at a premium to historical prices without incurring brokerage and trading costs in an uncertain economic environment.

8.1 **Opportunity for Shareholders to Realise their Investment in the Shares at a Premium to Market Price without incurring Brokerage Costs.**

The Offer Price represents a premium of approximately 17.9%, 14.5%, 15.4% and 31.0% over the VWAP per Share for the one (1)-month period, three (3)-month period, six (6)-month period and twelve (12)-month period respectively up to and including 29 March 2021, being the Last Trading Day. The Offer Price also represents a premium of approximately 20.0% over the last traded price per Share on the Last Trading Day.

The Offer Price represents the highest closing price of the Shares in over 2.5 years preceding the Last Trading Day.



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The Offer therefore presents Shareholders with a clean cash exit opportunity to realise their entire investment in the Shares at a premium over the prevailing trading prices of the Shares without incurring brokerage and other trading costs.

8.2 Opportunity for Shareholders Who May Find It Difficult to Exit their Investment in the Company due to Low Trading Liquidity.

The trading volume of the Shares has been low, with an average daily trading volume¹ of approximately 4,429 Shares, 13,582 Shares, 20,979 Shares and 43,042 Shares during the one (1)-month period, three (3)-month period, six (6)-month period and twelve (12)-month period up to and including the Last Trading Day. These represent only 0.003%, 0.01%, 0.01% and 0.03% of the total number of issued Shares for the aforementioned relevant periods, respectively.

The Offer therefore provides Shareholders with an opportunity to realise their entire investment in the Shares at a premium over the prevailing market prices which may not otherwise be readily available to Shareholders given the low trading liquidity of the Shares.

8.3 Greater Management Flexibility.

The Offeror is making the Offer with a view to delisting and privatising the Company. The Offeror believes that delisting and privatising the Company will provide the Offeror and the Company with greater control and management flexibility to manage the business of the Group, respond to the changing market conditions and optimise the use of the Company's management and resources.

8.4 No Necessity for Access to Capital Markets.

The Company has not carried out any exercise to raise equity capital on the SGX-ST since its listing in 2012. The Company is unlikely to require access to Singapore equity capital markets to finance its operations in the foreseeable future as the Company has various other available funding sources such as bank credit facilities.

8.5 Costs of Maintaining Listing Status.

In maintaining its listed status, the Company incurs compliance and associated costs relating to continuing listing requirements under the Catalist Rules. In the event that the Company is delisted from the SGX-ST, the Company will be able to save on expenses and costs relating to the maintenance of a listed status and channel such resources to its business operations."

¹ The average daily trading volumes are calculated by 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 twelve (12)-month period up to and including the Last Trading Day."

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5. IRREVOCABLE UNDERTAKINGS

The information on irrevocable undertakings and roll-over arrangements obtained by the Offeror set out in italics below has been extracted from Section 5 of the Offer Document. All terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document, unless otherwise stated. **Shareholders are advised to read the extract below carefully:**

“5. IRREVOCABLE UNDERTAKINGS AND ROLL-OVER ARRANGEMENT

5.1 Irrevocable Undertakings and Roll-over Arrangement. *As at the Latest Practicable Date, the Offeror has received undertakings (the “Irrevocable Undertakings”) from:*

- (a) Mr. Neo in respect of 113,151,850 Shares (representing approximately 76.79% of the Shares in issue); and*
- (b) Ms. Liew in respect of 8,064,000 Shares (representing approximately 5.47% of the Shares in issue),*

pursuant to which, each of the Management Shareholders have, amongst other things, unconditionally and irrevocably undertaken to the Offeror to tender all of his/her respective Shares in acceptance of the Offer. The total number of Shares held by the Management Shareholders amounts to 121,215,850 Shares, representing approximately 82.26% of the total number of issued Shares as at the Latest Practicable Date.

Further, each Management Shareholder has agreed that the consideration payable by the Offeror in respect of his/her Shares shall be satisfied in full by setting off such consideration against the aggregate subscription price (the “Set-Off Amount”) payable by the Management Shareholders for their subscription of new Offeror Shares in the shareholding proportion of 90% and 10% for Mr. Neo and Ms. Liew, respectively (the “Roll-over Arrangement”).

- 5.2 Termination of Irrevocable Undertakings.** *Each of the Irrevocable Undertakings will cease to have any effect if the Offer is withdrawn or lapses without having become wholly unconditional, other than as a result of a breach of the obligations of the Management Shareholders under their respective Irrevocable Undertakings.*
- 5.3 No Other Undertakings.** *Save for the Irrevocable Undertakings, as at the Latest Practicable Date, neither the Offeror nor any of its Concert Parties has received any undertakings from any other party to accept or reject the Offer.*
- 5.4 SIC Confirmation.** *Pursuant to an application made by the Offeror to the SIC to seek certain rulings in relation to the Offer, the SIC has confirmed that the Roll-over Arrangement will not constitute a special deal for the purposes of Rule 10 of the Code and need not be extended to any other Shareholder.”*

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6. OFFEROR'S INTENTIONS FOR THE COMPANY

The full text of the Offeror's intentions for the Company has been extracted from Section 10 of the Offer Document and is set out in italics below. **Shareholders are advised to read the extract below carefully and note the Offeror's future plans for the Company:**

"10. THE OFFEROR'S INTENTIONS RELATING TO THE COMPANY

10.1 *The Offeror intends for the Company to continue to develop and grow the existing businesses of the Group. The Offeror and the Company will continue to review, from time to time, the operations of the Group as well as the Company's strategic options. The Offeror retains and reserves the right and flexibility at any time and from time to time to further consider any options or opportunities in relation to the Company which may present themselves and which the Offeror may regard to be in the best interests of the Offeror and/or the Company.*

10.2 *Save as disclosed above, the Offeror has no current intentions to (a) introduce any major changes to the existing business of the Company, (b) re-deploy the fixed assets of the Company, or (c) discontinue the employment of the existing employees of the Group, in each case, other than in the ordinary and usual course of business and/or in response to the changing market conditions."*

7. COMPULSORY ACQUISITION AND LISTING STATUS

The full text of the intentions of the Offeror relating to the compulsory acquisition and listing status of the Company has been extracted from Section 11 of the Offer Document and is set out in italics below. All terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document, unless otherwise stated. **Shareholders are advised to read the extract below carefully:**

"11. COMPULSORY ACQUISITION AND LISTING STATUS

11.1 ***Compulsory Acquisition.*** *Pursuant to Section 215(1) of the Companies Act, if the Offeror receives valid acceptances pursuant to the Offer (or otherwise acquires Shares during the period when the Offer is open for acceptance) in respect of not less than 90% of the total number of issued Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer and excluding any Shares held in treasury), the Offeror would be entitled to exercise the right to compulsorily acquire all the Shares of Shareholders who have not accepted the Offer (the "Dissenting Shareholders"), at a price equal to the Offer Price.*

In such event, the Offeror intends to exercise its right to compulsorily acquire all the Offer Shares not acquired under the Offer. The Offeror will then proceed to delist the Company from the SGX-ST.

Dissenting Shareholders have the right under and subject to Section 215(3) of the Companies Act, to require the Offeror to acquire their Shares at the Offer Price in the event that the Offeror, its related corporations or their respective nominees acquire, pursuant to the Offer, such number of Shares which, together with the Shares held by the Offeror, its related corporations or their respective nominees, comprise 90% or more of the total number of issued Shares (excluding Shares held in treasury). Dissenting Shareholders who wish to exercise such rights are advised to seek their own independent legal advice.

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11.2 **Listing Status.** Pursuant to Rule 1104 of the Catalist Rules, upon an announcement by the Offeror that acceptances have been received pursuant to the Offer that bring the holdings owned by the Offeror and its Concert Parties to above 90% of the total number of issued Shares (excluding Shares held in treasury), the SGX-ST may suspend the trading of the Shares on the SGX-ST until such time it is satisfied that at least 10% of the total number of issued Shares (excluding Shares held in treasury) are held by at least 200 Shareholders who are members of the public. Rule 1303(1) of the Catalist Rules provides that if the Offeror succeeds in garnering acceptances exceeding 90% of the total number of issued Shares (excluding Shares held in treasury), thus causing the percentage of the total number of issued Shares (excluding Shares held in treasury) held in public hands to fall below 10%, the SGX-ST will suspend trading of the Shares only at the close of the Offer.

In addition, under Rule 724(1) of the Catalist Rules, if the percentage of the total number of issued Shares (excluding Shares held in treasury) held in public hands falls below 10%, the Company must, as soon as practicable, notify its sponsor of that fact and announce that fact and the SGX-ST may suspend the trading of all the Shares. Rule 724(2) of the Catalist Rules states that the SGX-ST may allow the Company a period of three (3) months, or such longer period as the SGX-ST may agree, to raise the percentage of Shares (excluding Shares held in treasury) in public hands to at least 10%, failing which the Company may be delisted from the SGX-ST.

The Offeror intends to privatise the Company and does not intend to preserve the listing status of the Company. In the event that the trading of Shares on the SGX-ST is suspended pursuant to Rule 724, Rule 1104 or Rule 1303(1) of the Catalist Rules, the Offeror has no intention to undertake or support any action for any such trading suspension by the SGX-ST to be lifted.

8. OFFER DECLARED UNCONDITIONAL AND EXERCISE OF RIGHT OF COMPULSORY ACQUISITION

The following sections have been extracted from the Unconditional Announcement and are set out in italics below. Unless otherwise defined, all terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document and the Unconditional Announcement. **Shareholders are advised to read the extract below and the Unconditional Announcement carefully:**

2.4 Aggregate Holdings

Accordingly, based on information available to the Offeror, as at 6.00 p.m. (Singapore time) on 19 April 2021, the Offeror and its Concert Parties owned, controlled, acquired or have agreed to acquire (including by way of valid acceptances of the Offer) an aggregate of 134,329,871 Shares, representing approximately 91.16% of the total number of issued Shares.

2.5 Minimum Acceptance Condition Satisfied

Based on the aforesaid, UOB wishes to announce, for and on behalf of the Offeror, that as at the Unconditional Date, the Offeror has received valid acceptances of the Offer (which have not been withdrawn) in respect of an aggregate of 134,329,871 Shares which, when taken together with the Shares owned, controlled, acquired or agreed to be acquired by the Offeror and its Concert Parties before or during the

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Offer but otherwise than through acceptances of the Offer, will result in the Offeror and its Concert Parties holding such number of Shares carrying more than 90% of the voting rights attributable to the issued Shares (excluding any Shares held in treasury).

Accordingly, UOB wishes to announce, for and on behalf of the Offeror, that the Minimum Acceptance Condition of the Offer (as set out in Section 2.5 of the Offer Document) has been satisfied and the Offer has therefore become and is hereby declared unconditional in all respects on the date of this Announcement.

3. RIGHT OF COMPULSORY ACQUISITION AND LISTING STATUS

3.1 Compulsory Acquisition by the Offeror under Section 215(1) of the Companies Act

*Pursuant to Section 215(1) of the Companies Act, if the Offeror receives valid acceptances pursuant to the Offer (or otherwise acquires Shares during the period when the Offer is open for acceptance) in respect of not less than 90% of the total number of issued Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer and excluding any Shares held in treasury), the Offeror would be entitled to exercise the right to compulsorily acquire all the Shares of Shareholders who have not accepted the Offer (the “**Dissenting Shareholders**”), at a price equal to the Offer Price. As stated in the Offer Document, the Offeror intends to exercise its right to compulsorily acquire all the Offer Shares not acquired under the Offer in the event it is entitled to do so.*

*As at 6.00 p.m. (Singapore time) on 19 April 2021, the Offeror has received valid acceptances pursuant to the Offer in respect of not less than 90% of the total number of issued Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer and excluding any Shares held in treasury). **Accordingly, the Offeror is now entitled to, and intends to, exercise its right under Section 215(1) of the Companies Act to compulsorily acquire all the Shares of the Dissenting Shareholders, at a price equal to the Offer Price of S\$0.60 (in cash) for each Share.** The Offeror will, in due course, despatch to the Dissenting Shareholders the relevant documentation together with the prescribed notice under the Companies Act in relation to the exercise of its right of compulsory acquisition.*

Subsequent to such compulsory acquisition, the Offeror will proceed to delist the Company from the SGX-ST.

Dissenting Shareholders should note that the Offer remains open for acceptance until the Final Closing Date as stated in paragraph 5 below and the Offer therefore remains as an opportunity for Shareholders to realise their Shares at the Offer Price as soon as practicable.

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3.2 ***Dissenting Shareholders' rights under Section 215(3) of the Companies Act***

As the Offeror has received valid acceptances pursuant to the Offer which, together with the Shares held by the Offeror, its related corporation or their respective nominees, comprise 90% or more of the total number of issued Shares (excluding Shares held in treasury), the Dissenting Shareholders will have the right under and subject to Section 215(3) of the Companies Act, to require the Offeror to acquire their Shares at the Offer Price of S\$0.60 (in cash) for each Offer Share.

As the Offeror will be proceeding to compulsorily acquire the Shares of the Dissenting Shareholders, the Dissenting Shareholders need not take any action in relation to their right under Section 215(3) of the Companies Act. The Dissenting Shareholders who wish to exercise such right or who are in any doubt as to their position are advised to seek their own independent legal advice.

4. **LOSS OF FREE FLOAT AND TRADING SUSPENSION**

Pursuant to Rule 1104 of the Catalist Rules, upon an announcement by the Offeror that acceptances have been received pursuant to the Offer that bring the holdings owned by the Offeror and its Concert Parties to above 90% of the total number of issued Shares (excluding Shares held in treasury), the SGX-ST may suspend the trading of the Shares on the SGX-ST until such time it is satisfied that at least 10% of the total number of issued Shares (excluding Shares held in treasury) are held by at least 200 Shareholders who are members of the public. Rule 1303(1) of the Catalist Rules provides that if the Offeror succeeds in garnering acceptances exceeding 90% of the total number of issued Shares (excluding Shares held in treasury), thus causing the percentage of the total number of issued Shares (excluding Shares held in treasury) held in public hands to fall below 10%, the SGX-ST will suspend trading of the Shares only at the close of the Offer.

In addition, under Rule 724(1) of the Catalist Rules, if the percentage of the total number of issued Shares (excluding Shares held in treasury) held in public hands falls below 10%, the Company must, as soon as practicable, notify its sponsor of that fact and announce that fact and the SGX-ST may suspend the trading of all the Shares. Rule 724(2) of the Catalist Rules states that the SGX-ST may allow the Company a period of three (3) months, or such longer period as the SGX-ST may agree, to raise the percentage of Shares (excluding Shares held in treasury) in public hands to at least 10%, failing which the Company may be delisted from the SGX-ST.

As stated in the Offer Document, the Offeror intends to privatise the Company and does not intend to preserve the listing status of the Company. In the event that the trading of Shares on the SGX-ST is suspended pursuant to Rule 724, Rule 1104 or Rule 1303(1) of the Catalist Rules, the Offeror has no intention to undertake or support any action for any such trading suspension by the SGX-ST to be lifted."

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9. FINANCIAL ASPECTS OF THE OFFER

The following has been extracted from Section 9 of the Offer Document and is set out in italics below. Unless otherwise defined, all terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document. **Shareholders are advised to read the extract below carefully:**

“9. FINANCIAL ASPECTS OF THE OFFER

The Offer Price of S\$0.60 for each Offer Share represents the following premia over certain historical market prices² of the Shares as set out below:

<i>Description</i>	<i>Benchmark Price (S\$)</i>	<i>Premium over Benchmark Price (%)</i>
<i>(a) Last traded price of the Shares on the SGX-ST on the Last Trading Day</i>	<i>0.500</i>	<i>20.0</i>
<i>(b) VWAP for the one (1)-month period up to and including the Last Trading Day</i>	<i>0.509</i>	<i>17.9</i>
<i>(c) VWAP for the three (3)-month period up to and including the Last Trading Day</i>	<i>0.524</i>	<i>14.5</i>
<i>(d) VWAP for the six (6)-month period up to and including the Last Trading Day</i>	<i>0.520</i>	<i>15.4</i>
<i>(e) VWAP for the twelve (12)-month period up to and including the Last Trading Day</i>	<i>0.458</i>	<i>31.0”</i>

10. CONFIRMATION OF FINANCIAL RESOURCES

The full text of the confirmation of financial resources by UOB as set out in Section 13 of the Offer Document has been extracted from the Offer Document and is set out in italics below. **Shareholders are advised to read the extract below carefully:**

“13. CONFIRMATION OF FINANCIAL RESOURCES

UOB, as financial adviser to the Offeror in connection with the Offer, confirms that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offer by the holders of the Offer Shares on the basis of the Offer Price (excluding the Set-Off Amount).”

11. DIRECTORS' INTERESTS

Details of the Directors including, *inter alia*, the Directors' direct and deemed interests in the Offeror Securities and Company Securities as at the Latest Practicable Date are set out in Appendix A to this Circular.

² *The historical market prices of the Shares (rounded to the nearest three (3) decimal places) and the corresponding premia (rounded to the nearest one (1) decimal place) are computed based on data extracted from Bloomberg L.P.”*

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12. ADVICE AND RECOMMENDATION IN RELATION TO THE OFFER

12.1 Appointment of IFA

PCPL has been appointed as the independent financial adviser to advise the Independent Directors in respect of the Offer. **Shareholders should read and consider carefully the advice of the IFA and the recommendation of the Independent Directors in its entirety before deciding whether or not to accept the Offer.**

12.2 Advice of the IFA in relation to the Offer

The following is an extract from Section 8 of the IFA Letter to the Independent Directors and should be read by Shareholders in conjunction with, and in the full context of the IFA Letter. All terms and expressions used in the extract below shall have the same meanings as those defined in the IFA Letter, unless otherwise stated. **Shareholders are advised to read the extract below carefully:**

“8. OUR RECOMMENDATION TO THE INDEPENDENT DIRECTORS ON THE OFFER

In arriving at our recommendation in respect of the Offer, we have taken into account, reviewed and deliberated on the following key considerations which we considered to be pertinent in our assessment of the Offer:

- (a) Market quotation and trading activity of the Shares;*
- (b) Financial analysis of the Group;*
- (c) Comparison with recently completed privatisation of companies listed on the SGX-ST;*
- (d) Comparison of valuation ratios of selected listed companies which are broadly comparable with the Group;*
- (e) Estimated valuation range of the Shares;*
- (f) Distribution track record of the Company; and*
- (g) Other relevant considerations in relation to the Offer.*

Based on our analysis and after having considered carefully the information available to us as at the Latest Practicable Date, overall, we are of the view that the financial terms of the Offer are fair and reasonable. Accordingly, we advise the Independent Directors to recommend Shareholders to ACCEPT the Offer.

Shareholders who wish to realise their investments in the Company can also choose to sell their Shares in the open market if they can obtain a price higher than the Offer Price (after deducting transaction costs).

In rendering the above advice, we have not given regard to the specific investment objectives, financial situation, tax position, risk profiles or particular needs and constraints of any individual Shareholder. As each individual Shareholder may have different investment objectives and profiles, we would advise that any individual Shareholder who may require specific advice in relation to his investment objectives

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or portfolio should consult his legal, financial, tax or other professional adviser immediately. The Independent Directors should advise Shareholders that the opinion and advice of Provenance Capital should not be relied upon by any Shareholder as the sole basis for deciding whether or not to accept the Offer.”

12.3 Exemption relating to Director’s Recommendation

Mr. Neo is currently the Founder, Chairman and Chief Executive Officer of the Company and Ms. Liew is currently the Executive Director of the Company. Mr. Neo and Ms. Liew are shareholders of the Company.

Mr. Neo and Ms. Liew are directors and shareholders of the Offeror. Ms. Liew is the spouse of Mr. Neo. Under the Code, Mr. Neo and Ms. Liew will be parties presumed to be acting in concert with the Offeror. Each of Mr. Neo and Ms. Liew faces an irreconcilable conflict of interest in relation to the Offer being persons acting in concert with the Offeror.

The SIC has on 1 March 2021 ruled that Mr. Neo and Ms. Liew are exempted from making a recommendation to Shareholders in relation to the Offer. However, Mr. Neo and Ms. Liew must still assume responsibility for the accuracy of facts stated or opinions expressed in documents and advertisements issued by, or on behalf of, the Company in connection with the Offer.

12.4 Independence

All Independent Directors consider themselves to be independent for the purpose of making a recommendation to Shareholders in respect of the Offer.

12.5 Recommendation of the Independent Directors

The Independent Directors, having considered carefully the terms of the Offer as supplemented by the Unconditional Announcement and the advice given by the IFA in the IFA Letter, concur with the advice of the IFA in respect of the Offer. Accordingly, the Independent Directors recommend that Shareholders **ACCEPT** the Offer, unless Shareholders can obtain a price higher than the Offer Price in the open market, taking into account the related expenses such as brokerage and trading costs.

Shareholders should read and consider carefully this Circular, including the recommendation of the Independent Directors and the advice of the IFA to the Independent Directors in respect of the Offer as set out in Appendix B to this Circular in their entirety, before deciding whether to accept or reject the Offer. Shareholders are also urged to read the Offer Document carefully.

12.6 Limitations

In rendering the above opinion and advice and giving the above recommendation, the IFA and the Independent Directors have not had regard to the general or specific investment objectives, tax position, financial situation, tax status, risk profiles or unique needs and constraints or particular circumstances of any individual Shareholder. **As each Shareholder would have different investment objectives and profiles, the Independent Directors recommend that any Shareholder who may require specific advice in relation to his specific investment objective(s) or portfolio(s) should consult his stock broker, bank manager, solicitor, accountant, tax adviser or other**

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professional advisers immediately. Accordingly, Shareholders should note that the opinion and advice of the IFA and the recommendation of the Independent Directors should not be relied upon by any Shareholder as the sole basis for deciding whether or not to accept the Offer.

13. OVERSEAS SHAREHOLDERS

Overseas Shareholders should refer to Section 14 of the Offer Document, an extract of which is set out in italics below. All terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document, unless otherwise stated. **Shareholders are advised to read the extract below carefully:**

“14. OVERSEAS SHAREHOLDERS

14.1 Overseas Jurisdictions. *This Offer Document does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy any security, nor is it a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of the securities referred to in this Offer Document in any jurisdiction in contravention of applicable law.*

The release, publication or distribution of this Offer Document in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions into which this Offer Document is released, published or distributed should inform themselves about and observe such restrictions.

*Copies of this Offer Document are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any jurisdiction where the making of or the acceptance of the Offer will violate the laws of that jurisdiction (“**Restricted Jurisdiction**”) and will not be capable of acceptance by any such use, instrumentality or facility within any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction.*

The Offer (unless otherwise determined by the Offeror and permitted by applicable law and regulation) will not be made, directly or indirectly, in or into, or by the use of mails of, or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, any Restricted Jurisdiction and the Offer will not be capable of acceptance by any such use, means, instrumentality or facilities.

14.2 Overseas Shareholders. *The availability of the Offer to Shareholders whose addresses are outside Singapore as shown in the Register or in the Depository Register (as the case may be) (each, an “**Overseas Shareholder**”) may be affected by the laws of the relevant overseas jurisdictions in which they are located. Accordingly, Overseas Shareholders should inform themselves of, and observe, any applicable requirements in the relevant overseas jurisdictions.*

For the avoidance of doubt, the Offer will be open to all Shareholders, including those to whom this Offer Document and the relevant Acceptance Forms may not be sent.

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It is the responsibility of Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws of the relevant overseas jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, or compliance with other necessary formalities or legal requirements and the payment of any taxes, imposts, duties or other requisite payments due in such jurisdiction. Such Overseas Shareholders shall be liable for any such taxes, imposts, duties or other requisite payments payable and the Offeror, its related corporations, UOB, CDP, the Registrar and any person acting on their behalf shall be fully indemnified and held harmless by such Overseas Shareholders for any such taxes, imposts, duties or other requisite payments as the Offeror, its related corporations, UOB, CDP, the Registrar and/or any person acting on their behalf may be required to pay. In accepting the Offer, each Overseas Shareholder represents and warrants to the Offeror and UOB 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.

Any Overseas Shareholder who is in doubt about his position should consult his professional adviser in the relevant jurisdiction.

- 14.3 **Copies of the Offer Document and the relevant Acceptance Forms.** *Where there are potential restrictions on sending this Offer Document and the relevant Acceptance Forms to any overseas jurisdiction, the Offeror and UOB each reserves the right not to send these documents to Overseas Shareholders in such overseas jurisdictions. Subject to compliance with applicable laws, any affected Overseas Shareholder may, nonetheless, obtain a copy of this Offer Document, the relevant Acceptance Forms and any related documents during normal business hours and up to the Closing Date, from (a) CDP (in the case of a Shareholder whose Offer Shares are deposited with CDP) by submitting a request to CDP via CDP's Customer Service Hotline at +65 6535 7511 during their operating hours or email CDP at asksgx@sgx.com; or (b) the Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. (in the case of a Shareholder whose Offer Shares are not deposited with the CDP) at its office located at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623.*

Alternatively, an Overseas Shareholder may, subject to compliance with applicable laws, write to (i) the Offeror c/o The Central Depository (Pte) Limited (in the case of a Shareholder whose Offer Shares are deposited with CDP) at Robinson Road Post Office, P.O. Box 1984, Singapore 903934; or (ii) the Offeror c/o the Registrar (in the case of a Shareholder whose Offer Shares are not deposited with the CDP) at the above-stated address of the Registrar to request for the Offer Document, the relevant Acceptance Forms and any related documents to be sent to an address in Singapore by ordinary post at his own risk, up to five (5) Market Days prior to the Closing Date.

- 14.4 **Notice.** *The Offeror and UOB each reserves the right to notify any matter, including the fact that the Offer has been made, to any or all Shareholders (including Overseas Shareholders) by announcement to the SGX-ST or paid advertisement in a daily newspaper published or circulated in Singapore, in which case, such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Shareholder to receive or see such announcement or advertisement."*

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This Circular and any related documents may not be sent to Overseas Shareholders due to potential restrictions on sending such documents to overseas jurisdictions. Any affected Overseas Shareholder may, nonetheless, obtain a copy of this Circular during normal business hours on any day (other than a public holiday, Saturday or Sunday), up to 5.30 p.m. (Singapore time) on the Final Closing Date, from the Share Registrar at the address set out below:—

Share Registrar
Boardroom Corporate & Advisory Services
Pte. Ltd.
50 Raffles Place
#32-01
Singapore Land Tower
Singapore 048623

Alternatively, an Overseas Shareholder may, subject to compliance with applicable laws, write to the Share Registrar at the aforementioned address to request for the Circular and any related documents to be sent to an address in Singapore by ordinary post at his or her own risk (the last date for despatch in respect of such request shall be a date falling five (5) business days prior to the Final Closing Date).

14. INFORMATION PERTAINING TO SRS INVESTORS

As stated at Section 15 of the Offer Document, SRS Investors will receive further information on how to accept the Offer from their respective SRS Agent Banks directly. SRS Investors are advised to consult their respective SRS Agent Banks should they require further information, and if they are in any doubt as to the action they should take, SRS Investors should seek independent professional advice.

SRS Investors who wish to accept the Offer are to reply to their respective SRS Agent Banks accordingly by the deadline stated in the letter from their respective SRS Agent Banks. Subject to the Offer becoming or being declared unconditional in all respects in accordance with its terms, SRS Investors who accept the Offer will receive the Offer Price payable in respect of their Offer Shares validly tendered in acceptance of the Offer, in their SRS investment accounts.

15. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who wish to accept the Offer must do so no later than 5.30 p.m. (Singapore time) on the Final Closing Date and should follow the procedures set out in Appendix 2 to the Offer Document, Section 6 of the Unconditional Announcement and in the accompanying FAA and/or FAT.

Shareholders who do not wish to accept the Offer need not take any further action in respect of the Offer Document and the FAA or the FAT and any related documents which have been sent to them.

LETTER TO SHAREHOLDERS

16. DIRECTORS' RESPONSIBILITY STATEMENT

The recommendation of the Independent Directors set out in Section 12.5 of this Circular is the responsibility of the Independent Directors.

Save for the foregoing, the Directors (including those who have delegated detailed supervision of this Circular) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Circular (other than those relating to the Offeror, parties acting in concert with the Offeror, the Offer, the Offer Announcement, the Offer Document, the Unconditional Announcement, the IFA Letter, the IFA SOP Letter, the Auditors SOP Letter, the Singapore Valuation Certificates and the Malaysia Valuation Reports) are fair and accurate and that no material facts have been omitted from this Circular, the omission of which would make any statement in this Circular misleading.

In respect of the IFA Letter, the IFA SOP Letter, the Auditors SOP Letter, the Singapore Valuation Certificates and the Malaysia Valuation Reports, the sole responsibility of the Directors has been to ensure that the facts stated therein with respect to the Group are, to the best of their knowledge and belief, fair and accurate in all material respects.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Offeror (including, without limitation the Offer Announcement, the Offer Document, the Unconditional Announcement, the IFA Letter, the IFA SOP Letter, the Auditors SOP Letter, the Singapore Valuation Certificates and the Malaysia Valuation Reports), the sole responsibility of the Directors has been to ensure that, through reasonable enquiries, such information has been accurately and correctly extracted from such sources or, as the case may be, reflected or reproduced in this Circular in its proper form and context.

The Directors jointly and severally accept responsibility accordingly.

17. ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the Appendices which form part of this Circular.

Yours faithfully
For and on behalf of the Board of
NEO GROUP LIMITED

Yeo Kok Tong
Lead Independent Director

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APPENDIX A – ADDITIONAL GENERAL INFORMATION

1. DIRECTORS

The names, addresses and appointments of the Directors as at the Latest Practicable Date are set out below:

Name	Address	Appointment
Mr. Neo Kah Kiat	c/o 1 Enterprise Road Singapore 629813	Founder, Chairman and Chief Executive Officer
Ms. Liew Oi Peng	c/o 1 Enterprise Road Singapore 629813	Executive Director
Mr. Yeo Kok Tong	c/o 1 Enterprise Road Singapore 629813	Lead Independent Director
Mr. Tan Lye Huat	c/o 1 Enterprise Road Singapore 629813	Independent Director
Mr. Choy Bing Choong	c/o 1 Enterprise Road Singapore 629813	Independent Director

2. REGISTERED OFFICE

The registered office of the Company is 1 Enterprise Road Singapore 629813.

3. PRINCIPAL ACTIVITIES

The Company was incorporated in Singapore on 22 March 2012. The Company was listed on the Catalist Board of the SGX-ST on 11 July 2012.

The principal activities of the Company are that of an investment holding company and the provision of business and management consultancy services. The key businesses of the subsidiaries of the Company include the provision of food catering services, operation of food retail outlets and manufacturing of food products.

4. SHARE CAPITAL

4.1 Issued Share Capital

Based on a search conducted with ACRA on the Latest Practicable Date, the Company has an issued and paid-up share capital of S\$9,456,999.58 comprising 147,350,959 issued Shares and does not hold any Shares in treasury. The issued Shares are listed and quoted on the Catalist Board of the SGX-ST.

APPENDIX A – ADDITIONAL GENERAL INFORMATION

4.2 Rights in respect of Capital, Dividends and Voting

The rights of Shareholders in respect of capital, dividends and voting are contained in the Constitution of the Company. An extract of the relevant provisions in the Constitution of the Company relating to the rights of Shareholders in respect of capital, dividends and voting is reproduced in Appendix C to this Circular.

4.3 Issue of Shares

As at the Latest Practicable Date, no new Shares have been issued by the Company since 31 March 2020, being the date to which the Company's last published audited financial statements were made up.

4.4 Convertible instruments

As at the Latest Practicable Date, there are no outstanding instruments convertible into, rights to subscribe for, and options in respect of, securities being offered for or which carry voting rights affecting the Shares.

5. HOLDINGS DISCLOSURE

5.1 Holdings of Offeror Securities by the Company

As at the Latest Practicable Date, none of the Group Companies has any direct or deemed interests in any Offeror Securities.

5.2 Interests of Directors in Offeror Securities

As at the Latest Practicable Date, save as disclosed in Section 3 of this Circular and as disclosed below, none of the Directors has any direct or deemed interests in the Offeror Securities.

Name	Direct Interest		Deemed Interest	
	No. of Shares	Percentage of total no. of issued shares in the Offeror (%) ⁽¹⁾	No. of Shares	Percentage of total no. of issued shares in the Offeror (%) ⁽¹⁾
Neo Kah Kiat	90	90	–	–
Liew Oi Peng	10	10	–	–

Note:

(1) Based on the Offeror's issued and paid up capital of 100 shares as at the Latest Practicable Date.

APPENDIX A – ADDITIONAL GENERAL INFORMATION

5.3 Interests of Directors in Company Securities

As at the Latest Practicable Date, save as disclosed below, none of the Directors has any direct or deemed interest in the Company Securities:

Name	Direct Interest		Deemed Interest		Total Interests	
	No. of Shares	(%) ⁽¹⁾	No. of Shares	(%) ⁽¹⁾	No. of Shares	(%) ⁽¹⁾
Directors						
Neo Kah Kiat	113,151,850	76.791	8,064,000	5.473	121,215,850	82.263 ⁽²⁾
Liew Oi Peng	8,064,000	5.473	113,151,850	76.791	121,215,850	82.263
Yeo Kok Tong	92,600	0.063	20,000 ⁽³⁾	0.014	112,600	0.076
Choy Bing Choong	36,200 ⁽⁴⁾	0.025	–	–	36,200	0.025

Notes:

- (1) Based on 147,350,959 issued Shares as at the Latest Practicable Date.
- (2) Mr. Neo Kah Kiat is deemed to be interested in the Shares held by his spouse, Ms. Liew Oi Peng, and *vice versa*.
- (3) Mr. Yeo Kok Tong is deemed to have an interest in the 20,000 Shares held by his spouse.
- (4) Mr. Choy Bing Choong is holding 36,200 Shares, in which 16,200 Shares are held directly by Mr. Choy Bing Choong and 20,000 Shares are held in joint names of Mr. Choy Bing Choong and his spouse.

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 Offer Announcement Date and ending on the Latest Practicable Date.

6.2 Dealings in Offeror Securities by the Directors

Save for:

- (i) the subscription of 90 shares in the capital of the Offeror on 16 March 2021 by Mr. Neo; and
- (ii) the subscription of 10 shares in the capital of the Offeror on 16 March 2021 by Ms. Liew,

none of the Directors has dealt for value in the Offeror Securities during the period commencing three (3) months prior to the Offer Announcement Date and ending on the Latest Practicable Date.

6.3 Dealings in Company Securities by the Directors

None of the Directors has dealt for value in any Company Securities during the period commencing three (3) months prior to the Offer Announcement Date and ending on the Latest Practicable Date.

APPENDIX A – ADDITIONAL GENERAL INFORMATION

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, own or control 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 the Company Securities during the period commencing three (3) months prior to the Offer 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, there is no agreement, arrangement or understanding for any payment or other benefit to be made or given to any Director 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 Offer.

8.2 No Agreement Conditional upon Outcome of the Offer

As at the Latest Practicable Date, save for the Irrevocable Undertakings, there is no agreement, arrangement or understanding made between any of the Directors and any other person in connection with or conditional upon the outcome of the Offer.

8.3 No Material Interest in Material Contracts

As at the Latest Practicable Date, save for the Irrevocable Undertakings, none of the Directors has a personal interest, whether direct or indirect, in any material contract entered into by the Offeror.

8.4 Directors' Intentions

As at the Latest Practicable Date, each of Mr. Neo and Ms. Liew has unconditionally and irrevocably undertaken to the Offeror to tender all of his/her respective Shares in acceptance of the Offer, being an aggregate of 121,215,850 Shares, representing 82.26% of the total number of issued Shares as at the Latest Practicable Date, pursuant to the Management Shareholders' Irrevocable Undertakings referred to in Section 5 of this Circular.

Mr. Yeo Kok Tong has informed the Company that he intends to accept the Offer in respect of all the Shares held by him.

Mr. Choy Bing Choong has informed the Company that he intends to accept the Offer in respect of all the Shares directly held by him, and all the Shares jointly held by him and his spouse.

Mr. Tan Lye Huat does not have any interest in any Shares (direct and/or deemed).

APPENDIX A – ADDITIONAL GENERAL INFORMATION

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 and adversely affect the financial position of the Group taken as a whole; and
- (b) the Directors are not aware of any litigation, claim, arbitration or other proceedings pending or threatened against any of the Group Companies or of any facts likely to give rise to any litigation, claim, arbitration or other proceedings which may materially and adversely affect the financial position of the Group taken as a whole.

10. FINANCIAL INFORMATION

10.1 Consolidated Statements of Comprehensive Income

A summary of the audited consolidated statements of comprehensive income of the Group for FY2018, FY2019, FY2020, and the unaudited consolidated statement of comprehensive income of the Group for HY2021 are set out below. The summary set out below should be read together with the annual reports, the audited consolidated income statements of the Group for the relevant financial periods, the unaudited consolidated financial statements of the Group for HY2021, and their respective accompanying notes.

	HY2021 Unaudited S\$'000	FY2020 Audited S\$'000	FY2019 Audited S\$'000	FY2018 Audited S\$'000
Revenue	88,058	185,868	181,020	178,210
<i>Other items of income</i>				
Interest income	70	173	272	183
Other income	9,173	2,491	2,199	2,353
<i>Items of expense</i>				
Purchases and consumables used	(34,447)	(75,824)	(76,510)	(83,027)
Changes in inventories	(434)	136	145	(182)
Delivery expenses	(1,043)	(4,236)	(3,642)	(3,027)
Employee benefits expense	(22,147)	(54,248)	(54,314)	(49,106)
Depreciation and amortisation expenses	(7,395)	(15,219)	(9,300)	(8,828)
Advertising expenses	(902)	(3,849)	(3,719)	(3,387)
Operating lease expenses	–	–	(7,280)	(8,934)
Utilities	(2,687)	(6,116)	(6,133)	(5,593)
Other expenses	(6,751)	(17,023)	(13,699)	(12,914)
Finance costs	(1,652)	(4,763)	(2,803)	(2,478)
Share of profit/(loss) of associate, net of tax	263	(19)	–	–
Profit before income tax	20,106	7,371	6,236	3,270
Income tax expense	(2,079)	(1,108)	(1,070)	(260)
Profit for the financial period/ year	18,027	6,263	5,166	3,010

APPENDIX A – ADDITIONAL GENERAL INFORMATION

	HY2021 Unaudited S\$'000	FY2020 Audited S\$'000	FY2019 Audited S\$'000	FY2018 Audited S\$'000
Other comprehensive income:				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Exchange differences arising from translation of foreign operation	29	33	27	(280)
Fair value gain on available-for-sale financial asset	–	–	–	162
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Fair value gain/(loss) on equity instruments at FVOCI	59	(338)	(72)	–
Other comprehensive income for the financial period/year, net of tax	88	(305)	(45)	(118)
Total comprehensive income for the financial period/year	18,115	5,958	5,121	2,892
Profit attributable to:				
Owners of the parent	13,612	6,333	5,398	3,630
Non-controlling interests	4,415	(70)	(232)	(620)
	18,027	6,263	5,166	3,010
Total comprehensive income attributable to:				
Owners of the parent	13,702	6,025	5,321	3,635
Non-controlling interests	4,413	(67)	(200)	(743)
	18,115	5,958	5,121	2,892
Earnings per share				
– Basic and diluted (in cents)	9.24	4.30	3.68	2.49

APPENDIX A – ADDITIONAL GENERAL INFORMATION

A summary of the net dividend per share declared in respect of each of FY2018, FY2019, FY2020 and HY2021 is set out below:

	HY2021 Unaudited S\$	FY2020 Audited S\$	FY2019 Audited S\$	FY2018 Audited S\$
Net dividend per share	0.010	0.005	0.005	0.010

10.2 Consolidated Statements of Financial Position

A summary of the audited consolidated statements of financial position of the Group as at 31 March 2018, 31 March 2019 and 31 March 2020, and the unaudited consolidated statement of financial position of the Group as at 30 September 2020 are set out below. The summary set out below should be read together with the annual reports, the audited consolidated income statements of the Group for the relevant financial periods, the unaudited consolidated financial statements of the Group for HY2021, and their respective accompanying notes.

	As at 30 September 2020 Unaudited S\$'000	As at 31 March 2020 Audited S\$'000	As at 31 March 2019 Audited S\$'000	As at 31 March 2018 Audited S\$'000
ASSETS				
Current assets				
Inventories	6,669	11,533	11,452	9,569
Trade and other receivables	19,387	25,141	25,397	22,719
Prepayments	613	442	620	568
Cash and cash equivalents	28,408	18,064	19,027	13,733
Total current assets	55,077	55,180	56,496	46,589
Non-current assets				
Property, plant and equipment	95,232	90,025	81,218	81,512
Right-of-use assets	28,801	31,381	–	–
Investment properties	428	440	1,154	1,202
Intangible assets	19,225	19,576	20,346	14,022
Investments in associates	3,537	3,274	–	–
Other receivables	3,482	3,414	3,211	3,175
Financial assets at FVOCI	441	382	720	–
Available-for-sale financial asset	–	–	–	792
Total non-current assets	151,146	148,492	106,649	100,703
TOTAL ASSETS	206,223	203,672	163,145	147,292

APPENDIX A – ADDITIONAL GENERAL INFORMATION

	As at 30 September 2020 Unaudited S\$'000	As at 31 March 2020 Audited S\$'000	As at 31 March 2019 Audited S\$'000	As at 31 March 2018 Audited S\$'000
EQUITY				
Capital and reserves				
Share capital	8,664	8,664	8,664	7,899
Merger and capital reserves	(3,243)	(3,479)	(1,291)	179
Fair value adjustment account	(189)	(248)	90	162
Foreign currency translation reserve	304	273	243	248
Retained earnings	49,996	36,384	30,788	26,849
Equity attributable to owners of the parent	55,532	41,594	38,494	35,337
Non-controlling interests	8,169	4,020	3,299	4,076
TOTAL EQUITY	63,701	45,614	41,793	39,413
LIABILITIES				
Current liabilities				
Trade and other payables	27,436	34,561	30,065	23,948
Provisions	420	450	443	368
Bank borrowings	14,916	35,497	33,168	32,164
Lease liabilities/finance lease liabilities	6,047	6,668	2,213	1,505
Income tax payable	3,243	1,731	1,619	991
Total current liabilities	52,062	78,907	67,508	58,976
Non-current liabilities				
Other payables	2,809	6,493	2,579	1,855
Bank borrowings	63,460	46,183	42,852	40,686
Lease liabilities/finance lease liabilities	20,610	22,810	4,457	3,167
Deferred tax liabilities	3,581	3,665	3,956	3,195
Total non-current liabilities	90,460	79,151	53,844	48,903
TOTAL LIABILITIES	142,522	158,058	121,352	107,879
TOTAL EQUITY AND LIABILITIES	206,223	203,672	163,145	147,292

APPENDIX A – ADDITIONAL GENERAL INFORMATION

10.3 Material Changes in Financial Position

Save as disclosed in this Circular and publicly available information on the Company (including but not limited to announcements released by the Company in respect of its financial results), there are no known material changes in the financial position of the Company as at the Latest Practicable Date since 31 March 2020, being the date to which the Company's last published audited financial statements were made up.

10.4 Significant Accounting Policies

A summary of the significant accounting policies of the Group is set out in pages 100 to 117 of the annual report of the Company for FY2020. Copies of the above are available for inspection at the registered office of the Company at 1 Enterprise Road Singapore 629813 during normal business hours for the period during which the Offer remains open for acceptance.

Save as disclosed in this Circular and publicly available information on the Group (including but not limited to that contained in the audited financial statements of the Group for FY2020), there are no significant accounting policies or any points from the notes to the financial statements which are of major relevance for the interpretation of the accounts.

10.5 Changes in Accounting Policies

As set out in the audited financial statements of the Group for FY2019, the Group has adopted Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) for the first time for financial year ended 31 March 2019.

In FY2020, the Group has adopted SFRS(I) 16, the accounting standard for leases effective from 1 April 2019. Details of the adoption of SFRS(I) 16 Leases are set out in Note 2.1 to the audited financial statements of the Group for FY2020.

Save as disclosed in this Circular and in publicly available information of the Group, as at the Latest Practicable Date, there was no change in the accounting policies of the Group which will cause the figures disclosed in this Circular not to be comparable to a material extent.

10.6 Statement of Prospects

The following statement of prospects (the “**Statement of Prospects**”) set out in italics below has been extracted from the unaudited consolidated financial statements of the Group for HY2021 as announced by the Company on SGXNET on 9 November 2020:

Barring any unforeseen circumstances, the Company expects the Group's operations to remain profitable for the financial year ending 31 March 2021.

Shareholders should note that the bases and assumptions for the Statement of Prospects are set out in Appendix D to this Circular. The Auditors and IFA have each issued their letter in relation to the Statement of Prospects, as set out in Appendices E and F to this Circular, respectively. Shareholders are urged to read Appendices D, E and F to this Circular carefully.

APPENDIX A – ADDITIONAL GENERAL INFORMATION

10.7 Valuation of the Singapore Subject Properties and the Malaysia Subject Properties

The Company has commissioned independent valuations of the Singapore Subject Properties and the Malaysia Subject Properties. A copy of the Singapore Valuation Certificates and the Malaysia Valuation Reports (each of which includes the basis of the valuation) are set out in Appendices G and H to this Circular respectively.

Under Rule 26.3 of the Code, the Company is required, *inter alia*, to make an assessment of any potential tax liability which would arise if the Singapore Subject Properties and Malaysia Subject Properties, which are the subject of a valuation given in connection with the Offer, were to be sold at the amount of the valuation.

The potential tax liabilities that may be incurred by the Company on such hypothetical disposal of the Singapore Subject Properties is nil as any gains would be capital in nature.

The potential tax liabilities that may be incurred by the Company on such hypothetical disposal of the Malaysia Subject Properties is approximately S\$61,000. The aforesaid tax liability will not crystallise if the Company does not dispose of its interests in the Malaysia Subject Properties. As at the Latest Practicable Date, the Company has no current plans to dispose of its interests in the Malaysia Subject Properties.

11. GENERAL DISCLOSURE

11.1 Directors' Service Contracts

As at the Latest Practicable Date, there (a) are no service contracts between any Director or proposed director with any Group Company with more than 12 months to run, which the employing company cannot, within the next 12 months, terminate without payment of compensation, and (b) were no such service contracts entered into or amended between any of the Directors or proposed director and any Group Company during the period between the start of the six (6) months immediately preceding the Offer Announcement Date and the Latest Practicable Date.

11.2 Material Contracts with Interested Persons

As at the Latest Practicable Date, save as disclosed in publicly available information on the Company (including but not limited to the annual reports of the Company and other announcements released by the Company) there are no material contracts (not being a contract entered into in the ordinary course of business) entered into by any Group Company with other interested persons (as defined in the Note on Rule 23.12 of the Code) during the period beginning three (3) years before the Offer Announcement Date to the Latest Practicable Date.

Note:

An "interested person", as defined in Note on 23.12 of the Code is:-

- (a) a director, chief executive officer, or substantial shareholder of the company;
- (b) the immediate family of a director, the chief executive officer, or a substantial shareholder (being an individual) of the company;
- (c) the trustees, acting in their capacity as such trustees, of any trust of which a director, the chief executive officer or a substantial shareholder (being an individual) and his immediate family is a beneficiary;

APPENDIX A – ADDITIONAL GENERAL INFORMATION

- (d) any company in which a director, the chief executive officer or a substantial shareholder (being an individual) together and his immediate family together (directly or indirectly) have an interest of 30% or more;
- (e) any company that is the subsidiary, holding company or fellow subsidiary of the substantial shareholder (being a company); or
- (f) any company in which a substantial shareholder (being a company) and any of the companies listed in (e) above together (directly or indirectly) have an interest of 30% or more.

11.3 Costs and Expenses

All expenses and costs incurred by the Company in connection with the Offer will be borne by the Company.

12. CONSENTS

12.1 IFA

The IFA has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name in this Circular, its advice to the Independent Directors set out in Section 12.2 of this Circular, the IFA Letter set out in Appendix B to this Circular, the IFA SOP Letter and all references thereto, in the form and context in which they appear in this Circular.

12.2 Auditors

The Auditors have given and have not withdrawn their written consent to the issue of this Circular with the inclusion of its name in this Circular, the Auditors SOP Letter and all references thereto, in the form and context in which they appear in this Circular.

12.3 Valuers

The Singapore Valuer has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name in this Circular and the Singapore Valuation Certificates, and all references thereto in the form and context in which they appear in this Circular.

The Malaysia Valuer has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name in this Circular and the Malaysia Valuation Reports, and all references thereto in the form and context in which they appear in this Circular.

13. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 1 Enterprise Road Singapore 629813 during normal business hours for the period during which the Offer remains open for acceptance:

- (a) the Constitution of the Company;
- (b) the annual reports of the Company for FY2018, FY2019 and FY2020;
- (c) the unaudited consolidated financial statements of the Group for HY2021 as announced by the Company on SGXNET on 9 November 2020;

APPENDIX A – ADDITIONAL GENERAL INFORMATION

- (d) the IFA Letter, as reproduced in Appendix B to this Circular;
- (e) the IFA SOP Letter;
- (f) the Auditors SOP Letter;
- (g) the Singapore Valuation Certificates;
- (h) the Malaysia Valuation Reports; and
- (i) the letters of consent referred to in paragraph 12 of Appendix A to the Circular above.

APPENDIX B – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS IN RESPECT OF THE OFFER

PROVENANCE CAPITAL PTE. LTD.

(Company Registration Number: 200309056E)
(Incorporated in the Republic of Singapore)
96 Robinson Road #13-01 SIF Building
Singapore 068899

27 April 2021

To: The Independent Directors of Neo Group Limited
(deemed to be independent in respect of the Offer)

Mr Yeo Kok Tong	(Lead Independent Director)
Mr Tan Lye Huat	(Independent Director)
Mr Choy Bing Choong	(Independent Director)

Dear Sirs,

VOLUNTARY CONDITIONAL CASH OFFER FOR NEO GROUP LIMITED BY FORESTT INVESTMENT PTE. LTD.

Unless otherwise defined or the context otherwise requires, all terms used herein have the same meanings as defined in the circular to the shareholders of Neo Group Limited (“Shareholders”) dated 27 April 2021 (“Circular”). The latest practicable date as referred to in the Circular and for the purposes of this letter (“Letter”) is 20 April 2021 (“Latest Practicable Date”).

1. INTRODUCTION

1.1 Offer Announcement

On 30 March 2021 (“Offer Announcement Date”), United Overseas Bank Limited (“UOB”) announced (“Offer Announcement”), for and on behalf of Forestt Investment Pte. Ltd. (“Offeror”), that the Offeror intends to make a voluntary conditional cash offer (“Offer”) for all the issued and paid-up ordinary shares (“Shares”) in the capital of Neo Group Limited (“Company”) in accordance with Rule 15 of the Singapore Code on Take-overs and Mergers (“Code”).

The offer price for the Shares is **S\$0.60 in cash** for each Share (“Offer Price”). **The Offeror has stated that the Offer Price is final and it does not intend to revise the Offer Price.**

The Offer will be extended to all the Shares, including any Shares owned, controlled or agreed to be acquired by parties acting or deemed to be acting in concert with the Offeror in relation to the Offer (“Offer Shares”).

As at the Offer Announcement Date, the Company has outstanding 147,350,959 issued Shares. The Company does not hold any treasury shares and has no outstanding instruments convertible into, rights to subscribe for, or options in respect of, Shares or securities which carry voting rights in the Company.

The Offer will be conditional upon the Offeror having received, by the close of the Offer, valid acceptances in respect of such number of Offer Shares which, when taken together with any Offer Shares owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with it before or during the Offer but otherwise than through acceptances of the Offer, will result in the Offeror and the parties acting in concert with it holding such number of Shares representing more than **90%** of the voting rights attributable to the issued Shares (excluding any Shares held in treasury) as at the close of the Offer (“**Minimum Acceptance Condition**”). Save for the Minimum Acceptance Condition, the Offer is unconditional in all other respects.

APPENDIX B – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS IN RESPECT OF THE OFFER

The Offeror intends to make the Offer with a view to delisting and privatising the Company.

The Offeror is an investment holding company incorporated for the purpose of undertaking the Offer. The shareholders and directors of the Offer are Mr Neo Kah Kiat (“**Mr Neo**”) and his spouse, Ms Liew Oi Peng (“**Ms Liew**”).

As at the Offer Announcement Date, the Offeror does not own any Shares.

Mr Neo is the founder of the Company and its subsidiaries (“**Group**”), the Chairman and Chief Executive Officer of the Company, and Ms Liew is an Executive Director of the Company (“**Management Shareholders**”).

The Management Shareholders, who hold in aggregate 121,215,850 Shares, representing 82.26% of the total number of issued Shares, have each granted to the Offeror irrevocable undertakings (“**Irrevocable Undertakings**”) to, *inter alia*, accept the Offer in respect of all their Shares, and the consideration payable for these Shares will be set-off against the subscription of new ordinary shares in the capital of the Offeror (“**Roll-over Arrangement**”).

1.2 Formal Offer

On 13 April 2021, the Offeror announced that the formal offer document dated 13 April 2021 (“**Offer Document**”) has been despatched to Shareholders. Electronic copy of the Offer Document is available on the SGXNET.

1.3 Announcement of Offer becoming unconditional and the Offeror expresses its intention to exercise its right to compulsorily acquire all remaining Shares

On 19 April 2021, UOB announced, for and on behalf of the Offeror, that as at 6.00 p.m. (Singapore time) on 19 April 2021, the Offeror has received valid acceptances of the Offer in respect of an aggregate of 134,329,871 Shares, representing 91.16% of the total number of issued Shares. Accordingly, the Minimum Acceptance Condition has been met and **the Offer has been declared to be unconditional in all respects on 19 April 2021.**

In addition, the Offeror has expressed its intention to exercise its right to compulsorily acquire all the remaining Shares which have not been tendered for acceptances after the close of the Offer pursuant to Section 215(1) of the Companies Act, Chapter 50 of Singapore (“**Companies Act**”).

1.4 Our role as Independent Financial Adviser to the Offer

In connection with the Offer, the Company has appointed Provenance Capital Pte. Ltd. (“**Provenance Capital**”) as the independent financial adviser (“**IFA**”) to advise the directors who are considered independent in respect of the Offer, for the purposes of making their recommendation to the Shareholders in relation to the Offer.

As at the Latest Practicable Date, the Board of Directors of the Company comprises:

- (a) Mr Neo (Founder, Chairman and CEO)
- (b) Ms Liew (Executive Director)
- (c) Mr Yeo Kok Tong (Lead Independent Director)
- (d) Mr Tan Lye Huat (Independent Director)
- (e) Mr Choy Bing Choong (Independent Director)

Mr Neo and Ms Liew are shareholders and directors of the Offeror. In view of their irreconcilable conflicts of interest in the Offer, the Securities Industry Council (“**SIC**”) has confirmed that Mr Neo and Ms Liew are exempted from the requirements to make a recommendation to Shareholders on the Offer.

APPENDIX B – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS IN RESPECT OF THE OFFER

The Company has confirmed to us that the remaining Directors, namely, Mr Yeo Kok Tong, Mr Tan Lye Huat and Mr Choy Bing Choong, are deemed independent in respect of the Offer (“**Independent Directors**”).

This Letter is therefore addressed to the Independent Directors and sets out, *inter alia*, our evaluation of the financial terms of the Offer and our recommendations on the Offer. This Letter forms part of the Circular which provides, *inter alia*, details of the Offer and the recommendations of the Independent Directors to the Shareholders on the Offer.

2. TERMS OF REFERENCE

Provenance Capital has been appointed as the IFA to advise the Independent Directors in respect of their recommendations to Shareholders in relation to the Offer.

We have confined our evaluation and assessment to the financial terms of the Offer, and have not taken into account the commercial risks or commercial merits of the Offer. In addition, we have not been requested to, and we do not express any advice or give any opinion on the merits of the Offer relative to any other alternative transaction. We were not involved in the negotiations pertaining to the Offer nor were we involved in the deliberations leading up to the decision to put forth the Offer to the Shareholders.

The scope of our appointment does not require us to express, and we do not express, any view on the future growth prospects, financial position or earnings potential of the Group. Such evaluation or comments remain the responsibility of the Directors although we may draw upon their views or make such comments in respect thereof (to the extent deemed necessary or appropriate by us) in arriving at our opinion. The opinion set forth herein is based solely on publicly available information as well as information provided by the Directors and the management of the Group (“**Management**”), and is predicated upon the economic and market conditions prevailing as at the Latest Practicable Date. This Letter therefore does not reflect any projections on the future financial performance of the Group and we do not express any views as to the prices at which the Shares may trade after the close of the Offer.

We have not been requested or authorised to solicit, and we have not solicited, any indications of interest from any third party with respect to the Shares. In this regard, we have not addressed the relative merits of the Offer in comparison with any alternative transaction the Company may consider in the future. Therefore, we do not express any views in these areas in arriving at our recommendation.

In formulating our opinion and recommendation, we have held discussions with the Directors and Management and have relied to a considerable extent on the information set out in the Circular, other public information collated by us and the information, representations, opinions, facts and statements provided to us, whether written or verbal, by the Company and its other professional advisers. Whilst care has been exercised in reviewing the information we have relied upon, we have not independently verified the information both written and verbal, and accordingly cannot and do not make any representation or warranty, expressly or impliedly, in respect of, and do not accept any responsibility for, the accuracy, completeness or adequacy of such information. Nonetheless, we have made reasonable enquiries and exercised our judgement on the reasonable use of such information and have found no reason to doubt the accuracy or reliability of such information.

We have not made an independent evaluation or appraisal of the assets and liabilities of the Company and/or the Group (including without limitation, the Group’s properties which are classified under property, plant and equipment (“**PPE**”).

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However, in connection with the Offer, the Company has commissioned RHT Valuation Pte. Ltd. and Raine & Horne International Zaki + Partners Sdn. Bhd. (“**Valuers**”) as the independent property valuers to carry out independent market valuations of the Group’s freehold and leasehold properties which are classified under PPE. Copies of the valuation certificates/reports as prepared by the Valuers are attached as Appendices G and H to the Circular.

We are not experts in the evaluation or appraisal of the assets concerned and we have placed sole reliance on the independent valuations by the Valuers for such asset appraisal and have not made any independent verification of the contents thereof. In particular, we do not assume any responsibility to enquire about the basis of the valuation contained in their valuation certificates or if the contents thereof have been prepared and/or included in the Circular in accordance with all applicable regulatory requirements including the Code.

The information we have relied on in the assessment of the Offer was based on market, economic, industry, monetary and other conditions prevailing as at the Latest Practicable Date, which may change significantly over a relatively short period of time. We assume no responsibility to update, revise or reaffirm our opinion or assumptions in light of any subsequent development after the Latest Practicable Date that may affect our opinion or assumptions contained herein. Shareholders should take note of any announcements relevant to their consideration of the Offer which may be released or published after the Latest Practicable Date.

In rendering our advice and giving our recommendation, we have not considered the specific investment objectives, financial situation, tax position, risk profiles or particular needs and constraints of any Shareholder. As each Shareholder may have different investment profiles and objectives, we advise the Directors to recommend that any Shareholder who may require specific advice in relation to his investment portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

The Company has been separately advised by its own professional advisers in the preparation of the Circular. We have no role or involvement and have not and will not provide any advice (financial or otherwise) in the preparation, review and verification of the Circular. Accordingly, we take no responsibility for and express no view, whether expressed or implied, on the contents of the Circular (other than this Letter).

Whilst a copy of this Letter may be reproduced in the Circular, neither the Company, the Directors nor any Shareholder may reproduce, disseminate or quote this Letter (or any part thereof) for any purpose, other than for the purpose of the Offer, at any time and in any manner, without the prior written consent of Provenance Capital in each specific case.

Our opinion is addressed to the Independent Directors for their benefit and deliberation of the Offer. Their recommendation made to the Shareholders in relation to the Offer shall remain the responsibility of the Independent Directors.

Our recommendation to the Independent Directors in relation to the Offer should be considered in the context of the entirety of this Letter and the Circular.

Responsibility Statement by the Directors

The Directors have confirmed that, to the best of their knowledge and belief, all material information relating to the Company and the Group provided to us in connection with the Offer, is true, complete and accurate in all material respects and there is no other information or fact, the omission of which would cause any information disclosed to us or the facts of or in relation to the Offer to be inaccurate, incomplete or misleading in any material respect. The Directors jointly and severally accept responsibility accordingly.

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3. THE OFFER

The detailed terms and conditions of the Offer are set out in Section 2 and Appendix 1 to the Offer Document. The key terms of the Offer are set out below for your reference:

3.1 Offer Shares

The Offer is made for all the Shares, including any Shares owned, controlled or agreed to be acquired by parties acting or deemed to be acting in concert with the Offeror in relation to the Offer.

3.2 Offer Price

The Offer Price for each Offer Share is **S\$0.60 in cash**.

The Offeror has stated that the Offer Price of S\$0.60 is final and subject to Section 3.3 below, the Offeror does not intend to revise the Offer Price.

3.3 No Encumbrances

The Offer Shares will be acquired:

- (a) fully paid;
- (b) free from all Encumbrances (as defined in the Offer Document); and
- (c) together with all rights, benefits, entitlements and advantages attached thereto as at the Offer Announcement Date, and thereafter attaching thereto, including but not limited to the right to receive and retain all dividends, rights and other distributions declared, paid or made by the Company (collectively, “**Distributions**”) (if any), the Record Date for which falls on or after the Offer Announcement Date.

“**Record Date**” means, in relation to any Distributions, the date on which Shareholders must be registered with the Company or with The Central Depository (Pte) Limited (“**CDP**”), as the case may be, in order to participate in such Distributions.

In the event of any such Distributions on or after the Offer Announcement Date, the Offeror reserves the right to reduce the Offer Price payable to a Shareholder who validly accepts or has validly accepted the Offer by the amount of such Distribution.

Since the Offer Announcement Date and up to the Latest Practicable Date, we note that the Company has not made or declared any Distribution.

3.4 Minimum Acceptance Condition

The Offer is conditional upon the Offeror having received, by the close of the Offer, valid acceptances in respect of such number of Offer Shares which, when taken together with any Offer Shares owned, controlled, acquired or agreed to be acquired by the Offeror and parties acting in concert with it before or during the Offer but otherwise than through acceptance of the Offer, will result in the Offeror and the parties acting in concert with it holding such number of Shares carrying more than 90% of the voting rights attributable to the issued Shares as at the close of the Offer.

Save for the Minimum Acceptance Condition, the Offer is unconditional in all other respects.

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In connection with the Offer, the Offeror has received Irrevocable Undertakings from the Management Shareholders to accept the Offer in respect of their aggregate holdings of 121,215,850 Shares, representing 82.26% of the total number of issued Shares.

In view of the valid acceptances received by the Offeror since the despatch of the Offer Document, on 19 April 2021, the Offer was declared to have become unconditional in all respects.

Based on publicly available information as at the Latest Practicable Date, the total number of (a) Shares owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with it; (b) valid acceptances of the Offer, amounted to an aggregate of 134,329,871 Shares, representing 91.16% of the total number of issued Shares.

3.5 Warranty

Acceptance of the Offer will be deemed to constitute an unconditional and irrevocable warranty by the accepting Shareholder that each Offer Share tendered in acceptance of the Offer is sold by the accepting Shareholder, as or on behalf of the beneficial owner(s) thereof, (a) fully paid, (b) free from all Encumbrances and (c) together with all rights, benefits and entitlements attached thereto as of the Offer Announcement Date and thereafter attaching thereto, including but not limited to all voting rights, the right to receive and retain all Distributions (if any) which falls on or after the Offer Announcement Date.

3.6 Duration of the Offer

(a) Closing Date

The Offer is open for acceptance by Shareholders for at least 28 days from the date of despatch of the Offer Document (being 13 April 2021), unless the Offer is withdrawn with the consent of the SIC and every person released from any obligation incurred thereunder.

Accordingly, as disclosed in the Offer Document, the Offer will close at 5.30 p.m. (Singapore time) on 11 May 2021 or such later date(s) as may be announced from time to time by or on behalf of the Offeror.

(b) Extension of Closing Date

On 19 April 2021, the Offer was declared to have become unconditional in all respects.

In accordance with Rule 22.6 of the Code, if the Offer becomes or is declared to be unconditional as to acceptances, the Offer must remain open for acceptance for not less than 14 days after the date on which the Offer would otherwise have closed, in order to give Shareholders who have not accepted the Offer the opportunity to do so.

Accordingly, UOB had announced, for and on behalf of the Offeror, that the Closing Date of the Offer is extended from 5.30 p.m. (Singapore time) on 11 May 2021 to 5.30 p.m. (Singapore time) on 25 May 2021 (“**Final Closing Date**”).

The Offeror has also given notice that the Offer will not be open for acceptances beyond 5.30 p.m. (Singapore time) on the Final Closing Date and acceptances of the Offer received after 5.30 p.m. (Singapore time) on the Final Closing Date will be rejected (“**Shut-Off Notice**”).

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3.7 Further details of the Offer

Further details of the Offer, including details on (a) the settlement of the consideration for the Offer; (b) the requirements relating to the announcement(s) of the level of acceptances of the Offer; (c) the right of withdrawal of acceptances of the Offer; and (d) procedures for acceptance of the Offer are set out in Appendices 1 and 2 to the Offer Document.

4. INFORMATION ON THE OFFEROR

4.1 Offeror

The Offeror is an investment holding company incorporated in Singapore on 16 March 2021 for the purposes of undertaking the Offer. The Offeror has not carried on any business since its incorporation, except in relation to matters in connection with the making of the Offer.

As disclosed in the Offer Document, as at the Latest Practicable Date, the Offeror has an issued and paid-up share capital of S\$100 comprising 100 ordinary shares of the Offeror (“**Offeror Shares**”), of which 90% is held by Mr Neo and 10% is held by Ms Liew. The directors of the Offeror are Mr Neo and Ms Liew.

Mr Neo is the founder of the Group, the Chairman and Chief Executive Officer of the Company, and Ms Liew is an Executive Director of the Company. These Management Shareholders hold, in aggregate, 121,215,850 Shares representing 82.26% of the total number of issued Shares.

As disclosed in the Offer Document as at 7 April 2021, the Offeror does not own any Shares. However, parties deemed acting in concert with the Offeror (including the Management Shareholders) hold in aggregate 123,341,408 Shares, representing approximately 83.71% of the total number of issued Shares as at the Latest Practicable Date.

Further details relating to the Offeror and parties acting in concert with the Offeror are set out in Appendices 3 and 5 to the Offer Document.

4.2 Irrevocable Undertakings and Roll-over Arrangement

The Management Shareholders, Mr Neo and Ms Liew, have each given their respective Irrevocable Undertakings to the Offeror to, *inter alia*, accept the Offer in respect of their Offer Shares:

- (a) Mr Neo - in respect of his 113,151,850 Shares, representing 76.79% of the total number of issued Shares; and
- (b) Ms Liew - in respect of her 8,064,000 Shares, representing 5.47% of the total number of issued Shares.

In total, the Irrevocable Undertakings are in respect of 121,215,850 Shares, representing 82.26% of the total number of issued Shares.

The Offeror has disclosed that save for the Irrevocable Undertakings, it has not received any undertakings from any other party to accept or reject the Offer.

Further to the Irrevocable Undertakings, each Management Shareholder has agreed to the Roll-over Arrangement that the consideration payable by the Offeror in respect of his/her Shares shall be satisfied in full by setting off such consideration against the aggregate subscription price (“**Set-Off Amount**”) payable by the Management Shareholders for their subscription of new Offeror Shares. Notwithstanding that Mr Neo and Ms Liew will subscribe

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for additional Offeror Shares, Mr Neo and Ms Liew will continue to hold 90% and 10% of the Offeror Shares respectively.

The SIC has confirmed that the Roll-over Arrangement will not constitute a special deal for the purposes of Rule 10 of the Code and need not be extended to any other Shareholder.

Further details of the Irrevocable Undertakings and Roll-over Arrangement are set out in Section 5 of the Offer Document.

4.3 Acceptances of the Offer as at the Latest Practicable Date

Based on publicly available information as at the Latest Practicable Date, the total number of (a) Shares owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with it; (b) valid acceptances of the Offer, amounted to an aggregate of 134,329,871 Shares, representing 91.16% of the total number of issued Shares.

As set out in Sections 1.3 and 3.4 above, the Offer has been declared to be unconditional in all respects on 19 April 2021 and the Offeror has expressed its intention to exercise its right of compulsory acquisition to acquire all the remaining Shares which have not been validly tendered for acceptance by the close of the Offer. Accordingly, upon completion of the compulsory acquisition, the Company will be wholly-owned by the Offeror and delisted from the SGX-ST.

Shareholders are to note that as the Company has lost the minimum free float requirement of 10% to stay listed on the SGX-ST, trading of the Shares will be suspended at the close of the Offer, which is 5.30 p.m. on 25 May 2021.

Further details on the compulsory acquisition and listing status are set out in Sections 6.2 and 6.3 of this Letter.

5. INFORMATION ON THE COMPANY AND THE GROUP

5.1 The Company was incorporated in Singapore and listed on the Catalist board of the SGX-ST on 11 July 2012.

The Group is a homegrown, integrated food solutions provider. Established since 1992, the Group has been named as the number one events caterer in Singapore since 2011. Since 1 April 2020, the Group has re-organised its business units into 4 reportable operating segments as follows:

- (a) Food catering business (“**Catering**”) – provision of events catering services under a diversified range of catering brands to corporate, community or private functions. Also provides daily meal delivery services to families, Halal-certified food as well as catering for last minute events or emergency orders;
- (b) Food manufacturing business (“**Manufacturing**”) – manufacturing, distribution and retailing of surimi-based seafood products and the “DoDo” brand of fishballs;
- (c) Supplies and trading business (“**Supplies and Trading**”) – supply of food ingredients and products used in Catering, Manufacturing and Retail businesses. Supplies and Trading business also imports, exports and wholesale fruits, vegetables and frozen meat products to a wide customer base; and
- (d) Food retail business (“**Retail**”) – operation of a chain of food retail outlets specialising in Japanese cuisine.

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Besides the above core food related businesses, the Company had recently in September 2020 obtained Shareholders' approval to diversify the Group's business to include property development, property investment and property management. The Group's maiden investment in this new business is the acquisition, through a joint venture partnership with other investors, of a residential property located at No. 8 Lorong 25A Geylang Road Singapore 388222 for a sum of S\$26.5 million. The acquisition was on an *en bloc* basis, and intended to be redeveloped for residential purposes and thereafter made available for sale. The Group's effective interest in the project is 40%.

5.2 As at the Latest Practicable Date, the Board of Directors of the Company comprises:

- (a) Mr Neo (Founder, Chairman and CEO)
- (b) Ms Liew (Executive Director)
- (c) Mr Yeo Kok Tong (Lead Independent Director)
- (d) Mr Tan Lye Huat (Independent Director)
- (e) Mr Choy Bing Choong (Independent Director)

Mr Neo and Ms Liew are shareholders and directors of the Offeror. In view of their irreconcilable conflicts of interest in the Offer, the SIC has confirmed that both Mr Neo and Ms Liew are exempted from the requirements to make a recommendation to Shareholders on the Offer.

The remaining Directors, namely, Mr Yeo Kok Tong, Mr Tan Lye Huat and Mr Choy Bing Choong, are deemed Independent Directors in respect of the Offer.

As at the Latest Practicable Date, the Independent Directors' shareholding interests in the Company are as follows:

Directors	Direct and deemed interests (No. of Shares)	% shareholding interest in the Company ⁽¹⁾
Mr Yeo Kok Tong	112,600	0.076
Mr Tan Lye Huat	-	-
Mr Choy Bing Choong	36,200	0.025

Note:

(1) Based on 147,350,959 Shares.

The intentions of the above Independent Directors in relation to their holdings of the Offer Shares with respect to the Offer are set out in Section 8.4 of Appendix A to the Circular.

5.3 As at the Latest Practicable Date, the Company has 147,350,959 issued Shares. The Company does not hold any treasury shares and has no outstanding instruments convertible into, rights to subscribe for, or options in respect of, Shares or securities which carry voting rights in the Company.

Based on the Offer Price of S\$0.60 and the number of issued Shares as at the Latest Practicable Date, the implied market capitalisation of the Company is approximately S\$88.4 million ("**Implied Market Capitalisation**").

Additional information on the Company and the Group is set out in Appendix A to the Circular.

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6. RATIONALE FOR THE OFFER, OFFEROR'S INTENTIONS FOR THE COMPANY AND THE LISTING STATUS

6.1 Rationale for the Offer and intention for the Company

The full text of the Offeror's rationale for the Offer and the Offeror's intentions for the Company is set out in Sections 8 and 10 of the Offer Document.

In summary, the Offeror's rationale for the Offer is as follows:

- (a) the Offeror is making the Offer with a view to delisting and privatising the Company;
- (b) the Offer presents Shareholders with a clean cash exit opportunity to realise their entire investment in the Shares at a premium above the prevailing trading prices of the Shares without incurring brokerage and other trading costs, and which may not otherwise be readily available to Shareholders given the low trading liquidity of the Shares;
- (c) the Offeror believes that delisting and privatising the Company will provide the Offeror and the Company with greater control and management flexibility to manage the business of the Group, respond to changing market conditions and optimise the use of the Company's management and resources;
- (d) the Company has not carried out any exercise to raise equity capital on the SGX-ST since its listing in 2012 and is unlikely to require access to the Singapore equity markets to finance its operations in the foreseeable future as the Company has various other available funding sources such as bank credit facilities; and
- (e) the Company will be able to save on expenses and costs relating to the maintenance of a listed status and channel such resources to its business operations.

The Offeror intends for the Company to continue to develop and grow the existing businesses of the Group. The Offeror and the Company will continue to review, from time to time, the operations of the Group as well as the Company's strategic options. The Offeror retains and reserves the right and flexibility at any time and from time to time to further consider any options or opportunities in relation to the Company which may present themselves and which the Offeror may regard to be in the best interests of the Offeror and/or the Company.

Save as disclosed above, the Offeror has no current intention to (i) introduce any major changes to the existing business of the Company, (ii) re-deploy the fixed assets of the Company, or (iii) discontinue the employment of the existing employees of the Group, in each case, other than in the ordinary and usual course of business and/or in response to the changing market conditions.

6.2 Compulsory Acquisition

Pursuant to Section 215(1) of the Companies Act, if the Offeror receives valid acceptances pursuant to the Offer (or otherwise acquires Shares during the period when the Offer is open for acceptance) in respect of not less than 90% of the total number of issued Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer and excluding any Shares held in treasury), the Offeror would be entitled to exercise the right to compulsorily acquire all the Shares of Shareholders who have not accepted the Offer ("**Dissenting Shareholders**"), at a price equal to the Offer Price.

In such an event, the Offeror intends to exercise its right to compulsorily acquire all the Offer Shares not acquired under the Offer. The Offeror will then proceed to delist the Company from the SGX-ST.

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Dissenting Shareholders have the right under and subject to Section 215(3) of the Companies Act, to require the Offeror to acquire their Shares at the Offer Price in the event that the Offeror, its related corporations or their respective nominees acquire, pursuant to the Offer, such number of Shares which, together with Shares held by the Offeror, its related corporations or their respective nominees, comprise 90% or more of the total number of issued Shares (excluding Shares held in treasury). Dissenting Shareholders who wish to exercise such rights are advised to seek their own independent legal advice.

On 19 April 2021, as the Offer has been declared to have become unconditional in all respects, the Offeror has expressed its intention to exercise its right to compulsorily acquire all the remaining Offer Shares from the Dissenting Shareholders at a price equal to the Offer Price of S\$0.60 (in cash) for each Offer Share.

Subsequent to such compulsory acquisition, the Offeror will proceed to delist the Company from the SGX-ST.

Dissenting Shareholders should note that the Offer remains open for acceptance until the Final Closing Date and the Offer therefore remains as an opportunity for Shareholders to realise their Shares at the Offer Price as soon as practicable.

As the Offeror will be proceeding to compulsorily acquire the Shares of the Dissenting Shareholders, the Dissenting Shareholders need not take any action in relation to their right under Section 215(3) of the Companies Act. The Dissenting Shareholders who wish to exercise such right or who are in any doubt as to their position are advised to seek their own independent legal advice.

6.3 Listing Status

Pursuant to Rule 1104 of the Catalist Rules, upon an announcement by the Offeror that acceptances have been received pursuant to the Offer that bring the holdings of the Shares owned by the Offeror and parties acting in concert with it to above 90% of the total number of issued Shares (excluding Shares held in treasury), the SGX-ST may suspend the trading of the Shares on the SGX-ST until such time it is satisfied that at least 10% of the total number of issued Shares (excluding Shares held in treasury) are held by at least 200 Shareholders who are members of the public.

Under such a scenario, pursuant to Rule 1303(1) of the Catalist Rules, the SGX-ST will suspend trading of the Shares only at the close of the Offer.

In addition, under Rule 724(1) of the Catalist Rules, if the percentage of the total number of issued Shares (excluding shares held in treasury) held in public hands falls below 10%, the Company must, as soon as practicable, notify its sponsor of that fact and announce that fact and the SGX-ST may suspend the trading of all the Shares. Rule 724(2) of the Catalist Rules states that the SGX-ST may allow the Company a period of three (3) months, or such longer period as the SGX-ST may agree, to raise the percentage of Shares (excluding Shares held in treasury) in public hands to at least 10%, failing which the Company may be delisted from the SGX-ST.

The Offeror has stated it intends to privatise and does not intend to preserve the listing status of the Company. In the event that trading of the Shares on the SGX-ST is suspended pursuant to Rule 724, Rule 1104 or Rule 1303(1) of the Catalist Rules, the Offeror has no intention to undertake or support any action for any such trading suspension by the SGX-ST to be lifted.

7. ASSESSMENT OF THE FINANCIAL TERMS OF THE OFFER

In evaluating and assessing the financial terms of the Offer, we have taken into account the pertinent factors set out below which we consider to have a significant bearing on our assessment:

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- (a) Market quotation and trading activity of the Shares;
- (b) Financial analysis of the Group;
- (c) Comparison with recently completed privatisation of companies listed on the SGX-ST;
- (d) Comparison of valuation ratios of selected listed companies which are broadly comparable with the Group;
- (e) Estimated valuation range of the Shares;
- (f) Distribution track record of the Company; and
- (g) Other relevant considerations in relation to the Offer.

7.1 Market quotation and trading activity of the Shares

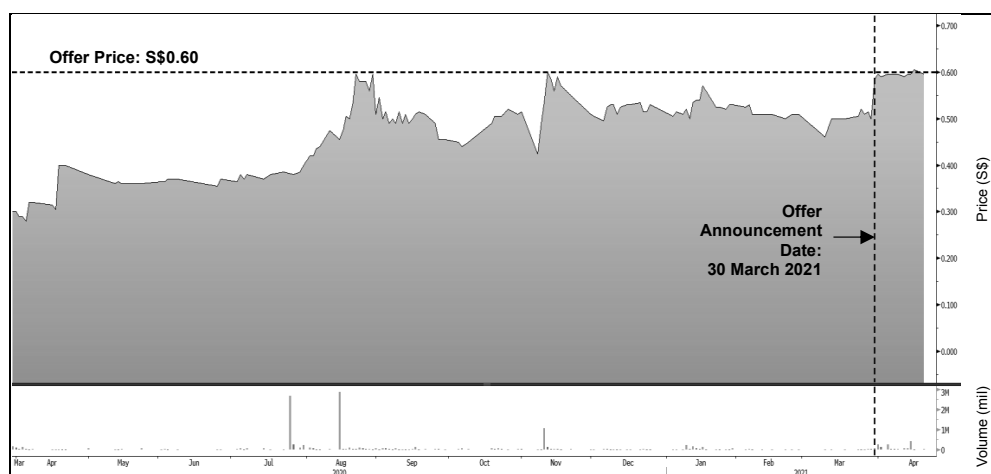
Trading on the Shares was halted for almost the full trading day until 4.45 p.m. on 30 March 2021 to facilitate the release of the Offer Announcement.

For the purpose of our analysis of the trading performance of the Shares in respect of the Offer, we have compared the Offer Price against the historical market price performance of the Shares and considered the historical trading volume of the Shares for the 1-year period prior to the Offer Announcement Date from 30 March 2020 to 29 March 2021 (“**Last Trading Day**”), being the last trading day prior to the Offer Announcement Date, and up to the Latest Practicable Date (“**Period Under Review**”).

Share Price Chart

We set out below a chart showing the Offer Price relative to the daily last transacted prices and trading volume of the Shares for the Period Under Review:

**Price movement and trading volume of
the Shares for the Period Under Review**



Source: Bloomberg L.P.

Based on daily last transacted Share prices, for the 1-year period prior to the Offer Announcement Date (“**1-Year Period**”), the Shares had mostly traded below the Offer Price

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except in August 2020 and November 2020 when the Shares were traded at close to and up to S\$0.60.

Based on daily last transacted prices during the 1-Year Period, the Shares have traded between a low of S\$0.28 (on 3 April 2020) and a high of S\$0.60 (on 11 November 2020). The Shares were last transacted at S\$0.50 on the Last Trading Day. The Offer Price represents a premium of 20.0% above the last transacted Share price on the Last Trading Day.

After the release of the Offer Announcement and when trading on the Shares resumed in the last 15 minutes on 30 March 2021, 60,000 Shares were transacted at S\$0.585 each.

Since the Offer Announcement Date and up to the Latest Practicable Date, the Shares had traded close to and mostly below the Offer Price, presumably supported by the Offer.

Market Statistics

In addition to the share price chart above, we have tabulated below selected statistical information on the share price performance and trading liquidity of the Shares for the Period Under Review:

Reference period	Highest traded price (S\$)	Lowest traded price (S\$)	VWAP ⁽¹⁾ (S\$)	Premium/ (Discount) of Offer Price over/ (to) VWAP (%)	Number of traded days ⁽²⁾	Average daily trading volume ⁽³⁾ ('000)	Average daily trading volume as a percentage of free float ⁽⁴⁾ (%)
<u>Prior to the Offer Announcement Date</u>							
Last 1 year	0.620	0.280	0.4582	30.9	131	18	0.08
Last 6 months	0.620	0.420	0.5200	15.4	64	13	0.06
Last 3 months	0.570	0.460	0.5240	14.5	31	14	0.06
Last 1 month	0.525	0.460	0.5088	17.9	8	4	0.02
29 March 2021 (being the Last Trading Day)	0.510	0.500	0.5005	19.9	1	21	0.09
<u>After release of Offer Announcement</u>							
On 30 March 2021 (after Shares resumed trading for the last 15 minutes)	0.585	0.585	0.5850	2.6	See note 5 below	60	0.26
<u>After the Offer Announcement Date and up to the Latest Practicable Date</u>							
From 31 March 2021 to the Latest Practicable Date	0.605	0.590	0.5946	0.9	11	94	0.40
Latest Practicable Date	0.605	0.595	0.5975	0.4	1	27	0.12

Source: Bloomberg L.P.

Notes:

- (1) The volume-weighted average price ("VWAP") for the respective periods are calculated based on the aggregate daily turnover value of the Shares divided by the aggregate daily trading volume of the Shares for the respective periods as extracted from Bloomberg L.P.. Off market transactions (i.e. married deals) are excluded from the calculation;
- (2) Traded days refer to the number of days on which the Shares were traded on the SGX-ST during the period;
- (3) The average daily trading volume of the Shares is computed based on the total volume of Shares traded on the SGX-ST (excluding off market transactions) during the relevant periods, divided by the number of days when the SGX-ST was open for trading (excluding days with full day trading halt on the Shares) during that period;
- (4) Free float refers to the Shares other than those directly and deemed held by the Directors and substantial Shareholders. For the purpose of computing the average daily trading volume as a percentage of free float, we

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have used the free float of approximately 23.2 million Shares based on the free float of 15.7% as disclosed in the annual report of the Company for FY2020; and

- (5) Not a full trading day as the Shares resumed trading for 15 minutes prior to the close of trading day.

We observe the following with regard to the price performance of the Shares for the Period Under Review:

- (a) The Shares had traded mostly below the Offer Price of S\$0.60 during the 1-Year Period, between an intra-day low of S\$0.28 (on 3 April 2020) and an intra-day high of S\$0.62 (on 16 November 2020). The Offer Price represents a premium of S\$0.34 (or 114.3%) above the lowest transacted Share price and a discount of S\$0.02 (or 3.2%) below the highest transacted price;
- (b) The Offer Price represents a premium of 30.9%, 15.4%, 14.5% and 17.9% over the VWAP of the Shares for the 1-year, 6-month, 3-month and 1-month periods up to the Last Trading Day respectively;
- (c) The Offer Price represents a premium of 19.9% above the VWAP of the Shares of S\$0.5005 on the Last Trading Day;
- (d) Following the release of the Offer Announcement and when trading on the Shares resumed in the last 15 minutes on 30 March 2021, 60,000 Shares were transacted at S\$0.585; and
- (e) From 31 March 2021 and up to the Latest Practicable Date, the Shares had traded close to and mostly below the Offer Price, and appeared to be supported by the Offer. The Shares were last transacted at S\$0.595 on 20 April 2021, being the Latest Practicable Date.

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

- (i) Over the 1-Year Period, the Shares were only traded on 131 out of 251 market days. The average daily trading volume of the Shares for the 1-year, 6-month, 3-month and 1-month periods up to the Last Trading Day were low ranging between 4,000 and 21,000 Shares, representing 0.08%, 0.06%, 0.06% and 0.02% of the free float of the Shares respectively;
- (ii) Following the release of the Offer Announcement and when trading on the Shares resumed in the last 15 minutes on 30 March 2021, 60,000 Shares were traded; and
- (iii) Since 31 March 2021 and up to the Latest Practicable Date, there was increased trading volume on the Shares with an average daily trading volume of 94,000 Shares.

7.2 Financial analysis of the Group

7.2.1 Financial performance of the Group

Set out below is a summary of the financial performance of the Group for the last three financial years ended 31 March 2018 (“FY2018”), 31 March 2019 (“FY2019”) and 31 March 2020 (“FY2020”), and the interim results for the first half year ended 30 September 2020 (“1H2021”) with the corresponding period for 1H2020:

S\$'000	Audited			Unaudited	
	FY2018	FY2019	FY2020	1H2020	1H2021
Revenue	178,210	181,020	185,868	91,106	88,058
Other income	2,353	2,199	2,491	969	9,173
Profit for the year/period	3,010	5,166	6,263	2,294	18,027
attributable to:					
- Owners of the parent	3,630	5,398	6,333	2,321	13,612

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S\$'000	← Audited →			← Unaudited →	
	FY2018	FY2019	FY2020	1H2020	1H2021
- Non-controlling interests	(620)	(232)	(70)	(27)	4,415
	3,010	5,166	6,263	2,294	18,027

Source: Company's annual reports for FY2019 and FY2020, and the unaudited results announcement for 1H2021

FY2019 vs FY2018

The Group recorded an increase in revenue of S\$2.8 million (or 1.6%) from S\$178.2 million in FY2018 to S\$181.0 million in FY2019 due mainly to an increase of S\$15.8 million in revenue generated from the Catering business as a result of strengthening in recurring income from childcare and elderly market segments, ramping up of the Group's "tingkat" business as well as revenue contributed by newly acquired subsidiaries. However, such increase was partially offset by a decrease of S\$12.7 million in revenue from the Supplies and Trading business as a result of a reduction in low margin trading transactions arising from ongoing business review.

Catering business contributed approximately 45% to total revenue in FY2019 compared to 37% in FY2018. Manufacturing business contributed approximately 27% to total revenue in FY2018 and FY2019, while Supplies and Trading business contribution to total revenue was lower at approximately 18% in FY2019 compared to 25% in FY2018.

The Group reported an increase in profit for the year of S\$2.2 million (or 71.6%) from S\$3.0 million in FY2018 to S\$5.2 million in FY2019. Net profit margin was higher at 2.9% in FY2019 compared to 1.7% in FY2018.

After accounting for share of losses by non-controlling interests, net profit attributable to owners of the parent was S\$5.4 million in FY2019 compared to S\$3.6 million in FY2018.

FY2020 vs FY2019

The Group recorded an increase in revenue of S\$4.9 million (or 2.7%) from S\$181.0 million in FY2019 to S\$185.9 million in FY2020 due mainly to an increase in revenue of S\$10.7 million generated from the Catering business which was partially offset by the impact of safe distancing measures during the fourth quarter of FY2020, and offset by decrease in revenue of S\$1.9 million from the Retail business (due to the closure of non-performing outlets and a significant drop in physical footfall in retail outlets and malls during the fourth quarter of FY2020) and decrease in revenue of S\$3.6 million from Supplies and Trading business. The COVID-19 pandemic and various measures taken to contain the spread of the pandemic had begun in February 2020 with the Singapore government imposing the circuit breaker in April and May 2020.

Catering business contributed approximately 50% to total revenue in FY2020 compared to 45% in FY2019, while other business segments contribution to total revenue was lower in FY2020 compared to FY2019. Manufacturing business contributed approximately 26% to total revenue in FY2020 compared to 27% in FY2019, Supplies and Trading business contributed approximately 16% in FY2020 compared to 18% in FY2019, while Retail business contributed approximately 8% in FY2020 compared to 9% in FY2019.

The Group reported an increase in profit for the year of S\$1.1 million (or 21.2%) from S\$5.2 million in FY2019 to S\$6.3 million in FY2020. Net profit margin was higher at 3.4% in FY2020 compared to 2.9% in FY2019.

After accounting for share of losses by non-controlling interests, net profit attributable to owners of the parent was S\$6.3 million in FY2020 compared to S\$5.4 million in FY2019.

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1H2021 vs 1H2020

The Group recorded an overall decrease in revenue of S\$3.0 million (or 3.3%) from S\$91.1 million in 1H2020 to S\$88.1 million in 1H2021 as the Group was affected by the impact of the COVID-19 pandemic. The Catering business maintained its revenue in 1H2021 of approximately S\$44.8 million compared to S\$44.1 million in 1H2020, Manufacturing business had an increase in revenue by S\$2.6 million while other remaining business segments saw decline in revenues of S\$5.8 million in total.

Catering business revenue was maintained in 1H2021 due mainly to the short-term dormitory contracts which had contributed to two-thirds of revenue from Catering business, otherwise Catering business would have suffered a significant decline in revenue in 1H2021 in view of the restrictions and safe distancing measures imposed during 1H2021.

Manufacturing business had an increase in revenue in 1H2021 compared to 1H2020 due mainly to higher sales from supermarkets and export business during 1H2021.

In view of the COVID-19 pandemic, the Group had benefited from government grants from wage support and property tax rebates from landlords which amounted to S\$8.0 million in 1H2021. This had resulted in the increase in other income by S\$8.2 million from S\$1.0 million in 1H2020 to S\$9.2 million in 1H2021.

Overall, the Group reported a significant increase in profit for the period by S\$15.7 million in 1H2021 from S\$2.3 million in 1H2020 to S\$18.1 million in 1H2021 due mainly to (a) profit contribution from the short-term dormitory contracts (b) government grants totalling S\$8.0 million and (c) decrease in operating expenses of S\$5.1 million as the Group incurred lower manpower costs due to improved workflow efficiencies and automated processes as a result of operational and manpower reviews.

As the profit contributions from the short-term dormitory contracts were significant and part of the sales were carried out by the Group's 51%-owned subsidiaries, the profit attributable to non-controlling interests for 1H2021 was significant at S\$4.4 million compared to a loss of S\$27K in 1H2020. Accordingly, profit attributable to the owners of the parent was S\$13.6 million in 1H2021 compared to S\$2.3 million in 1H2020.

The Group does not expect the short-term dormitory contracts and the government grants to recur as these were exigencies that had occurred during the COVID-19 pandemic. Instead, it expects the dormitory contracts and financial grants to be scaled down or discontinued in the second half of FY2021 ("**2H2021**"). The Group also expects the effects of the COVID-19 pandemic to pose further uncertainties and curtail its growth going forward.

In the Company's results announcement for 1H2021, the Company had commented that "*Barring any unforeseen circumstances, the Company expects the Group's operations to remain profitable for the financial year ending 31 March 2021.*"

Price-earnings ratio implied by the Offer Price

Price-earnings ratio ("**PER**") illustrates the valuation ratio of the current market value of a company's shares relative to its consolidated basic earnings per share as stated in its financial statements. The PER is affected by, *inter alia*, the capital structure of a company, its tax position as well as its accounting policies relating to depreciation and intangible assets. The PER is commonly used for the purpose of illustrating the profitability and hence the valuation of a company as a going concern.

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For the purposes of our analysis, we have evaluated the implied PER of the Group based on the Implied Market Capitalisation of the Group of S\$88.4 million and the Group's net profit attributable to owners of the parent ("**PATMI**") for the trailing twelve months ended 30 September 2020 ("**T12M**").

The Group's T12M PAT is S\$17.6 million based on PATMI of S\$13.6 million for 1H2021 and PATMI of S\$4.0 million for the second half FY2020 ("**2H2020**"). The implied PER of the Group based on T12M PAT is 5.0 times.

However, as pointed out above, in 1H2021, the Group had benefited from one-off government grants of S\$8.0 million, of which S\$7.2 million is attributable to the owners of the parent and balance is attributable to non-controlling interests. After excluding this one-off item, the adjusted PATMI ("**Adjusted PATMI**") for 1H2021 is S\$6.4 million and the Adjusted PATMI for T12M is S\$10.4 million. The implied PER of the Group based on the Adjusted PATMI is therefore **8.5 times**.

The above approach in computing PER based the Group's Adjusted PATMI for T12M is on the premise that the results of a trailing last 12 months period would have typically captured the seasonality of results of a company's full financial year. Hence, the above T12M of the Group which is based on 2H2020 and 1H2021 would have covered a 12-month period from October 2019 to September 2020.

However, we noted that year 2020 was an unprecedented year due to the onset of the global COVID-19 pandemic. The Group's business is predominantly in Singapore and its businesses had benefited from as well as been affected by the circumstances as a result of measures implemented by the Singapore government to control the spread of pandemic. For example, the Group was awarded short-term contracts to provide and cater food for the foreign workers staying in dormitories as a result of the lock down and construction work stoppages during the pandemic. This had benefited the Group as the short-term dormitory contracts had contributed significantly to the revenue and profit of the Group in 1H2021. However, the Group had expected such contracts to scale down or discontinue in 2H2021 as the Singapore economy and businesses gradually re-open, and such short-term dormitories contracts would cease.

Pre-pandemic, the Group's businesses were operating under significantly different environment for most part of 2H2020. As such, the results of 2H2020 may not be reflective of the Group's results for 2H2021 under the present circumstances, as social distancing measures imposed by the Singapore Government in various forms are still in place to prevent any resurgence of the pandemic in the country.

Hence, the derived PER of 8.5 times based on the Adjusted PATMI for T12M of the Group of S\$10.4 million should be read in that context.

Under Rule 705 of the Catalist Rules, the Group is required to announce its financial statements for the full financial year for FY2021 by 30 May 2021.

7.2.2 Financial position of the Group

A summary of the latest statement of financial position of the Group as at 30 September 2020 is set out below:

S\$'000	Unaudited as at 30 September 2020
Current Assets	
Inventories	6,669
Trade and other receivables	19,387
Prepayments	613
Cash and cash equivalents	28,408
	55,077

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S\$'000	Unaudited as at 30 September 2020
Non-current assets	
Property, plant and equipment	95,232
Right-of-use assets	28,801
Investment properties	428
Intangible assets	19,225
Investment in associates	3,537
Other receivables	3,482
Financial assets at FVOCI	441
	151,146
Total assets	206,223
Current liabilities	
Trade and other payables	27,436
Provisions	420
Bank borrowings	14,916
Lease liabilities	6,047
Income tax payable	3,243
	52,062
Non-current liabilities	
Other payables	2,809
Bank borrowings	63,460
Lease liabilities	20,610
Deferred tax liabilities	3,581
	90,460
Total liabilities	142,522
Equity attributable to owners of the parent	55,532
Non-controlling interests	8,169
Total equity	63,701
Net asset value ("NAV") of the Group	S\$55,532,000
Net tangible asset ("NTA") of the Group	S\$36,307,000
Number of issued Shares as at 30 September 2020	147,350,959
NAV per Share	S\$0.3769
NTA per Share	S\$0.2464

Source: The Company's unaudited results announcement for 1H2021

Assets

As at 30 September 2020, the Group has total assets of S\$206.2 million comprising current assets of S\$55.1 million (26.7% of total assets) and non-current assets of S\$151.2 million (73.3% of total assets).

The main current assets of the Group are cash and cash equivalents of S\$28.4 million (51.6% of current assets) and trade and other receivables of S\$19.39 million (35.2% of current assets).

The main non-current assets of the Group are property, plant and equipment ("**PPE**") of S\$95.2 million (63.0% of non-current assets), right-of-use assets of S\$28.8 million (19.1% of non-current assets) and intangible assets of S\$19.2 million (12.7% of non-current assets).

Freehold and leasehold properties and construction-in-progress ("**Properties**") represent approximately 85% of total PPE. These properties are mortgaged as security for the Group's banking facilities. The construction in-progress is in relation to capital expenditure for the Group's headquarters and catering hub located at 30B Quality Road. The remaining PPE pertains to plant and equipment of the Group.

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Right-of-use assets pertain mainly to the leasehold lands, and leased office premises and retail premises with the corresponding recognition of lease liabilities following the Group's adoption of SFRS(I) 16 – Leases in FY2020.

Intangible assets pertain to goodwill, trademarks and customer relationships which are subject to impairment test annually or more frequently when there is an indication that they may be impaired.

In view of the significant Properties held by the Group, in connection with the Offer, the Company had commissioned the Valuers to carry out an independent market valuation of these Properties. Please see Section 7.2.3 below for further details on the independent market valuation of these Properties.

Liabilities

As at 30 September 2020, the Group has total liabilities of S\$142.5 million comprising mainly short term and long term bank borrowings totalling of S\$78.4 million (55.0% of total liabilities), short term and long term trade and other payables of S\$30.2 million (21.2% of total liabilities), and short term and long term lease liabilities totalling S\$26.7 million (18.7% of total liabilities).

Equity/NAV/NTA

Total equity comprises equity attributable to owners of the parent of S\$55.5 million and non-controlling interests of S\$8.2 million as at 30 September 2020.

Accordingly, NAV of the Group as at 30 September 2020 was S\$55.5 million, representing NAV per Share of S\$0.3769 based on 147,350,959 outstanding Shares as at 30 September 2020.

After deducting intangible assets of S\$19.2 million, the NTA of the Group is S\$36.3 million as at 30 September 2020, representing NTA per Share of S\$0.2464.

There is no change in the number of issued Shares since 30 September 2020 and up to the Latest Practicable Date.

7.2.3 Independent market valuation of the Properties

In connection with the Offer, the Company had commissioned the Valuers to carry out a recent independent market valuation of the Properties. Of the 15 pieces of Properties being revalued, 13 are leasehold properties located in Singapore and 2 are freehold properties located in Malaysia. The properties located in Singapore were valued by RHT Valuation Pte. Ltd. ("**Singapore Valuer**") and the properties in Malaysia were valued by Raine & Horne International Zaki + Partners Sdn. Bhd. ("**Malaysia Valuer**").

The purpose of the valuation exercise is to determine the overall net revaluation surplus arising from the independent market valuation of the Properties compared against the net book value of these Properties as at 31 March 2021, and to assess its impact on the revalued NTA value of the Group ("**RNTA**").

The Company's latest reported financial information was 1H2021 and the NTA of the Group was as at 30 September 2020. As such, we had based our evaluation on the Group's financial information, in particular, the NTA as at 30 September 2020. However, for the purpose of evaluating the Offer, as the Company had commissioned a recent independent market valuation of the Properties in Singapore as at 31 March 2021 and the Properties in Malaysia as at 12 April 2021 and 14 April 2021, the Company had also provided to us the respective net book value ("**NBV**") of each of the Properties in order to appropriately compute the revaluation surplus/(deficit) that may arise from the valuation of each of the Properties. We then take into

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consideration the above revaluation surplus/(deficit) of the Properties to arrive at the estimated RNTA of the Group as at 30 September 2020.

All the Properties are completed properties except for 30B Quality Road, Singapore 618826 which is currently under construction. Upon completion, the property will be the Group's headquarters and catering hub. As at the valuation date, this property is approximately 58% completed and is expected to be completed by September 2021.

Valuation Methodologies for the Properties in Singapore

The Singapore Valuer had determined the market value of the Properties in Singapore as at 31 March 2021. The term "Market Value" is intended to mean "*the best price at which an interest in a property might reasonably be expected to be sold at the date of valuation assuming:-*

- (a) *a willing seller, willing buyer;*
- (b) *a reasonable period within which to negotiate the sale, taking into consideration the nature of the property and state of the market;*
- (c) *the property will be freely exposed to the market for a reasonable period of time; and*
- (d) *no account is to be taken of an additional bid by a special purchaser."*

For the completed Properties, the Singapore Valuer has adopted the Direct Comparison Approach -

- In this method, a comparison is made with sales of similar properties in the vicinity and adjustments are made for differences in location, land size/shape, floor area, age, tenure, design and layout, facilities, floor loading, ceiling heights, dates of transaction, etc. and the prevailing market conditions, etc., before arriving at the value of the subject development.

For the property under construction at 30B Quality Road, Singapore 618826, the Singapore Valuer has adopted the Direct Comparison Approach to arrive at the Gross Development Value on the assumption that the development is complete as at the date of valuation, and the Residual Land Valuation Method to determine the market value of the property on an "As-Is" basis. These valuation approaches are summarised below:

Gross Development Value

Gross Development Value is the market value of the proposed development assessed on the special assumption that the development is complete as at the date of valuation in the market conditions prevailing at that date. Gross Development Value is estimated from analyzing the prices of new projects in the vicinity and comparable locations.

Residual Land Valuation Method

In the Residual Land Valuation Method, the land value is derived after deducting developer's profits, estimated development costs such as building cost, professional fees, holding cost, development charge (if any), stamp duty, legal fee, marketing fee and other related costs from the Gross Development Value. The residual land value would represent the amount a prudent purchaser would pay for the property.

"As-Is" Basis

The valuation on an "As-Is" basis is the estimated market value of the development after taking into account the residual land value of the property as at the date of valuation. The valuation is based on the current state of condition of the development of the property.

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Valuation Methodologies for the Properties in Malaysia

The Malaysia Valuer had determined the market value of the Properties in Malaysia as at 12 April 2021 and 14 April 2021. “Market Value” is defined by the Malaysian Valuation Standard 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 proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion”.

The Malaysia Valuer has adopted the Comparison Method as its main approach –

- This method seeks to determine the value of the property being valued by comparing and adopting as a yardstick recent sale evidences involving other similar properties in the vicinity.

In addition to the above method, the Malaysia Valuer has also adopted the Cost Approach –

- This approach seeks to ascertain the value of the property through the summation of the value components of the land and cost of building;
- In determining the value of the land, the analysed apportionment value attributable to the land is adopted as described in the Comparison Method, whilst making due allowances to factors of location, plot, size, accessibility and other relevant factors; and
- In determining the cost of building, current estimates on constructional costs to erect equivalent building are adopted. Taking into consideration similar accommodation in terms of size, constructions, finishes, contractors’ overheads, fees and profits, appropriate adjustments are then made for factors of obsolescence and existing physical condition of the building.

Summary of the valuation of the Properties

Details of the valuation of the Properties are set out in the respective valuation certificates and reports as prepared by the Valuers, copies of which are attached as Appendices G and H to the Circular.

The table below sets out the summary of the Properties, their respective NBVs, market values and the net revaluation surplus arising from the independent valuation of the Properties:

Property and location	NBV (S\$’000)	Market value (S\$’000)	% owned by the Group	Net revaluation surplus/(deficit) ⁽²⁾ attributable to owners (S\$’000)
<u>Singapore</u>				
1. 6A Wan Lee Road	751.2	3,200.0	100%	2,448.8
2. 30B Quality Road – under construction	47,792.5	49,240.0	100%	1,447.5
3. 1 Enterprise Road	3,067.9	3,600.0	100%	532.1
4. 3 Enterprise Road	1,728.0	2,600.0	100%	872.0
5. 5 Enterprise Road	1,476.1	2,270.0	100%	793.9
6. 7 Enterprise Road	1,476.1	2,300.0	100%	823.9
7. 9 Enterprise Road	2,521.7	4,700.0	100%	2,178.3
8. 14 Joo Koon Circle	9,012.9	10,000.0	100%	987.1

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9. 50 Tuas Avenue 11 #02-12	415.6	440.0	100%	24.4
10. 8A Admiralty Street #03-20	2,496.8	2,550.0	51%	27.1
11. 8A Admiralty Street #03-22	1,671.3	1,645.0	51%	(13.4)
12. 8B Admiralty Street #02-16	480.1	515.0	51%	17.8
13. 22 Senoko Way	13,846.3	20,000.0	100%	6,153.7
Malaysia⁽¹⁾				
14. 3343 Jalan Pekeliling Tanjung 27, Kulai, Johor	2,492.5	RM7,000.0 (2,272.7)	58.75%	(129.1)
15. 6 & 8 Jalan Istimewa 8, Ulu Tiram, Johor	3,883.9	RM14,300.0 (4,642.9)	100%	697.8
Total	93,112.9	109,975.6		16,861.8

Source: Valuation certificates and Management

Notes:

- (1) For comparison purposes, the market values of the properties in Malaysia were converted to S\$ based on the foreign exchange rate of S\$1.00:RM3.08 on 31 March 2021; and
- (2) The net revaluation surplus/(deficit) of the Property is based on the attributable percentage of the property owned by the Group on the difference between the market value and the NBV of the Property as at 31 March 2021, after taking into consideration potential tax liabilities (if relevant) on the revaluation surplus assuming a hypothetical sale of the Properties for the purposes of Rule 26.3 of the Code.

In assessing the above revaluation surplus, we have considered whether there is any potential tax liability which would arise on the sale of the above Properties in a hypothetical scenario for the purposes of Rule 26.3 of the Code. Management expressed that the Properties are for the Group's own use and not intended for sale. In addition, for properties in Singapore, as there is no capital gains tax in Singapore, Management therefore does not expect any potential tax liability to arise from a hypothetical sale of the properties in Singapore. For the property in Malaysia which has a revaluation surplus, Management estimates potential tax liability of approximately S\$61K in a hypothetical sale scenario of that property for the purpose of Rule 26.3 of the Code. Hence, the net revaluation surplus on this property in Malaysia is S\$0.7 million.

Estimated RNTA of the Group

After taking into account the above net revaluation surplus arising from the valuation of the Properties, and based on the latest available financial information of the Group as at 30 September 2020, the estimated RNTA per Share as at 30 September 2020 is computed as follows:

Estimated RNTA of the Group	S\$'000	Per Share ⁽¹⁾ (S\$)
Unaudited NTA of the Group as at 30 September 2020	36,307	0.2464
Add: net valuation surplus arising from the valuation of Properties	16,862	0.1144
Estimated RNTA of the Group as at 30 September 2020	53,169	0.3608

Note:

- (1) Based on 147,350,959 Shares as at the Latest Practicable Date.

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Price-to-RNTA ratio (“P/RNTA”) implied by the Offer Price

The net asset backing of the Group is measured by its NAV/NTA or RNAV/RNTA.

The NAV/NTA based valuation approach provides an estimate of the value of a company assuming the hypothetical sale of all its assets over a reasonable period of time and would be more relevant for asset-based companies or where the subject company intends to realise or convert the uses of all or most of its assets. Such a valuation approach would be particularly appropriate when applied 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.

The NTA based valuation approach show the extent to which the value of each Share is backed by the Group’s NTA. NTA is derived by deducting intangible assets from the NAV.

The implied P/NTA ratio of the Group based on the Offer Price and the unaudited NTA per Share of S\$0.2464 as at 30 September 2020, is 2.44 times.

After taking into account the above net revaluation surplus arising from the valuation of the Properties, the implied P/RNTA ratio of the Group based on the Offer Price is **1.66 times**.

7.2.4 Confirmation by the Company

Besides the independent valuation of the Properties provided to us, in our evaluation of the financial terms of the Offer, we have also considered whether there is any other tangible asset which should be valued at an amount that is materially different from that which was recorded in the latest unaudited statement of financial position of the Group as at 30 September 2020, and whether there are any factors which have not been otherwise disclosed in the financial statements of the Group that are likely to impact the NTA of the Group as at 30 September 2020.

In respect of the above and save as disclosed by the Company, the Directors and Management have confirmed to us that as at the Latest Practicable Date, to the best of their knowledge and belief:

- (a) there are no material differences between the realisable value of the Group’s assets and their respective book values as at 30 September 2020 which would have a material impact on the NTA of the Group;
- (b) other than that already provided for or disclosed in the Group’s financial statements as at 30 September 2020, there are no other contingent liabilities, bad or doubtful debts or material events which are likely to have a material impact on the NTA of the Group as at the Latest Practicable Date;
- (c) there are no litigation, claim or proceeding pending or threatened against the Company or any of its subsidiaries or of any fact likely to give rise to any proceeding which might materially and adversely affect the financial position of the Group taken as a whole as at 30 September 2020;
- (d) there are no intangible assets which ought to be disclosed in the unaudited statement of financial position of the Group as at 30 September 2020 in accordance with Singapore Financial Reporting Standards (International) and which have not been so disclosed and where such intangible assets would have a material impact on the overall financial position of the Group as at 30 September 2020; and
- (e) there are no material acquisitions and disposals of assets by the Group between 30 September 2020 and the Latest Practicable Date, and the Group does not have any immediate plans for any such impending material acquisition or disposal of assets, conversion of the use of its material assets or material change in the nature of the Group’s business.

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7.3 Comparison with recently completed privatisation of companies listed on the SGX-ST

We note that the intention of the Offeror is to delist the Company from the SGX-ST and, if and when entitled, it will also exercise its right of compulsory acquisition under Section 215(1) of the Companies Act to privatise the Company.

In assessing the reasonableness of the Offer Price in light of the above stated intention of the Offeror, we have compared the financial terms of the Offer with those of selected successful privatisation transactions that were announced and completed since January 2020 and up to the Latest Practicable Date, which were carried out either by way of voluntary delisting exit offers under Rule 1307 of the Listing Manual, offers being made by way of a scheme of arrangement under Section 210 of the Companies Act or general takeover offers under the Code where the offeror has stated its intentions to delist the listed company from the SGX-ST (“**Precedent Privatisation Transactions**”).

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:

- (a) the premium or discount represented by each of the respective offer prices to the last transacted prices and VWAPs over the 1-month and 3-month periods prior to the announcement of the Precedent Privatisation Transactions; and
- (b) 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. In this respect, we have compared the offer price with the revalued NAV, revalued NTA or adjusted NAV or adjusted NTA of the Precedent Privatisation Transactions, where applicable.

We wish to highlight that the target companies listed in the Precedent Privatisation Transactions as set out in the analysis below may not be directly comparable to the Group in terms of market capitalisation, size of operations, composition of business activities, asset base, geographical spread, track record, operating and financial leverage, risk profile, liquidity, accounting policies, future prospects and other relevant criteria. Each transaction must be judged on its own commercial and financial merits. The premium or discount that an offeror pays in any particular privatisation transaction varies in different specific circumstances depending on, *inter alia*, factors such as the intention of the offeror, the potential synergy the offeror can gain by acquiring the target, the prevailing market conditions and sentiments, attractiveness and profitability of the target’s business and assets, the possibility of a significant revaluation of the assets to be acquired, the availability of substantial cash reserves, the liquidity in the trading of the target company’s shares, the presence or absence of competing bids for the target company, and the existing and desired level of control in the target company. The list of the Precedent Privatisation Transactions is by no means exhaustive and as such any comparison made only serves as an illustration. Conclusions drawn from the comparisons made may not necessarily reflect the perceived or implied market valuation of the Company.

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Name of company	Sector	Date of announcement	Premium/(Discount) of Offer Price over/(to)			Price-to-NTA / NAV (times)
			Last transacted price prior to announcement (%)	1 month VWAP prior to announcement (%)	3 month VWAP prior to announcement (%)	
BreadTalk Group Limited	A global food and beverage lifestyle group	24-Feb-20	19.4	30.1	24.0	6.0 ⁽¹⁾⁽¹⁵⁾
Elec & Eltek International Holdings Limited	Manufacturers of conventional as well as technology advanced high density interconnects and backplane printed circuit boards	3-Apr-20	93.0 ⁽¹⁵⁾	61.3	43.8	1.0 ⁽²⁾
Dynamic Colours Limited	Sale of plastic resins and polyethylene packaging materials	1-Jun-20	13.6	22.8	29.1	1.0 ⁽³⁾
Perennial Real Estate Holdings Limited	Integrated real estate and healthcare company	12-Jun-20	88.1 ⁽¹⁵⁾	105.2 ⁽¹⁵⁾	124.2 ⁽¹⁵⁾	0.6 ⁽⁴⁾
Luzhou Bio-Chem Technology Limited	Corn refiner and producers of maltose-related products and other corn sweeteners	30-Jun-20	100.0 ⁽¹⁵⁾	87.5 ⁽¹⁵⁾	130.8 ⁽¹⁵⁾	n.a. ⁽⁵⁾
Teckwah Industrial Corporation Ltd	Providing leading-edge packaging and printing solutions, demand chain and aftermarket logistics services and large format printing and design and build services for retail and showcase experience	13-Aug-20	17.8	23.1	25.0	0.8 ⁽⁶⁾
China Jishan Holdings Limited	Printing and dyeing, sale of garments, leasing of property and equipment, property development and management for general commercial and residential buildings	20-Aug-20	84.2 ⁽¹⁵⁾	101.3 ⁽¹⁵⁾	106.4 ⁽¹⁵⁾	0.8 ⁽⁷⁾
SK Jewellery Group Limited	Retail sale of jewellery, watches and luxury goods.	2-Sep-20	70.5 ⁽¹⁵⁾	90.2 ⁽¹⁵⁾	94.8 ⁽¹⁵⁾	1.3 ⁽⁸⁾
LCT Holdings Limited	Property investment, value-added services, and professional and investment consultancy services	16-Sep-20	39.5	60.8	61.7	0.9 ⁽⁹⁾
Sunningdale Tech Ltd.	Manufacturer of precision plastic components	9-Nov-20	32.0	39.1	45	0.8 ⁽¹⁰⁾
Sunvic Chemical Holdings Limited	Manufacture and sale of chemical products in the PRC	20-Nov-20	27.3	40.0	(3.4)	0.2 ⁽¹¹⁾
Hi-P International Limited	Integrated contract manufacturing services provider	18-Dec-20	13.6	23.2	42.3	2.6 ⁽¹²⁾
GL Limited	Hotel owner and operator in the United Kingdom, also owns real estate in Hawaii and rights to royalties from the production of oil and natural gas in the Bass Strait, Australia	15-Jan-21	42.9	46.6	52.4	0.7 ⁽¹³⁾
International Press Softcom Limited	Provision of supply chain solutions, print and media products	28-Jan-21	12.5	25.3	32.0	1.1 ⁽¹⁴⁾
High			100.0	105.2	130.8	6.0
Low			12.5	22.8	(3.4)	0.2
Mean			24.3	37.2	35.2	1.0
Median			19.4	34.6	37.2	0.9
Company (implied by the Offer Price)		29 March 2021 (Last Trading Day)	20.0	17.9	14.5	1.7⁽¹⁶⁾ (based on RNTA as at 30 Sep 2020)

Source: SGX-ST announcements and circulars to shareholders in relation to the Precedent Privatisation Transactions

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Notes:

- (1) Based on the adjusted NTA per share of BreadTalk Group Limited as at 31 December 2019;
- (2) Based on the adjusted revalued NTA per share of Elec & Eltek International Holdings Limited as at 31 December 2019;
- (3) Based on the adjusted NAV per share of Dynamic Colours Limited as at 31 December 2019;
- (4) Based on the adjusted revalued NAV per share of Perennial Real Estate Holdings Limited as at 31 December 2019;
- (5) Luzhou Bio-Chem Technology Limited is at a NTL and revalued NTL position as at 31 December 2019;
- (6) Based on the revalued NAV per share of Teckwah Industrial Corporation Ltd as at 30 June 2020;
- (7) Based on the revalued NAV per share of China Jishan Holdings Limited as at 30 June 2020;
- (8) Based on the NAV of SK Jewellery Group Limited as at 30 June 2020;
- (9) Based on the adjusted NAV per Share of LCT Holdings Limited as at 30 June 2020;
- (10) Based on the revalued NTA per share of Sunningdale Tech Ltd. as at 30 September 2020;
- (11) Based on the NAV per share of Sunvic Chemical Holdings Limited as at 31 December 2019;
- (12) Based on the NAV per share of Hi-P International Limited as at 30 June 2020;
- (13) Based on the final offer price and the RNAV per share of GL Limited as at 31 December 2020;
- (14) Based on the NAV per share of International Press Softcom Limited as at 31 December 2020;
- (15) Excluded as statistical outlier in the mean and median computations; and
- (16) The P/RNTA of the Shares is rounded to 1 decimal place for comparison purposes with the Precedent Privatisation Transactions.

Based on the above, we note that:

- (a) The premium implied by the Offer Price over the last transacted price prior to the Last Trading Day is within the range, and close to the mean and median of the corresponding premia of the Precedent Privatisation Transactions;
- (b) The premium implied by the Offer Price over the VWAP for the 1-month period prior to the Last Trading Day is close to the lower end of the range, and hence below the mean and median of the corresponding premia of the Precedent Privatisation Transactions;
- (c) The premium implied by the Offer Price over the VWAP for the 3-month period prior to the Last Trading Day is within the range, but lower than the mean and median of the corresponding premia of the Precedent Privatisation Transactions; and
- (d) The P/RNTA ratio of 1.66 times implied by the Offer Price is within the range and higher than the mean and median of the corresponding Price-to-NAV/NTA ratios of the Precedent Privatisation Transactions.

Shareholders should also note that the above comparison with the Precedent Privatisation Transactions is purely for illustrative purposes only.

7.4 Comparison of valuation ratios of selected listed companies which are broadly comparable with the Group

As set out in Section 5.1 of this Letter, the Group's main business is in Catering and other related food businesses.

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For the purpose of assessing the financial terms of the Offer against its trading peers, we have attempted to compare the PER and P/RNTA multiples of the Company implied by the Offer Price with the PER and P/NTA multiples of companies listed on the SGX-ST which are mainly engaged in Catering business. There is, however, no similar company listed on the SGX-ST.

As such, we have looked at listed companies that are involved in businesses which can be considered as broad proxies to the principal businesses of the Group, that is, listed companies that are engaged in, *inter alia*, food retailing and restaurants related businesses (“**Comparable Peer Companies**”).

For a more meaningful comparison, we have selected Comparable Peer Companies with market capitalisation of between S\$25 million and S\$250 million as at the Offer Announcement Date as broad proxies to the Group. There are 8 such Comparable Peer Companies.

We have had discussions with Management about the suitability and reasonableness of the selected Comparable Peer Companies acting as a basis for comparison with the Group. Relevant information has been extracted from Bloomberg L.P., publicly available annual reports and/or public announcements of the selected Comparable Peer Companies. We make no representations or warranties, expressed or implied, as to the accuracy or completeness of such information. The accounting policies of the selected Comparable Peer Companies with respect to the values for which the assets, revenue or cost are recorded may differ from that of the Group.

We wish to highlight that the selected Comparable Peer Companies are not exhaustive and it should be noted that there may not be any listed company that is directly comparable with the Group in terms of location, business activities, customer base, size of operations, asset base, geographical spread of activities, geographical markets, track record, financial performance, operating and financial leverage, future prospects, liquidity, quality of earnings, accounting policies, risk profile and other relevant criteria. As such, any comparison made herein is necessarily limited and it may be difficult to place reliance on the comparison of valuation statistics for the selected Comparable Peer Companies. Therefore, any comparison made serves only as an illustrative guide.

A brief description of the selected Comparable Peer Companies, as extracted from Bloomberg L.P. and/or their respective annual reports, is set out below:

Company name	Principal Business
Jumbo Group Limited (“ Jumbo ”)	Jumbo is a seafood restaurant group offering multiple dining concepts catering to all types of consumers. It also provides catering services and sells packaged sauces and spice mixtures.
ABR Holdings Limited (“ ABR ”)	ABR 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, and provides catering services.
Old Chang Kee Ltd. (“ Old Chang Kee ”)	Old Chang Kee manufactures and sells a wide range of food products mostly on a takeaway basis. The company also provides catering services to the central business district and selected areas in Singapore.
RE&S Holdings Limited (“ RE&S ”)	RE&S offers multi-brand dining concepts catering to different types of consumers. The company provides customers with Japanese cuisine and dining experiences in Singapore and Malaysia.
Japan Foods Holding Ltd. (“ Japan Foods ”)	Japan Foods operates Japanese restaurants under franchised and self-developed brands in Singapore, Malaysia, Indonesia, Hong Kong and China. It also has a joint venture to operate restaurants in Japan, Thailand and China.
Tung Lok Restaurants (2000) Ltd (“ Tung Lok ”)	Tung Lok owns and operates restaurants in Singapore. The Company also provides catering services and operates a manufacturing facility to produce dim sum, rice dumplings, festive foods as well as freshly prepared, packed and quick-frozen food for sale.

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ST Group Food Industries Holdings Limited (“**ST Group**”) ST Group is a food and beverage group headquartered in Australia which holds franchise and licence rights to a diversified portfolio of international brands as well as its own brand concepts.

Soup Restaurant Group Limited (“**Soup Restaurant**”) Soup Restaurant operates a portfolio of well-known food and beverage brands with restaurant outlets in Singapore and Malaysia as well as franchised outlets in Indonesia.

Source: Bloomberg L.P. and latest available annual reports of the respective Comparable Peer Companies

For the purpose of our evaluation and for illustration, we have made comparison between the Group and the selected Comparable Peer Companies using the following bases:

- (i) The trailing twelve months (“**T12M**”) PER is commonly used for the purpose of illustrating the profitability and hence the valuation of a company as a going concern. As all the Comparable Peer Companies had received one-off government grants and/or rental rebates to buffer the impact of the COVID-19 pandemic, we have adjusted the T12M PER to exclude such one-off grants and rebates (“**Adjusted T12M PER**”); and
- (ii) The P/NAV ratio or NAV approach is used to show the extent to which the value of each share is backed by its net assets. The NAV approach of valuing a group of companies is based on the aggregate value of all the assets of the group in their existing condition, after deducting the sum of all liabilities of the group. NTA is derived by deducting intangible assets from the NAV and the NTA based approach shows the extent to which the value of each Share is backed by its net tangible assets.

Company name	Last financial year end	Market capitalisation as at the Offer Announcement Date (S\$million)	Adjusted T12M PER ⁽¹⁾ (times)	P/NTA ⁽²⁾ (times)
Jumbo	30 Sep 2020	234.1	n.m. ⁽³⁾	4.38
ABR	31 Dec 2020	126.6	n.m. ⁽³⁾	1.55
Old Chang Kee	31 Mar 2020	85.0	59.5 ⁽³⁾	2.64
RE&S	30 Jun 2020	58.1	n.m. ⁽³⁾	1.55
Japan Foods	31 Mar 2020	56.7	n.m. ⁽³⁾	1.83
Tung Lok	31 Mar 2020	39.8	n.m. ⁽³⁾	3.13
ST Group Food	30 Jun 2020	27.9	n.m. ⁽³⁾	1.60
Soup Restaurant	31 Dec 2020	27.7	n.m. ⁽³⁾	2.76
High			n.m. ⁽³⁾	4.38
Low			n.m. ⁽³⁾	1.55
Mean			n.m. ⁽³⁾	2.43
Median			n.m. ⁽³⁾	2.23
Company (implied by the Offer Price)	31 Mar 2020	88.4	8.5 (based on Adjusted PATMI for T12M)	2.44 (based on NTA as at 30 September 2020) 1.66 (based on RNTA as at 30 September 2020)

Source: Bloomberg L.P., annual reports and latest publicly available financial information on the Comparable Peer Companies

Notes:

- (1) The Adjusted T12M PERs of the Comparable Peer Companies were computed based on (a) their respective latest published T12M earnings, as set out in their latest available financial results as at the Latest Practicable Date and adjusted to exclude one-off government grants and rebates; and (b) their market capitalisation as at the Offer Announcement Date;

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- (2) The P/NTA ratios of the Comparable Peer Companies are computed based on their respective NTA values as set out in their latest published financial statements or annual reports available as at the Offer Announcement Date; and
- (3) n.m. denotes not meaningful as these companies are loss-making after adjustments for one-off government grants and rebates or the derived PER is skewed in view of the low profits after adjustment for one-off government grants and rebates.

Based on the above, we note the following:

- (a) 7 of the 8 Comparable Peer Companies were loss-making for T12M after adjustments for one-off government grants and rebates, and the remaining one other reported low profits. As a result, the derived PERs of these Comparable Peer Companies are either not meaningful or skewed. As set out in Section 7.2.1 in this Letter, the Group's PER of 8.5 times is based on the Group's Adjusted PATMI for T12M which is heavily dependent on the short-term dormitory contracts in 1H2021;
- (b) for the purpose of the Offer, the Properties were revalued and the derived estimated RNTA of the Group was 1.66 times as at 30 September 2020. In comparison, we note that the properties of the Comparable Peer Companies may not be revalued and estimated RNTA figures of these companies are not publicly available. Hence, the statistics of the P/NTA ratios of the Comparable Peer Companies which may not take into account market valuation of their properties would not be a like-to-like comparison to the P/RNTA of the Group. We have therefore used the P/NTA of the Group to compare against the statistics of the P/NTA ratios of the Comparable Peer Companies for a like-to-like comparison.

The P/NTA ratio of 2.44 times implied by the Offer Price is within the range and close to the mean and median P/NTA ratios of the Comparable Peer Companies; and

- (c) purely for illustrative purposes, the P/RNTA ratio of 1.66 times of the Group as implied by the Offer Price is within the range and closer to the lower end of the range of the P/NTA ratios of the Comparable Peer Companies.

Shareholders should also note that the above comparison with the Comparable Peer Companies is purely for illustrative purposes only.

7.5 Estimated valuation of the Shares

In a typical profitable going concern company, we would have looked at earnings approach as a relevant valuation approach in determining the estimated valuation range of its shares.

Year 2020 was an unprecedented year in view of the COVID-19 pandemic. As set out in Sections 7.2.1 and 7.4 of this Letter, the Group and its Comparable Peer Companies were affected by *inter alia* impact of COVID-19 pandemic as well as benefited from one-off government grants and/or rental rebates to buffer the impact of the COVID-19 pandemic.

The Group had recorded significant profits for 1H2021 due mainly to profit contribution from the short-term dormitory contracts arising from the circumstances then and government grants, both of which are expected to be scaled down or discontinued. As an illustration, profit attributable to owners of the parent for 1H2021 was S\$13.6 million compared to S\$2.3 million for 1H2020. After excluding the government grants, the PER of the Group implied by the Offer Price based on the Adjusted PATMI for T12M was 8.5 times.

7 of the 8 Comparable Peer Companies were loss-making for T12M after adjustments for one-off government grants and rebates, and the remaining one other had low profits which resulted in a skewed PER.

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In view of the above, the earnings approach is rendered not meaningful for the purposes of determining the estimated valuation range of the Shares.

As an alternative, we have considered the NTA valuation approach. As set out in Section 7.4 of this Letter, the Comparable Peer Companies have mean and median P/NTA ratios of 2.43 and 2.23 times respectively based on the reported NTA values of these Comparable Peer Companies.

Hence, for like-to-like comparison, we have also looked at the latest available reported NTA value of the Shares at S\$0.2464 per Share as at 30 September 2020. Applying the mean and median P/NTA ratios derived from the Comparable Peer Companies, the estimated valuation of the Shares is between S\$0.55 and S\$0.60.

As set out in Section 7.2.3 of this Letter, the RNTA of the Group as at 30 September 2020 was S\$0.3608 per Share. The P/RNTA ratio of the Group implied by the Offer Price is 1.66 times. However, this P/RNTA ratio cannot be used to compare against the P/NTA ratio of the Comparable Peer Companies since it is not a like-to-like comparison as the reported NTA of these companies may not incorporate market valuation of their properties and their RNTA figures are not publicly available.

Hence, we are of the opinion that overall, on balance, the Offer Price of S\$0.60 per Offer Share is fair and reasonable, as it is within our estimated valuation range of the Shares.

7.6 Distribution track record of the Company

We set out below the information on the dividend per Share as declared by the Company for the last 5 financial years from FY2016 to FY2020:

Dividend declared (S\$)	FY2017	FY2018	FY2019	FY2020	1H2021
Dividend per Share	0.010	0.010	0.005	0.005	0.010
Average Share price ⁽¹⁾ (S\$)	0.6088	0.6427	0.5016	0.4271	0.4350
Dividend yield ⁽²⁾ (%)	1.64	1.56	1.00	1.17	2.30

Source: Bloomberg L.P., and Company's announcements

Notes:

- (1) Based on the daily closing prices of the Shares for the respective financial years/period; and
- (2) Computed based on dividend per Share divided by the average Share price.

The Company had declared and paid dividends in the last 4 financial years. In connection with the results announcement for 1H2021, the Company had declared and paid an interim dividend of S\$0.01 for FY2021 as the Group had reported significant profits for 1H2021.

As disclosed in the Company's annual report for FY2020, the Company does not have a fixed dividend policy. However, it has a good track record of paying annual dividend to Shareholders since its listing on the SGX-ST in 2012. When proposing any dividend payout and/or determining the form, frequency and/or the amount of such dividend payout, the Board will take into account, *inter alia*, the Group's level of cash and retained earnings, the actual and projected financial performance, the projected levels of capital expenditure and expansion plans, the working capital requirements and general financing condition, and restrictions on payment of dividends imposed on the Company by the financing arrangements (if any).

We wish to highlight that the above dividend analysis of the Company serves only as an illustrative guide and is not an indication of the Company's future dividend policy.

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7.7 Other relevant considerations in relation to the Offer

7.7.1 Offer Price is final and the Shut-Off Notice is given

Shareholders should note that the Offer Price of S\$0.60 is final (subject to any Distribution made on or after the Offer Announcement Date as set out in the terms of the Offer) and the Offeror has expressed that it does not intend to increase the Offer Price. Accordingly, pursuant to Rule 20.2 of the Code, the Offeror will not be allowed to increase the Offer Price in any way.

Since the Offer Announcement Date and up to the Latest Practicable Date, the Company has not made or declared any Distribution.

In addition, as the Offer has become unconditional in all respects, UOB has, for and on behalf of the Offeror, given the Shut-Off Notice for the Offer to close at **5.30 p.m. (Singapore time) on 25 May 2021**. Shareholders should note that acceptances of the Offer received after 5.30 p.m. on 25 May 2021 will be rejected.

7.7.2 The Offer has become unconditional in all respects and the Offeror had expressed its intention to exercise its right to compulsorily acquire all remaining Shares

The Offer has been declared to be unconditional in all respects on 19 April 2021 and the Offeror has expressed its intention to exercise its right of compulsory acquisition to acquire all the remaining Shares which have not been validly tendered for acceptance by the close of the Offer. Accordingly, upon completion of the compulsory acquisition of the remaining Shares, the Company will become a wholly-owned subsidiary of the Offeror and the Company will be officially delisted from the SGX-ST.

Shareholders are to note that as the Company has lost the minimum free float requirement of 10% to stay listed on the SGX-ST, trading of the Shares on the SGX-ST will be suspended at the close of the Offer.

7.7.3 Likelihood of competing offers is remote

In view of the above, the likelihood of a competing offer from any third party is remote.

The Directors have confirmed that, as at the Latest Practicable Date, apart from the Offer being made by the Offeror, no alternative offer or proposal from any third party has been received. We also note that there is no publicly available evidence of any alternative offer for the Shares from any third party.

7.7.4 Shareholders to be paid within 7 business days

As the Offer has been declared to be unconditional in all respects on 19 April 2021, Shareholders who accept the Offer after the above date will be paid within 7 business days after their valid acceptances have been received.

7.7.5 Commentary by the Company in the results announcement for 1H2021

We note that the Group had, in the 1H2021 results announcement, included a commentary on the Group's prospects which is reproduced in *italics* below:

“The Catering business has gradually improved post-Circuit Breaker. However, the recovery depends on the relaxation of safe management measures, including the restriction on the number of participants at social events and gatherings. With the Group’s multibrand strategy, we are confident in our ability to achieve a gradual recovery to prepandemic level of business upon the further relaxation of safe management measures and full re-opening of activities. Meanwhile, the Group will continue to focus on widening and strengthening its recurring

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income streams by pursuing institutional catering, expanding the range of cuisines and making available greater catering options such as party sharing set, lunch box, bento set, mini buffet, healthy and take-away meals. The Group aims to meet the changing consumer behavior during this period and is focused on obtaining contracts for corporate bento lunch. The Group will also strive to capture a larger market share in childcare and elderly segments, as well as the “tingkat” business.

The Manufacturing business is expected to continue to grow through an increasing demand from households for home-cooked and ready-to-eat products, as well as export sales expansion by leveraging on its global distribution network. The Group will also continue to improve profitability by increasing the manufacturing productivity through leveraging on automated machineries and technologies.

The Supplies and Trading business will continue to support and complement our existing catering, manufacturing, and retail businesses through cost discipline.

The Retail business has resumed operations for all outlets including dine-in services since Phase Two of the reopening of economy. While physical footfall and revenue of the outlets located in the heartlands have seen improvements upon Phase Two reopening, physical footfall at those outlets located near offices and down-town areas remained low. The Group will continue to perform business reviews by actively examining outlets performance and strategising lease renewal options with landlords, as well as exploring to introduce new food concepts. At the same time, the Group will also utilise online delivery platforms to enhance its revenue stream from delivery sales.

While the short-term dormitory contracts and financial grants have helped to mitigate the impact caused by the pandemic on the Group’s performance in 1H 2020/2021, these are expected to be scaled down or to be discontinued in 2H 2020/2021. The effects of the pandemic will likely continue to pose further uncertainties and curtail its growth going forward. Nevertheless, the Group will continue to monitor the evolving situation of the pandemic and shall adjust and react proactively with appropriate countermeasures to minimise the financial impact to the Group. Barring any unforeseen circumstances, the Company expects the Group’s operations to remain profitable for the financial year ending 31 March 2021.”

The above statement that “*Barring any unforeseen circumstances, the Company expects the Group’s operations to remain profitable for the financial year ending 31 March 2021*” (“**Statement of Prospects**”) is treated as profit forecast under Rule 25.6 of the Code.

While the Statement of Prospects was not made in connection with the Offer, pursuant to the Code, the Statement of Prospects is required to be examined and reported on by the Auditors and ourselves, as the IFA, under Rule 25.3 of the Code.

The Auditors had examined the Statement of Prospects in accordance with the Singapore Standards on Assurance Engagements applicable to the examination of prospective financial information. Based on their examination of the evidence supporting the assumptions as set out in Appendix E to the Circular, nothing has come to their attention to cause them to believe that these assumptions do not provide a reasonable basis for the Statement of Prospects. Further, in their opinion, the Statement of Prospects is properly prepared on the basis of such assumptions and is consistent with the accounting policies normally adopted by the Group which are in accordance with Singapore Financial Reporting Standards (International).

On our part, we are of the view that the Statement of Prospects had been issued by the Board of Directors of the Company after due and careful inquiry.

Please refer to our letter on the Statement of Prospects and the letter from the Auditors as set out in Appendices F and E to the Circular respectively.

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8. OUR RECOMMENDATION TO THE INDEPENDENT DIRECTORS ON THE OFFER

In arriving at our recommendation in respect of the Offer, we have taken into account, reviewed and deliberated on the following key considerations which we considered to be pertinent in our assessment of the Offer:

- (a) Market quotation and trading activity of the Shares;
- (b) Financial analysis of the Group;
- (c) Comparison with recently completed privatisation of companies listed on the SGX-ST;
- (d) Comparison of valuation ratios of selected listed companies which are broadly comparable with the Group;
- (e) Estimated valuation range of the Shares;
- (f) Distribution track record of the Company; and
- (g) Other relevant considerations in relation to the Offer.

Based on our analysis and after having considered carefully the information available to us as at the Latest Practicable Date, overall, we are of the view that the financial terms of the Offer are fair and reasonable. Accordingly, we advise the Independent Directors to recommend Shareholders to ACCEPT the Offer.

Shareholders who wish to realise their investments in the Company can also choose to sell their Shares in the open market if they can obtain a price higher than the Offer Price (after deducting transaction costs).

In rendering the above advice, we have not given regard to the specific investment objectives, financial situation, tax position, risk profiles or particular needs and constraints of any individual Shareholder. As each individual Shareholder may have different investment objectives and profiles, we would advise that any individual Shareholder who may require specific advice in relation to his investment objectives or portfolio should consult his legal, financial, tax or other professional adviser immediately. The Independent Directors should advise Shareholders that the opinion and advice of Provenance Capital should not be relied upon by any Shareholder as the sole basis for deciding whether or not to accept the Offer.

Our recommendation on the Offer is addressed to the Independent Directors for their benefit, in connection with and for the purposes of their consideration of the Offer, and may not be used or relied on for any other purposes (other than for the purpose of the Offer) without the prior written consent of Provenance Capital. The recommendation to be made by the Independent Directors to Shareholders in respect of the Offer respectively shall remain the responsibility of the Independent Directors.

This Letter is governed by, and 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
PROVENANCE CAPITAL PTE. LTD.

Wong Bee Eng
Chief Executive Officer

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APPENDIX C – EXTRACTS FROM THE COMPANY’S CONSTITUTION

The rights of the Shareholders in respect of capital, dividends and voting as extracted and reproduced from the Constitution of the Company are set out below:

All capitalised terms used in the following extracts shall have the same meanings given to them in the Constitution of the Company, a copy of which is available for inspection during normal business hours at the registered office of the Company for the period during which the Offer remains open for acceptance.

1. RIGHTS OF SHAREHOLDERS IN RESPECT OF CAPITAL ISSUE OF SHARES

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| Issue of new shares | 4. | (1) Subject to the Act, this Constitution and the Listing Rules (for so long as the Company is listed on the Exchange), no shares may be issued by the Directors without the prior sanction of an ordinary resolution of the Company in general meeting but subject thereto and to Regulation 47, and to any special rights attached to any shares for the time being issued, the Directors may issue, allot or grant options over or otherwise deal with or dispose of the same to such persons on such terms and conditions and for such consideration (if any) and at such time as the Directors may think fit, and any shares may be issued in such denominations or with such preferential, deferred, qualified or special rights, privileges or conditions as the Directors may think fit, and preference shares may be issued which are or at the option of the Company are liable to be redeemed, the terms and manner of redemption being determined by the Directors. |
| | | (2) The Company may issue shares for which no consideration is payable to the Company. |
| Rights attached to certain shares | 5. | (1) Preference shares may be issued subject to such limitations thereof as may be prescribed by any stock exchange upon which shares in the Company may be listed and the rights attaching to shares other than ordinary shares shall be expressed in this Constitution. The total number of issued preference shares shall not exceed the total number of issued ordinary shares at any time. Preference shareholders shall have the same rights as ordinary shareholders as regards receiving of notices, reports and Financial Statements 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 more than six (6) months in arrears. |
| | | (2) The Company has power to issue further preference capital ranking equally with, or in priority to, preference shares from time to time already issued or about to be issued. |
| Treasury shares | 6. | The Company shall not exercise any rights (including the right to attend and vote at general meetings) 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. |

APPENDIX C – EXTRACTS FROM THE COMPANY’S CONSTITUTION

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| Variation of rights | 7. | (1) If at any time the share capital is divided into different classes, the repayment of preference capital other than redeemable preference capital and the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, whether or not the Company is being wound up, only be made, varied or abrogated with the sanction of a special resolution passed at a separate general meeting of the holders of shares of the class and to every such special resolution, the provisions of Section 184 of the Act shall, with such adaptations as are necessary, apply. To every such separate general meeting, the provisions of this Constitution relating to general meetings shall <i>mutatis mutandis</i> apply; but so that the necessary quorum shall be two (2) persons at least holding or representing by proxy or by attorney one-third of the issued shares of the class and that any holder of shares of the class present in person or by proxy or by attorney may demand a poll. Provided always that where the necessary majority for such a special resolution is not obtained at the general meeting, consent in writing if obtained from the holders of three-fourths of the issued shares of the class concerned within two (2) months of the general meeting shall be as valid and effectual as a special resolution carried at the general meeting. |
| Rights of preference shareholders | (2) | The repayment of preference capital other than redeemable preference or any other alteration of preference shareholder rights may only be made pursuant to a special resolution of the preference shareholders concerned. Provided always that where the necessary majority for such a special resolution is not obtained at the general meeting, consent in writing if obtained from the holders of three-fourths of the preference shares concerned within two (2) months of the general meeting, shall be as valid and effectual as a special resolution carried at the general meeting. |
| Creation or issue of further shares with special rights | 8. | The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall, unless otherwise expressly provided by the terms of issue of the shares of that class or by this Constitution, be deemed to be varied by the creation or issue of further shares ranking equally therewith. |
| Power to pay commission and brokerage | 9. | (1) Unless otherwise specified or restricted by law, the Company may pay commissions or brokerage on any issue or purchase of its shares, or sale, disposal or transfer of treasury 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.

(2) Any expenses (including commissions or brokerage) incurred directly by the Company in the issue of new shares may be paid out of the proceeds of the issue or the Company’s share capital. Such payment shall not be taken as reducing the amount of share capital in the Company. |

APPENDIX C – EXTRACTS FROM THE COMPANY’S CONSTITUTION

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| Power to charge interest on capital | 10. | If any shares of the Company are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a lengthened period, the Company may, subject to the conditions and restrictions mentioned in the Act, pay interest on so much of the share capital (except treasury shares) as is for the time being paid up and may charge the same to capital as part of the cost of the construction or provision. |
| No trust recognised | 11. | 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 to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except only as by this Constitution or by law otherwise provided) any other rights in respect of any share, except an absolute right to the entirety thereof in the person (other than the Depository) entered in the Register of Members as the registered holder thereof or (where the person entered in the Register of Members as the registered holder of a share is the Depository) the person whose name is entered in the Depository Register in respect of that share. |
| Fractional part of a share | 12. | No person shall be recognised by the Company as having title to a fractional part of a share otherwise than as the sole or a joint holder of the entirety of such share. |
| Payment of instalments | 13. | If by the conditions of allotment of any shares the whole or any part of the amount of the issue price thereof shall be payable by instalments every such instalment shall, when due, be paid to the Company by the person who for the time being shall be the registered holder of the share or his personal representatives, but this provision shall not affect the liability of any allottee who may have agreed to pay the same. |
| Share certificates | 14. | The certificate of title to shares or debentures in the capital of the Company shall be issued under the seal, or the Share Seal as provided in Regulation 120(3) or executed as a deed in accordance with the Act, in such form as the Directors shall from time to time prescribe and may bear the autographic or facsimile signatures of at least two (2) Directors, or of one (1) Director and the Secretary or some other person appointed by the Directors in place of the Secretary for the purpose, and shall specify the number and class of shares to which it relates, the amount (if any) unpaid on the shares and the extent to which the shares are paid up. The facsimile signatures may be reproduced by mechanical or other means provided the method or system of reproducing signatures has first been approved by the auditors of the Company. No certificate shall be issued representing shares of more than one class. |
| Joint holders | 15. | (1) The Company shall not be bound to register more than three (3) persons as the joint holders of any share except in the case of executors, trustees or administrators of the estate of a deceased Member. |

APPENDIX C – EXTRACTS FROM THE COMPANY’S CONSTITUTION

- (2) If two (2) or more persons are registered as joint holders of any share any one of such persons may give effectual receipts for any dividend payable in respect of such share and the joint holders of a share shall, subject to the provisions of the Act, be severally as well as jointly liable for the payment of all instalments and calls and interest due in respect of such shares.
- (3) Only the person whose name stands first in the Register of Members as one (1) of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive notices from the Company and any notice given to such person shall be deemed notice to all the joint holders. Only the person whose name stands first in the Depository Register shall be entitled to receive notices from the Company and any notice given to such person shall be deemed notice to all the joint holders.
- Entitlement to certificate 16. (1) Shares must be allotted and certificates despatched within ten (10) market days of the final closing date for an issue of shares unless the Exchange shall agree to an extension of time in respect of that particular issue. The Depository must despatch statements to successful investor applicants confirming the number of shares held under their Securities Accounts. Persons entered in the Register of Members as registered holders of shares shall be entitled to certificates within ten (10) market days after lodgement of any transfer. Every registered shareholder shall be entitled to receive share certificates in reasonable denominations for his holding and where a charge is made for certificates, such charge shall not exceed S\$2 (or such other fee as the Directors may determine having regard to any limitation thereof as may be prescribed by any stock exchange upon which the shares of the Company may be listed). Where a registered shareholder transfers part only of the shares comprised in a certificate or where a registered shareholder requires the Company to cancel any certificate or certificates and issue new 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 the registered shareholder shall pay a fee not exceeding S\$2 (or such other fee as the Directors may determine having regard to any limitation thereof as may be prescribed by any stock exchange upon which the shares of the Company may be listed) for each such new certificate as the Directors may determine. Where the member is a Depositor the delivery by the Company to the Depository of provisional allotments or share certificates in respect of the aggregate entitlements of Depositors to new shares offered by way of rights issue or other preferential offering or bonus issue shall to the extent of the delivery discharge the Company from any further liability to each such Depositor in respect of his individual entitlement.

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| Retention of Certificate | (2) The retention by the Directors of any unclaimed share certificates (or stock certificates as the case may be) shall not constitute the Company a trustee in respect thereof. Any share certificate (or stock certificate as the case may be) unclaimed after a period of six (6) years from the date of issue of such share certificate (or stock certificate as the case may be) may be forfeited and if so shall be dealt with in accordance with Regulations 37, 40, 41, 45 and 46, <i>mutatis mutandis</i> . |
| New certificates may be issued | 17. (1) Subject to the provisions of the Act, 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 of the Company shall require, and (in case of defacement or wearing out) on delivery up of the old certificate and in any case on payment of such sum not exceeding S\$2 (or such other fee as the Directors may determine having regard to any limitation thereof as may be prescribed by any stock exchange upon which the shares of the Company may be listed) 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. |
| New certificate in place of one not surrendered | (2) When any shares under the powers in this Constitution herein contained are sold by the Directors and the certificate thereof has not been delivered up to the Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they may think fit from the certificate not so delivered up. |
| Form of transfer of shares | 18. Subject to this Constitution, any Member may transfer all or any of his shares but every instrument of transfer of the legal title in shares must be in writing and in the form for the time being approved by the Directors and the Exchange. Shares of different classes shall not be comprised in the same instrument of transfer. The Company shall accept for registration transfers in the form approved by the Exchange. |
| Execution | 19. The instrument of transfer of a share shall be signed by or on behalf of the transferor and the transferee and be witnessed, provided that an instrument of transfer in respect of which the transferee is the Depository shall not be ineffective by reason of it not being signed or witnessed for by or on behalf of the Depository. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register of Members. |

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| Person under disability | 20. | No share shall in any circumstances be transferred to any infant, bankrupt or person of who is mentally disordered and is incapable of managing himself or his affairs but nothing herein contained shall be construed as imposing on the company any liability in respect of the registration of such transfer if the company has no actual knowledge of the same. |
| Directors’ power to decline to register | 21. | <p>(1) Subject to this Constitution, there shall be no restriction on the transfer of fully paid up shares except where required by law or by the Listing Rules but the Directors may in their discretion decline to register any transfer of shares upon which the Company has a lien and in the case of shares not fully paid up may refuse to register a transfer to a transferee of whom they do not approve. If the Directors shall decline to register any such transfer of shares, they shall give to both the transferor and the transferee written notice of their refusal to register within ten (10) market days after the date on which the transfer was lodged with the Company, providing the reasons which are considered to justify the refusal, as required by the Act and the Listing Rules.</p> |
| Terms of registration of transfers | (2) | <p>The Directors may decline to register any instrument of transfer unless:–</p> <ul style="list-style-type: none">(i) such fee not exceeding S\$2 (or such other fee as the Directors may determine having regard to any limitation thereof as may be prescribed by any stock exchange upon which the shares of the Company may be listed) as the Directors may from time to time require, is paid to the Company in respect thereof;(ii) the instrument of transfer, duly stamped in accordance with any law for the time being in force relating to stamp duty, is deposited at the Office or at such other place (if any) as the Directors appoint accompanied by a certificate of payment of stamp duty (if any is payable), the certificates of the shares to which the transfer 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(iii) the instrument of transfer is in respect of only one (1) class of shares. |
| Retention of transfers | 22. | <p>(1) All instruments of transfer which are registered may be retained by the Company, but any instrument of transfer which the Directors may decline to register shall (except in the case of fraud) be returned to the person depositing the same.</p> <p>(2) Subject to any legal requirements to the contrary, 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</p> |

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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 be conclusively 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 documents so 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:–

- (i) 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;
- (ii) 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 circumstances which would not attach to the Company in the absence of this Regulation; and
- (iii) references herein to the destruction of any document include references to the disposal thereof in any manner.

Closing of
Register

23. The Register of Members and the Depository Register may be closed at such times and for such period as the Directors may from time to time determine, provided always that the Registers shall not be closed for more than thirty days in the aggregate in any year. Provided always that 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.

Renunciation
of allotment

24. (1) Nothing in this Constitution shall preclude the Directors from recognising a renunciation of the allotment of any share by the allottee in favour of some other person.

Indemnity
against wrongful
transfer

- (2) Neither the Company nor its Directors nor any of its officers shall incur any liability for registering or acting upon a transfer of shares apparently made by sufficient parties, although the same may, by reason of any fraud or other cause not known to the Company or its Directors or other officers, be legally inoperative or insufficient to pass the property in the shares proposed or professed to be transferred, and although the transfer may, as between the transferor and transferee, be liable to be set aside, and notwithstanding that the Company may have notice that such instrument of transfer was signed or executed and delivered by the transferor in blank as to the name of the transferee or the particulars of the shares transferred, or otherwise in defective manner. And in every such case, the person

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registered as transferee, his executors, administrators and assigns, alone shall be entitled to be recognised as the holder of such shares and the previous holder shall, so far as the Company is concerned, be deemed to have transferred his whole title thereto.

- Transmission on death
25. (1) In case of the death of a registered shareholder, the survivor or survivors, where the deceased was a joint holder, and the legal representatives of the deceased, where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his interest in the shares, but nothing herein shall release the estate of a deceased registered shareholder (whether sole or joint) from any liability in respect of any share held by him.
- (2) In the case of the death of a Depositor, the survivor or survivors, where the deceased was a joint holder, and the legal personal representatives of the deceased, where he was a sole holder and where such legal representatives are entered in the Depository Register in respect of any shares of the deceased, shall be the only persons recognised by the Company as having any title to his interests in the share; but nothing herein contained shall release the estate of a deceased Depositor (whether sole or joint) from any liability in respect of any share held by him.
- Persons becoming entitled on death or bankruptcy of Member may be registered
26. (1) Any person becoming entitled to the legal title in a share in consequence of the death or bankruptcy of a Member whose name is entered in the Register of Members, and 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 any person as properly has the management of the estate of a Member whose name is entered in the Register of Members and who is mentally disordered and incapable of managing himself or his affairs may, upon such evidence being produced as may from time to time properly required by the Directors and subject as hereinafter provided, elect either to be registered himself as holder of the share or transfer the share to some other person, 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 a Member.
- (2) If the person so becoming entitled shall elect to be registered himself, he shall send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have another person registered he shall testify his election by executing to that person a transfer of the share. All the limitations, restrictions and provisions of this Constitution relating to the right to transfer and the registration of transfers shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer executed by such Member. The Directors shall have, in respect of a transfer so executed, the same power of refusing registration as if the event upon

APPENDIX C – EXTRACTS FROM THE COMPANY’S CONSTITUTION

which the transmission took place had not occurred, and the transfer were a transfer executed by the person from whom the title by transmission is derived.

Notice to unregistered executors and trustees

- (3) The Directors may at any time give notice requiring any such person to elect whether to be registered himself as a Member in the Register of Members or, (as the case may be), entered in the Depository Register in respect of the share or to transfer the share and if the notice is not complied with within sixty (60) days the Directors may thereafter withhold payment of all dividends or other moneys payable in respect of the share until the requirements of the notice have been complied with.

Rights of unregistered executors and trustees

27. A person entitled to a share by transmission shall be entitled to receive, and may give a discharge for, any dividends or other moneys payable in respect of the share, but he shall not be entitled in respect of it to receive notices of or to attend or vote at meetings of the Company, or, save as aforesaid, to exercise any of the rights or privileges of a Member, unless and until he shall become registered as a shareholder or have his name entered in the Depository Register as a Depositor in respect of the share.

Fee for registration of probate, etc.

28. There shall be paid to the Company in respect of the registration of any probate, letters of administration, certificate of marriage or death, power of attorney or other document relating to or affecting the title to any share, such fee not exceeding S\$2 (or such other sum as may be approved by the Exchange from time to time) as the Directors may from time to time require or prescribe.

Calls on shares

29. The Directors may from time to time make such calls as they think fit upon the Members in respect of any money unpaid on their shares and not by the terms of the issue thereof made payable at fixed times, and each Member shall (subject to receiving at least fourteen (14) days’ notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed as the Directors may determine. The joint holders of a share shall be jointly and severally liable to the payment of all calls and instalments in respect thereof.

Time when made

30. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed and may be made payable by instalments.

Interest on calls

31. 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 due from the day appointed for payment thereof to the time of actual payment at such rate not exceeding eight (8) per cent per annum as the Directors determine, but the Directors shall be at liberty to waive payment of such interest wholly or in part.

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Sum due to allotment	32.	Any sum which by the terms of issue and allotment of a share becomes payable upon allotment or at any fixed date shall for all purposes of this Constitution be deemed to be a call duly made and payable on the date on which, by the terms of issue, the same becomes payable, and in case of non-payment all the relevant provisions of this Constitution 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.
Power to differentiate	33.	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 payments.
Payment in advance of calls	34.	The Directors may, if they think fit, receive from any Member willing to advance the same all or any part of the money uncalled and unpaid upon the shares held by him and such payments in advance of calls shall extinguish (so far as the same shall extend) the liability upon the shares in respect of which it is made, and upon the money so received or so much thereof as from time to time exceeds the amount of the calls then made upon the shares concerned, the Company may pay interest at such rate not exceeding without the sanction of the Company in general meeting eight (8) per cent per annum as the Member paying such sum and the Directors agree upon. Capital paid on shares in advance of calls shall not whilst carrying interest confer a right to participate in profits and until appropriated towards satisfaction of any call shall be treated as a loan to the Company and not as part of its capital and shall be repayable at any time if the Directors so decide.
Notice requiring payment of calls	35.	If any Member fails to pay in full any call or instalment of a call on or before the day appointed for payment thereof, the Directors may at any time thereafter serve a notice on such Member requiring payment of so much of the call or instalment as is unpaid together with any interest and expense which may have accrued by reason of such non-payment.
Notice to state time and place	36.	The notice shall name a further day (not being less than seven (7) 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 was made will be liable to be forfeited.
Forfeiture on non-compliance with notice	37.	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, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before the forfeiture. The forfeiture or surrender of a share shall involve the extinction at the time of forfeiture or surrender of all interest in and all claims and demands against the Company in respect of the share, and all other rights and liabilities incidental to the share as between the Member whose share is forfeited or surrendered and the Company, except only such of those rights and liabilities as are by this Constitution expressly saved, or as are by the Act given or imposed in the case of past Members. The Directors may accept a surrender of any share liable to be forfeited hereunder.

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| Notice of forfeiture to be given and entered | 38. | When any share has been forfeited in accordance with this Constitution, notice of the forfeiture shall forthwith be given to the holder of the share or to the person entitled to the share by transmission, as the case may be, and an entry of such notice having been given, and of the forfeiture with the date thereof, shall forthwith be made in the Register of Members or in the Depository Register (as the case may be) opposite to the share; but the provisions of this Regulation are directory only, and no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid. |
| Directors may allow forfeited share to be redeemed | 39. | Notwithstanding any such forfeiture as aforesaid, the Directors may, at any time before the forfeited share has been otherwise disposed of, annul the forfeiture, upon the terms of payment of all calls and interest due thereon and all expenses incurred in respect of the share and upon such further terms (if any) as they shall see fit. |
| Sale of shares forfeited | 40. | A share so forfeited or surrendered shall become the property of the Company and may be either cancelled, 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. To give effect to any such sale, the Directors may, if necessary, authorise some person to transfer a forfeited or surrendered share to any such person as aforesaid. |
| Rights and liabilities of Members whose shares have been forfeited or surrendered | 41. | 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 payable by him to the Company in respect of the shares with interest thereon at eight (8) per cent per annum (or such lower rate as the Directors may approve) from the date of forfeiture or surrender until payment, but such liability shall cease if and when the Company receives payment in full of all such money in respect of the shares and the Directors may waive payment of such interest either wholly or in part. |
| Company’s lien | 42. | The Company shall have a first and paramount lien and charge on every share (not being a fully paid share) in the name of each Member (whether solely or jointly with others) and on the dividends declared or payable in respect thereof for all unpaid calls and instalments due on any such share and interest and expenses thereon but such lien shall only be upon the specific shares in respect of which such calls or instalments 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. |

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| Member not entitled to privileges until all calls paid | 43. | No Member shall be entitled to receive any dividend or to exercise any privileges as a Member until he shall have paid all calls for the time being due and payable on every share held by him, whether alone or jointly with any other person, together with interest and expenses (if any). |
| Sale of shares subject to lien | 44. | The Directors 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 seven (7) days after notice in writing stating and demanding payment of the sum payable and giving notice of intention to sell in default, shall have been given to the Member for the time being in relation to the share or the person entitled thereto by reason of his death or bankruptcy. To give effect to any such sale, the Directors may authorise some person to transfer the shares sold to the purchaser thereof. |
| Application of proceeds of such sale | 45. | The net proceeds of sale, whether of a share forfeited by the Company or of a share over which the Company has a lien, after payment of the costs of such sale shall be applied in or towards payment or satisfaction of the unpaid call and accrued interest and expenses and the residue (if any) paid to the Member entitled to the share at the time of sale or his executors, administrators or assigns or as he may direct. |
| Title to shares forfeited or surrendered or sold to satisfy a lien | 46. | A statutory declaration in writing by a Director of the Company 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 stated therein as against all persons claiming to be entitled to the share, and 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 with the certificate under seal for the share delivered to a purchaser or allottee thereof, shall (subject to the execution of a transfer if the same be required) constitute a good title to the share and the person to whom the share is sold, re-allotted or disposed of shall be entered in the Register of Members as the holder of the share or (as the case may be) in the Depository Register in respect of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the forfeiture, surrender, sale, re-allotment or disposal of the share. |
| Rights and privileges of new shares | 47. | Subject to any special rights for the time being attached to any existing class of shares, the new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the general meeting resolving upon the creation thereof shall direct and if no direction be given as the Directors shall determine; subject to the provisions of this Constitution and in particular (but without prejudice to the generality of the foregoing) such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company or otherwise. |

APPENDIX C – EXTRACTS FROM THE COMPANY'S CONSTITUTION

Issue of
new shares
to Members

48. (1) Subject to any direction to the contrary that may be given by the Company in general meeting, or except as permitted under the Listing Rules (for as long as the shares of the Company are listed on the Exchange), all new shares shall before issue be offered to the Members in proportion, as nearly as the circumstances admit, to the number of the existing shares to which they are entitled or hold. 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.

(2) Notwithstanding Regulation 48(1) above but subject to the Act and this Constitution and Listing Rules, 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) issue shares in the capital of the Company (whether by way of rights, bonus or otherwise); and/or
- (ii) make or grant Instruments; and/or
- (iii) (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;

provided that:

- (a) the aggregate number of shares or Instruments 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 but excluding shares which may be issued pursuant to any adjustments effected under any relevant Instrument) does not exceed any applicable limits prescribed by the Exchange;
- (b) for as long as the shares of the Company are listed on the Exchange, in exercising the authority conferred by the ordinary resolution, the Company shall comply with the Listing Rules for the time being in force (unless such compliance is waived by the Exchange) and the Constitution; and

APPENDIX C – EXTRACTS FROM THE COMPANY’S CONSTITUTION

- (c) (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 next following the passing of the ordinary resolution, or the date by which such Annual General Meeting is required by law to be held, or the expiration of such other period as may be prescribed by the Act (whichever is the earliest).
- (3) Notwithstanding Regulation 48(1) above but subject to the Act, the Directors shall not be required to offer any new shares to members to whom by reason of foreign securities laws such offers may not be made without registration of the shares or a prospectus or other document, but may sell the entitlements to the new shares on behalf of such Members in such manner as they think most beneficial to the Company.
- New shares otherwise subject to provisions of Constitution 49. Except so far as otherwise provided by the conditions of issue or by the Constitution, any capital raised by the creation of new shares shall be considered part of the original ordinary capital of the Company and shall be subject to the provisions of the Constitution with reference to allotments, payment of calls, lien, transfer, transmission, forfeiture and otherwise.
- Power to consolidate, cancel and subdivide shares 50. (1) The Company may by ordinary resolution alter its share capital in the manner permitted under the Act including without limitation:–
- (i) consolidate and divide all or any of its shares;
 - (ii) cancel the number of shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person or which have been forfeited and diminish its share capital in accordance with the Act;
 - (iii) subdivide its shares or any of them (subject to the provisions of the Act), provided always that in such subdivision the proportion between the amount paid and the amount (if any) unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and
 - (iv) subject to the provisions of this Constitution and the Act, convert its or any class of shares from one currency to another.
- (2) The Company may by special resolution, subject to and in accordance with the Act, convert one class of shares into another class of shares.
- Repurchase of Company’s shares (3) The Company may purchase or otherwise acquire its issued shares subject to and in accordance with the provisions of the law on such terms and subject to such conditions as the Company may in general meeting prescribe in accordance with the law. Any shares purchased or acquired by the Company as aforesaid may be cancelled or held as treasury shares and dealt with in accordance with the law. On the

APPENDIX C – EXTRACTS FROM THE COMPANY’S CONSTITUTION

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 such manner as may be permitted by, and in accordance with, the Act.

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| Power to reduce capital | 51. | The Company may by special resolution reduce its share capital or any other undistributable reserve in any manner subject to any requirements and consents required by law. Without prejudice to the generality of the foregoing, upon cancellation of any share purchased or otherwise acquired by the Company pursuant to this Constitution and the Act, the number of issued shares of the Company shall be diminished by the number of shares so cancelled, and where any such cancelled shares were purchased or acquired out of the capital of the Company, the amount of the share capital of the Company shall be reduced accordingly. |
| Power to convert into stock | 52. | The Company may by ordinary resolution convert any or all its paid up shares into stock and may from time to time by resolution reconvert any stock into paid up shares of any denomination. |
| Transfer of stock | 53. | The holders of stock may transfer the same or any part thereof in the same manner and subject to this Constitution as 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. |
| Rights of stockholders | 54. | 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 regards dividend and return of capital and the assets on winding up) shall be conferred by any such number of stock units which would not if existing in shares have conferred that privilege or advantage, and no such conversion shall affect or prejudice any preference or other special privileges attached to the shares so converted. |
| Interpretation | 55. | All provisions of this Constitution applicable to paid up shares shall apply to stock and the words share and shareholder or similar expression herein shall include stock or stockholder . |
| Power to capitalise profits | 136. | <p>(1) The Directors may, with the sanction of an ordinary resolution of the Company (including any ordinary resolution passed pursuant to Regulation 48(2):</p> <ul style="list-style-type: none">(a) 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) the Depository Register at the close of business on:(i) the date of the ordinary resolution (or such other date as may be specified therein or determined as therein provided); or |

APPENDIX C – EXTRACTS FROM THE COMPANY’S CONSTITUTION

- (ii) (in the case of an ordinary resolution passed pursuant to Regulation 48(2)) such other date as may be determined by the Directors,

in proportion to their then holdings of shares; and

- (b) 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 at the close of business on:

- (i) the date of the ordinary resolution (or such other date as may be specified therein or determined as therein provided); or

- (ii) (in the case of an ordinary resolution passed pursuant to Regulation 48(2)) 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 unissued shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being issued, unissued 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.

- (2) In addition and without prejudice to the powers provided for by Regulations 136(1) and 137, the Directors shall have power to issue shares for which no consideration is payable and to capitalise any undivided profits or other moneys 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 such shares in full, in each case on terms that such shares shall, upon issue, 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 and on such terms as the Directors shall think fit.

Directors to do all acts and things to give effect

- 137. The Directors may do all acts and things considered necessary or expedient to give effect to any such capitalisation with full power to the Directors to make such provision for the satisfaction of the right of the holders of such shares in the Register of Members or in the Depository Register as the case may be and as they think fit for any fractional entitlements which would arise 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 capitalisation and matters incidental thereto, and any agreement made under such authority shall be effective and binding on all concerned.

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2. RIGHTS OF SHAREHOLDERS IN RESPECT OF VOTING

- Annual General Meeting 56. (1) Subject to the provisions of the Act, the Company shall in each year hold a general meeting in addition to any other meetings in that year to be called the Annual General Meeting within such period that would not infringe the Act and/or the Listing Rules. The Annual General Meeting shall be held at such time and place as the Directors shall appoint. The interval between the close of a financial year of the Company and the date of the Company’s annual general meeting shall not exceed such period as may be prescribed by the Designated Stock Exchange from time to time.
- Extraordinary General Meetings (2) All general meetings other than Annual General Meetings shall be called Extraordinary General Meetings. The time and place of any meeting shall be determined by the convenors of the meeting, provided that for so long as the Company is listed on the Exchange, all general meetings shall be held in Singapore, unless prohibited by the law.
- Calling of Extraordinary General Meetings 57. The Directors may, whenever they think fit, convene an Extraordinary General Meeting and Extraordinary General Meetings shall also be convened on such requisition or, in default, may be convened by such requisitionists as provided by Section 176 of the Act. If at any time there are not within Singapore sufficient Directors capable of acting to form a quorum at a meeting of Directors, any Director may convene an Extraordinary General Meeting in the same manner as nearly as possible as that in which meetings may be convened by the Directors.
- Notice of meetings 58(A). (1) Subject to the provisions of the Act as to the calling of meetings at short notice, at least fourteen (14) clear days’ notice in writing of every general meeting shall be given in the manner hereinafter mentioned to all members and such persons (including the auditors) as are under the provisions herein contained entitled to receive notice from the Company. Subject to Regulation 58(A)(3) below, a general meeting, whether or not a special resolution will be considered at such meeting, may be called by a shorter notice than that specified above if it is so agreed:–
- (a) in the case of an Annual General Meeting by all the members entitled to attend and vote thereat; and
 - (b) 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 per cent of the total voting rights of all members having a right to vote at that meeting.
- (2) The accidental omission to give notice to, or the non-receipt by any person entitled thereto shall not invalidate the proceedings at any general meeting.

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- (3) For as long as the shares of the Company are listed on the Exchange, at least fourteen (14) clear days’ notice of every general meeting shall be given by advertisement in the daily press and in writing to the Exchange and any other stock exchange on which the Company is listed. Where notices contain special resolutions, they must be given to members and such persons entitled to receive the notice at least twenty-one (21) clear days before the general meeting and at least twenty-one (21) clear days’ notice of every such meeting shall be given by advertisement in the daily press and in writing to the Exchange and any other stock exchange on which the Company is listed.
- Contents of notice 58(B). (1) Every notice calling a general meeting shall specify the place, day and hour of the general 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 to vote instead of him and that a proxy need not be a Member of the Company.
- Notice of Annual General Meeting (2) In the case of an Annual General Meeting, the notice shall also specify the meeting as such.
- Nature of special business to be specified (3) In the case of any general meeting at which business other than routine business is to be transacted (special business), the notice shall specify the general nature of the special business, and if any resolution is to be proposed as a special resolution or as requiring special notice, the notice shall contain a statement to that effect.
- Special business 59. 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) receiving and adopting the financial statements, the Directors’ Statement and Auditors’ report and other documents required to be attached or annexed to the financial statements;
 - (c) appointing or re-appointing Directors to fill vacancies arising at the meeting on retirement whether by rotation or otherwise;
 - (d) appointing or re-appointing the auditors;
 - (e) fixing the remuneration of the auditors or determining the manner in which such remuneration is to be fixed; and
 - (f) fixing the remuneration of the Directors proposed to be paid under Regulation 86.

Any notice of a meeting called to consider special business shall be accompanied by a statement regarding the effect of any proposed resolution in respect of such special business.

APPENDIX C – EXTRACTS FROM THE COMPANY’S CONSTITUTION

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| Quorum | 60. | No business shall be transacted at any general meeting unless a quorum is present at the time the meeting proceeds to business. Save as herein otherwise provided, two (2) Members present in person shall form a quorum. For the purpose of this Regulation, Member includes a person attending by proxy or by attorney or by a corporate representative in the case of a corporation which has appointed a corporate representative. Provided that (i) a proxy representing more than one (1) Member shall only count as one (1) Member for the purpose of determining the quorum; and (ii) 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. |
| Adjournment if quorum not present | 61. | If within half an hour from the time appointed for the general meeting a quorum is not present, the general 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 at the same time and place, or to such other day and at such other time and place as the Directors may determine, and if at such adjourned general meeting a quorum is not present within half an hour from the time appointed for holding the general meeting, the general meeting shall be dissolved. |
| Resolutions in writing | 62. | Subject to the Act, a resolution in writing signed by every Member of the Company entitled to vote or being a corporation by its duly authorised representative shall have the same effect and validity as an ordinary resolution of the Company passed at a general meeting duly convened, held and constituted, and may consist of several documents in the like form, each signed by one (1) or more of such Members. |
| Chairman | 63. | The Chairman of the Board of Directors or, in his absence, the Deputy Chairman (if any) shall preside as Chairman at every general meeting. If there is no such Chairman or Deputy Chairman or if at any general meeting he is not present within fifteen minutes after the time appointed for holding the general meeting or is unwilling to act, the Directors present shall choose a Director amongst them to be Chairman of the general meeting or, if no Director is present or if all the Directors present are unwilling to take the Chair, or otherwise fail to choose a Director amongst them to be Chairman of the meeting, the Members present shall choose a Member present to be Chairman. |
| Adjournment | 64. | The Chairman may, with the consent of any general meeting at which a quorum is present (and shall if so directed by the general meeting), adjourn the general meeting from time to time and from place to place, but no business shall be transacted at any adjourned general meeting except business which might lawfully have been transacted at the general meeting from which the adjournment took place. When a general meeting is adjourned for fourteen (14) days or more, notice of the adjourned general meeting shall be given as in the case of the original general meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned general meeting. |

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Method of voting	65.	<p>(1) If required by the Listing Rules (for so long as the shares of the Company are listed on the Exchange), a resolution put to the vote of a meeting shall be decided by way of a poll, unless such requirement is waived by the Exchange.</p> <p>(2) Subject to Regulation 65(1), a resolution put to the vote of the general 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:–</p> <ul style="list-style-type: none">(i) by the Chairman of the general meeting; or(ii) by at least two (2) Members present in person or by proxy (where a Member has appointed more than one (1) proxy, any one (1) of such proxies may represent that Member) or attorney or in the case of a corporation by a representative and entitled to vote thereat; or(iii) by any Member or Members present in person or by proxy (where a Member has appointed more than one (1) proxy, any one (1) of such proxies may represent that Member) or attorney or in the case of a corporation by a representative or any number or combination of such Members, holding or representing not less than five per cent (5%) of the total voting rights of all the Members having the right to vote at the general meeting; or(iv) by a Member or Members present in person or by proxy (where a Member has appointed more than one (1) proxy, any one (1) of such proxies may represent that Member) or attorney or in the case of a corporation by a representative or any number or combination of such Members, holding or representing shares in the Company conferring a right to vote at the general meeting being shares on which an aggregate sum has been paid up equal to not less than five per cent (5%) of the total sum paid up on all the shares of the Company (excluding treasury shares) conferring that right. <p>Subject to Regulation 65(1), no poll shall be demanded on the election of a Chairman or on a question of adjournment. Unless a poll is required by the Listing Rules, or is so demanded (and the demand is not withdrawn), a declaration by the Chairman 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 the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution. Subject to Regulation 65(1), a demand for a poll may be withdrawn only with the approval of the meeting.</p>
Taking a poll	66.	<p>A poll required by the rules and regulations of the Exchange (if applicable) or duly demanded (and the demand not being withdrawn) shall be taken in such manner (including but not limited to the use of ballot or voting papers or tickets) as the Chairman may direct and the result of a poll shall be deemed to be the resolution of the general meeting at which the poll was demanded. The Chairman may, and if so requested or, for as long as the shares of the Company are listed on the Exchange, shall appoint at least one scrutineer who shall be independent of the persons undertaking the polling process and may adjourn the general meeting to some place and time fixed by him for the purpose of declaring the result of the poll.</p>

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Votes counted in error	67.	If any votes are 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 is pointed out at the same general meeting or at any adjournment thereof, and not in that case unless it shall in the opinion of the Chairman be of sufficient magnitude.
Chairman’s casting vote	68.	Subject to the Act and the requirements of the Exchange (if applicable), in the case of equality of votes, whether on a show of hands or on a poll, the Chairman of the general meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote in addition to the votes to which he may be entitled as a Member or as proxy of a Member.
Time for taking a poll	69.	A poll demanded on any question shall be taken either immediately or at such subsequent time (not being more than thirty days from the date of the general meeting) and place as the Chairman may direct. No notice need be given of a poll not taken immediately.
Continuance of business after demand for a poll	70.	The demand for a poll shall not prevent the continuance of a general meeting for the transaction of any business, other than the question on which the poll has been demanded.
Voting rights of Members	71.	<p>(1) 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 6, each Member entitled to vote may vote in person or by proxy or attorney, and (in the case of a corporation) by a representative. 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.</p> <p>(2) Every Member who is present in person or by proxy or attorney, or in the case of a corporation by a representative shall:</p> <p>(i) On a show of hands have one (1) vote, provided that</p> <p>(A) if a Member is not a relevant intermediary and is represented by two (2) proxies, only one of the proxies as determined by their appointor shall vote on a show of hands and in the absence of such determination, only one of the proxies as determined by the Chairman (or by a person authorised by him) shall vote on a show of hands; and</p> <p>(B) if a Member is a relevant intermediary and is represented by two (2) or more proxies, every proxy shall be entitled to vote on a show of hands; and</p> <p>(ii) On a poll have one (1) vote for each share which he holds or represents.</p>

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(3) Notwithstanding anything contained in this Constitution, a Depositor shall not be entitled to attend any general meeting and to speak and vote thereat unless his name is certified by the Depository to the Company as appearing on the Depository Register not later than seventy-two (72) hours before the time of the relevant general meeting (the **cut-off time**) as a Depositor on whose behalf the Depository holds shares in the Company. For the purpose of determining the number of votes which a Depositor or his proxy may cast on a poll, the Depositor or his proxy shall be deemed to hold or represent that number of shares entered in the Depositor’s Securities Account at the cut-off time as certified by the Depository to the Company, or where a Depositor has apportioned the balance standing to his Securities Account as at the cut-off time between two (2) proxies, to apportion the said number of shares between the two (2) proxies in the same proportion as specified by the Depositor in appointing the proxies; and accordingly no instrument appointing a proxy of a Depositor shall be rendered invalid merely by reason of any discrepancy between the number of shares standing to the credit of that Depositor’s Securities Account as at the cut-off time, and the true balance standing to the Securities Account of a Depositor as at the time of the relevant general meeting, if the instrument is dealt with in such manner as aforesaid.

Voting rights
of joint
holders

72. Where there are joint holders of any share any one (1) of such persons may vote and be reckoned in a quorum at any meeting either personally or by proxy or by attorney or in the case of a corporation by a representative as if he were solely entitled thereto but if more than one (1) of such joint holders is so present at any meeting then the person present whose name stands first in the Register of Members or the Depository Register (as the case may be) in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased Member in whose name any share stands shall for the purpose of this Regulation be deemed joint holders thereof.

Voting rights
of Members
of unsound mind

73. If a Member be mentally disordered, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, he may vote whether on a show of hands or on a poll by his committee, curator bonis or such other person as properly has the management of his estate and any such committee, curator bonis or other person may vote by proxy or attorney, provided that such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the Office not less than seventy-two (72) hours before the time appointed for holding the meeting.

Right to vote

74. Subject to the provisions of this Constitution, every Member either personally or by proxy or by attorney or in the case of a corporation by a representative shall be entitled to be present and to vote at any general meeting and to be reckoned in the quorum thereat in respect of shares fully paid and in respect of partly paid shares where calls are not due and unpaid. In the event a member has appointed more than one (1) proxy, only one (1) proxy is counted in determining the quorum.

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| Objections | 75. | No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting whose decision shall be final and conclusive. |
| Votes on a poll | 76. | On a poll votes may be given either personally or by proxy or by attorney or in the case of a corporation by its representative 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. |
| Appointment of proxies | 77. | <p>(1) Save as otherwise provided by law,</p> <ul style="list-style-type: none">(i) a Member (other than the Depository) who is the holder of two or more shares and not a relevant intermediary shall be entitled to appoint not more than two (2) proxies to attend, speak and vote at the same general meeting; and(ii) a Member who is the holder of two or more shares and is a relevant intermediary shall be entitled to appoint more than two (2) proxies to attend, speak and vote at the same general meeting. Where such Member’s form of proxy appoints more than one proxy, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy. <p>(2) If the Member is a Depositor, the Company shall be entitled:–</p> <ul style="list-style-type: none">(i) to reject any instrument of proxy lodged if the Depositor is not shown to have any shares entered in its Securities Account as at the cut-off time as certified by the Depository to the Company; and(ii) to accept as validly cast by the proxy or proxies appointed by the Depositor on a poll that number of votes which corresponds to or is less than the aggregate number of shares entered in its Securities Account of that Depositor as at the cut-off time 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. Save as otherwise provided by law:<ul style="list-style-type: none">(A) A Depositor who is not a relevant intermediary shall be entitled to appoint not more than two persons to attend, speak and vote as proxies appointed by the Depository at the same general meeting.(B) A Depositor who is a relevant intermediary shall be entitled to nominate more than two persons to attend, speak and vote as proxies appointed by the Depository at the same general meeting. |

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- (3) Where a Member appoints more than one (1) proxy, he shall specify the proportion of his shareholding to be represented by each proxy. If no such proportion or number is specified the first named proxy may be treated as representing 100% of the shareholding and any second named proxy as an alternate to the first named.
- (4) Voting right(s) attached to any shares in respect of which a Member has not appointed a proxy may only be exercised at the relevant general meeting by the member personally or by his attorney, or in the case of a corporation by its representative.
- (5) Where a Member appoints a proxy in respect of more shares than the shares standing to his name in the Register of Members or, in the case of a Depositor, standing to the credit of that Depositor’s Securities Account as at the cut-off time as certified by the Depository to the Company, such proxy may not exercise any of the votes or rights of the shares not registered in the name of that Member in the Register of Members or standing to the credit of that Depositor’s Securities Account as at the cut-off time, as the case may be.
- (6) If the Chairman is appointed as proxy, he may authorise any other person to act as proxy in his stead. Where the Chairman has authorised another person to act as proxy, such other person shall be taken to represent all Members whom the Chairman represented as proxy.
- (7) Where a person present at a general meeting represents by proxy, attorney or representative more than one (1) Member on a show of hands:
 - (i) the person is entitled to one (1) vote only despite the number of Members the person represents; and
 - (ii) that vote will be taken as having been cast for all the Members the person represents; and
 - (iii) if the person has been appointed as a proxy under two (2) or more instruments that specify different ways to vote on a resolution, the person may not vote as a proxy on a show of hands, however, if the person is a Member, the person may vote on a show of hands without regard to the proxies the person holds.
- (8) The deposit of an instrument appointing a proxy does not preclude the Member concerned from attending and voting in person at the General Meeting, as well as for any adjournment of the General Meeting to which it relates. In such an event, the appointment of the proxy or proxies is deemed to be revoked by the Member concerned at the point when the Member attends the General Meeting.

Proxy need not
be a Member 78.

A proxy or attorney need not be a Member, and shall be entitled to vote on a show of hands on any question at any general meeting.

APPENDIX C – EXTRACTS FROM THE COMPANY’S CONSTITUTION

- Instrument appointing a proxy
79. (1) An instrument appointing a proxy shall be in writing and:–
- (i) in the case of an individual shall be:
 - (A) signed by the appointor or his attorney if the instrument of proxy 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 shall be:
 - (A) either given under its common seal or signed on its behalf by an attorney or a duly authorised officer of the Company if the instrument of proxy is delivered personally or sent by post; or
 - (B) authorised by the Company 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 79(1)(i)(B) and 79(1)(ii)(B), designate procedures for authenticating 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.

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 (which shall, for purposes of this paragraph include a Depositor) 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 80, failing which the instrument may be treated as invalid.

- (2) An instrument of proxy shall be deemed to include the power to demand or concur in demanding a poll on behalf of the appointor to move any resolution or amendment thereto and to speak at the meeting. Unless otherwise instructed, a proxy or an attorney shall vote as he thinks fit. The signature on an instrument appointing a proxy need not be witnessed.

- To be left at Company's office
80. (1) The original instrument appointing a proxy, together with the original power of attorney or other authority, if any, under which the instrument of proxy is signed or a duly certified copy of that power of attorney or other authority (failing previous registration with the Company) shall be attached to the original instrument of proxy and must be left at the Office or such other place (if any) as is specified for the purpose in the notice convening the meeting not less than seventy-two (72) hours before the time appointed for the holding of the meeting or adjourned

APPENDIX C – EXTRACTS FROM THE COMPANY’S CONSTITUTION

meeting (or in the case of a poll before the time appointed for the taking of the poll) at which it is to be used failing which the instrument may be treated as invalid. An instrument appointing a proxy 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 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.

Directors may specify means for electronic communications

- (2) 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 communications. Where the Directors do not so specify in relation to a Member (whether of a class or otherwise), Regulation 80(1) shall apply.

Intervening death or mental disorder of principal not to revoke proxy

81. (A) A vote given in accordance with the terms of an instrument of proxy (which for the purposes of this Constitution shall also include a power of attorney) shall be valid notwithstanding the previous death or mental disorder of the principal or revocation of the proxy, or of the authority under which the proxy was executed or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, mental disorder, revocation or transfer shall have been received by the Company at the Office (or such other place as may be specified for the deposit of instruments appointing proxies) before the commencement of the meeting or adjourned meeting (or in the case of a poll before the time appointed for the taking of the poll) at which the proxy is used.
- (B) Subject to this Constitution and the Act, the Directors may, at their 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

82. Any corporation which is a Member 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 and the persons so authorised shall be entitled to exercise the same powers on behalf of the corporation as the corporation could exercise if it were an individual Member of the Company. The Company shall be entitled to treat an original certificate under the seal of the corporation as conclusive evidence of the appointment or revocation of appointment of a representative under this Regulation.

APPENDIX C – EXTRACTS FROM THE COMPANY’S CONSTITUTION

3. RIGHTS OF SHAREHOLDERS IN RESPECT OF DIVIDENDS

- | | | |
|---|------|---|
| Payment of dividends | 123. | The Directors may, with the sanction of the Company, by ordinary resolution declare dividends but (without prejudice to the powers of the Company to pay interest on share capital as hereinbefore provided) no dividend shall be payable except out of the profits of the Company. |
| Apportionment of dividends | 124. | <p>Subject to any rights or restrictions attached to any shares or class of shares and except as otherwise provided by the Act:</p> <p>(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</p> <p>(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 the dividend is paid.</p> <p>For the purposes of this Regulation, an amount paid or credited as paid on a share in advance of a call is to be ignored.</p> |
| Payment of preference and interim dividends | 125. | Without the need for sanction of the Company under Regulation 123, if, and so far as in the opinion of the Directors, the profits of the Company justify such payments, the Directors may pay fixed preferential dividends on any express class of shares carrying a fixed preferential dividend expressed to be payable on a fixed date on the half-yearly or other dates (if any) prescribed for the payment thereof by the terms of issue of the shares, and may also from time to time pay to the holders of any class of shares interim dividends thereon of such amounts and on such dates as they may think fit. |
| Dividends not to bear interest | 126. | No dividend or other moneys payable on or in respect of a share shall bear interest against the Company. |
| Deduction from dividend | 127. | The Directors may deduct from any dividend or other moneys payable to any Member on or in respect of a share all sums of money (if any) presently payable by him to the Company on account of calls or in connection therewith, or any other account which the Company is required by law to withhold or deduct. |
| Retention of dividends on shares subject to lien | 128. | 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. |
| Retention of dividends on shares pending transmission | 129. | The Directors may retain the dividends payable on shares in respect of which any person is under this Constitution, as to the transmission of shares, entitled to become a Member, or which any person under this Constitution is entitled to transfer, until such person shall become a Member in respect of such shares or shall duly transfer the same. |

APPENDIX C – EXTRACTS FROM THE COMPANY’S CONSTITUTION

- Unclaimed dividends
130. (1) 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 unclaimed after being declared may be invested or otherwise made use of by the Directors for the benefit of the Company and any dividend unclaimed after a period of six (6) years from the date of declaration of such dividend 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 dividend so forfeited to the person entitled thereto prior to the forfeiture. For the avoidance of doubt no Member shall be entitled to any interest, share of revenue or other benefit arising from any unclaimed dividends, howsoever and whatsoever. If the Depositor returns any such dividend or money to the Company, the relevant Depositor shall not have any right or claim in respect of such dividend or money against the Company if a period of six (6) years has elapsed from the date of the declaration of such dividend or the date on which such other money was first payable.
- (2) A payment by the Company to the Depositor of any dividend or other money payable to a Depositor shall, to the extent of the payment made, discharge the Company from any liability to the Depositor in respect of that payment.
- Payment of dividend in specie
131. 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 or in any one or more of such ways, and the Directors shall give effect to such Resolution, and 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 and fix the value for distribution of such specific assets or any part thereof and 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.
- Scrip dividend
132. (1) 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 the ordinary share capital of the Company, the Directors may further resolve that Members entitled to such dividend be entitled to elect to receive an allotment of ordinary shares 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;

APPENDIX C – EXTRACTS FROM THE COMPANY’S CONSTITUTION

- (ii) the Directors shall determine the manner in which Members shall be entitled to elect to receive an allotment of ordinary shares 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 election 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;
 - (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 ordinary shares in respect whereof the share election has been duly exercised (the ***elected ordinary shares***) and in lieu and in satisfaction thereof ordinary shares shall be allotted and credited as fully paid to the holders of the elected ordinary shares on the basis of allotment determined as aforesaid and for such purpose and notwithstanding the provisions of Regulation 136, the Directors shall (a) capitalise and apply the amount standing to the credit of any of the Company’s reserve accounts or any sum standing to the credit of the profit and loss account or otherwise for distribution as the Directors may determine, such sum as may be required to pay up in full the appropriate number of ordinary shares for allotment and distribution to and among the holders of the elected ordinary shares on such basis or (b) apply the sum which would otherwise have been payable in cash to the holders of the elected ordinary shares towards payment of the appropriate number of ordinary shares for allotment and distribution to and among the holders of the elected ordinary shares on such basis.
- (2) (i) The ordinary shares allotted pursuant to the provisions of Regulation 132(1) shall rank *pari passu* in all respects with the ordinary shares 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.

APPENDIX C – EXTRACTS FROM THE COMPANY’S CONSTITUTION

- (ii) The Directors may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of Regulation 132(1), with full power to make such provisions as they think fit in the case of shares becoming distributable in fractions (including, notwithstanding any provision to the contrary in this Constitution, provisions whereby, in whole or in part, fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled, or are disregarded or rounded up or down, or whereby the benefit of fractional entitlements accrues to the Company rather than to the Members concerned).
- (3) The Directors may, on any occasion when they resolve as provided in Regulation 132(1), determine that rights of election under that paragraph shall not be made available to the persons who are registered as holders of ordinary shares in the Register of Members or (as the case may be) in the Depository Register, or in respect of ordinary shares the transfer of which is registered, after such date as the Directors may fix subject to such exceptions as the Directors think fit, and in such event the provisions of this Regulation shall be read and construed subject to such determination.
- (4) The Directors may, on any occasion when they resolve as provided in Regulation 132(1), further determine that no allotment of shares or rights of election for shares under that paragraph 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 are 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.
- (5) Notwithstanding the foregoing provisions of this Regulation, if at any time after the Directors’ resolution to apply the provisions of Regulation 132(1) in relation to any dividend but prior to the allotment of ordinary 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 appropriate to implement that proposal, the Directors may at their absolute discretion and without assigning any reason therefor, cancel the proposed application of Regulation 132(1).

Dividends payable by cheque

- 133. 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 of the Member or person entitled thereto or, if several persons are registered as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder, to any one of such persons or to such person and such address as such persons may by writing direct provided that where the Member is a Depositor, the payment by the Company to the Depository of any dividend payable to a Depositor shall to the extent of the payment discharge the Company from any further liability in respect of the payment. Every such cheque and warrant shall be

APPENDIX C – EXTRACTS FROM THE COMPANY’S CONSTITUTION

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 of the holder may direct and payment of the cheque if purporting to be endorsed or the receipt of any such person shall be a good discharge to the Company. Every such cheque and warrant shall be sent at the risk of the person entitled to the money represented thereby.

- | | | |
|----------------------------------|------|---|
| Effect of transfer | 134. | A transfer of shares shall not pass the right to any dividend declared on such shares before the registration of the transfer. |
| Power to carry profit to reserve | 135. | The Directors may from time to time set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Directors, shall be applicable for meeting contingencies or for the gradual liquidation of any debt or liability of the Company or for repairing or maintaining the works, plant and machinery of the Company or for special dividends or bonuses or for equalising dividends or for any other purpose to which the profits of the Company may properly be applied and pending such application may either be employed in the business of the Company or be invested. The Directors may divide the reserve into such special funds as they think fit and may consolidate into one fund, any special funds or any parts of any special funds into which the reserve may have been divided. The Directors may also, without placing the same to reserve, carry forward any profits which they may think it not prudent to divide. |

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APPENDIX D – BASES AND ASSUMPTIONS OF THE STATEMENT OF PROSPECTS

1. STATEMENT OF PROSPECTS

The following Statement of Prospects set out in italics below has been extracted from the unaudited consolidated financial statements of the Group for HY2021 as announced by the Company on SGXNET on 9 November 2020:

Barring any unforeseen circumstances, the Company expects the Group's operations to remain profitable for the financial year ending 31 March 2021.

The Statement of Prospects was not made in connection with the Offer.

The Directors have not issued a profit forecast for the Group for the financial period ended 31 March 2021 in connection with the Offer. Accordingly, the Statement of Prospects should not be regarded as a forecast of the Group.

2. ASSUMPTIONS

The Statement of Prospects referred to above, for which the Directors are solely responsible, were arrived at on bases consistent with the accounting policies adopted by the Group as set out in the audited consolidated financial statements of the Group for FY2020, and were made based on the following assumptions:

- (a) Save for the restrictions on the number of participants at social events and gathering due to Covid-19 pandemic which will affect our traditional catering business, there will be no significant changes in existing political, economic, legal or regulatory conditions affecting the activities of the Group, the industry, and the countries in which the Group operates;
- (b) There will be no significant changes in the principal activities, management and organisational structure of the Group;
- (c) There will be no material changes in the accounting policies of the Group;
- (d) There will be no material changes in applicable accounting standards, which may adversely affect the results of the Group;
- (e) There will be no material acquisitions or disposals of assets by the Group, save for those carried out in the ordinary course of business;
- (f) Save for the short-term dormitory contracts expected to be discontinued in second half of financial year ending 31 March 2021, there will be no material changes in the relationships the Group has with its major clients, customers and suppliers which may affect the Group's business;
- (g) There will be no material changes to the tax legislation, bases or rates of taxation, provident fund contributions, government levies and interest rate from those then prevailing;
- (h) There will be no material changes in the existing employment benefits of the Group;

APPENDIX D – BASES AND ASSUMPTIONS OF THE STATEMENT OF PROSPECTS

- (i) Save for the financial grants from government expected to be scaled down in second half of financial year ending 31 March 2021, there will be no material exceptional item or exceptional expense item;
- (j) There will be no exceptional circumstances that would require material provisions to be made by the Group in respect of any contingent liability or arbitration threatened or otherwise, abnormal bad debts;
- (k) There will be no material changes in inflation rates;
- (l) There will be no material changes in the prevailing foreign currency exchange rates that will adversely affect the results of the Group; and
- (m) Save for the Covid-19 pandemic, there will be no pandemic diseases, natural disasters or acts of God that may affect the Group's operations and the competitive environment in which the Group operates.

APPENDIX E – LETTER FROM THE INDEPENDENT AUDITORS IN RELATION TO THE STATEMENT OF PROSPECTS



Tel: +65 6828 9118
Fax: +65 6828 9111
info@bdo.com.sg
www.bdo.com.sg

BDO LLP
Chartered Accountants
600 North Bridge Road
#23-01 Parkview Square
Singapore 188778

27 April 2021

The Board of Directors
Neo Group Limited
1 Enterprise Road,
Singapore 629813

Independent auditor's letter in relation to the Statement of Prospects in the Financial Statement Announcements

Dear Sirs:

This letter is prepared for the purposes of Rule 25.3 of the Singapore Code on Take-overs and Mergers (the "Code") in connection with the offeree circular (the "Circular") despatched by Neo Group Limited (the "Company") in relation to the voluntary conditional cash offer (the "Offer") by United Overseas Bank Limited for and on behalf of Forestt Investment Pte. Ltd. to acquire all the issued ordinary shares in the capital of the Company.

This letter has been prepared for inclusion in the Circular.

We have examined the Statement of Prospects, relating to the profit forecast of the Company and its subsidiaries ("Group") for the financial year ended 31 March 2021, set out below:

Extract from Section 10 of Half Year announcement:

"Barring any unforeseen circumstances, the Company expects the Group's operations to remain profitable for the financial year ending 31 March 2021"

We have examined the Statement of Prospects in accordance with the Singapore Standards on Assurance Engagements applicable to the examination of prospective financial information. The Directors are solely responsible for the Statement of Prospects including the completeness of the Statement of Prospects and assumptions on which the Statement of Prospects is based.

Based on our examination of the evidence supporting the assumptions as set out in Appendix D to the Circular, nothing has come to our attention to cause us to believe that these assumptions do not provide a reasonable basis for the Statement of Prospects. Further, in our opinion, the Statement of Prospects are properly prepared on the basis of such assumptions and is consistent with the accounting policies normally adopted by the Group which are in accordance with Singapore Financial Reporting Standards (International).

Actual results are likely to be different from the Statement of Prospects since anticipated events frequently do not occur as expected and the variation may be material.

This letter is not to be used for any other purpose and shall not be distributed to any other parties, save that the Company may append this letter to the Circular which it will issue to its shareholders in connection with the Offer made by the Offeror for the Company.

Yours faithfully

BDO LLP
Public Accountants and
Chartered Accountants
Singapore

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APPENDIX F – LETTER FROM THE IFA IN RELATION TO THE STATEMENT OF PROSPECTS

PROVENANCE CAPITAL PTE. LTD.

(Company Registration Number: 200309056E)
(Incorporated in the Republic of Singapore)
96 Robinson Road #13-01 SIF Building
Singapore 068899

27 April 2021

The Board of Directors
Neo Group Limited
1 Enterprise Road
Singapore 629813

Dear Sirs/Mdm,

IFA REPORT ON THE STATEMENT OF PROSPECTS

Unless otherwise defined or the context otherwise requires, all terms used herein have the same meanings as defined in the circular to the shareholders of Neo Group Limited (“Shareholders”) dated 27 April 2021 (“Circular”) and our IFA Letter to the Independent Directors dated 27 April 2021 in relation to the Offer.

This letter has been prepared for inclusion in the Circular in connection with the Offer pursuant to Rule 25.3 of The Singapore Code on Take-overs and Mergers (“Code”).

The Company had, before the commencement of the Offer, in the commentary of the unaudited financial results of the Group for the half year ended 30 September 2020 (“1H2021”), made a statement which is deemed as profit forecast (“Statement of Prospects”) under Rule 25.6 of the Code. Such Statement of Prospects point to an expectation by the Company that the Group will remain profitable for the financial year ending 31 March 2021 (“FY2021”). Extract of the Statement of Prospects is set out below:

“Barring unforeseen circumstances, the Company expects the Group’s operations to remain profitable for the financial year ending 31 March 2021.”

We have discussed the key bases and assumptions underlying the Statement of Prospects with the Management as reproduced in Appendix D to the Circular. We have also considered the letter dated 27 April 2021 and addressed to the Board of Directors of the Company (“Board”) by BDO LLP, the auditors of the Company, in relation to their review of the Statement of Prospects.

We have relied on the accuracy and completeness of all financial and other information provided to us and assumed such accuracy and completeness for the purposes of providing this letter. We have not independently verified the information both written and verbal and accordingly cannot and do not make any representation or warranty, expressly or impliedly, in respect of, and do not accept any responsibility for, the accuracy, completeness or adequacy of such information. Save as provided in this letter, we do not express any other opinion on the Statement of Prospects.

Based on the above discussions with the Management and having considered the letter dated 27 April 2021 from BDO LLP in relation to the Statement of Prospects, we are of the view that the Statement of Prospects (for which the Directors are solely responsible) had been issued by the Board after due and careful enquiry.

**APPENDIX F – LETTER FROM THE IFA IN RELATION TO
THE STATEMENT OF PROSPECTS**

This letter is addressed to the Board for the sole purpose of complying with Rule 25.3 of the Code, and we do not accept any responsibility to any other person (other than the Board) in respect of, arising from or in connection with this letter.

Yours faithfully
For and on behalf of
PROVENANCE CAPITAL PTE. LTD.

Wong Bee Eng
Chief Executive Officer

APPENDIX G – SINGAPORE VALUATION CERTIFICATES



RHT Valuation Pte. Ltd.
10 Anson Road
#35-16
International Plaza
Singapore 079903
UEN No. 201812102Z

Tel. +65 6856 5173
Fax. +65 6722 0658
www.rhtrealstate.com

Our Ref : 2021/1611/PTE/EC/SP

20 April 2021

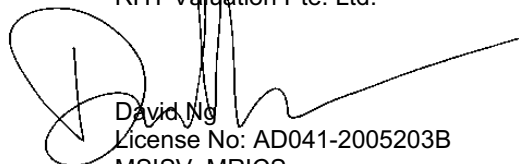
VALUATION FOR
Neo Group Limited
1 Enterprise Road
Singapore 629813

Dear Sirs

VALUATION CERTIFICATE

- 1.0 Purpose of Valuation** : To determine the Market Value of the subject property as at 31 March 2021 in connection with the voluntary conditional offer by Forestt Investment Pte. Ltd. for all the issued and paid-up ordinary shares in the capital of Neo Group Limited.
- 2.0 Address of Property** : 50 Tuas Avenue 11 #02-12
Tuas Lot
Singapore 639107
- 3.0 Property Details** (*according to information provided and subject to survey*)
- 3.1 Type** : A strata ramp-up factory unit
- 3.2 Strata Floor Area** : 352 sq m or 3,789 sq ft, including strata void of 88 sq m
- 3.3 Age** : Circa 2010
- 3.4 Legal Description** : MK07-U303P
- 3.5 Tenure/Title** : 30 years leasehold w.e.f. 15/02/2008
- 3.6 Registered Lessee(s)** : CT Vegetables & Fruits Pte Ltd
- 4.0 Method of Valuation** : Direct Comparison Approach
- 5.0 Market Value** : **S\$440,000/-**

Yours faithfully,
On and Behalf of
RHT Valuation Pte. Ltd.



David Ng
License No: AD041-2005203B
MSISV, MRICS

APPENDIX G – SINGAPORE VALUATION CERTIFICATES



RHT Valuation Pte. Ltd.
10 Anson Road
#35-16
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UEN No. 201812102Z

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Fax. +65 6722 0658
www.rhtrealstate.com

Our Ref : 2021/1612/PTE/EC/SP

20 April 2021

VALUATION FOR
Neo Group Limited
1 Enterprise Road
Singapore 629813

Dear Sirs

VALUATION CERTIFICATE

- 1.0 Purpose of Valuation** : To determine the Market Value of the subject property as at 31 March 2021 in connection with the voluntary conditional offer by Forestt Investment Pte. Ltd. for all the issued and paid-up ordinary shares in the capital of Neo Group Limited.
- 2.0 Address of Property** : 30B Quality Road
Singapore 618826
- 3.0 Property Details** (*according to information provided and subject to survey*)
- 3.1 Type** : A proposed 10-storey single-user factory development with ancillary office and industrial canteen
- 3.2 Land Area** : Approximately 11,348.1 sq m or 122,150 sq ft
- 3.3 Proposed Gross Floor Area** : Approximately 28,370.25 sq m or 305,375 sq ft, according to URA's Grant Of Written Permission dated 19/08/2020 and subject to survey.
- 3.4 Age** : Under construction
- 3.5 Expected Temporary Occupation Permit Date** : September 2021
- 3.6 Legal Description** : MK06-351C
- 3.7 Tenure/Title** : 60+20 years leasehold w.e.f. 01/09/1969
- 3.8 Registered Lessee(s)** : Neo Garden Catering Pte Ltd

4.0 Assumptions and parameters

Gross Development Value	S\$250 psf on proposed Gross Floor Area
Proposed Efficiency	100% (assumed)
Construction cost	S\$157 psf on proposed Gross Floor Area
Developer's profit	10.0%
Marketing expenses	2.0%
Preliminaries & Contingencies	5.0%
Professional fees	6.0%
Interest rate	3.0%
Construction period	1.5 years

- 5.0 Method of Valuation** : Direct Comparison Approach and Residual Land Valuation Method

APPENDIX G – SINGAPORE VALUATION CERTIFICATES



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6.0 Market Values as at 31 March 2021

Gross Development Value : **S\$77,000,000/-**
(assuming satisfactorily completed)

Land Value : **S\$11,500,000/-**

“As-Is” Basis : **S\$49,240,000/-**

Yours faithfully,
On and Behalf of
RHT Valuation Pte. Ltd.

A handwritten signature in black ink, appearing to be 'David Ng', written over a horizontal line.

David Ng
License No: AD041-2005203B
MSISV, MRICS

APPENDIX G – SINGAPORE VALUATION CERTIFICATES



RHT Valuation Pte. Ltd.
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Our Ref : 2021/1613/PTE/EC/SP

20 April 2021

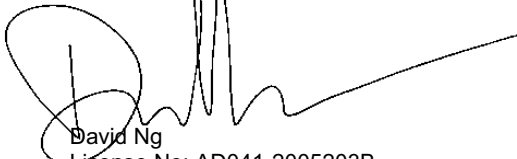
VALUATION FOR
Neo Group Limited
1 Enterprise Road
Singapore 629813

Dear Sirs

VALUATION CERTIFICATE

- 1.0 Purpose of Valuation** : To determine the Market Value of the subject property as at 31 March 2021 in connection with the voluntary conditional offer by Forestt Investment Pte. Ltd. for all the issued and paid-up ordinary shares in the capital of Neo Group Limited.
- 2.0 Address of Property** : 22 Senoko Way
Singapore 758044
- 3.0 Property Details** (*according to information provided and subject to survey*)
- 3.1 Type** : A purpose-built factory complex comprising a 2-storey office block (Block 1), a single-storey warehouse block (Block 2) and a single-storey coldroom-cum-production block (Block 3)
- 3.2 Land Area** : 14,807.2 sq m or 159,383 sq ft
- 3.3 Floor Area** : Approximately 9,481.06 sq m or 102,053 sq ft
- 3.4 Age** : Circa 1990s and had undergone addition and alteration works progressively
- 3.5 Legal Description** : MK13-2300P
- 3.6 Tenure/Title** : 30+30 years leasehold w.e.f. 01/03/1990
- 3.7 Registered Lessee(s)** : Thong Siek Food Industry Pte. Ltd.
- 4.0 Method of Valuation** : Direct Comparison Approach
- 5.0 Market Value** : **S\$20,000,000/-**

Yours faithfully,
On and Behalf of
RHT Valuation Pte. Ltd.



David Ng
License No: AD041-2005203B
MSISV, MRICS

APPENDIX G – SINGAPORE VALUATION CERTIFICATES



RHT Valuation Pte. Ltd.
10 Anson Road
#35-16
International Plaza
Singapore 079903
UEN No. 201812102Z

Tel. +65 6856 5173
Fax. +65 6722 0658
www.rhtrealstate.com

Our Ref : 2021/1614/PTE/EC/SP

20 April 2021

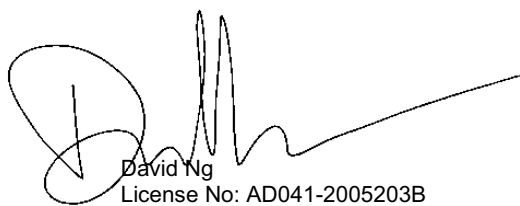
VALUATION FOR
Neo Group Limited
1 Enterprise Road
Singapore 629813

Dear Sirs

VALUATION CERTIFICATE

- 1.0 Purpose of Valuation** : To determine the Market Value of the subject property as at 31 March 2021 in connection with the voluntary conditional offer by Forestt Investment Pte. Ltd. for all the issued and paid-up ordinary shares in the capital of Neo Group Limited.
- 2.0 Address of Property** : 14 Joo Koon Circle
Singapore 629045
- 3.0 Property Details** (*according to information provided and subject to survey*)
- 3.1 Type** : Two adjoining 2-storey semi-detached factories with cold rooms
- 3.2 Land Area** : 7,350.1 sq m or 79,116 sq ft
- 3.3 Floor Area** : Approximately 4,934.972 sq m or 53,120 sq ft
- 3.4 Age** : Circa 1980s and had undergone addition and alteration works progressively
- 3.5 Legal Description** : MK07-4355N
- 3.6 Tenure/Title** : 27 years leasehold w.e.f. 01/04/2008
- 3.7 Registered Lessee(s)** : CT Vegetables & Fruits Pte Ltd
- 4.0 Method of Valuation** : Direct Comparison Approach
- 5.0 Market Value** : **S\$10,000,000/-**

Yours faithfully,
On and Behalf of
RHT Valuation Pte. Ltd.



David Ng
License No: AD041-2005203B
MSISV, MRICS

APPENDIX G – SINGAPORE VALUATION CERTIFICATES



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Our Ref : 2021/1615/PTE/EC/SP

20 April 2021

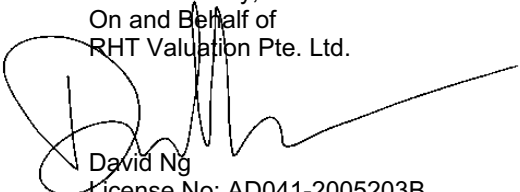
VALUATION FOR
Neo Group Limited
1 Enterprise Road
Singapore 629813

Dear Sirs

VALUATION CERTIFICATE

- 1.0 Purpose of Valuation** : To determine the Market Value of the subject property as at 31 March 2021 in connection with the voluntary conditional offer by Forestt Investment Pte. Ltd. for all the issued and paid-up ordinary shares in the capital of Neo Group Limited.
- 2.0 Address of Property** : 9 Enterprise Road
Singapore 629821
- 3.0 Property Details** (*according to information provided and subject to survey*)
- 3.1 Type** : A 3-storey intermediate terrace factory
- 3.2 Land Area** : 1,151.9 sq m or 12,399 sq ft
- 3.3 Floor Area** : Approximately 2,206.5 sq m or 23,751 sq ft
- 3.4 Age** : Circa 1980s and had undergone addition and alteration works progressively
- 3.5 Legal Description** : MK06-1482A
- 3.6 Tenure/Title** : 30 years leasehold w.e.f. 01/01/2006
- 3.7 Registered Lessee(s)** : Neo Garden Catering Pte. Ltd.
- 4.0 Method of Valuation** : Direct Comparison Approach
- 5.0 Market Value** : **S\$4,700,000/-**

Yours faithfully,
On and Behalf of
RHT Valuation Pte. Ltd.



David Ng
License No: AD041-2005203B
MSISV, MRICS

APPENDIX G – SINGAPORE VALUATION CERTIFICATES



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Our Ref : 2021/1616/PTE/EC/SP

20 April 2021

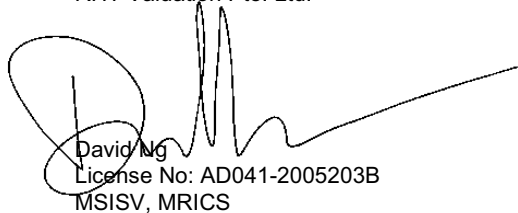
VALUATION FOR
Neo Group Limited
1 Enterprise Road
Singapore 629813

Dear Sirs

VALUATION CERTIFICATE

- 1.0 Purpose of Valuation** : To determine the **Market Value** of the subject property as at 31 March 2021 in connection with the voluntary conditional offer by Forestt Investment Pte. Ltd. for all the issued and paid-up ordinary shares in the capital of Neo Group Limited.
- 2.0 Address of Property** : 7 Enterprise Road
Singapore 629819
- 3.0 Property Details** (*according to information provided and subject to survey*)
- 3.1 Type** : A 2-storey intermediate terrace factory
- 3.2 Land Area** : 1,152.9 sq m or 12,410 sq ft
- 3.3 Floor Area** : Approximately 876.0 sq m or 9,429 sq ft
- 3.4 Age** : Circa 1980s and had undergone addition and alteration works progressively
- 3.5 Legal Description** : MK06-1483K
- 3.6 Tenure/Title** : 30 years leasehold w.e.f. 01/06/2011
- 3.7 Registered Lessee(s)** : Neo Garden Catering Pte. Ltd.
- 4.0 Method of Valuation** : Direct Comparison Approach
- 5.0 Market Value** : **S\$2,300,000/-**

Yours faithfully,
On and Behalf of
RHT Valuation Pte. Ltd.



David Ng
License No: AD041-2005203B
MSISV, MRICS

APPENDIX G – SINGAPORE VALUATION CERTIFICATES



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Our Ref : 2021/1617/PTE/EC/SP

20 April 2021

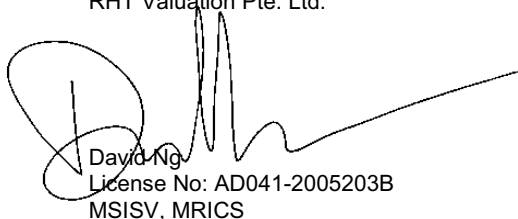
VALUATION FOR
Neo Group Limited
1 Enterprise Road
Singapore 629813

Dear Sirs

VALUATION CERTIFICATE

- 1.0 Purpose of Valuation** : To determine the **Market Value** of the subject property as at 31 March 2021 in connection with the voluntary conditional offer by Forestt Investment Pte. Ltd. for all the issued and paid-up ordinary shares in the capital of Neo Group Limited.
- 2.0 Address of Property** : 5 Enterprise Road
Singapore 629817
- 3.0 Property Details** (*according to information provided and subject to survey*)
- 3.1 Type** : A 2-storey intermediate terrace factory
- 3.2 Land Area** : 1,150.9 sq m or 12,388 sq ft
- 3.3 Floor Area** : Approximately 876.0 sq m or 9,429 sq ft
- 3.4 Age** : Circa 1980s and had undergone addition and alteration works progressively
- 3.5 Legal Description** : MK06-1484N
- 3.6 Tenure/Title** : 30 years leasehold w.e.f. 01/06/2011
- 3.7 Registered Lessee(s)** : Neo Garden Catering Pte. Ltd.
- 4.0 Method of Valuation** : Direct Comparison Approach
- 5.0 Market Value** : **S\$2,270,000/-**

Yours faithfully,
On and Behalf of
RHT Valuation Pte. Ltd.



David Ng
License No: AD041-2005203B
MSISV, MRICS

APPENDIX G – SINGAPORE VALUATION CERTIFICATES



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Our Ref : 2021/1618/PTE/EC/SP

20 April 2021

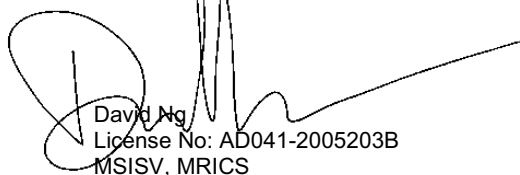
VALUATION FOR
Neo Group Limited
1 Enterprise Road
Singapore 629813

Dear Sirs

VALUATION CERTIFICATE

- 1.0 Purpose of Valuation** : To determine the **Market Value** of the subject property as at 31 March 2021 in connection with the voluntary conditional offer by Forestt Investment Pte. Ltd. for all the issued and paid-up ordinary shares in the capital of Neo Group Limited.
- 2.0 Address of Property** : 3 Enterprise Road
Singapore 629815
- 3.0 Property Details** (*according to information provided and subject to survey*)
- 3.1 Type** : A 2-storey intermediate terrace factory
- 3.2 Land Area** : 1,152.8 sq m or 12,409 sq ft
- 3.3 Floor Area** : Approximately 975.0 sq m or 10,495 sq ft
- 3.4 Age** : Circa 1980s and had undergone addition and alteration works progressively
- 3.5 Legal Description** : MK06-1485X
- 3.6 Tenure/Title** : 30 years leasehold w.e.f. 11/10/2012
- 3.7 Registered Lessee(s)** : Neo Garden Catering Pte. Ltd.
- 4.0 Method of Valuation** : Direct Comparison Approach
- 5.0 Market Value** : **S\$2,600,000/-**

Yours faithfully,
On and Behalf of
RHT Valuation Pte. Ltd.



David Ng
License No: AD041-2005203B
MSISV, MRICS

APPENDIX G – SINGAPORE VALUATION CERTIFICATES



RHT Valuation Pte. Ltd.
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Singapore 079903
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Our Ref : 2021/1619/PTE/EC/SP

20 April 2021

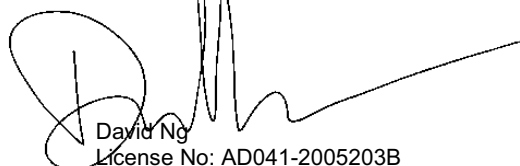
VALUATION FOR
Neo Group Limited
1 Enterprise Road
Singapore 629813

Dear Sirs

VALUATION CERTIFICATE

- 1.0 Purpose of Valuation** : To determine the **Market Value** of the subject property as at 31 March 2021 in connection with the voluntary conditional offer by Forestt Investment Pte. Ltd. for all the issued and paid-up ordinary shares in the capital of Neo Group Limited.
- 2.0 Address of Property** : 1 Enterprise Road
Singapore 629813
- 3.0 Property Details** (*according to information provided and subject to survey*)
- 3.1 Type** : A 3-storey corner terrace factory
- 3.2 Land Area** : 2,360.9 sq m or 25,412 sq ft
- 3.3 Floor Area** : Approximately 2,072.0 sq m or 22,303 sq ft
- 3.4 Age** : Circa 1980s and had undergone addition and alteration works progressively
- 3.5 Legal Description** : MK06-1486L
- 3.6 Tenure/Title** : 30 years leasehold w.e.f. 01/06/2009
- 3.7 Registered Lessee(s)** : Neo Garden Catering Pte. Ltd.
- 4.0 Method of Valuation** : Direct Comparison Approach
- 5.0 Market Value** : **S\$3,600,000/-**

Yours faithfully,
On and Behalf of
RHT Valuation Pte. Ltd.



David Ng
License No: AD041-2005203B
MSISV, MRICS

APPENDIX G – SINGAPORE VALUATION CERTIFICATES



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Our Ref : 2021/1620/PTE/EC/SP

20 April 2021

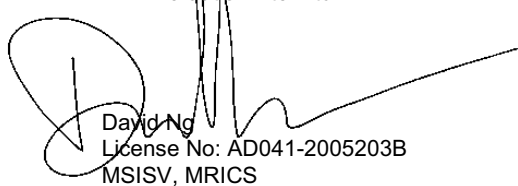
VALUATION FOR
Neo Group Limited
1 Enterprise Road
Singapore 629813

Dear Sirs

VALUATION CERTIFICATE

- 1.0 Purpose of Valuation** : To determine the Market Value of the subject property as at 31 March 2021 in connection with the voluntary conditional offer by Forestt Investment Pte. Ltd. for all the issued and paid-up ordinary shares in the capital of Neo Group Limited.
- 2.0 Address of Property** : 6A Wan Lee Road
Singapore 627938
- 3.0 Property Details** (*according to information provided and subject to survey*)
- 3.1 Type** : A 4-storey JTC industrial building
- 3.2 Land Area** : 613.9 sq m or 6,608 sq ft
- 3.3 Floor Area** : Approximately 1,139.64 sq m or 12,267 sq ft
- 3.4 Age** : Circa 1990s and had undergone addition and alteration works progressively
- 3.5 Legal Description** : MK06-1812C
- 3.6 Tenure/Title** : 30+22 years 9 months 18 days leasehold w.e.f. 01/01/1987
- 3.7 Registered Lessee(s)** : Neo Garden Catering Pte Ltd
- 4.0 Method of Valuation** : Direct Comparison Approach
- 5.0 Market Value** : **S\$3,200,000/-**

Yours faithfully,
On and Behalf of
RHT Valuation Pte. Ltd.



David Ng
License No: AD041-2005203B
MSISV, MRICS

APPENDIX G – SINGAPORE VALUATION CERTIFICATES



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Our Ref : 2021/1621/PTE/EC/SP

20 April 2021

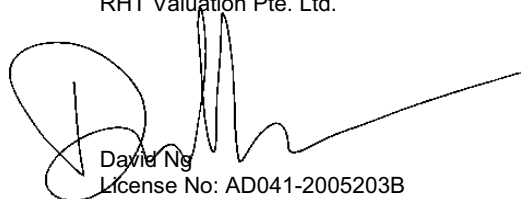
VALUATION FOR
Neo Group Limited
1 Enterprise Road
Singapore 629813

Dear Sirs

VALUATION CERTIFICATE

- 1.0 Purpose of Valuation** : To determine the Market Value of the subject property as at 31 March 2021 in connection with the voluntary conditional offer by Forestt Investment Pte. Ltd. for all the issued and paid-up ordinary shares in the capital of Neo Group Limited.
- 2.0 Address of Property** : 8A Admiralty Street #03-22
Food Xchange @ Admiralty
Singapore 757437
- 3.0 Property Details** (*according to information provided and subject to survey*)
- 3.1 Type** : A strata ramp-up food factory unit with mezzanine level
- 3.2 Strata Floor Area** : 359.0 sq m or 3,864 sq ft
- 3.3 Age** : Circa 2000s
- 3.4 Legal Description** : MK13-U96284C
- 3.5 Tenure/Title** : 60 years leasehold w.e.f. 09/10/2000
- 3.6 Registered Lessee(s)** : Ye Liang How Catering Service Pte Ltd
- 4.0 Method of Valuation** : Direct Comparison Approach
- 5.0 Market Value** : **S\$1,645,000/-**

Yours faithfully,
On and Behalf of
RHT Valuation Pte. Ltd.



David Ng
License No: AD041-2005203B
MSISV, MRICS

APPENDIX G – SINGAPORE VALUATION CERTIFICATES



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International Plaza
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UEN No. 201812102Z

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Fax. +65 6722 0658
www.rhtrealestate.com

Our Ref : 2021/1622/PTE/EC/SP

20 April 2021

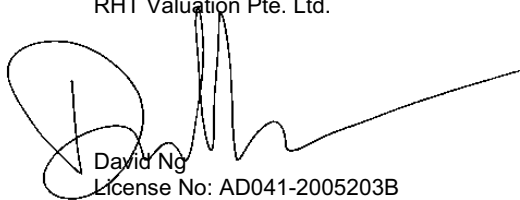
VALUATION FOR
Neo Group Limited
1 Enterprise Road
Singapore 629813

Dear Sirs

VALUATION CERTIFICATE

- 1.0 Purpose of Valuation** : To determine the Market Value of the subject property as at 31 March 2021 in connection with the voluntary conditional offer by Forestt Investment Pte. Ltd. for all the issued and paid-up ordinary shares in the capital of Neo Group Limited.
- 2.0 Address of Property** : 8A Admiralty Street #03-20
Food Xchange @ Admiralty
Singapore 757437
- 3.0 Property Details** *(according to information provided and subject to survey)*
- 3.1 Type** : A strata ramp-up food factory unit with mezzanine level
- 3.2 Strata Floor Area** : 523.0 sq m or 5,630 sq ft, including strata void of 149 sq m
- 3.3 Age** : Circa 2000s
- 3.4 Legal Description** : MK13-U96282X
- 3.5 Tenure/Title** : 60 years leasehold w.e.f. 09/10/2000
- 3.6 Registered Lessee(s)** : Ye Liang How Catering Service Pte Ltd
- 4.0 Method of Valuation** : Direct Comparison Approach
- 5.0 Market Value** : **S\$2,550,000/-**

Yours faithfully,
On and Behalf of
RHT Valuation Pte. Ltd.



David Ng
License No: AD041-2005203B
MSISV, MRICS

APPENDIX G – SINGAPORE VALUATION CERTIFICATES



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Our Ref : 2021/1623/PTE/EC/SP

20 April 2021

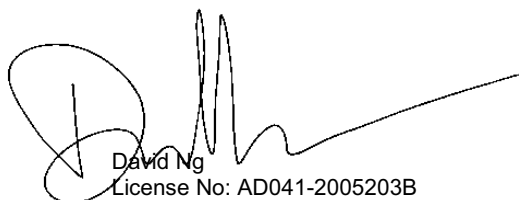
VALUATION FOR
Neo Group Limited
1 Enterprise Road
Singapore 629813

Dear Sirs

VALUATION CERTIFICATE

- 1.0 Purpose of Valuation** : To determine the Market Value of the subject property as at 31 March 2021 in connection with the voluntary conditional offer by Forestt Investment Pte. Ltd. for all the issued and paid-up ordinary shares in the capital of Neo Group Limited.
- 2.0 Address of Property** : 8B Admiralty Street #02-16
8B @ Admiralty
Singapore 757440
- 3.0 Property Details** (*according to information provided and subject to survey*)
- 3.1 Type** : A strata factory unit
- 3.2 Strata Floor Area** : 152.0 sq m or 1,636 sq ft
- 3.3 Age** : Circa 2000s
- 3.5 Legal Description** : MK13-U96284C
- 3.6 Tenure/Title** : 60 years leasehold w.e.f. 09/10/2000
- 3.7 Registered Lessee(s)** : Ye Liang How Catering Service Pte. Ltd.
- 4.0 Method of Valuation** : Direct Comparison Approach
- 5.0 Market Value** : **S\$515,000/-**

Yours faithfully,
On and Behalf of
RHT Valuation Pte. Ltd.



David Ng
License No: AD041-2005203B
MSISV, MRICS

Enclosures: Appendix and Limiting Conditions

APPENDIX G – SINGAPORE VALUATION CERTIFICATES



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Appendix

Definitions and Assumptions

Methods of Valuation

Direct Comparison Approach

In this method, a comparison is made with sales of similar properties in the vicinity and adjustments are made for differences in location, land size/ shape, floor area, age, tenure, design and layout, facilities, floor loading, ceiling heights, dates of transaction, etc. and the prevailing market conditions, etc., before arriving at the value of the subject development.

Residual Land Valuation Method

In the Residual Land Valuation Method, the land value is derived after deducting developer's profits, estimated development costs such as building cost, professional fees, holding cost, development charge (if any), stamp duty, legal fee, marketing fee and other related costs from the Gross Development Value.

The Gross Development Value is estimated from analyzing the prices of new projects in the vicinity and comparable locations. The land value is derived after deducting developer's profits, estimated development costs such as building cost, professional fees, holding cost, development charge (if any), stamp duty, legal fee, marketing fee and other related costs from the Gross Development Value. The residual value would represent the amount a prudent purchaser would pay for the land.

Market Value

The term "Market Value" is intended to mean the best price at which an interest in a property might reasonably be expected to be sold at the date of valuation assuming: -

- a) a willing seller, willing buyer;
- b) a reasonable period within which to negotiate the sale, taking into consideration the nature of the property and state of the market;
- c) the property will be freely exposed to the market for a reasonable period of time; and
- d) no account is to be taken of an additional bid by a special purchaser.
- e)

Gross Development Value

Gross Development Value is the market value of the proposed development assessed on the special assumption that the development is complete as at the date of valuation in the market conditions prevailing at that date. Gross Development Value is estimated from analyzing the prices of new projects in the vicinity and comparable locations.

"As-Is" Basis

As-Is Value is the estimated market value of the development taking into account the residual land value as at the date of valuation. We understand that the property is currently under construction and is 58% completed as at the date of valuation. Our valuation is based on the current state of condition of the development.

Source Of Information

Where applicable, information obtained is treated as true and accurate and we reserve the right to change our opinion of values if any information obtained were to materially change.

We have not carried out any requisitions and as such, we are unable to advise whether or not The Property will be affected by any proposed public schemes. We suggest that requisitions be made with the relevant authorities.

In our evaluation, assumptions are necessary and are made to derive a value fair and reasonable in the current market. While all reasonable care is taken, RHT Valuation does not warrant or represent that the assumptions on which this valuation is based are accurate or correct.

APPENDIX G – SINGAPORE VALUATION CERTIFICATES



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UEN No. 201812102Z

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www.rhtrealestate.com

LIMITING CONDITIONS

This valuation report has been prepared subject to the following limiting conditions: -

1. This valuation report is restricted to the use of our client or person(s) to whom this valuation report is specifically to and for the specific purpose stated therein and to be used within a reasonable time. We disclaim any liability should it be used by other person(s) or for any other purpose(s) or beyond a reasonable time.
2. Neither the whole or any part of this valuation report or any reference to it may be included in any document, circular or statement or be published in any way without our prior written consent to the form and context in which it may appear. We shall bear no responsibility for any unauthorized inclusion or publication.
3. The valuer accepts no liability if his opinion is quoted without regard to the full background of the reason why this Report is written.
4. In the event we are subject to any liability in connection with this engagement, regardless of legal theory advanced, such liability will be limited to the amount of fees we received for this engagement.
5. The values assessed in this report for the subject property and any allocation of values between parts of the property applies strictly on the terms of and for the purpose of this valuation. The values assessed should not be used in conjunction with any other assessment as they may prove incorrect if so used.
6. Where it is stated in the Report that information has been made known to the Valuer by another party or obtained by the Valuer from any enquiries, searches or investigations made from any government or statutory bodies, this information is believed to be reliable and he disclaims all responsibility if this should later prove not to be so.
7. Unless otherwise instructed, we do not normally carry out requisitions with the various public authorities to confirm that the property is not adversely affected by any public schemes. No requisition on road or drainage proposals has been made.
8. 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, infestations or other hidden defects. We have also not made any tests on the building services and these services are presumed to be in good working order.
9. Our valuation assumes that as at the date of valuation, the property is free and clear of all mortgages, encumbrances and other outstanding premiums, charges and liabilities.
10. The title to the property is presumed to be good and marketable and, unless mentioned in this report, be free from any encumbrances, restrictions and other legal impediments. We accept no responsibility for investigations into title, searches and requisitions and other such legal matters.
11. Our valuation presumes 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.
12. Any sketch, plan or map in this report is for identification purpose only and should not be treated as certified copies of areas or other particulars contained therein.
13. Where information is given without reference to another party in this Report, it shall be taken that this information has been obtained or gathered through our best efforts and to our best knowledge.
14. The report was 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 be properly reimbursed.

APPENDIX H – MALAYSIA VALUATION REPORTS

Raine&Horne®

**Raine & Horne International
Zaki + Partners Sdn. Bhd.**

(Company No. 99440-T)

No. 22-01, Jalan Permas 9/2,
Bandar Baru Permas Jaya.
81750 Johor Bahru, Johor, Malaysia
Telephone: 07-386 3791, 386 3795, 386 3529
Fax : 07-386 3754
Email : rhizpjb@gmail.com
Facebook : Raine and Horne Malaysia
Twitter : twitter@raineandhorneMY

REPORT AND VALUATION
OF
GRN 285502
LOT 58820
MUKIM OF KULAI
DISTRICT OF KULAI
STATE OF JOHOR

A SINGLE STOREY DETACHED FACTORY ANNEXED WITH DOUBLE STOREY
OFFICE

BEARING POSTAL ADDRESS
NO. 3343, JALAN PEKELILING TANJUNG 27
KAWASAN PERINDUSTRIAN INDAH PURA
81000 KULAI
JOHOR

AS INSTRUCTED BY:
MESSRS. NEO GROUP LIMITED

PREPARED TO DETERMINE THE MARKET VALUE

Our Ref : VJB21.134
Your Ref : -
Date : 15th April, 2021.
FIZ



(Property, Plant & Machinery Valuation)

Perunding Harta Tanah Antarabangsa • International Property Consultants

KUALA LUMPUR PENANG IPOH KELANG PETALING JAYA SUBANG JAYA SEREMBAN MELAKA KUANTAN JOHOR BAHRU KUCHING KOTA KINABALU

Representative offices throughout Asia, Australia, New Zealand, Europe, Americas & Africa



Raine&Horne.



www.raineandhorne.com.my

APPENDIX H – MALAYSIA VALUATION REPORTS

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APPENDIX H – MALAYSIA VALUATION REPORTS

VALUATION OF NO. 3343, JALAN PEKELILING TANJUNG 27
KAWASAN PERINDUSTRIAN INDAH PURA
81000 KULAI
JOHOR

REPORT AND VALUATION
OF
GRN 285502
LOT 58820
MUKIM OF KULAI
DISTRICT OF KULAI
STATE OF JOHOR

A SINGLE STOREY DETACHED FACTORY ANNEXED WITH DOUBLE STOREY
OFFICE

BEARING POSTAL ADDRESS
NO. 3343, JALAN PEKELILING TANJUNG 27
KAWASAN PERINDUSTRIAN INDAH PURA
81000 KULAI
JOHOR

- 1.00 INTRODUCTION:** In pursuance to instructions from **MESSRS. NEO GROUP LIMITED** to value the captioned property, we confirm we have inspected the property on Monday, 12th April, 2021, taken all relevant particulars, made the necessary investigations and now submits our Report & Valuation.
- 2.00 PURPOSE OF THIS REPORT & VALUATION:** This Report & Valuation is prepared to determine the Market Value of the subject property for **Voluntary Conditional Cash Offer for Neo Group Limited**.
- This Report & Valuation shall therefore, be used solely for the above stated purpose and it is not to be used for any other purposes except that mentioned above without our prior written consent.
- 3.00 DATE OF VALUATION:** For the purpose of this valuation exercise, the material date of valuation shall be the date of inspection, i.e. 12th April, 2021.

OUR REF : VJB21.134
DATE : 15th April, 2021.
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4.00 LOCATION OF THE PROPERTY:

GRN 285502, Lot 58820, Mukim of Kulai, District of Kulai, State Of Johor bearing postal address No. 3343, Jalan Pekeliling Tanjung 27, Kawasan Perindustrian Indahputra, 81000 Kulai, Johor (hereinafter referred to as 'the subject property') is located along Jalan Pekeliling Tanjung 27 within Indahputra Industrial Park, approximately 7 kilometres due south of Kulai town.

The subject property is accessible from Second Link Expressway via Persiaran Indahputra 6, Persiaran Indahputra Utama, Jalan Pekeliling Tanjung 27/1 and finally onto Jalan Pekeliling Tanjung 27.

Appendices 'A' and 'B' show the location plan and site plan identifying the subject property for easy reference.

5.00 NEIGHBOURHOOD DEVELOPMENTS:

Kawasan Perindustrian Indahputra is developed with cluster factories, semi-detached factories and detached factories.

There are also provisions for 24-hours security services within a gated compound.

Nearby industrial scheme include I-Park Indahputra.

Nearby housing schemes include Bandar Indahputra, Bandar Putra, Taman Muhibbah, Taman Saleng, Taman Saleng Indah, Taman Meranti, Taman Iris, Taman Kulai Besar and Taman Gemilang.

Johor Premium Outlet, Aeon Mall Kulai and IOI Mall Kulai are also located nearby.

6.00 DESCRIPTION OF THE PROPERTY:

6.01 SITE

The subject site is a rectangular shaped single storey detached factory lot having a title land area of 4,284 sq. metres (46,113 sq. feet).

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Generally, the site is flat and lies slightly higher than the frontage road, Jalan Pekeliling Tanjung 27. The boundaries of the property are defined by plastered brick wall and chain link fencing. Access to the property is secured by a sliding metal gate mounted on plastered brick piers.

We have not conducted any reconnaissance survey to identify the boundary stones nor establish any encroachment of its boundary lines. However, we have assumed that the physical demarcations on the site correspond with those as shown on the site plan of the survey sheets.

Erected on the site is a single storey detached factory annexed with double storey office.

6.02 BUILDING:

Erected on the site are the following buildings:

- 1) Double Storey Office.
- 2) Single Storey Detached Factory.
- 3) Guard House.
- 4) Pump Room.
- 5) Bin Centre.
- 6) TNB Substation.
- 7) Others Land Improvements.

The construction accommodation layout and built-up area of the building are more particularly described below:

1) Double Storey Office

(a) Construction

The building has been constructed as follows:

Structure	: Reinforced concrete frame.
Roof	: Metal deck roofing.
Walls	: Plastered brick walls.
Ceiling	: Plastered concrete slabs and gypsum boards.

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Floors : Mass and reinforced concrete floor slabs.

(b) Accommodation

Floor	Accommodation	Floor Finishes
Ground Floor	Lobby	Porcelain tiles
	Male and female prayer rooms	Cement render
	Male and female baths/wcs	Ceramic tiles
	MSB area	Cement render
First Floor	Office area	Laminated parquets
	Male and female baths/wcs	Ceramic tiles

(c) Built Up Area

The built-up area of the building is as follows:-

Main Building	Sq. Metres	Sq. Feet
Ground Floor	490.62	5,281
First Floor	490.62	5,281
	981.24	10,562

2) Single Storey Detached Factory

a) Construction

The building has been constructed as follows:

Structure : Reinforce concrete frame.

Roof : Metal deck roofing on steel roof trusses.

Floors : Reinforced concrete floor slabs finished with cement render throughout.

(b) Accommodation

Production area.

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(c) Built Up Area

The estimated floor area of this building is 18,723 sq. feet (1,739.40 sq. metres).

3) Guard House

(a) Construction

The building has been constructed as follows:

Structure : Reinforced concrete frame.
Roof : Concrete flat roof.
Walls : Plastered brick walls.
Ceiling : Plastered concrete slabs.
Floors : Mass concrete floor slabs finished with ceramic tiles.

(b) Accommodation

Guard room.

(c) Built Up Area

The estimated floor area of this building is 71 sq. feet (6.60 sq. metres).

4) Pump Room

a) Construction

The building has been constructed as follows:

Structure : Reinforced concrete frame.
Roof : Concrete flat roof.
Walls : Plastered brick walls.
Ceiling : Plastered concrete slabs.

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Floors : Reinforced concrete floor slabs
finished with cement render.

(b) Built Up Area

The estimated floor area of this building is 129 sq.
feet (12.00 sq. metres).

5) Bin Centre

(a) Construction

The building has been constructed as follows:

Structure : Reinforced concrete frame.

Roof : Metal deck roofing.

Walls : Plastered brick walls.

Floors : Mass concrete floor slabs finished
with ceramic tiles throughout.

(b) Built Up Area

The estimated floor area of this building is 48 sq.
feet (4.41 sq. metres).

6) TNB Sub-Station

(a) Construction

The building has been constructed as follows:

Structure : Reinforced concrete frame.

Roof : Concrete flat roof.

Floors : Reinforced concrete floor slabs
finished with cement render
throughout.

(b) Accommodation

TNB metering room, switchgear room and
transformer room.

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(c) Built Up Area

The estimated floor area of this building is 416 sq. feet (38.60 sq. metres).

7) Others Land Improvements

These include a concrete compounded area, sliding metal gate and chain link fencing.

Attached with this report are the floor plans and photographs showing the property under valuation in Appendices 'D' and 'E'.

**7.00 PUBLIC UTILITIES
& SERVICES:**

Mains water and electricity supplies are connected to the subject building.

Surface drainage is discharged into nearby public drains. Soil drainage is discharge into the oxidation pond located within the estate's boundaries.

Other essential public services such as collection of refuse, repair and maintenance of roads and roadside drains and street lighting are under the jurisdiction of Majlis Perbandaran Kulai.

8.00 OCCUPANCY STATUS:

At the time of our inspection, the subject property is occupied.

9.00 STATE OF REPAIR:

At the time of our inspection, we noted that the building was in a fair state of decorative repair.

No structural survey and test of the services have been made but in the course of our inspection, we did not note any item of disrepair which we regard as serious; we are however, not able to give any assurance that the property is free from defects.

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**10.00 PARTICULARS OF
TITLE:**

Below are particulars extracted from the Title Search provided by the client as follows:-

Title No. : GRN 285502

Lot No. : Lot 58820

Mukim : Kulai

District : Kulai

Tenure : Freehold

Date Of
Registration
Of Title : 2nd January, 2016

Land Area : 4,284 sq. metres.

Annual Rent : RM2,100.00

Category Of
Land Use : Industrial

Registered
Owner(s) : HI-Q PLASTIC INDUSTRIES SDN
BHD

Express
Conditions : i) Tanah ini hendaklah digunakan untuk Kilang bagi tujuan Perusahaan Ringan dan kegunaan lain yang berkaitan dengannya, dibina mengikut pelan yang diluluskan oleh Pihak Berkuasa Tempatan.
ii) Segala kekotoran dan pencemaran akibat daripada aktiviti ini hendaklah disalurkan ke tempat-tempat yang telah ditentukan oleh Pihak Berkuasa Berkenaan.
iii) Segala dasar dan syarat yang telah ditetapkan dan dikuatkuasakan dari semasa ke semasa oleh Pihak Berkuasa Berkenaan hendaklah dipatuhi.

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Restriction
In – Interest : NIL.

Encumbrances: The title is charge to UNITED
OVERSEAS BANK (MALAYSIA)
BHD via Pers. No 82891/2017
dated on 30th November, 2017.

The photocopy of title search is attached as
Appendix 'E' for easy reference.

Note

It is advised that the services of a solicitor be
obtained for the purposes of determining the
validity and confirming the legal interests and
other relevant particulars in the property.

**11.00 EVIDENCES OF
VALUES:**

Our Report and Valuation have taken into
consideration of evidences within the locality and
adjusted for the state of economy, location,
accessibility, improvements, size and shape of
land.

**Sale Evidences – Kawasan Perindustrian
Indahpura.**

1. Lot 58914 (No. 3423, Jalan Pekeliling Tanjung
27/1) was sold at RM2,750,000.00 dated
05/08/2019. Land area is 22,335 sq. feet.
**One and a half (1 ½) storey detached factory,
freehold unit.**
(REF: JPPH - NO. 1430, AUG. '19)

2. Lot 58854 (No. 58854, Jalan Pekeliling Tanjung
27) was sold at RM2,949,266.00 or RM59.00 p.s.f
dated 28/11/2019. Land area is 49,988 sq. feet.
Detached Industrial Plot, freehold unit.
(REF: JPPH - NO. 1223, NOV. '19)

3. Lot 58926 (No. 3418, Jalan Pekeliling Tanjung
27) was sold at RM2,980,000.00 dated 13/10/2020.
Land area is 23,637 sq. feet.
**One and a half (1 ½) storey detached factory,
freehold unit.**
(REF: JPPH - NO. 1366, OCT. '20)

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The above evidence provided a basis in determining the market value of the subject property under this valuation exercise. However, in arriving at the value of the subject property, we have taken into account the land is **46,113 square feet**.

12.00 PLANNING DETAILS:

The subject property is designated for industrial use.

13.00 BASIS OF VALUATION:

The basis of valuation adopted is the **MARKET VALUE** which is defined by the Malaysian Valuation Standard 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 proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion".

14.00 METHOD OF VALUATION:

In arriving at the Market Value of the subject property, we have adopted as our main approach, the **Comparison Method** of valuation.

This Method of Valuation seeks to determine the value of the property being valued by comparing and adopting as a yardstick recent sale evidences involving other similar properties in the vicinity.

In addition to the foregoing approach, we have also adopted the **Cost Approach** in This valuation exercise.

This approach seeks to ascertain the value of the property through the summation of the value components of the land and cost of building. In determining the value of the land, the analyzed apportionment value attributable to the land is adopted as described in the foregoing approach, whilst making due allowances to factors of location, plot, size, accessibility and other relevant factors.

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In determining the cost of building, current estimates on constructional costs to erect equivalent building are adopted. Taking into consideration of similar accommodation in terms of size, constructions, finishes contractors' overheads, fees and profits. Appropriate adjustments are then made for factors of obsolescence and existing physical condition of the building.

15.00 VALUATION:

Market Value

In our opinion the Market Value of GRN 285502, Lot 58820, Mukim of Kulai, District of Kulai, State Of Johor bearing postal address No. 3343, Jalan Pekeliling Tanjung 27, Kawasan Perindustrian Indahpura, 81000 Kulai, Johor held under a freehold title together with the building erected thereon, with vacant possession and free from all encumbrances is **RM7,000,000.00 (Ringgit Malaysia: Seven Million Only)**.

For and on behalf of
**RAINE & HORNE INTERNATIONAL
ZAKI + PARTNERS SDN BHD**

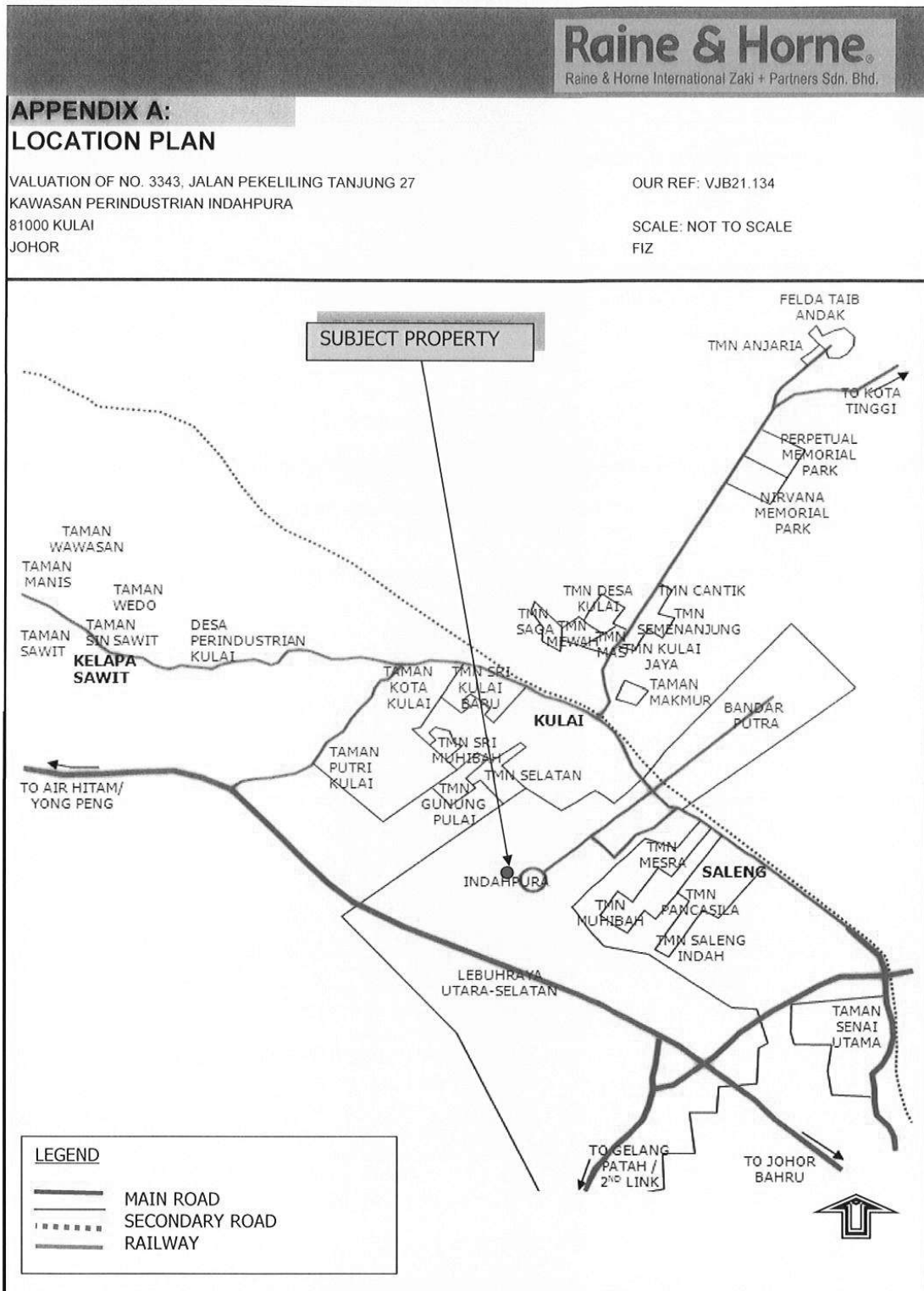


SR. WONG YIN FOOK
Registered Valuer No. V231
B.Sc. Est. Man. (London)

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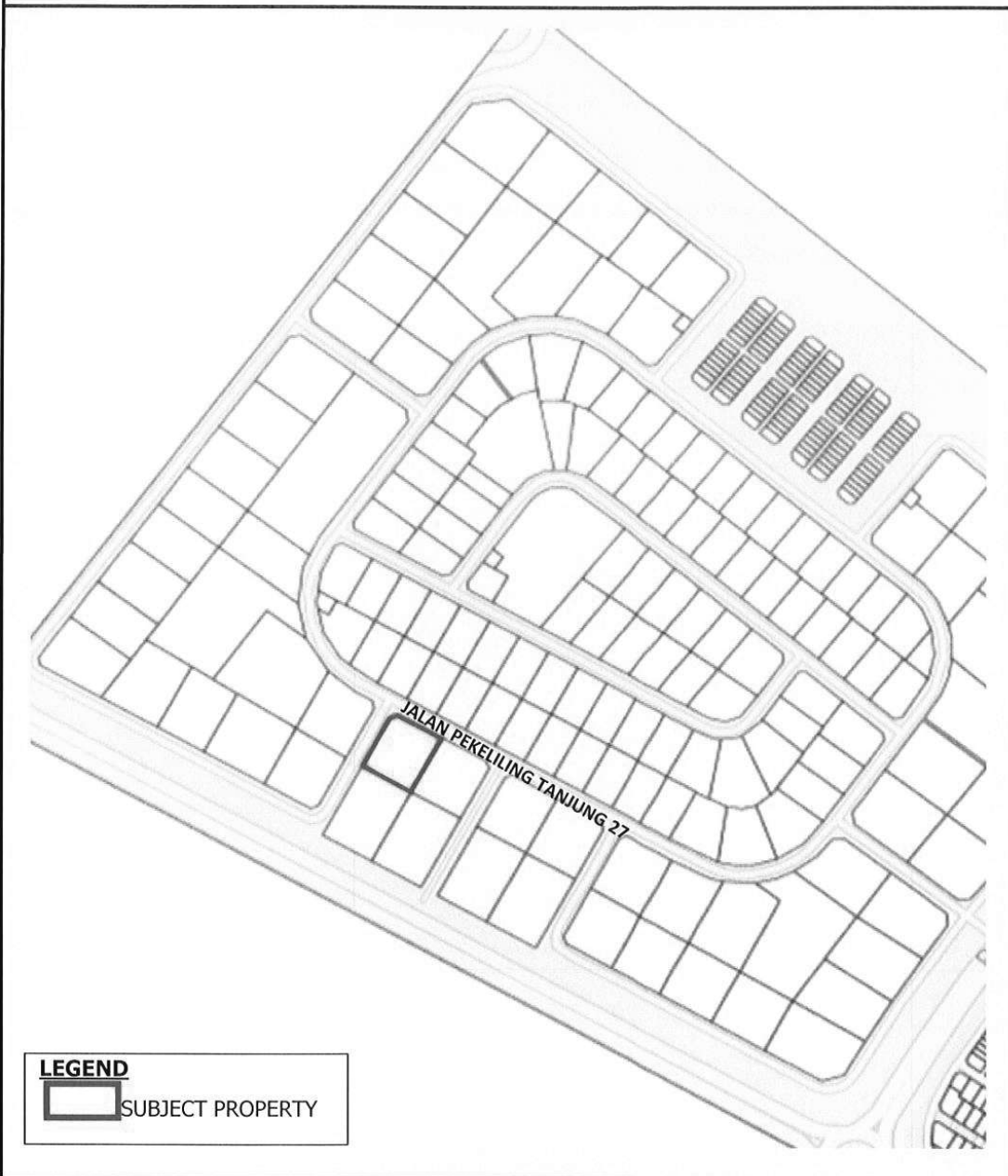
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APPENDIX B: SITE PLAN

VALUATION OF NO. 3343, JALAN PEKELILING TANJUNG 27
KAWASAN PERINDUSTRIAN INDAH PURA
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SCALE: NOT TO SCALE
FIZ

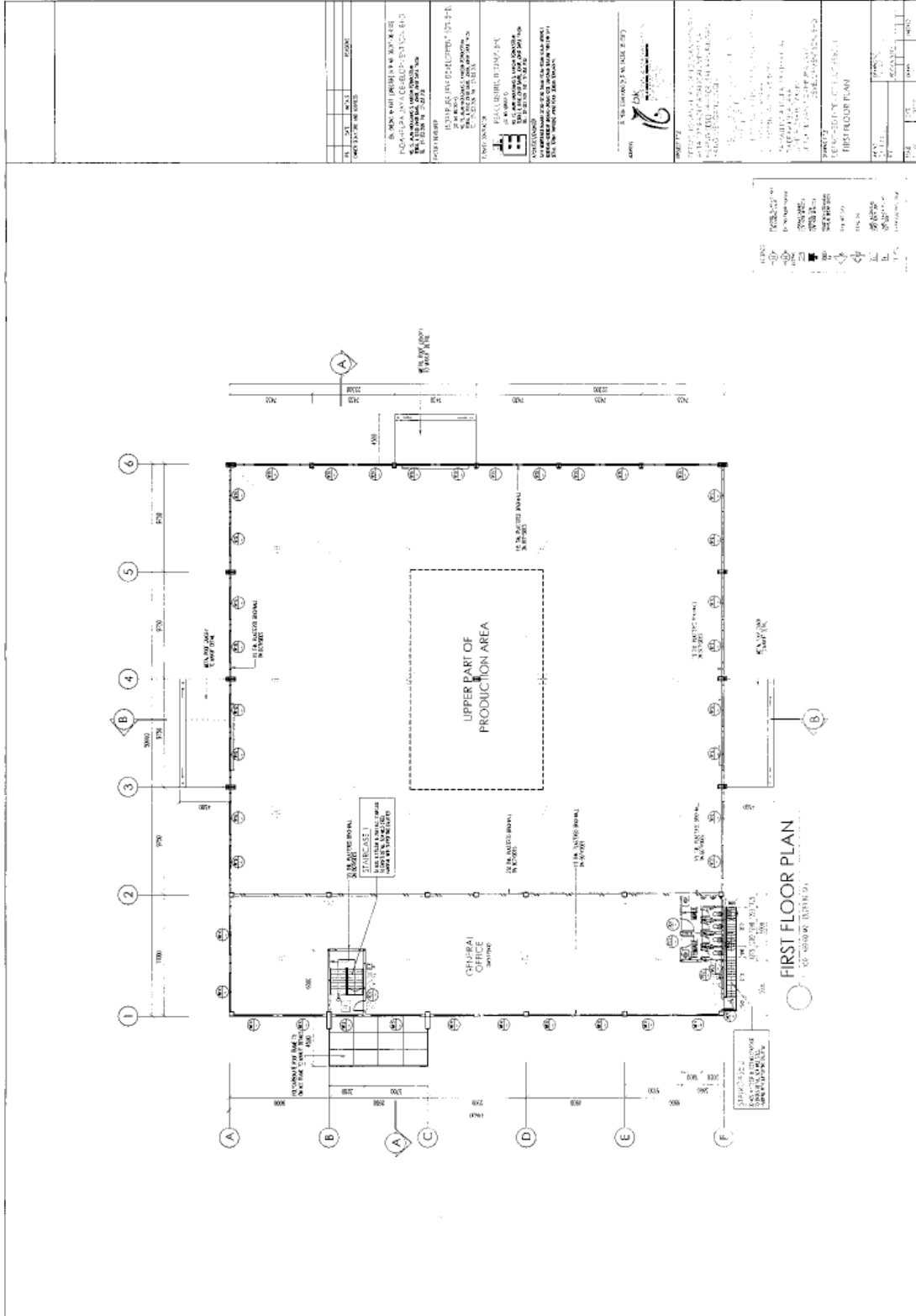


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APPENDIX C

FLOOR PLAN

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APPENDIX D: PHOTOGRAPHS

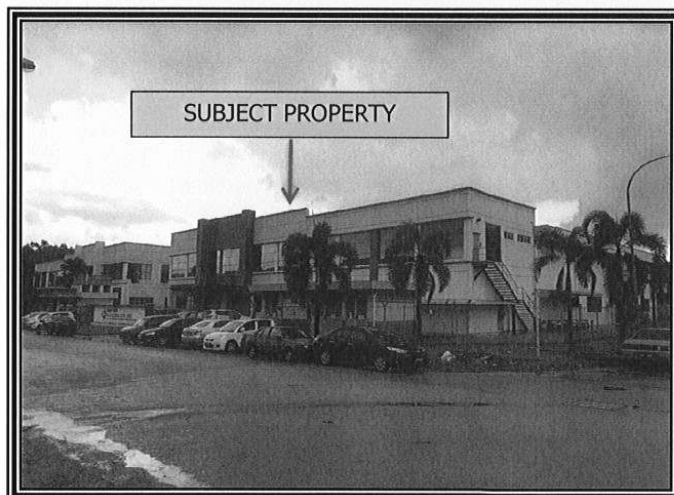
VALUATION OF NO. 3343, JALAN PEKELILING TANJUNG 27
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JOHOR

OUR REF: VJB21.134

SCALE: NOT TO SCALE
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GENERAL VIEW OF SUBJECT PROPERTY FROM THE FRONTAGE ROAD
JALAN PEKELILING TANJUNG 27



OTHER VIEW OF SUBJECT PROPERTY

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APPENDIX D: PHOTOGRAPHS

VALUATION OF NO. 3343, JALAN PEKELILING TANJUNG 27
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INTERNAL VIEWS OF THE SUBJECT PROPERTY GROUND FLOOR



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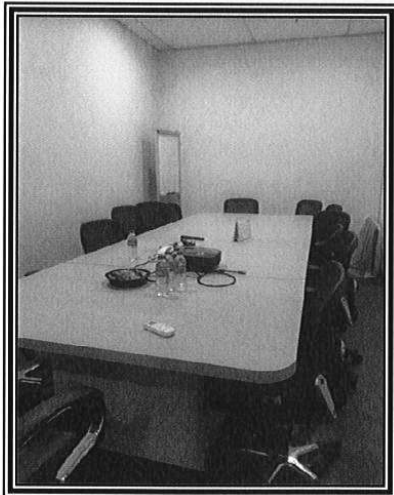
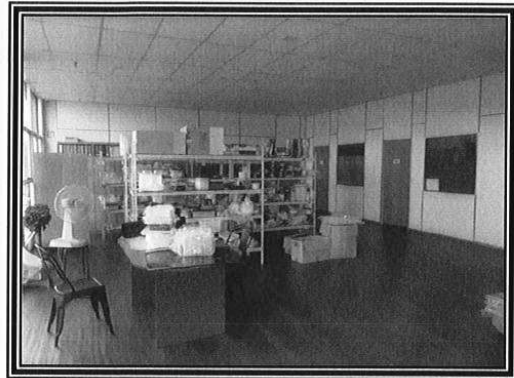
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INTERNAL VIEWS OF THE SUBJECT PROPERTY FIRST FLOOR



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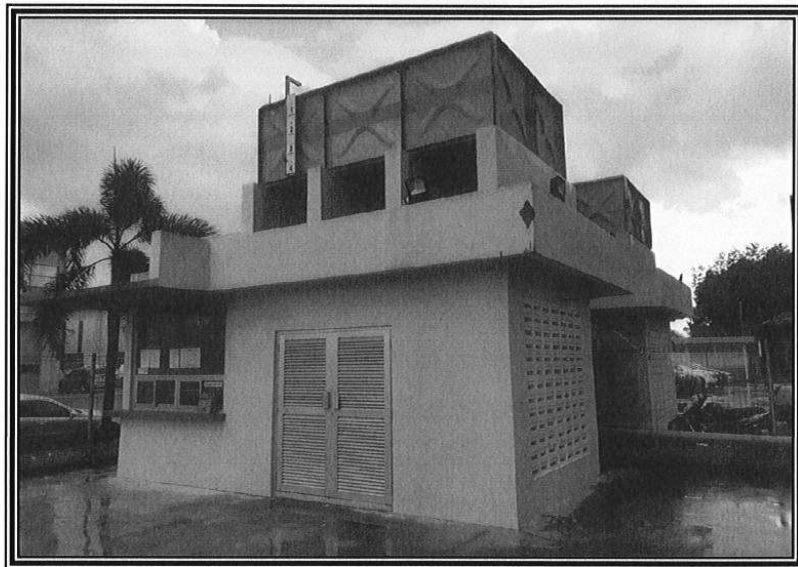
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GUARD HOUSE AND PUMP ROOM

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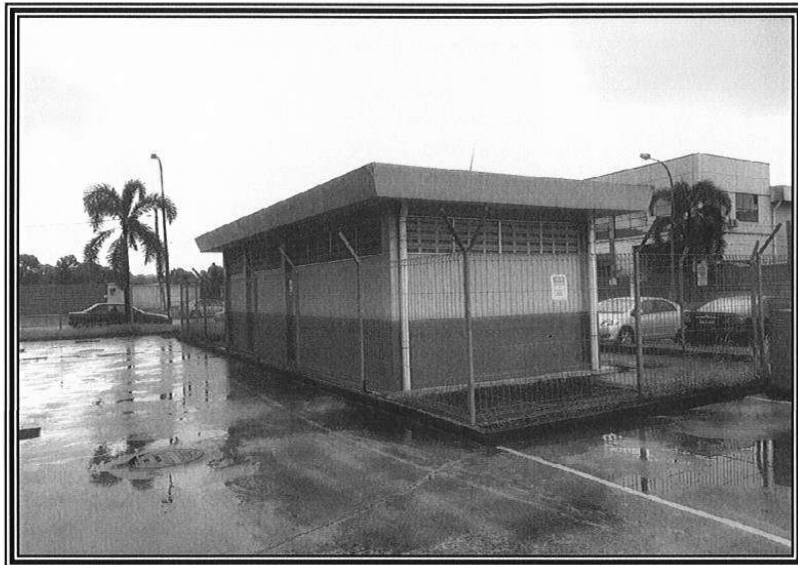
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TNB SUB-STATION

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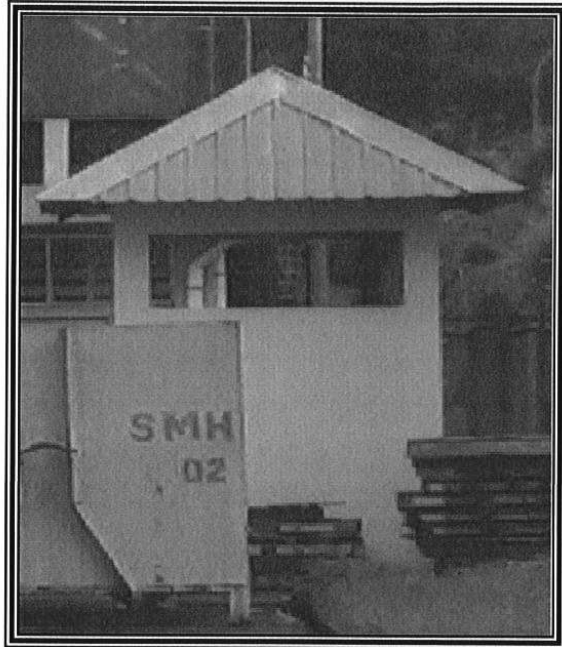
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APPENDIX D: PHOTOGRAPHS

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SCALE: NOT TO SCALE
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BIN CENTRE

APPENDIX H – MALAYSIA VALUATION REPORTS

APPENDIX E

CATATAN CARIAN PERSENDIRIAN HAKMILIK DAN MAKLUMAT TIDAK BERKUATKUASA

Jenis dan No. Hakmilik	: GRN 285502	Nombor Lot	: Lot 58820
Bandar/Pekan/Mukim	: Mukim Kulai	Tempat	:
Keluasan	: 4284 Meter Persegi	Daerah	: Kulai
Nombor Syit Piawai	: 59 C III	Nombor Pelan Akui	: 81463
Taraf Pegangan	: Selatua-lamaunya (Selama-lamaunya atau Pajakan)	Tarikh Luput Pajakan:	(Jika Berkenaan)
Tarikh Daftar	: 2 Januari 2016	Cukai Tanah	: RM2,100.00
Kawasan Rizab	: Tiada (Jika Berkenaan)		

Kategori Kegunaan Tanah : **Perusahaan/Perindustrian**
Syarat Nyata :
: i) Tanah ini hendaklah digunakan untuk Kilang bagi tujuan Perusahaan
: Ringan dan kegunaan lain yang berkaitan dengannya, dibina mengikut
: pelan yang diluluskan oleh Pihak Berkuasa Tempatan yang berkenaan.
: ii) Segala kekotoran dan pencemaran akibat daripada aktiviti ini
: hendaklah disalurkan/dibuang ke tempat-tempat yang telah
: ditentukan oleh Pihak Berkuasa Berkenaan.
: iii) Segala dasar dan syarat yang ditetapkan dan dikuatkuasakan dari
: semasa ke semasa oleh Pihak Berkuasa Berkenaan hendaklah dipatuhi.
Sekatan Kepentingan : **Tiada**

Rekod Ketuanpunyaan:

HI-Q PLASTIC INDUSTRIES SDN. BHD. , No. Syarikat : 813677-H
, 1/1 bahagian
SUITE 7E, LEVEL 7, MENARA ANSAR 65, JALAN TRUS 80000 JOHOR BAHRU Johor

Rekod urusan dan endosan lain:

Nombor Peralihan : 82890/2017 Pindahmilik Tanah

oleh INDAH PURA JAYA DEVELOPMENT SDN. BHD., No. Syarikat : 892140-H, 1/1 bahagian
kepada HI-Q PLASTIC INDUSTRIES SDN. BHD., No sykt : 813677-H, 1/1 bahagian
SUITE 7E, LEVEL 7, MENARA ANSAR 65, JALAN TRUS 80000 JOHOR BAHRU Johor
didaftarkan pada 30 November 2017 jam 10:46:08 pagi
Surat Kebenaran : 18456/2017

Nombor Peralihan : 82891/2017 Gadaian menjamin wang pokok

oleh HI-Q PLASTIC INDUSTRIES SDN. BHD., No. Syarikat : 813677-H, 1/1 bahagian
kepada UNITED OVERSEAS BANK (MALAYSIA) BHD, No sykt : 271809-K

Hakmilik : 012101GRN00285502
Mukasurat : 1 | 2 |
Tarikh : 09 / 09 / 2020

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NO. 31-1 & 31-2 JALAN RAYA, KULAI BESAR 81000 KULAI Johor
didaftarkan pada 30 November 2017 jam 10:46:08 pagi
Suratkuasa Wakil : 456/2016

Nombor Perserahan : 7357/2019 Pindaan Cukai Tanah
didaftarkan pada 28 Oktober 2019 jam 02:01:44 petang

No Pers 2838/2018 Pembetulan di bawah seksyen 380 KTN
No Buku :
didaftarkan pada 10 July 2018 jam 04:09:09 petang

Urusan-urusan dalam Perserahan yang belum didaftarkan : Tiada

Urusan-urusan dalam Perserahan yang digantung : 0

Endosan-endosan yang terdahulu yang tidak berkuatkuasa lagi : Tiada

Hakmilik yang terdahulu :
(Jika hakmilik sambungan)

Tarikh mula diberimilik : 4 Disember 2002
Hakmilik Asal (Tetap atau Sementara) : Mukim Senai-Kulai HSD 342598
Hakmilik Terdahulu daripada ini : Mukim Kulai HSD 26515
Mukim Kulai GRN 285502

Perkara lain yang melibatkan hakmilik :

Cukai tanah dipinda dari RM 1200 kepada RM 2100
menurut Seksyen 101 Kanun Tanah Negara mulai dari 1 Januari 2020.
(No Warta J. P.U. 49. bertarikh 5 Disember 2019.)

Dikeluarkan pada : 10:12:01 pagi Tarikh : 9 September 2020
Bayaran dijelaskan : RM 60.00 Nombor Resit : 20200909BS082

Hakmilik : 012101GRN00285502
Mukasurat : 2 (2)
Tarikh : 09 / 09 / 2020

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LIMITING CONDITIONS

MALAYSIAN VALUATION STANDARDS

This Valuation Report is carried out in accordance with the Malaysian Valuation Standards published by the Board of Valuers, Appraisers, Estate Agents and Property Managers.

MEASUREMENTS

All measurements are carried out in accordance with the Uniform Method of Measurement of Buildings issued by The Royal Institution of Surveyors, Malaysia or such other building measurement standards as acceptable and agreed to by the client.

For properties situated outside Malaysia, the appropriate/applicable methods of measurement such as the International Property Measurement Standards (IPMS) are used in parallel with the Uniform Method of Measurement of Buildings (UMMB).

CONFIDENTIALITY

This Valuation Report is confidential to the client or to whom it is addressed and for the specific purpose to which it refers. It may only be disclosed to other professional advisors assisting the client in respect of that purpose, but the client shall not disclose the report to any other person.

Neither the whole, nor any part of the Valuation Report or Certificate or any reference thereto may be included in any published document, circular or statement nor published in any way without our prior written approval of the form and context in which it may appear.

We shall bear no responsibility nor be held liable to any party in any manner whatsoever in the event of any unauthorized publication of the Valuation Report, whether in part or in whole.

USE OF VALUATION REPORT

The opinion of value expressed in this Valuation Report shall only be used by the addressee for the purpose stated or intended in this Valuation Report. We are not responsible for any consequences arising from the Valuation Report or any part thereof being relied upon by any other party whatsoever or for any information therein being quoted out of context.

TITLE SEARCH

Whenever possible, a private title search is conducted at the relevant Land Registry/ Office but this is done to establish title particulars relevant to valuation only. Whilst we may have inspected the title of the property as recorded in the Register Document of Title, we cannot accept any responsibility for its legal validity or as to the accuracy and timeliness of the information extracted or obtained from the relevant Land Registry/ Office. Legal advice may be sought to verify the title details, if required.

TOWN PLANNING AND OTHER STATUTORY ENQUIRIES

Such enquiries are conducted at the respective offices or by extracting the required information from published reports and are deemed sufficiently reliable in the profession.

SITE SURVEYS

We have not conducted any land survey to ascertain the actual site boundaries. For the purpose of this valuation, we have assumed that the dimensions correspond with those shown in the title document, certified plan or any relevant agreement.

STRUCTURAL SURVEY

While due care has been taken to note building defects in the course of inspection, no structural survey nor any testing of services were made nor have we inspected any woodwork or other parts of the structure which were covered or inaccessible. We are therefore unable to express an opinion or advice on the condition of uninspected parts and this Report should not be taken as making any implied representation or statement on such parts. Whilst any defects or items of disrepair may be noted during the course of inspection, we are not able to give any assurance of the absence in respect of any rot, termite or pest infestation or other hidden defects.

DELETERIOUS OR HAZARDOUS MATERIALS

No investigations have been carried out to determine whether or not any deleterious or hazardous materials had been used in the construction of the property (building) or had since been incorporated and we are, therefore, unable to account or report on any such material in our Valuation Report.

SOIL INVESTIGATION

No soil investigation has been carried out to determine the suitability of soil conditions and/or availability of services for the existing or any future development or planting. No soil investigation has been carried out to determine the soil suitability for the continued use of the property in its current condition or for any redevelopment.

CONTAMINATION

We have not carried out investigations into the past and present use of either the property or of any neighboring land to establish whether there has been any contamination or if there is any potential for contamination to the property and are therefore, unable to account and report for such contamination in our Valuation Report.

DISEASE OR INFESTATION

Whilst due care is taken to note the presence of any disease or infestation, we have not carried out any tests to ascertain possible latent infestations or diseases affecting crops or stock. We are therefore unable to account for such in our Valuation Report.

LEASES AND TENANCIES

Enquiries as to the financial standing of actual or prospective lessees or tenants are not normally made unless specifically requested. Where properties are valued with the benefit of lettings, it is assumed that the lessees or tenants are capable of meeting their obligations under the lease or tenancy and that there are no arrears of rent or undisclosed breaches of covenants and/or warranties.

DEVELOPMENT AGREEMENTS

Unless otherwise stated, no considerations are made in our valuation for any joint venture agreement, development right agreement or other similar contracts.

OUTSTANDING DEBTS

In the case of buildings where works are in hand or have recently been completed, no allowances are made for any liability already incurred, but not yet discharged, in respect of completed works, or obligations in favour of contractors, sub-contractors or any members of the professional or design team.

TAXATION, ENCUMBRANCES, STATUTORY NOTICES AND OUTGOINGS

Unless otherwise stated, no allowances are made in our valuation for any expense of realisation or for taxation which might arise in the event of a disposal, deemed or otherwise. We have considered the property as if free and clear of all charges, lien and all other encumbrances which may be secured thereon. We also assumed the property is free of statutory notices and outgoings.

ATTENDANCE

The instruction and the valuation assignment do not automatically bind us to attendance in court or to appear in any enquiry before any government or statutory body in connection with the valuation unless agreed when the instructions were given or subsequently agreed upon.

SOURCE OF INFORMATION

This Valuation Report has been prepared on the basis that full disclosure of all information and facts which may affect the valuation have been made known to us and we cannot accept any liability or responsibility for information or facts that have been suppressed or not disclosed to us.

Where it is stated in the Valuation Report that information has been supplied by the sources listed, this information is deemed to be reliable and no responsibility is accepted should it be proven otherwise, be it expressed or implied. All other information stated without being attributed directly to another party is deemed to be from our searches of records, examination of documents or relevant sources.

VALIDITY PERIOD OF VALUATION REPORT

A Valuation Report is current as at the date of valuation date only. The value assessed herein may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property). We do not accept liability for losses arising from such subsequent changes in value. No warranty can be given as to the maintenance of this value into the future. A periodical valuation review is recommended.

LIMITATION OF LIABILITY

Although every care has been taken in preparing the Valuation Report, if it is proven that there is an apparent negligence on the part of the Valuer, the liability of this valuation (whether arising from this valuation, negligence or any other cause whatsoever) is limited in respect of any event or series of events to the actual loss or damage sustained subject to a liability cap to be mutually agreed between the client and the Valuer and clearly set out in the terms of engagement.

APPENDIX H – MALAYSIA VALUATION REPORTS

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**Raine & Horne International
Zaki + Partners Sdn. Bhd.**

(Company No. 99440-T)

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REPORT AND VALUATION
OF
GRN 182839 LOT 122688 AND GRN 182867 LOT 122689
MUKIM OF PLENTONG
DISTRICT OF JOHOR BAHRU
STATE OF JOHOR

SEMI-DETACHED AND DETACHED FACTORIES

BEARING POSTAL ADDRESS
NOS. 6 & 8, JALAN ISTIMEWA 8
TAMAN PERINDUSTRIAN CEMERLANG
81800 ULU TIRAM
JOHOR

AS INSTRUCTED BY:
NEO GROUP LIMITED

PREPARED TO DETERMINE MARKET VALUE

Our Ref : VJB21.133
Your Ref : -
Date : 15th. April, 2021.
FIZ



(Property, Plant & Machinery Valuation)

Perunding Harta Tanah Antarabangsa • International Property Consultants

KUALA LUMPUR PENANG IPOH KELANG PETALING JAYA SUBANG JAYA SEREMBAN MELAKA KUANTAN JOHOR BAHRU KUCHING KOTA KINABALU



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VALUATION OF NO. 6 & 8
JALAN ISTIMEWA 8
TAMAN PERINDUSTRIAN CEMERLANG
81800 ULU TIRAM
JOHOR

REPORT AND VALUATION
OF
GRN 182839 LOT 122688 AND GRN 182867 LOT 122689
MUKIM OF PLENTONG
DISTRICT OF JOHOR BAHRU
STATE OF JOHOR

SEMI-DETACHED AND DETACHED FACTORIES

BEARING POSTAL ADDRESS
NOS. 6 & 8, JALAN ISTIMEWA 8
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- 1.00 INTRODUCTION:** In pursuance to instructions from **MESSRS. NEO GROUP LIMITED** to value the captioned properties, we confirm we have inspected the properties on Wednesday, 14th April, 2021, taken all relevant particulars, made the necessary investigations and now submits our Report & Valuation.
- 2.00 PURPOSE OF THIS REPORT & VALUATION:** This Report & Valuation is prepared to determine the Market Value of the subject properties for **Voluntary Conditional Cash Offer for Neo Group Limited**.
- This Report & Valuation shall therefore, be used solely for the above stated purpose and it is not to be used for any other purposes except that mentioned above without our prior written consent.
- 3.00 DATE OF VALUATION:** For the purpose of this valuation exercise, the material date of valuation shall be the date of inspection, i.e. 14th April, 2021.

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4.00 LOCATION OF THE PROPERTIES:

GRN 182839 Lot 122688 and GRN 182867 Lot 122689, Mukim of Plentong, District of Johor Bahru, State Of Johor bearing postal address No. 6 & 8, Jalan Istimewa 8, Kawasan Perindustrian Cemerlang, 81800 Ulu Tiram, Johor (hereinafter referred to as 'the subject properties') is located along Jalan Istimewa 8 within Kawasan Perindustrian Cemerlang, approximately 19 kilometres due north-east of Johor Bahru City Centre.

The subject properties are accessible from Jalan Pandan via Jalan Kota Tinggi, Jalan Cemerlang, Jalan Istimewa 7 and finally onto Jalan Istimewa 8.

Appendices 'A' and 'B' show the location plan and site plan identifying the subject properties for easy reference.

5.00 NEIGHBOURHOOD DEVELOPMENTS:

Taman Perindustrian Cemerlang is developed with one and a half/double storey semi-detached factories and detached factories.

Nearby industrial schemes include Taman Perindustrian Puncak, Taman Perindustrian Maju Cemerlang, Taman Perindustrian Gemilang, Taman Perindustrian Desa Jaya and Taman Perindustrian Tropika.

Nearby housing schemes include Taman Desa Cemerlang, Taman Desa Jaya, Taman Ehsan Jaya, Taman Mewah Jaya, Taman Gaya and Taman Dato Chellam.

Tesco Extra Tebrau, AEON Tebrau, Toppen Mall and IKEA Tebrau are located nearby.

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6.00 DESCRIPTION OF THE PROPERTIES:

6.01 SITES

The subject sites are trapezium in shaped and is a semi-detached and detached factory lots. The title land area for Lot 122688 (No. 6) is 2,297 sq. metres or 24,725 sq. feet and Lot 122689 (No. 8) is 5,385 sq. metres or 57,964 sq. feet.

Generally, the sites are flat and lie slightly higher than the frontage road, Jalan Istimewa 8. The boundaries of the properties are defined by plastered brick wall fencing. Access to the properties is secured by a sliding metal gate mounted on plastered brick piers each.

We have not conducted any reconnaissance survey to identify the boundary stones nor establish any encroachment of its boundary lines. However, we have assumed that the physical demarcations on the site correspond with those as shown on the site plan of the survey sheets.

Erected on the sites is a semi-detached and detached factory. We note between the factories is a covered area for storage.

6.02 BUILDINGS:

The construction accommodation layout and built-up area of the buildings are more particularly described below:

(a) Construction

The buildings are similarly constructed as follows:

Structure	: Reinforced concrete frame.
Roof	: Concrete flat roof and metal deck roofing on steel roof trusses.
Walls	: Plastered brick walls.
Ceilings	: Plastered concrete slabs and asbestos free sheets.
Floors	: Reinforced concrete floor slabs.

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(b) Accommodation

The buildings accommodation and floor finishes are as follows:-

Lot 122688 (No. 6)

Floor	Accommodation	Floor Finishes
Ground Floor	Production area	Cement render
	Office area	Ceramic tiles
	Bath/wc	Ceramic tiles
First Floor	Office area	Cement render
	Bath/wc	Ceramic tiles

Lot 122689 (No. 8)

Floor	Accommodation	Floor Finishes
Ground Floor	Production area	Cement render
	Office area	Ceramic tiles
	Bath/wc	Ceramic tiles
First Floor	Office area	Cement render
	Bath/wc	Ceramic tiles

(c) Built Up Area

The estimated floor areas are as follows:-

Lot 122688 (No. 6)

Main Building	Sq. Metres	Sq. Feet
Office Area	183.66	1,977
Production Area	1,162.72	12,516
	1,346.38	14,493

Lot 122689 (No. 8)

Main Building	Sq. Metres	Sq. Feet
Office Area	454.65	4,894
Production Area	2,051.00	22,077
	1,346.38	26,971
Covered Area	1,279.55	13,773

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(d) Others Land Improvements

These include sliding gates and concreted compounded area.

Attached with this report are the floor plans and photographs showing the properties under valuation in **Appendices 'C' and 'D'**.

7.00 PUBLIC UTILITIES & SERVICES:

Mains water and electricity supplies are connected to the subject building.

Surface drainage is discharged into nearby public drains. Soil drainage is discharge into the oxidation pond located within the estate's boundaries.

Other essential public services such as collection of refuse, repair and maintenance of roads and roadside drains and street lighting are under the jurisdiction of Majlis Bandaraya Johor Bahru.

8.00 OCCUPANCY STATUS:

At the time of our inspection, the subject properties are occupied.

9.00 STATE OF REPAIR:

At the time of our inspection, we noted that the building was in a fair state of decorative repair.

No structural survey and test of the services have been made but in the course of our inspection, we did not note any item of disrepair which we regard as serious; we are however, not able to give any assurance that the property is free from defects.

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10.00 PARTICULARS OF TITLES:

Brief particulars of titles as extracted from a title searches with the Pejabat Tanah Dan Galian Johor on 15th. April, 2021 confirming the details of the title particulars as follows:

Nos.	Lot Nos.	Title Nos.	Land Areas (sq. metres)	Annual Rent (RM)
1.	122688	GRN 182839	2,297	2,550
2.	122689	GRN 182867	5,385	3,300
Total			7,682	5,850

Mukim : Plentong.

District : Johor Bahru.

Tenure : Freehold.

Date Of Registration Of Title : 4th July, 2007.

Category Of Land Use : Building.

Registered Owner(s) : TS FOOD INDUSTRY SDN BHD

Express Condition : **Lot 122688 (No. 6)**

Tanah ini hendaklah digunakan untuk kilang bagi tujuan Perusahaan Sederhana Berbandung dan kegunaan lain berkaitan dengannya, dibina mengikut pelan yang diluluskan oleh Pihak Berkuasa Tempatan yang berkenaan.

Segala kekotoran dan pencemaran akibat daripada aktiviti ini hendaklah disalurkan ke tempat-tempat yang telah ditentukan oleh Pihak Berkuasa Berkenaan.

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Segala dasar dan syarat yang telah ditetapkan dan dikuatkuasakan dari semasa ke semasa oleh Pihak Berkuasa Berkenaan hendaklah dipatuhi.

Lot 122689 (No. 8)

Tanah ini hendaklah digunakan untuk kilang bagi tujuan Perusahaan Sederhana Sesebuah dan kegunaan lain berkaitan dengannya, dibina mengikut pelan yang diluluskan oleh Pihak Berkuasa Tempatan yang berkenaan.

Segala kekotoran dan pencemaran akibat daripada aktiviti ini hendaklah disalurkan ke tempat-tempat yang telah ditentukan oleh Pihak Berkuasa Berkenaan.

Segala dasar dan syarat yang telah ditetapkan dan dikuatkuasakan dari semasa ke semasa oleh Pihak Berkuasa Berkenaan hendaklah dipatuhi.

Restriction

In – Interest : Tanah yang terkandung di dalam hakmilik ini apabila sahaja bertukar miliknya kepada seorang Bumiputera, maka tidak boleh terkemudian daripada itu dijual, dipajak atau dipindahmilik dengan apa cara sekali pun kepada orang Bukan Bumiputera tanpa persetujuan Pihak Berkuasa Negeri.

Encumbrances: The title is charged to UNITED OVERSEAS BANK (MALAYSIA) BHD at vide Presentation No. 80587/2018 dated 30th. October, 2018.

Endorsement : Lot untuk Bumiputra.

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The photocopies of title searches are attached as Appendix 'E' for easy reference.

11.00 EVIDENCES OF VALUES:

Our Report and Valuation have taken into consideration of evidences within the locality and adjusted for the state of economy, location, accessibility, improvements, size and shape of land.

Sale Evidences – Mukim of Plentong

1. PTD 91805 (No. 12, Jalan Mahir 5, Taman Perindustrian Cemerlang) was sold at RM7,300,000.00 dated 31/03/2019. Land area is 52,843 sq. feet.

Detached factory and freehold unit.
(REF: JPPH - NO. 22, MAR. '19)

2. PTD 212910 (No. 7, Jalan Indah Gemilang, Taman Perindustrian Gemilang) was sold at RM6,600,000.00 dated 19/02/2019. Land area is 43,475 sq. feet.

Detached factory and freehold unit.
(REF: JPPH - NO. 110, FEB. '19)

3. PTD 115790 (No. 12, Jalan Mashyur 1, Taman Perindustrian Cemerlang) was sold at RM5,000,000.00 dated 28/01/2019. Land area is 39,200 sq. feet.

Detached factory and freehold unit.
(REF: JPPH - NO. 248, JAN. '19)

4. PTD 153817 (No. 9, Jalan Makmur 3, Taman Perindustrian Cemerlang) was sold at RM6,000,000.00 dated 05/03/2019. Land area is 35,496 sq. feet.

Semi-detached factory and freehold unit.
(REF: JPPH - NO. 107, MAR. '19)

5. PTD 220173 (No. 3, Persiaran Maju Cemerlang, Taman Perindustrian Maju Cemerlang) was sold at RM3,800,000.00 dated 09/07/2019. Land area is 20,344 sq. feet.

Semi-detached factory and freehold unit.
(REF: JPPH - NO. 25, JUL. '19)

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6. Lot 56885 (No. 2, Jalan Mahir 1, Taman Perindustrian Cemerlang) was sold at RM3,180,000.00 dated 11/02/2020. Land area is 17,604 sq. feet.

**Semi-detached factory and freehold unit.
(REF: JPPH - NO. 168, FEB. '20)**

The above evidence provided a basis in determining the market value of the subject property under this valuation exercise. However, in arriving at the value of the subject property, we have taken into account the land area for Lot 122688 (No. 6) is 24,725 square feet and Lot 122689 (No. 8) is 57,964 square feet.

12.00 PLANNING DETAILS:

The subject properties are designated for industrial use.

13.00 BASIS OF VALUATION:

The basis of valuation adopted is the **MARKET VALUE** which is defined by the Malaysian Valuation Standard 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 proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion".

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14.00 METHOD OF VALUATION:

In arriving at the Market Value of the subject property, we have adopted as our main approach, the **Comparison Method** of valuation.

This Method of Valuation seeks to determine the value of the property being valued by comparing and adopting as a yardstick recent sale evidences involving other similar properties in the vicinity.

In addition to the foregoing approach, we have also adopted the **Cost Approach** in This valuation exercise.

This approach seeks to ascertain the value of the property through the summation of the value components of the land and cost of building. In determining the value of the land, the analyzed apportionment value attributable to the land is adopted as described in the foregoing approach, whilst making due allowances to factors of location, plot, size, accessibility and other relevant factors.

In determining the cost of building, current estimates on constructional costs to erect equivalent building are adopted. Taking into consideration of similar accommodation in terms of size, constructions, finishes contractors' overheads, fees and profits. Appropriate adjustments are then made for factors of obsolescence and existing physical condition of the building.

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15.00 VALUATION:

Market Value

In our opinion the Market Value of GRN 182839 Lot 122688 and GRN 182867 Lot 122689, Mukim of Plentong, District of Johor Bahru, State of Johor bearing postal address No. 6 & 8, Jalan Istimewa 8, Taman Perindustrian Cemerlang, 81800 Ulu Tiram, Johor held under a freehold title together with the building erected thereon, with vacant possession and free from all encumbrances is **RM14,300,000.00 (Ringgit Malaysia: Fourteen Million Three Hundred Thousand Only).**

The break-down values for the above properties are as follows:-

Nos.	Title Nos.	Lot Nos.	Land Areas (Sq. Feet)	Market Value (RM)
1.	GRN 182839	122688	24,725	4,885,000.00
2.	GRN 182867	122689	57,964	8,585,000.00
3.	Covered Area			830,000.00
Total				14,300,000.00

For and on behalf of
**RAINE & HORNE INTERNATIONAL
ZAKI + PARTNERS SDN BHD**



SR. WONG YIN FOOK
Registered Valuer No. V231
B.Sc. Est. Man. (London)

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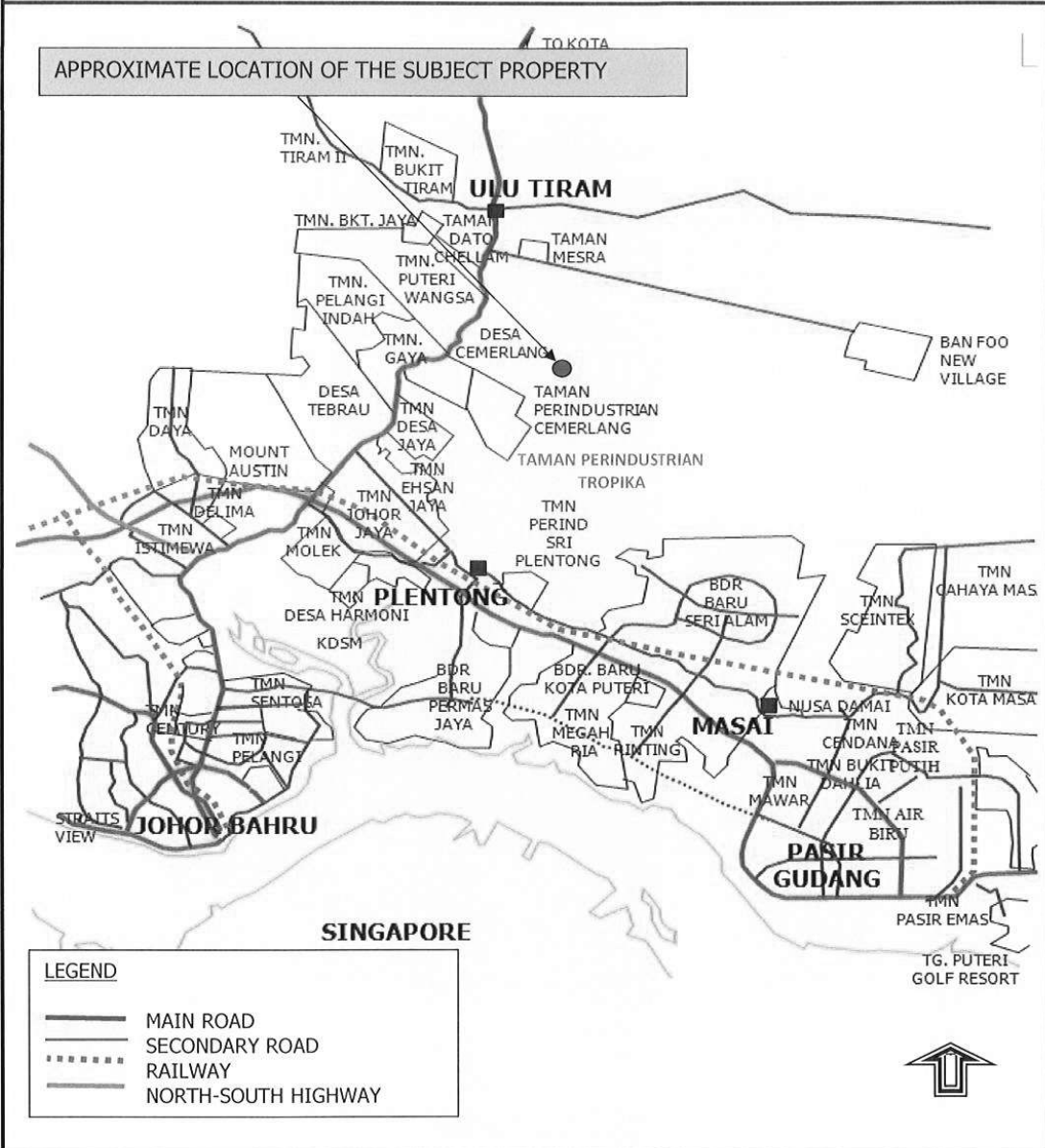
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**APPENDIX A:
LOCATION PLAN**

VALUATION OF NO. 6 & 8
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SCALE: NOT TO SCALE
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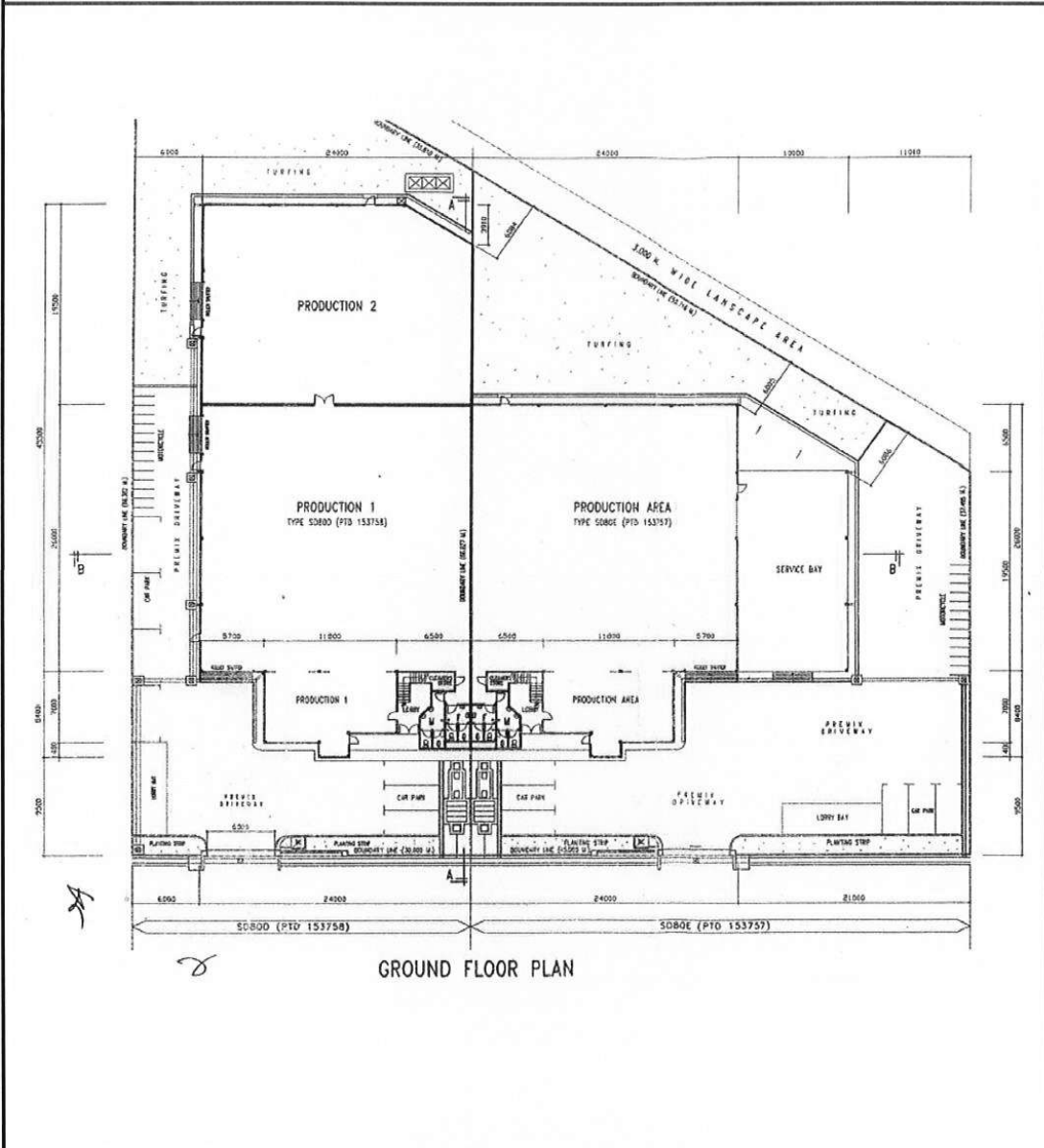
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APPENDIX C: FLOOR PLAN

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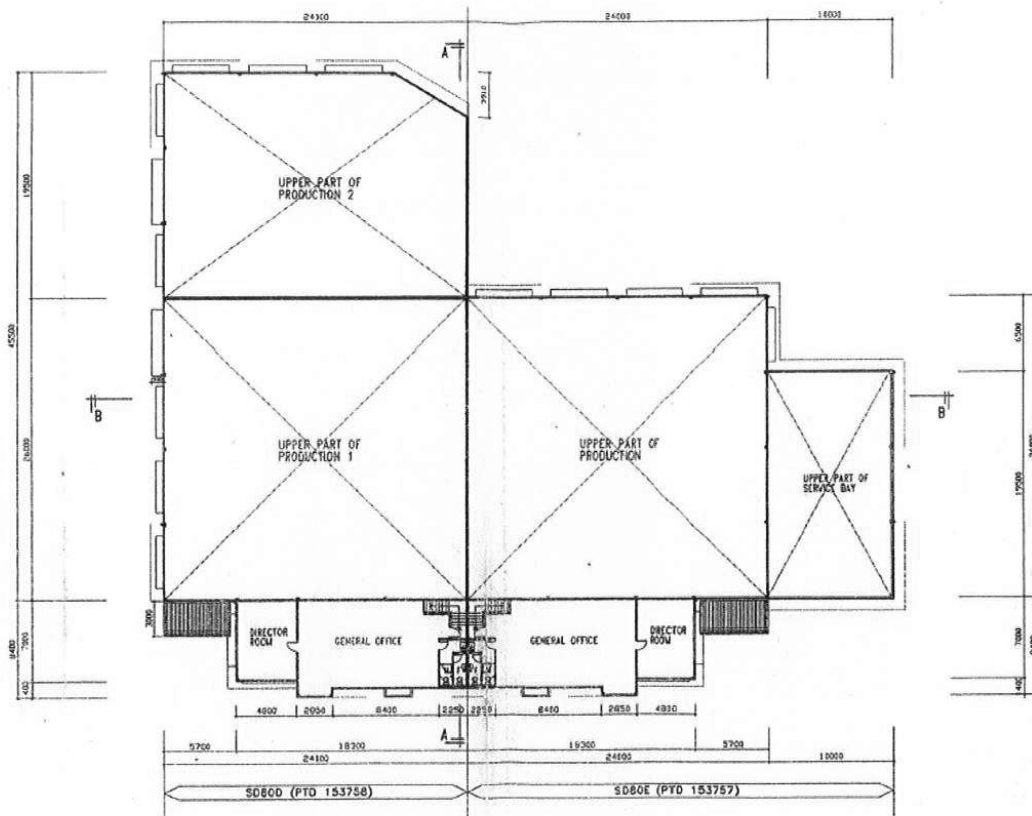
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MEZZANINE FLOOR PLAN

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APPENDIX D: PHOTOGRAPH

VALUATION OF NO. 6 & 8
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GENERAL VIEW OF THE LOT 122688 (NO. 6) FROM THE FRONTAGE ROAD JALAN ISTIMEWA 8



GENERAL VIEW OF THE LOT 122689 (NO. 8) FROM THE FRONTAGE ROAD JALAN ISTIMEWA 8

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APPENDIX D: PHOTOGRAPHS

VALUATION OF NO. 6 & 8
JALAN ISTIMEWA 8
TAMAN PERINDUSTRIAN CEMERLANG
81800 ULU TIRAM
JOHOR

OUR REF: VJB21.133

SCALE: NOT TO SCALE
FIZ

INTERNAL VIEW OF THE SUBJECT PROPERTY AT PRODUCTION AREA LOT 122688 (NO. 6)



APPENDIX H – MALAYSIA VALUATION REPORTS

Raine & Horne
Raine & Horne International Zaki + Partners Sdn. Bhd.

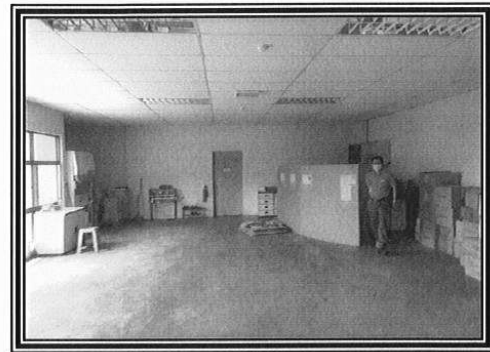
APPENDIX D: PHOTOGRAPHS

VALUATION OF NO. 6 & 8
JALAN ISTIMEWA 8
TAMAN PERINDUSTRIAN CEMERLANG
81800 ULU TIRAM
JOHOR

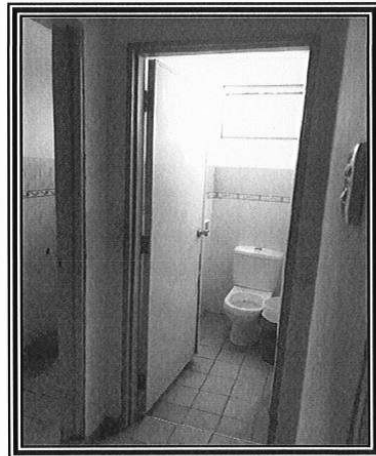
OUR REF: VJB21.133

SCALE: NOT TO SCALE
FIZ

INTERNAL VIEW OF THE SUBJECT PROPERTY AT FIRST FLOOR OFFICE FOR LOT 122688 (NO. 6)



OFFICE AREA



BATH / WC

APPENDIX H – MALAYSIA VALUATION REPORTS

Raine & Horne
Raine & Horne International Zaki + Partners Sdn. Bhd.

APPENDIX D: PHOTOGRAPHS

VALUATION OF NO. 6 & 8
JALAN ISTIMEWA 8
TAMAN PERINDUSTRIAN CEMERLANG
81800 ULU TIRAM
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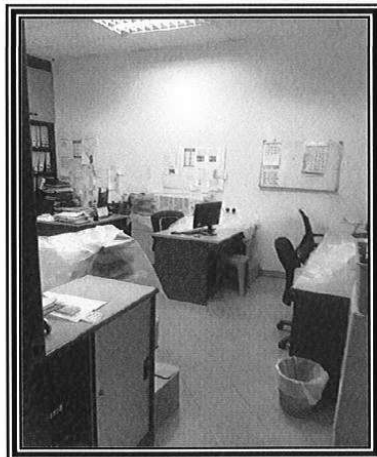
OUR REF: VJB21.133

SCALE: NOT TO SCALE
FIZ

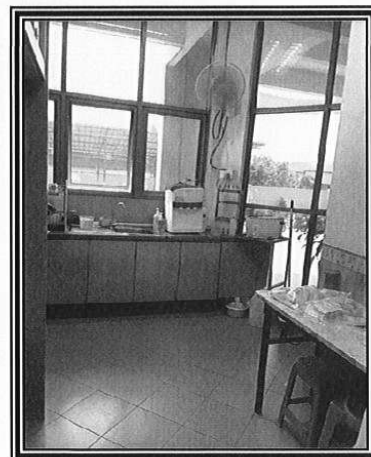
INTERNAL VIEW OF THE SUBJECT PROPERTY AT GROUND FLOOR OFFICE FOR LOT 122689 (NO. 8)



OFFICE AREA



OFFICE AREA



PANTRY

APPENDIX H – MALAYSIA VALUATION REPORTS

Raine & Horne
Raine & Horne International Zaki + Partners Sdn. Bhd.

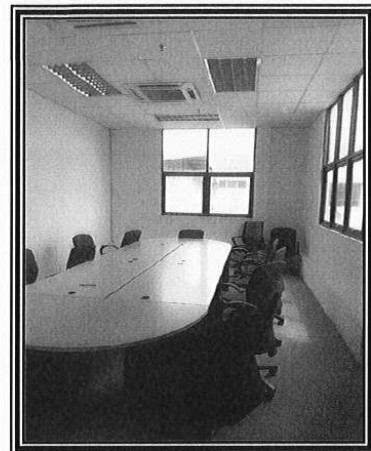
APPENDIX D: PHOTOGRAPHS

VALUATION OF NO. 6 & 8
JALAN ISTIMEWA 8
TAMAN PERINDUSTRIAN CEMERLANG
81800 ULU TIRAM
JOHOR

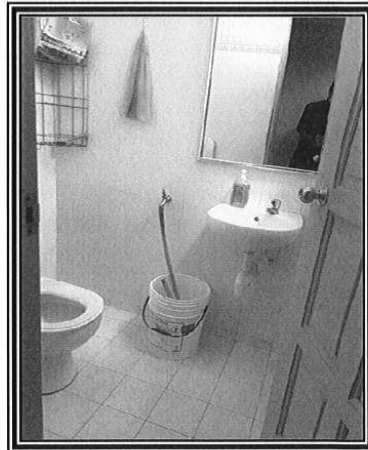
OUR REF: VJB21.133

SCALE: NOT TO SCALE
FIZ

INTERNAL VIEW OF THE SUBJECT PROPERTY AT FIRST FLOOR OFFICE FOR LOT 122689 (NO. 8)



OFFICE AREA



BATH / WC

APPENDIX H – MALAYSIA VALUATION REPORTS

Raine & Horne
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APPENDIX D: PHOTOGRAPHS

VALUATION OF NO. 6 & 8
JALAN ISTIMEWA 8
TAMAN PERINDUSTRIAN CEMERLANG
81800 ULU TIRAM
JOHOR

OUR REF: VJB21.133

SCALE: NOT TO SCALE
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INTERNAL VIEW OF THE SUBJECT PROPERTY AT PRODUCTION AREA LOT 122689 (NO. 8)



APPENDIX H – MALAYSIA VALUATION REPORTS

Raine & Horne
Raine & Horne International Zaki + Partners Sdn. Bhd.

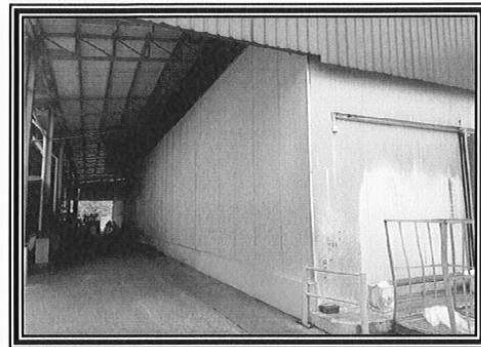
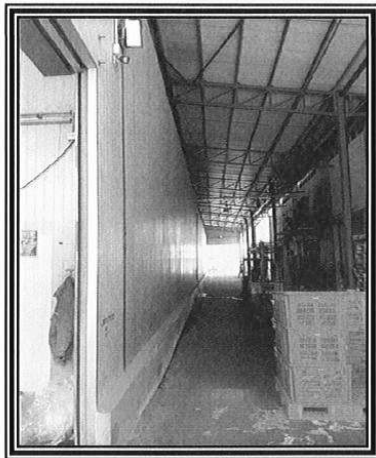
APPENDIX D: PHOTOGRAPHS

VALUATION OF NO. 6 & 8
JALAN ISTIMEWA 8
TAMAN PERINDUSTRIAN CEMERLANG
81800 ULU TIRAM
JOHOR

OUR REF: VJB21.133

SCALE: NOT TO SCALE
FIZ

INTERNAL VIEW OF THE SUBJECT PROPERTY AT COVERED TERRACE



APPENDIX H – MALAYSIA VALUATION REPORTS

APPENDIX E

CATATAN CARIAN PERSENDIRIAN

Jenis dan No. Hakmilik	: GRN 182839	Nombor Lot / PT	: Lot 122688
Bandar/Pekan/Mukim	: Mukim Plentong	Tempat	:
Keluasan	: 2297 Meter Persegi	Daerah	: Johor Bahru
Nombor Syit Piawai	: 66A	Nombor Pelan Akui	: 93611
Taraf Pegangan (Selama-lamanya atau Pajak)	: Selama-lamanya	Tarikh Luput Pajak (Jika Berkenaan)	:
Tarikh Daftar	: 4 Julai 2007	Cukai Tanah	: RM2,550.00

- Kategori Kegunaan Tanah: **Perusahaan/Perindustrian**
- Syarat Nyata :
- i) Tanah yang terkandung di dalam hakmilik ini hendaklah digunakan untuk kilang bagi tujuan Perusahaan Sederhana Berbandung dan kegunaan lain yang berkaitan dengannya dibina mengikut pelan yang diluluskan oleh Pihak Berkuasa Tempatan yang berkenaan.
 - ii) Segala kekotoran dan pencemaran akibat aktiviti ini hendaklah disalurkan / dibuang ketempat tempat yang telah ditentukan oleh Pihak Berkuasa Tempatan berkenaan.
 - iii) Segala dasar dan syarat yang ditetapkan dan dikuatkuasa dari semasa ke semasa oleh Pihak Berkuasa hendaklah dipatuhi
- Sekatan Kepentingan :
- Tanah yang terkandung didalam hakmilik ini pabila sahaja bertukar miliknya kepada seorang Bumiputera/Syarikat Bumiputera maka tidak boleh terkemudian daripada itu dijual, dipajak atau dipindahmilik dengan apa cara sekalipun kepada orang yang bukan Bumiputera/Syarikat Bukan Bumiputera tanpa persetujuan Pihak Berkuasa Negeri.

Rekod Ketuanpunyaan :

TS FOOD INDUSTRY SDN. BHD. , No. Syarikat : 692691-V
Tertubuh di bawah Akta Syarikat 2016 , 1/1 bahagian
8, JALAN ISTIMEWA 8, TAMAN PERINDUSTRIAN CEMERLANG 81800 ULU TIRAM Johor

Rekod Urusan Dan Lain-lain :

Nombor Perserahan : 80585/2018 Pindahmilik Tanah
oleh DODO MARKETING PTE LTD, No. Syarikat : 201013761Z , 1/1 bahagian
kepada TS FOOD INDUSTRY SDN. BHD. , No sykt : 692691-V, 1/1 bahagian
8, JALAN ISTIMEWA 8, TAMAN PERINDUSTRIAN CEMERLANG 81800 ULU TIRAM Johor
di daftarkan pada 30 Oktober 2018 jam 10:37:50 pagi
Surat Kebenaran : 16816/2018

Hakmilik : 010202GRN00182839
Mukasurat : 1 [2]
Tarikh : 15 / 04 / 2021

APPENDIX H – MALAYSIA VALUATION REPORTS

Nombor Perserahan : 80587/2018 Gadaian menjamin wang pokok
oleh TS FOOD INDUSTRY SDN. BHD., No. Syarikat : 692691-V, 1/1 bahagian
kepada UNITED OVERSEAS BANK (MALAYSIA) BHD., No sykt :271809-K
31-1 & 31-2, JALAN RAYA, KULAI BESAR, 81000 KULAI Johor
di daftarkan pada 30 Oktober 2018 jam 10:37:50 pagi
Suratkuasa Wakil : 456/2016

Nombor Perserahan : 7480/2019 Pindaan Cukai Tanah
di daftarkan pada 28 Oktober 2019 jam 02:03:47 petang

Nombor Perserahan : 508/2002 Lot Untuk Bumiputra
di daftarkan pada jam

Urusan-urusan dalam Perserahan yang belum didaftarkan : Tiada

Urusan-urusan dalam Perserahan yang digantung : 0

Perkara lain yang melibatkan hakmilik :

Cukai tanah dipinda dari RM RM 1,600.00 kepada RM 2,550.00
menurut Seksyen 101 Kanun Tanah Negara mulai dar 1 Januari 2020.
(No Warta J. P.U. 49. bertarikh 5 Disember 2019.)

Dikeluarkan pada : 9:48:28 pagi

Tarikh : 15 April 2021

Bayaran dijelaskan : RM 320.00

Nombor Resit : 20211504CJ067

Hakmilik : 010202GRN00182839
Mukasurat : 2 [2]
Tarikh : 15 / 04 / 2021

APPENDIX H – MALAYSIA VALUATION REPORTS

CATATAN CARIAN PERSENDIRIAN

Jenis dan No. Hakmilik	: GRN 182867	Nombor Lot / PT	: Lot 122689
Bandar/Pekan/Mukim	: Mukim Plentong	Tempat	:
Keluasan	: 5385 Meter Persegi	Dacrah	: Johor Bahru
Nombor Syit Piawai	: 66A	Nombor Pelan Akui	: 93611
Taraf Pegangan (Selama-lamanya atau Pajak)	: Selama-lamanya	Tarikh Luput Pajak	: (Jika Berkenaan)
Tarikh Daftar	: 4 Julai 2007	Cukai Tanah	: RM3,300.00

Kategori Kegunaan Tanah : **Perusahaan/Perindustrian**

Syarat Nyata : i) Tanah yang terkandung di dalam hakmilik ini hendaklah digunakan untuk kilang bagi Perusahaan Sederhana Sesebuah dan kegunaan lain yang berkaitan dengannya, dibina mengikut pelan yang diluluskan oleh Pihak Berkuasa Tempatan yang berkenaan.
ii) Segala kekotoran dan pencemaran akibat daripada aktiviti ini hendaklah disalurkan atau dibuang ke tempat-tempat yang telah ditentukan oleh Pihak Berkuasa Tempatan yang berkenaan
iii) Segala dasar dan syarat yang ditetapkan dan dikuatkuasa dari semasa ke semasa oleh Pihak Berkuasa hendaklah dipatuhi.

Sekatan Kepentingan : Tanah yang terkandung didalam hakmilik ini pabila sahaja bertukar miliknya kepada seorang Bumiputera/Syarikat Bumiputera maka tidak boleh terkemudian daripada itu dijual, dipajak atau dipindahmilik dengan apa cara sekalipun kepada orang yang bukan Bumiputera/Syarikat Bukan Bumiputera tanpa persetujuan Pihak Berkuasa Negeri.

Rekod Ketuanpunyaan :

TS FOOD INDUSTRY SDN. BHD. , No. Syarikat : 692691-V
Tertubuh di bawah Akta Syarikat 2016 , 1/1 bahagian
8, JALAN ISTIMEWA 8, TAMAN PERINDUSTRIAN CEMERLANG 81800 ULU TIRAM Johor

Rekod Urusan Dan Lain-lain :

Nombor Perserahan : 807/2002 Lot Untuk Bumiputra
di daftarkan pada 29 April 2002 jam 11:45:58 pagi

Nombor Perserahan : 80586/2018 Pindahmilik Tanah
oleh DODO MARKETING PTE LTD, No. Syarikat : 201013761Z ,1/1 bahagian
kepada TS FOOD INDUSTRY SDN. BHD., No sykt :692691-V, 1/1 bahagian

Hakmilik : 010202GRN00182867
Mukasurat : 1 [2]
Tarikh : 15 / 04 / 2021

APPENDIX H – MALAYSIA VALUATION REPORTS

8, JALAN ISTIMEWA 8, TAMAN PERINDUSTRIAN CEMERLANG 81800 ULU TIRAM Johor
di daftarkan pada 30 Oktober 2018 jam 10:37:50 pagi
Surat Kebenaran : 16817/2018

Nombor Perserahan : 80587/2018 Gadaian menjamini wang pokok
oleh TS FOOD INDUSTRY SDN. BHD., No. Syarikat : 692691-V, 1/1 bahagian
kepada UNITED OVERSEAS BANK (MALAYSIA) BHD., No sykt : 271809-K
31-1 & 31-2, JALAN RAYA, KULAI BESAR, 81000 KULAI Johor
di daftarkan pada 30 Oktober 2018 jam 10:37:50 pagi
Suratkuasa Wakil : 456/2016

Nombor Perserahan : 7480/2019 Pindaan Cukai Tanah
di daftarkan pada 28 Oktober 2019 jam 02:03:47 petang

Urusan-urusan dalam Perserahan yang belum didaftarkan : Tiada

Urusan-urusan dalam Perserahan yang digantung : 0

Perkara lain yang melibatkan hakmilik :

Cukai tanah dipinda dari RM 2,100.00 kepada RM 3,300.00
menurut Seksyen 101 Kanun Tanah Negara mulai dari 1 Januari 2020.
(No Warta J. P.U. 49, bertarikh 5 Disember 2019.)

Dikeluarkan pada : 9:48:28 pagi

Tarikh : 15 April 2021

Bayaran dijelaskan : RM 320.00

Nombor Resit : 20211504CJ067

Hakmilik : 010202GRN00182867
Mukasurat : 2 [2]
Tarikh : 15 / 04 / 2021

APPENDIX H – MALAYSIA VALUATION REPORTS

Raine & Horne[®]
Raine & Horne International Zaki + Partners Sdn. Bhd.

LIMITING CONDITIONS

MALAYSIAN VALUATION STANDARDS

This Valuation Report is carried out in accordance with the Malaysian Valuation Standards published by the Board of Valuers, Appraisers, Estate Agents and Property Managers.

MEASUREMENTS

All measurements are carried out in accordance with the Uniform Method of Measurement of Buildings issued by The Royal Institution of Surveyors, Malaysia or such other building measurement standards as acceptable and agreed to by the client.

For properties situated outside Malaysia, the appropriate/applicable methods of measurement such as the International Property Measurement Standards (IPMS) are used in parallel with the Uniform Method of Measurement of Buildings (UMMB).

CONFIDENTIALITY

This Valuation Report is confidential to the client or to whom it is addressed and for the specific purpose to which it refers. It may only be disclosed to other professional advisors assisting the client in respect of that purpose, but the client shall not disclose the report to any other person.

Neither the whole, nor any part of the Valuation Report or Certificate or any reference thereto may be included in any published document, circular or statement nor published in any way without our prior written approval of the form and context in which it may appear.

We shall bear no responsibility nor be held liable to any party in any manner whatsoever in the event of any unauthorized publication of the Valuation Report, whether in part or in whole.

USE OF VALUATION REPORT

The opinion of value expressed in this Valuation Report shall only be used by the addressee for the purpose stated or intended in this Valuation Report. We are not responsible for any consequences arising from the Valuation Report or any part thereof being relied upon by any other party whatsoever or for any information therein being quoted out of context.

TITLE SEARCH

Whenever possible, a private title search is conducted at the relevant Land Registry/ Office but this is done to establish title particulars relevant to valuation only. Whilst we may have inspected the title of the property as recorded in the Register Document of Title, we cannot accept any responsibility for its legal validity or as to the accuracy and timeliness of the information extracted or obtained from the relevant Land Registry/ Office. Legal advice may be sought to verify the title details, if required.

TOWN PLANNING AND OTHER STATUTORY ENQUIRIES

Such enquiries are conducted at the respective offices or by extracting the required information from published reports and are deemed sufficiently reliable in the profession.

SITE SURVEYS

We have not conducted any land survey to ascertain the actual site boundaries. For the purpose of this valuation, we have assumed that the dimensions correspond with those shown in the title document, certified plan or any relevant agreement.

STRUCTURAL SURVEY

While due care has been taken to note building defects in the course of inspection, no structural survey nor any testing of services were made nor have we inspected any woodwork or other parts of the structure which were covered or inaccessible. We are therefore unable to express an opinion or advice on the condition of uninspected parts and this Report should not be taken as making any implied representation or statement on such parts. Whilst any defects or items of disrepair may be noted during the course of inspection, we are not able to give any assurance of the absence in respect of any rot, termite or pest infestation or other hidden defects.

DELETERIOUS OR HAZARDOUS MATERIALS

No investigations have been carried out to determine whether or not any deleterious or hazardous materials had been used in the construction of the property (building) or had since been incorporated and we are, therefore, unable to account or report on any such material in our Valuation Report.

SOIL INVESTIGATION

No soil investigation has been carried out to determine the suitability of soil conditions and/or availability of services for the existing or any future development or planting. No soil investigation has been carried out to determine the soil suitability for the continued use of the property in its current condition or for any redevelopment.

CONTAMINATION

We have not carried out investigations into the past and present use of either the property or of any neighboring land to establish whether there has been any contamination or if there is any potential for contamination to the property and are therefore, unable to account and report for such contamination in our Valuation Report.

DISEASE OR INFESTATION

Whilst due care is taken to note the presence of any disease or infestation, we have not carried out any tests to ascertain possible latent infestations or diseases affecting crops or stock. We are therefore unable to account for such in our Valuation Report.

LEASES AND TENANCIES

Enquiries as to the financial standing of actual or prospective lessees or tenants are not normally made unless specifically requested. Where properties are valued with the benefit of lettings, it is assumed that the lessees or tenants are capable of meeting their obligations under the lease or tenancy and that there are no arrears of rent or undisclosed breaches of covenants and/or warranties.

DEVELOPMENT AGREEMENTS

Unless otherwise stated, no considerations are made in our valuation for any joint venture agreement, development right agreement or other similar contracts.

OUTSTANDING DEBTS

In the case of buildings where works are in hand or have recently been completed, no allowances are made for any liability already incurred, but not yet discharged, in respect of completed works, or obligations in favour of contractors, sub-contractors or any members of the professional or design team.

TAXATION, ENCUMBRANCES, STATUTORY NOTICES AND OUTGOINGS

Unless otherwise stated, no allowances are made in our valuation for any expense of realisation or for taxation which might arise in the event of a disposal, deemed or otherwise. We have considered the property as if free and clear of all charges, lien and all other encumbrances which may be secured thereon. We also assumed the property is free of statutory notices and outgoing.

ATTENDANCE

The instruction and the valuation assignment do not automatically bind us to attendance in court or to appear in any enquiry before any government or statutory body in connection with the valuation unless agreed when the instructions were given or subsequently agreed upon.

SOURCE OF INFORMATION

This Valuation Report has been prepared on the basis that full disclosure of all information and facts which may affect the valuation have been made known to us and we cannot accept any liability or responsibility for information or facts that have been suppressed or not disclosed to us.

Where it is stated in the Valuation Report that information has been supplied by the sources listed, this information is deemed to be reliable and no responsibility is accepted should it be proven otherwise, be it expressed or implied. All other information stated without being attributed directly to another party is deemed to be from our searches of records, examination of documents or relevant sources.

VALIDITY PERIOD OF VALUATION REPORT

A Valuation Report is current as at the date of valuation date only. The value assessed herein may change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property). We do not accept liability for losses arising from such subsequent changes in value. No warranty can be given as to the maintenance of this value into the future. A periodical valuation review is recommended.

LIMITATION OF LIABILITY

Although every care has been taken in preparing the Valuation Report, if it is proven that there is an apparent negligence on the part of the Valuer, the liability of this valuation (whether arising from this valuation, negligence or any other cause whatsoever) is limited in respect of any event or series of events to the actual loss or damage sustained subject to a liability cap to be mutually agreed between the client and the Valuer and clearly set out in the terms of engagement.

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