

**Circular dated 11 April 2022**

**This Circular is important and requires your immediate attention. Please read it carefully.**

**If you are in any doubt about its contents or the action that you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.**

This Circular together with the Notice of Extraordinary General Meeting (“**EGM**”) and the enclosed Proxy Form may be accessed at the Company’s website at the URL [www.incredible.sg](http://www.incredible.sg) and are also available on SGXNET at the URL <https://www.sgx.com/securities/company-announcements>. **Printed copies of this Circular, the Notice of EGM and the enclosed Proxy Form will NOT be sent to shareholders of the Company (“Shareholders”).**

If you have sold or transferred all your ordinary shares in the share capital of Incredible Holdings Ltd. (the “**Company**”), you should (a) immediately forward this Circular together with the Notice of EGM and the enclosed Proxy Form to the purchaser or the transferee or to the bank, the stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or the transferee; and (b) immediately inform the purchaser or the transferee or the bank, the stockbroker or other agent through whom the sale or transfer was effected for onward notification to the purchaser or the transferee that this Circular together with the Notice of EGM and the enclosed Proxy Form may be accessed at the Company’s website the URL [www.incredible.sg](http://www.incredible.sg) and are also available on SGXNET at the URL <https://www.sgx.com/securities/company-announcements>.

This Circular has been reviewed by the Company’s sponsor, Hong Leong Finance Limited (the “**Sponsor**”). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) and the SGX-ST assumes no responsibility for the contents of this 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 Ms Vera Leong, Vice President, Hong Leong Finance Limited at 16 Raffles Quay #01-05 Hong Leong Building Singapore 048581, telephone (+65) 6415 9881.

# Incredible

## Incredible Holdings Ltd.

(Incorporated in the Republic of Singapore)  
(Company Registration Number 199906220H)

### **CIRCULAR TO SHAREHOLDERS**

in relation to

**THE PROPOSED ISSUANCE OF PERPETUAL BONDS, PERPETUAL CONVERTIBLE BONDS AND WARRANTS TO NTEGRATOR INTERNATIONAL LTD. (THE “PROPOSED ISSUANCE”), THE PROPOSED ISSUANCE AS AN INTERESTED PERSON TRANSACTION, AND THE TRANSFER OF CONTROLLING INTEREST IN CONNECTION WITH THE PROPOSED ISSUANCE**

**THE PROPOSED SUBSCRIPTION BY THE COMPANY OF THE NTEGRATOR PERPETUAL CONVERTIBLE BONDS AND NTEGRATOR WARRANTS (THE “PROPOSED SUBSCRIPTION”) AND THE PROPOSED SUBSCRIPTION AS AN INTERESTED PERSON TRANSACTION**

Independent Financial Adviser in respect of (a) the Proposed Issuance as an Interested Person Transaction and (b) the Proposed Subscription as an Interested Person Transaction



## **NOVUS CORPORATE FINANCE PTE.LTD.**

(Incorporated in the Republic of Singapore)  
(Company Registration Number 201723484W)

### **Important Dates and Times:**

Last date and time for lodgement of Proxy Form	: Sunday, 1 May 2022 at 11.00 a.m. (Singapore Time)
Date and time of EGM	: Wednesday, 4 May 2022 at 11.00 a.m. (Singapore Time)
Place of EGM	: The EGM will be convened and held by electronic means.

**Due to the current COVID-19 situation in Singapore, Shareholders will NOT be able to attend the EGM in person. The EGM will be convened and held by electronic means. Shareholders MUST appoint the Chairman of the EGM as their proxy to attend, speak and vote on their behalf at the EGM.**

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## DEFINITIONS

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

“2021 Rights cum Warrants Issue”	The renounceable non-underwritten rights cum warrants issue completed by the Company on 2 February 2021 of:  (a) up to 3,473,905,180 rights shares, at an issue price of S\$0.0056 for each rights share, on the basis of ten (10) rights shares for every one (1) existing Share held by entitled Shareholders as at the record date for the 2021 Rights cum Warrants Issue, fractional entitlements to be disregarded; and  (b) up to 3,473,905,180 2021 Warrants, each carrying the right to subscribe for one (1) new Share at an exercise price of S\$0.012, on the basis of one (1) 2021 Warrant for every one (1) rights shares subscribed, fractional entitlements to be disregarded
“2021 Rights Shares”	: Up to 3,473,905,180 new Shares allotted and issued by the Company pursuant to the 2021 Rights cum Warrants Issue, each a “Rights Share”
“2021 Warrants”	: The 2,693,670,727 free detachable outstanding warrants as at the Latest Practicable Date issued by the Company pursuant to the 2021 Rights cum Warrants Issue and the 2021 Warrants Deed Poll for which the initial exercise price is S\$0.012 and which will expire on 2 February 2024 (being a market day immediately preceding the expiration date of the 2021 Warrants which falls on 4 February 2024).
“2021 Warrantholder”	: A registered holder of 2021 Warrants, except that where the registered holder is CDP, the term “ <b>2021 Warrantholder</b> ” shall, in relation to such 2021 Warrants and where the context admits, mean the persons named as Depositors in the Depository Register maintained by CDP and into whose Securities Accounts those 2021 Warrants are credited
“2021 Warrants Deed Poll”	: (a) The deed poll dated 9 December 2020 executed by the Company to constitute the 2021 Warrants and containing, <i>inter alia</i> , the provisions for the protection of the rights and interests of the 2021 Warrantholders
“Announced Transactions”	: The Proposed Gadmobe Acquisition, the Proposed Golden Ultra Acquisition and the Billion Credit Acquisition
“Board”	: The board of directors of the Company as at the Latest Practicable Date
“Catalist Rules”	: The SGX-ST Listing Manual Section B: Rules of Catalist, as amended or modified from time to time
“Catalist”	: The sponsor-supervised listing platform of the SGX-ST
“CDP”	: The Central Depository (Pte) Limited
“Circular”	: This circular to Shareholders dated 11 April 2022

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## DEFINITIONS

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“Companies Act”	: The Companies Act 1967 of Singapore, as amended or modified from time to time
“Code”	: The Singapore Code on Take-overs and Mergers, as amended or modified from time to time
“Company”	: Incredible Holdings Ltd.
“Controlling Interest Resolution”	: The resolution to be proposed at the EGM to approve the transfer of controlling interest in the Company to the Subscriber in connection with the Proposed Issuance as set out in the Notice of EGM
“controlling shareholder”	: A person who: (a) holds directly or indirectly 15% or more of the nominal amount of all voting shares in a company. The SGX-ST may determine that a person who satisfies this paragraph is not a controlling shareholder; or (b) in fact exercises control over a company
“Conversion Price”	: S\$0.003333 per Conversion Share, subject to adjustments under certain circumstances in accordance with the terms and conditions specified in the Subscription Agreement
“Conversion Shares”	: The new ordinary shares in the Company to be issued by the Company upon conversion of the Perpetual Convertible Bonds
“Deed Poll”	: A deed poll to be executed by the Company to constitute the Warrants and containing, <i>inter alia</i> , the provisions for the protection of the rights and interests of the holder of the Warrants
“Director”	: A director of the Company as at the Latest Practicable Date
“EGM”	: The extraordinary general meeting of the Company to be convened and held by electronic means on Wednesday, 4 May 2022 at 11.00 a.m. (Singapore Time), notice of which is set out on page N-1 of this Circular
“EPS”	: Earnings per Share
“Exercise Price”	: S\$0.0016 per Warrant, subject to adjustments under certain circumstances in accordance with the terms and conditions specified in the Deed Poll
“Exercised Shares”	: The new ordinary shares in the Company to be issued by the Company upon exercise of the Warrants
“FY”	: Financial year of the Company ended or ending 31 December, as the case may be
“Go Best”	: Go Best Holdings Limited

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- “Go Best Loan” : The loans amounting to S\$309,540 which was drawn down by the Company on or before the day immediately preceding the 7th day failing before the closing date for receipts and acceptances of the application forms of 2021 Right Shares pursuant to the Go Best Loan Agreement
- “Go Best Loan Agreement” : The loan agreement dated 22 September 2020 entered into between the Company and Go Best, pursuant to which Go Best agreed to extend an unsecured, interest free loan facility of up to an aggregate principal amount of S\$309,540 to the Company.
- “Group” : The Company and its subsidiaries
- “IFA Letter” : The letter from the IFA dated 11 April 2022 with respect to the Proposed Issuance and the Proposed Subscription as interested person transactions as set out in Appendix A to this Circular
- “IFA” : Novus Corporate Finance Pte. Ltd., the independent financial adviser to the Non-Interested Director in relation to the Proposed Issuance and the Proposed Subscription as interested person transactions
- “immediate family” : In relation to a person, means the person’s spouse, child, adopted child, step-child, sibling and parent
- “Independent Shareholders” : The Shareholders who are considered independent for the purpose of the Issuance Resolution, the Issuance IPT Resolution, the Subscription Resolution and the Subscription IPT Resolution, being the Shareholders other than Mr Heilesen, the Subscriber and their associates
- “Issuance IPT Resolution” : The resolutions to be proposed at the EGM to approve the Proposed Issuance as an interested person transaction as set out in the Notice of EGM
- “Issuance Resolution” : The resolution to be proposed at the EGM to approve the Proposed Issuance as set out in the Notice of EGM
- “Latest Practicable Date” : 5 April 2022, being the latest practicable date prior to the issue of this Circular
- “MAS” : Monetary Authority of Singapore
- “Mission Well” : Mission Well Limited
- “Mission Well Loan” : The loans amounting to S\$9,101,474.62 which was drawn down by the Company on or before the day immediately preceding the 7th day failing before the closing date for receipts and acceptances of the application forms of 2021 Right Shares pursuant to the Mission Well Loan Agreement
- “Mission Well Loan Agreement” : The loan agreement dated 22 September 2020 entered into between the Company and Mission Well, pursuant to which Mission Well agreed to extend an unsecured, interest free loan facility of up to an aggregate principal amount of S\$9,101,474.62 to the Company

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“Mr Heilesen”	:	Mr Christian Kwok-Leun Yau Heilesen
“Non-Interested Director”	:	The Director who is considered independent for the purpose of making a recommendation to: (a) Independent Shareholders in respect of the Issuance Resolution; (b) Independent Shareholders in respect of the Issuance IPT Resolution; (c) Independent Shareholders in respect of the Subscription Resolution; (d) Independent Shareholders in respect of the Subscription IPT Resolution; and (e) Shareholders in respect of the Controlling Interest Resolution, being Ms Eunice Veon Koh Pei Lee
“Notice of EGM”	:	The notice of EGM which is set out on page N-1 of this Circular
“NTA”	:	Net tangible assets
“Ntegrator”	:	Ntegrator International Ltd.
“Ntegrator Conversion Price”	:	S\$0.003333 per Ntegrator Conversion Share, subject to adjustments under certain circumstances in accordance with the terms and conditions specified in the Ntegrator Subscription Agreement
“Ntegrator Conversion Shares”	:	The new ordinary shares in Ntegrator to be issued by Ntegrator upon conversion of the Ntegrator Perpetual Convertible Bonds
“Ntegrator Deed Poll”	:	A deed poll to be executed by Ntegrator to constitute the Ntegrator Warrants and containing, <i>inter alia</i> , the provisions for the protection of the rights and interests of the holder of the Ntegrator Warrants
“Ntegrator Exercise Price”	:	S\$0.003333 per Ntegrator Warrant, subject to adjustments under certain circumstances in accordance with the terms and conditions specified in the Ntegrator Deed Poll
“Ntegrator Exercised Shares”	:	The new ordinary shares in Ntegrator to be issued by Ntegrator upon exercise of the Ntegrator Warrants
“Ntegrator Perpetual Convertible Bonds”	:	The 0% perpetual convertible bonds of an aggregate principal amount of S\$9,000,000 to be issued by Ntegrator to the Company, on the terms and conditions specified in the Ntegrator Subscription Agreement
“Ntegrator Warrants”	:	The 10,000,000,000 free warrants to be issued by Ntegrator to the Company, on the terms and conditions specified in the Ntegrator Deed Poll
“Ntegrator Shares”	:	Ordinary shares in the share capital of Ntegrator

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- “Ntegrator Subscription Agreement” : The subscription agreement dated 31 December 2021 entered into by the Company, as a subscriber, and Ntegrator in relation to the Proposed Subscription
- “Perpetual Bonds” : The 0% perpetual bonds of an aggregate principal amount of S\$6,900,000 to be issued by the Company to the Subscriber, on the terms and conditions specified in the Subscription Agreement
- “Proposed Billion Credit Acquisition” : The proposed acquisition of 10,000 ordinary shares in Billion Credit Financial Company Limited (“Billion Credit”), representing 100% of the issued share capital of Billion Credit.
- Shareholders are advised to read the full text of the announcements made by the Company on 27 September 2021, 28 September 2021, 4 October 2021, 22 October 2021 and 2 November 2021, which are available on SGXNET, for further details on the Proposed Billion Credit Acquisition
- “Proposed Gadmobe Acquisition” : The proposed acquisition of 15 shares in a private limited company to be incorporated in the British Virgin Islands (the “Gadmobe”), representing 15% of the issued share capital of Gadmobee.
- Shareholders are advised to read the full text of the announcements made by the Company on 27 October 2021, 2 November 2021, and 11 January 2022, which are available on SGXNET, for further details on the Proposed Gadmobee Acquisition
- “Proposed Golden Ultra Acquisition” : The proposed acquisition of 420 shares in Golden Ultra Limited (“Golden Ultra”), representing 42% of the issued share capital of Golden Ultra.
- Shareholders are advised to read the full text of the announcements made by the Company on 18 October 2021, 22 October 2021, 2 November 2021 and 11 January 2022, which are available on SGXNET, for further details on the Proposed Golden Ultra Acquisition
- “Proposed Issuance” : The proposed issuance of:
- (a) Perpetual Bonds of an aggregate principal amount of S\$6,900,000;
  - (b) Perpetual Convertible Bonds which shall, at the option of the holder thereof, be convertible into Conversion Shares at a Conversion Price of S\$0.004 per Conversion Share, on the terms and conditions specified in the Subscription Agreement; and
  - (c) 1,000,000,000 Warrants, each Warrant shall grant the holder thereof the right to subscribe for one Exercised Share at an Exercise Price of S\$0.0016, on the terms and conditions specified in the Deed Poll
- “Proposed Subscription” : The proposed subscription of:
- (a) Ntegrator Perpetual Convertible Bonds which shall, at the option of the holder thereof, be convertible into Ntegrator Conversion Shares at a Ntegrator Conversion Price of S\$0.003333 per Conversion Share, on the terms and conditions specified in the Subscription Agreement; and



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	(b) 10,000,000,000 Ntegrator Warrants, each Ntegrator Warrant shall grant the holder thereof the right to subscribe for one Ntegrator Exercised Share at an Ntegrator Exercise Price of S\$0.003333, on the terms and conditions specified in the Ntegrator Deed Poll
“Proposed Issuance Resolutions”	: The Issuance Resolution, the Issuance IPT Resolution and the Controlling Interest Resolution
“Proposed Subscription Resolutions”	: The Subscription Resolution and the Subscription IPT Resolution
“Proxy Form”	: The proxy form in respect of the EGM which is enclosed to this Circular
“Register of Members”	: The register of members of the Company
“Securities Account”	: A securities account maintained by a Depositor with CDP but does not include a securities account maintained with a Depository Agent
“SFA”	: The Securities and Futures Act 2001 of Singapore, as amended or modified from time to time
“SGX-ST”	: Singapore Exchange Securities Trading Limited
“Shareholders”	: The registered holders of Shares in the Register of Members, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context admits, mean the persons named as Depositors in the Depository Register maintained by CDP and into whose Securities Accounts those Shares are credited
“Shares”	: Ordinary shares in the share capital of the Company
“Special Committee”	: The special committee constituted to form a view on the Proposed Issuance as an interested person transaction comprising Mr Chay Yiowmin, Mr Tao Yeoh Chi and Mr Han Meng Siew
“Subscriber”	: Ntegrator International Ltd.
“Subscription Agreement”	: The subscription agreement dated 31 December 2021 entered into by the Company and the Subscriber
“Subscription IPT Resolution”	: The resolutions to be proposed at the EGM to approve the Proposed Subscription as an interested person transaction as set out in the Notice of EGM
“Subscription Resolution”	: The resolution to be proposed at the EGM to approve the Proposed Subscription as set out in the Notice of EGM
“Substantial Shareholder”	: A person who has an interest or interests in one or more voting Shares in the Company and the total votes attached to that Share, or those Shares, is not less than 5% of the total votes attached to all the voting Shares in the Company

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## DEFINITIONS

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“Warrants” : The 1,000,000,000 free warrants to be issued by the Company to the Subscriber, on the terms and conditions specified in the Deed Poll

### Currencies, Units of Measurement and Others

“S\$” and “cents” : Singapore dollars and cents respectively

“%” : Per centum or percentage

The terms “Depositor”, “Depository Agent” and “Depository Register” shall have the same meanings ascribed to them respectively in Section 81SF of the SFA. The terms “subsidiary”, “substantial shareholder” and “treasury shares” shall have the meanings ascribed to them in Section 5, Section 81 and Section 76H of the Companies Act respectively.

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

Any reference in this Circular to any statute or enactment is a reference to that statute or enactment as for the time being amended or re-enacted. Any word or term defined under the Companies Act, the SFA, the Catalist Rules or any statutory modification thereof and not otherwise defined in this Circular shall, where applicable, have the same meaning ascribed to it under the Companies Act, the SFA, the Catalist Rules or any statutory modification thereof, as the case may be, unless otherwise stated.

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

Any reference to any agreement or document shall include such agreement or document as amended, modified, varied, novated, supplemented or replaced from time to time.

Any reference to a time of day and to dates in this Circular shall be a reference to Singapore time and dates, unless otherwise stated.

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

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## LETTER TO SHAREHOLDERS

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### **Incredible Holdings Ltd.**

(Incorporated in the Republic of Singapore)  
(Company Registration Number 199906220H)

#### **Board of Directors**

Leung Kwok Kuen Jacob	(Independent Non-Executive Chairman, Independent Director)
Christian Kwok-Leun Yau Heilesen	(Executive Director)
Zhou Jia Lin	(Non-Executive Non-Independent Director)
Eunice Veon Koh Pei Lee	(Independent Director)
Leung Yu Tung Stanley	(Independent Director)

#### **Registered Office**

280 Woodlands  
Industrial Park E5 #10-  
50  
Harvest @ Woodlands  
Singapore 757322

11 April 2022

To: The Shareholders of Incredible Holdings Ltd.

Dear Sir/Madam,

#### **1. INTRODUCTION**

##### **1.1 EGM**

The Board proposes to convene the EGM to be held on Wednesday, 4 May 2022 at 11.00 a.m. (Singapore Time) to seek the approval of Shareholders for the Proposed Resolutions.

##### **1.2 Inter-conditionality of the Proposed Issuance Resolutions and the Proposed Subscription Resolutions**

Shareholders should note that the passing of the Proposed Issuance Resolutions and Proposed Subscription Resolutions are inter-conditional upon the passing one another. This means if any of the Proposed Issuance Resolutions or any of the Proposed Subscription Resolutions is not passed at the EGM, the other Proposed Issuance Resolutions and Proposed Subscription Resolutions will not be passed.

##### **1.3 Circular**

The purpose of this Circular is to provide Shareholders with information relating to, and to explain the rationale for, the Proposed Resolutions and to seek Shareholders' approval for the Proposed Issuance Resolutions and the proposed Subscription Resolutions at the EGM.

##### **1.4 Legal Adviser**

Shook Lin & Bok LLP is the legal adviser to the Company as to Singapore law in relation to the Proposed Issuance and the Proposed Subscription.

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## LETTER TO SHAREHOLDERS

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### 2. THE PROPOSED ISSUANCE

#### 2.1 Background

In the announcement dated 5 January 2022, the Company announced that it had on 31 December 2021 entered into the Subscription Agreement with the Subscriber in relation to, *inter alia*, a Proposed Issuance of:

- (a) 0% Perpetual Bonds of an aggregate principal amount of S\$6,900,000
- (b) 0% Perpetual Convertible Bonds of an aggregate principal amount of S\$2,100,000 which shall, at the option of the holder thereof, be convertible into Conversion Shares at a Conversion Price of S\$0.004 per Conversion Share, on the terms and conditions specified in the Subscription Agreement; and
- (c) 1,000,000,000 free Warrants, each Warrant shall grant the holder thereof the right to subscribe for one Exercised Share at an Exercise Price of S\$0.0016, on the terms and conditions specified in the Deed Poll.

The proposed issuance of the Perpetual Bonds and Perpetual Convertible Bonds is undertaken pursuant to Section 272B of the SFA. The Perpetual Bonds and Perpetual Convertible Bonds have been offered solely and sold to the Subscriber under Section 272B of the SFA and no prospectus or offer information statement in connection with the offer and sale of the Perpetual Bonds and Perpetual Convertible Bonds will be registered in Singapore with the MAS under the SFA.

The proposed issuance of the Warrants is undertaken pursuant to Section 277 of the SFA. An offer information statement relating to the proposed issuance of the Warrants which complies with such requirements as to form and content with the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 will be lodged with the SGX-ST acting as agent on behalf of the MAS in due course.

#### 2.2 Advisers

No lead manager, co-manager, placement agent or underwriter has been appointed and no commission is payable to any lead manager, co-manager, placement agent or underwriter in connection with the Proposed Issuance.

#### 2.3 Existing Convertible Securities

The Company issued 2,693,670,727 2021 Warrants, each 2021 Warrant granting the holder thereof the right to subscribe for one new Share at an exercise price of S\$0.012 on 2 February 2021 pursuant to the 2021 Rights cum Warrants Issue. There are 2,693,670,727 2021 Warrants outstanding as at the Latest Practicable Date.

Save for the foregoing, the Company does not have any existing convertible securities as at the Latest Practicable Date.

#### 2.4 Introducer

The Subscriber was identified by one of the Board members of the Company, namely Mr Heilesen, the Executive Director and controlling shareholder of the Company. Mr Heilesen introduced the Subscriber to the Company.

No introducer was appointed by the Company and no commission is payable by the Company in connection with the Proposed Issuance. Accordingly, no commission and/or introducer fees are payable/was paid by the Company in connection with the Proposed Issuance.

#### 2.5 Rationale for the Proposed Issuance

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## LETTER TO SHAREHOLDERS

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The rationale for the Proposed Issuance is for the Company to participate in the business growth and upside of the new and existing businesses of the Subscriber. The Board believes that the Proposed Issuance will broaden and diversify the Group's revenue streams and customer base by further cooperation with the Subscriber to expand the new and existing business of the Company.

As announced on 5 January 2022 titled "The Proposed Subscription of Perpetual Convertible Bonds and Warrants in Ntegrator International Ltd. – Entry into Subscription Agreement", the Company has on 31 December 2021 entered into a subscription agreement with the Subscriber. The rationale for the Proposed Issuance and the Proposed Subscription is that the Company does not have to utilise its cash to subscribe for the Subscriber's shares as a long-term investment.

As announced on 18 October 2021 and 27 October 2021, the Company entered into proposed acquisition of 42% of Golden Ultra Limited and proposed acquisition of 15% of Gadmobe Group. On 12 October 2021, the Subscriber announced the proposed acquisition of 55% of Golden Ultra Limited and proposed acquisition of 85% of Gadmobe Group respectively. The Board is of the view that the Proposed Issuance and the Proposed Subscription could foster closer cooperation between the Company and the Company without using cash resources and enjoying growth in each other's existing businesses.

The placement of 1,000,000,000 free warrants to the Subscriber is for the Company to benefit from additional funds expected to be raised for investment in the Subscriber and proposed mergers and acquisitions as and when the Warrants are exercised into Exercised Shares during the Exercise Period.

### 2.6 Information on the Subscriber

The Subscriber, Ntegrator International Ltd. (Company Registration Number 199904281D), is a public company incorporated in Singapore on 24 July 1999 and has an issued and paid-up share capital of approximately S\$30.9 million comprising 1,566,508,714 ordinary shares as at the Latest Practicable Date.

The Subscriber is listed on the Catalist Board of the SGX-ST. The principal activities of the Subscriber comprise, *inter alia*, the following:

- (a) design, installation and implementation of data, video, fiber optics, wireless and cellular network infrastructure, and voice communication systems; and
- (b) provision of a wide range of services such as outside plant services, including fiber cable installation and pipe laying, project management services as well as maintenance and support services.

### 2.7 Representations from the Subscriber

The Subscriber has represented that:

- (a) The Subscriber is not acquiring the Perpetual Bonds, Perpetual Convertible Bonds and the Warrants as trustee to beneficiaries of a trust nor is the Subscriber acting on behalf of another person (whether as an agent or otherwise) in connection with its acquisition of the Perpetual Bonds, Perpetual Convertible Bonds, and the Warrants.
- (b) The Subscriber is subscribing for the Perpetual Bonds and Perpetual Convertible Bonds for investment purposes and not subscribing for the Perpetual Bonds and the Perpetual Convertible Bonds with a view to subsequently offer the Perpetual Bonds and Perpetual Convertible Bonds for sale to another person.
- (c) The Subscriber will do all acts and things as may be required in order to comply with Section 272B and Section 277 of the SFA.

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## LETTER TO SHAREHOLDERS

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- (d) The Subscriber will not convert the Perpetual Convertible Bonds and exercise the Warrants to acquire shares which (taken together with shares held or acquired by persons acting in concert with it) carry 30% or more of the voting rights of the Company.
- (e) The Subscriber will not convert the Perpetual Convertible Bonds and exercise the Warrants to acquire a controlling interest under the Catalist Rules without prior approval of shareholders of the Company in general meeting.
- (f) Save that the Subscriber is a corporation in whose shares the Company's directors and substantial shareholders have an aggregate interest of at least 10%, the Subscriber is not (i) a substantial shareholder of the Company; (ii) a substantial shareholder, related company, associated company or sister company of a substantial shareholder of the Company; and (iii) to the best of its knowledge, information and belief, a person who, in the opinion of the SGX-ST, falls within (i) or (ii).
- (g) The Subscriber is not acting in accordance with the instructions or direction of any director or shareholder of the Company, nor is the Subscriber under any obligation to act in accordance with the instructions or direction of any director or shareholder of the Company.
- (h) The Subscriber will not (i) acquire the Perpetual Bonds, the Perpetual Convertible Bonds and/or the Warrants and/or (ii) convert the Perpetual Convertible Bonds and/or exercise the Warrants to the extent that would result in a very substantial acquisition or a reverse takeover by the Subscriber under the Catalist Rules.
- (i) The Subscriber is not acting in accordance with the instructions or direction of any director or shareholder of the Company, nor is the Subscriber under any obligation to act in accordance with the instructions or direction of any director or shareholder of the Company.

### 2.8 Principal Terms and Conditions of the Perpetual Bonds

The following is a summary of the principal terms and conditions of the Perpetual Bonds:

- Issuer : Incredible Holdings Ltd.
- Size of Perpetual Bonds : The Company will issue S\$6,900,000 aggregate principal amount of Perpetual Bonds.
- Issue Date of Perpetual Bonds : On the Completion Date (as defined in **Paragraph 2.13.1**) of the Subscription Agreement.
- Issue Price of Perpetual Bonds : 100% of the principal amount of the Perpetual Bonds, or S\$1.00 for each S\$1.00 in principal amount of the Perpetual Bonds.
- Form and Denomination : The Perpetual Bonds will be issued in registered form and in the denomination of S\$1.00 each.
- Status of the Perpetual Bonds : The Perpetual Bonds constitute direct, unconditional, unsecured and unsubordinated obligations of the Company and shall at all times rank *pari passu*, without any preference or priority among themselves and *pari passu* with all other present and future direct, unconditional, unsecured and unsubordinated obligations of the Company, save for such exceptions as may be provided by mandatory provisions under applicable laws and regulations.

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- Conversion Right : The Perpetual Bonds shall have no conversion right and will not be convertible into new ordinary shares in the Company.
- Listing and Trading of the Perpetual Bonds : The Perpetual Bonds will not be listed and quoted on the Catalist Board of the SGX-ST.
- Coupon : Zero Coupon.
- Maturity Date : The Perpetual Bonds will be perpetual and will have no fixed maturity date.
- Redemption : The Perpetual Bonds may be redeemed at the option of the Company in whole or in part by giving not less than 21 days' notice to the holders of the Perpetual Bonds at a redemption price equal to the principal amount of the Perpetual Bonds to be redeemed at any time.
- The Perpetual Bonds may also be redeemed at the option of the Company in whole but not in part at any time at a redemption price equal to the principal amount of the Perpetual Bonds upon the occurrence of (a) certain changes in applicable laws or regulations of Singapore requiring the payment of additional amounts to gross up payments on account of withholding taxes; (b) a change in control of the Subscriber; or (c) a suspension or delisting of the securities of the Subscriber.
- For the avoidance of doubt, the Perpetual Bonds are not redeemable at the option of the holders of the Perpetual Bonds.
- Participation Rights in Distributions and/or Offer of Further Securities : The holders of the Perpetual Bonds have no participation rights in any distributions and/or offer of further securities made by the Company.
- Transferability : Subject to applicable laws and regulations, the Perpetual Bonds may be transferred by a holder thereof with the prior written consent of the Company in accordance with the terms and conditions of the Perpetual Bonds.
- Governing Law : The Perpetual Bonds will be governed by, and construed in accordance with, the laws of Singapore.

### 2.9 Principal Terms and Conditions of the Perpetual Convertible Bonds and the Conversion Shares

The following is a summary of the principal terms and conditions of the Perpetual Convertible Bonds and the Conversion Shares:

- Issuer : Incredible Holdings Ltd.
- Size of Perpetual Convertible Bonds : The Company will issue S\$2,100,000 aggregate principal amount of Perpetual Convertible Bonds.

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- Issue Date of Perpetual Convertible Bonds : On the Completion Date (as defined in **Paragraph 2.13.1**) of the Subscription Agreement.
- Issue Price of Perpetual Convertible Bonds : 100% of the principal amount of the Perpetual Convertible Bonds, or S\$1.00 for each S\$1.00 in principal amount of the Perpetual Convertible Bonds.
- Form and Denomination : The Perpetual Convertible Bonds will be issued in registered form and in the denomination of S\$1.00 each.
- Status of the Perpetual Convertible Bonds : The Perpetual Convertible Bonds constitute direct, unconditional, unsecured and unsubordinated obligations of the Company and shall at all times rank *pari passu*, without any preference or priority among themselves and *pari passu* with all other present and future direct, unconditional, unsecured and unsubordinated obligations of the Company, save for such exceptions as may be provided by mandatory provisions under applicable laws and regulations.
- Conversion Right : The Perpetual Convertible Bonds shall, at the option of the holder thereof, be convertible into Conversion Shares at the Conversion Price. The conversion right may be exercised at any time after the date of issue of the Perpetual Convertible Bonds and if the Perpetual Convertible Bonds have been called for redemption by the Company, then before 5.00 p.m. on a date no later than ten days prior to the date fixed for redemption of such Perpetual Convertible Bonds.
- The number of Conversion Shares to be issued by the Company upon conversion of the Perpetual Convertible Bonds will be determined by dividing the principal amount of the Perpetual Convertible Bonds to be converted by the Conversion Price in effect at the conversion date.
- Fractions of a Conversion Share will not be issued upon conversion of the Perpetual Convertible Bonds and no cash adjustments will be made in respect of such fractions of Conversion Shares.
- Registration : As soon as practicable, and in any event not later than 15 market days after the conversion date, the Company will, in the case of Perpetual Convertible Bonds converted on exercise of the conversion right and in respect of which a duly completed conversion notice has been delivered and the relevant Certificate and amounts payable by the relevant Bondholder as required have been paid, procure that the relevant number of conversion shares to be issued on conversion of the Perpetual Convertible Bonds are allotted to and registered in the name of CDP for credit to the securities account designated for the purpose in the conversion notice for so long as the Conversion Shares are listed on the Catalist Board of the SGX-ST,



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together with any other documents as may be required by law to effect the allotment thereof.

Number of Conversion Shares : Assuming there are no adjustments to the Conversion Price subsequent to the issuance of the Perpetual Convertible Bonds, the Company will issue up to 525,000,000 Conversion Shares upon conversion of all of the Perpetual Convertible Bonds.

The 525,000,000 Conversion Shares represents:

(a) approximately 17.54% of the existing total issued share capital of the Company (excluding treasury shares and subsidiary holdings) comprising 2,993,532,545 ordinary shares; and

(b) approximately 14.92% of the enlarged total issued share capital of the Company (excluding treasury shares and subsidiary holdings) comprising 3,518,532,545 ordinary shares, assuming that 525,000,000 Conversion Shares were issued by the Company upon conversion of all of the Perpetual Convertible Bonds.

Status of Conversion Shares : The Conversion Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares, except that they will not rank for any dividends, rights, allotments or other distributions the record date for which falls on or before the date of allotment and issue of the Conversion Shares.

Listing and Trading of the Perpetual Convertible Bonds and the Conversion Shares : The Perpetual Convertible Bonds will not be listed and quoted on the Catalist Board of the SGX-ST.

The Company will be making an application to the SGX-ST through its sponsor, Hong Leong Finance Limited, for the listing and quotation of the Conversion Shares on the Catalist Board of the SGX-ST.

Conversion Price : S\$0.004

The Conversion Price of S\$0.004 represents a premium of 27.39% to the weighted average price of S\$0.00314 for trades done on the SGX-ST for the full market day on 30 December 2021, being the last full market day on which the shares of the Company were traded prior to the signing of the Subscription Agreement on 31 December 2021.

Conversion Price (effective price) : S\$0.00243

The effective price of Conversion Price is calculated by assuming the full conversion of 525,000,000 Conversion Shares accompanied by the exercise of all 1,000,000,000 Warrants.

The Conversion Price of S\$0.00243 taking into account the Exercise Price of the Warrants and the weighted average price of the Company's shares on the last

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market day preceding the date of the Subscription Agreement, represents a discount of 22.61% to the weighted average price of S\$0.00314 for trades done on the SGX-ST for the full market day on 30 December 2021, being the last full market day on which the shares of the Company were traded prior to the signing of the Subscription Agreement on 31 December 2021.

The Conversion Price was arrived at arm's length and on a willing buyer-willing-seller-basis, taking into consideration (a) the latest available open market value of the Subscriber and the Company, (b) in view of further co-operation with the Subscriber to expand the new and existing business of the Company, and (c) to give the Subscriber an opportunity and incentive to commit, participate and further their investment in the Company and the Company being able to convert the bonds to equity in the future.

Adjustments : The Conversion Price is subject to adjustments under certain circumstances in accordance with the terms and conditions of the Perpetual Convertible Bonds.

The Company will make an announcement of any adjustments made to the Conversion Price via SGXNET.

Coupon : Zero coupon.

Maturity Date : The Perpetual Convertible Bonds will be perpetual convertible bonds and will have no fixed maturity date.

Redemption : The Perpetual Convertible Bonds may be redeemed at the option of the Company in whole or in part by giving not less than 21 days' notice to the holders of the Perpetual Convertible Bonds at a redemption price equal to the principal amount of the Perpetual Convertible Bonds to be redeemed at any time.

The Perpetual Convertible Bonds may also be redeemed at the option of the Company in whole but not in part at any time at a redemption price equal to the principal amount of the Perpetual Convertible Bonds upon the following events at the discretion of the Company's Board: the occurrence of (a) certain changes in applicable laws or regulations of Singapore requiring the payment of additional amounts to gross up payments on account of withholding taxes; (b) a change in control of the Company; or (c) a suspension or delisting of the securities of the Company.

For the avoidance of doubt, the Perpetual Convertible Bonds are not redeemable at the option of the holders of the Perpetual Convertible Bonds.

Participation Rights in Distributions and/or Offer of Further Securities : The holders of the Perpetual Convertible Bonds have no participation rights in any distributions and/or offer of further securities made by the Company.

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Modification and Waiver : The Company may, without the consent of Bondholders, modify any provision of these Conditions which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of law. Any such modification shall be binding on the Bondholders and such modification shall be notified by the Company to the Bondholders as soon as practicable.

Any material modification to the terms or conditions of the Perpetual Convertible Bonds which is for the benefit of the Bondholders but is materially prejudicial to the interests of the shareholders of the Company shall not be effected without the prior approval of the shareholders of the Company at a general meeting, unless such modification is made pursuant to these Conditions.

Transferability : Subject to applicable laws and regulations, the Perpetual Convertible Bonds may be transferred by a holder thereof with the prior written consent of the Company in accordance with the terms and conditions of the Perpetual Convertible Bonds.

Governing Law : The Perpetual Convertible Bonds will be governed by, and construed in accordance with, the laws of Singapore.

### 2.10 Principal Terms and Conditions of the Warrants and the Exercised Shares

The following is a summary of the principal terms and conditions of the Warrants and the Exercised Shares:

Issuer : Incredible Holdings Ltd.

Number of Warrants : The Company will issue 1,000,000,000 Warrants.

Form and Subscription Right : The Warrants will be constituted by a deed poll (the "Deed Poll") and will be issued in registered form. Each Warrant shall grant the holder thereof the right to subscribe for one Exercised Shares at the Exercise Price at any time during the Exercise Period subject to the terms and conditions of the Warrants.

Number of Exercised Shares : Assuming there are no adjustments to the number of Warrants, the Company will issue 1,000,000,000 Exercised Shares upon exercise of all of the Warrants.

The 1,000,000,000 Exercised Shares represents:

(a) approximately 33.41% of the existing total issued share capital of the Company (excluding treasury shares and subsidiary holdings) comprising 2,993,532,545 ordinary shares; and

(b) approximately 25.04% of the enlarged total issued share capital of the Company (excluding treasury shares and subsidiary holdings) comprising 3,993,532,545 ordinary shares, assuming that

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## LETTER TO SHAREHOLDERS

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1,000,000,000 Exercised Shares were issued by the Company upon exercise of all of the Warrants.

The 525,000,000 Conversion Shares and the 1,000,000,000 Exercised Shares represent:

- (a) approximately 50.94% of the existing total issued share capital of the Company (excluding treasury shares and subsidiary holdings) comprising 2,993,532,545 ordinary shares; and
- (b) approximately 33.75% of the enlarged total issued share capital of the Company (excluding treasury shares and subsidiary holdings) comprising 4,518,532,545 ordinary shares, assuming that 525,000,000 Conversion Shares were issued by the Company upon conversion of all of the Perpetual Convertible Bonds and that 1,000,000,000 Exercised Shares were issued by the Company upon exercise of all of the Warrants.

Status of Exercised Shares : The Exercised Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing ordinary shares in the Company, except that they will not rank for any dividends, rights, allotments or other distributions the record date for which falls before the date of allotment and issue of the Exercised Shares.

Listing and Trading of the Warrants and the Exercised Shares : The Warrants are expected to be listed and quoted on the Catalist Board of the SGX-ST.

The Company will be making an application to the SGX-ST through its sponsor, Hong Leong Finance Limited, for the listing and quotation of the Warrants and the Exercised Shares on the Catalist Board of the SGX-ST.

It should be noted that the Warrants may not be listed and quoted on the Catalist Board of the SGX-ST in the event of an insufficient spread of holdings of the Warrants to provide for an orderly market in the Warrants. Accordingly, in such event, the holders will not be able to trade their Warrants on the Catalist Board of the SGX-ST. However, if the Warrants are exercised in accordance with its terms and conditions in the Deed Poll, the Exercised Shares will be listed and quoted on the Catalist Board of the SGX-ST.

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Exercise Price : S\$0.0016

The Exercise Price of S\$0.0016 taking into consideration the VWAP of the last market day prior to the Subscription Agreement, represents a discount of 49.04% to the weighted average price of S\$0.00314 for trades done on the SGX-ST for the full market day on 30 December 2021, being the last full market day on which the shares of the Company were traded prior to the signing of the Subscription Agreement on 31 December 2021.

The Exercise Price was arrived at arm's length and on a willing buyer-willing-seller-basis, taking into consideration (a) the latest available open market value of the Subscriber and the Company, (b) in view of further co-operation with the Subscriber to expand the new and existing business of the Company, and (c) to give the Subscriber an opportunity and incentive to commit, participate and further their investment in the Company and the Company being able to convert the warrants to equity in the future.

Exercise Period : The Warrants may be exercised during the period commencing on the date of issue of the Warrants and expiring at 5.00 p.m. on the date falling five years after the date of issue of the Warrants (the "**Exercise Period**"). At the expiry of the Exercise Period, any Warrants which have not been exercised shall lapse and cease to be valid for any purpose.

The Company shall, not later than one (1) month before the expiry of the Exercise Period (the "**Expiry Date**"), announce the expiry of the Exercise Period on SGXNET. In addition, the Company shall, not later than one (1) month before the Expiry Date, take reasonable steps to notify all holders of the Warrants in writing of the Expiry Date, and such notice shall be delivered by post to the address of the relevant holders of the Warrant(s).

Adjustments : The number of Warrants and/or the Exercise Price are subject to adjustments under certain circumstances in accordance with the terms and conditions of the Warrants.

The Company will make an application to the SGX-ST through its sponsor, Hong Leong Finance Limited, for the listing and quotation of any additional Warrants and any additional Exercised Shares on the Catalist Board of the SGX-ST as and when there are any adjustments made to the number of Warrants and/or the Exercise Price.

Any additional Warrants issued pursuant to such adjustments shall rank *pari passu* in all respects with the then existing Warrants and without any preference or priority among themselves and among the then existing Warrants, save as may otherwise be provided in the terms and conditions of the Warrants.

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The Company will make an announcement of any adjustments made to the number of Warrants and/or the Exercise Price via SGXNET.

For the avoidance of doubt, except where the adjustments are made pursuant to the Deed Poll constituting the Warrants, the Company shall not change the Exercise Price and exercise ratio of the Warrants, extend the Exercise Period of an existing Warrant or issue a new warrant to replace an existing Warrant.

Modification of Rights of the Holders of the Warrants : Subject only to the power of the Company to amend the Deed Poll in accordance with the terms and conditions of the Deed Poll, any modification to the Deed Poll may be effected only by deed, executed by the Company and expressed to be supplemental, and only if it shall first have been sanctioned by an extraordinary resolution of the Warranholders.

The Company may, without the consent of the holders of the Warrants but in accordance with the terms and conditions of the Warrants in the Deed Poll, effect:

- (a) any modification to the Warrants, the warrant agency agreement or the Deed Poll which, in its opinion, is not materially prejudicial to the interests of the holders of the Warrants;
- (b) any modification to the Warrants, the warrant agency agreement or the Deed Poll which, in its opinion, is of a formal, technical or minor nature or to correct a manifest error or to comply with mandatory provisions of Singapore law; and/or
- (c) any modification to the Warrants or the Deed Poll which, in its opinion, is to vary or replace provisions relating to the transfer or exercise of the Warrants, including the issue of Exercised Shares upon exercise of the Warrants or meetings of the holders of the Warrants in order to facilitate trading in or the exercise of the Warrants or in connection with the implementation and operation of the book-entry (scripless) settlement system in respect of trades of the Company's securities on the Catalist Board of the SGX-ST.

Any such modification shall be binding on the holders of the Warrants and shall be notified to the holders of the Warrants in accordance with the terms and conditions of the Warrants in the Deed Poll as soon as practicable thereafter.

Notwithstanding any other provisions as set out in the Deed Poll, any material alteration to the terms and conditions of the Warrants in the Deed Poll after the issue of the Warrants to the advantage of the holders of the Warrants and prejudicial to Shareholders must be approved by Shareholders in general meeting, except

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where the alterations are made pursuant to the terms and conditions of the Warrants in the Deed Poll.

Save as provided by the terms and conditions of the Warrants in the Deed Poll, the Company shall not extend the Exercise Period, create and issue new warrants to replace the Warrants, change the Exercise Price or change the exercise ratio of the Warrants.

Winding-up of the Company : If a resolution is passed for a members' voluntary winding-up of the Company then:

(a) if such winding-up is for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement to which the holders of the Warrants, or some person designated by them for such purpose sanctioned by extraordinary resolution at a meeting of the holders of the Warrants, the terms of such scheme of arrangement shall be binding on all holders of the Warrants and all persons having an interest in the Warrants; and

(b) in any other case, every holder of the Warrants shall be entitled, subject to the terms and conditions of the Warrants in the Deed Poll, within two weeks after the passing of such resolution for a members' voluntary winding-up of the Company, by irrevocable surrender of his warrant certificate(s) to the Company with the exercise notice(s) duly completed, together with payment of the full amount of the aggregate Exercise Price in respect of the Warrants specified in the exercise notice(s), to elect to be treated as if he had immediately prior to the commencement of such winding-up exercised the Warrants to the extent specified in the exercise notice(s) and had on such date been the holder of the Exercised Shares to which he would have become entitled pursuant to such exercise and the liquidator of the Company shall, if permitted by law, give effect to such election accordingly. The Company shall give notice to the holders of the Warrants in accordance with the terms and conditions of the Warrants in the Deed Poll of the passing of any such resolution within seven market days after the passing thereof.

Subject to the foregoing, if the Company is wound-up for any other reason, all Warrants which have not been exercised at the date of the passing of such resolution in relation to the winding-up of the Company, shall lapse and the Warrants shall cease to be valid for any purpose.

Further Issues : Subject to the terms and conditions of the Warrants as set out in the Deed Poll, the Company shall be at liberty to issue Shares to members either for cash or as a bonus distribution and to issue further subscription rights, upon such terms and conditions as the Company sees fit but the Warrant holders shall not have any participation rights in such issue unless otherwise resolved by the Company

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in general meeting or in the event of a takeover offer to acquire Shares.

Transferability : Subject to applicable laws and regulations and the terms and conditions of the Warrants in the Deed Poll, the Warrants shall be transferrable in lots entitling a holder thereof to subscribe for whole numbers of Exercised Shares and so that no person shall be recognised by the Company as having title to Warrants granting the relevant holder thereof the right to subscribe for a fractional part of an Exercised Share or otherwise than as the sole or joint holder of the entirety of such Exercised Share.

Governing Law : The Warrants will be governed by, and construed in accordance with, the laws of Singapore.

### 2.11 Intended Use of Net Proceeds

The gross proceeds from the proposed issuance of the Perpetual Bonds of S\$6,900,000 and Perpetual Convertible Bonds of S\$2,100,000 plus the gross proceeds from the exercise of the Warrants of S\$1,600,000 (assuming that there are no adjustments to the number of Warrants and the Exercise Price and assuming that all of the Warrants are exercised) less the costs and expenses incurred or to be incurred in connection with the Proposed Issuance of approximately S\$50,000 amounts to approximately S\$10.6 million (the “**Proposed Issuance Net Proceeds**”).

The Company intends to use the Proposed Issuance Net Proceeds to be raised by the Company as follows:

Intended Use of Net Proceeds	Allocation of Net Proceeds	
	S\$	%
Investment purposes to subscribe for the Ntegrator Perpetual Convertible Bonds to be issued by Ntegrator International Ltd. and to exercise 100,000,000 Ntegrator Warrants into Ntegrator Exercised Shares <sup>(1)</sup>	10.6 million	100
<b>Total</b>	<b>10.6 million</b>	<b>100</b>

**Note:**

(1) Please refer the Company’s announcement dated 5 January 2022 for further details in relation to the Ntegrator Perpetual Convertible Bonds and Ntegrator Warrants.

Shareholders should note that the table above represents reasonable estimates of the allocation of the Proposed Issuance Net Proceeds to be raised by the Company based on its current plans and reasonable estimates regarding its anticipated expenditures. Actual expenditures may vary from these estimates and the Company may find it necessary or advisable to reallocate the Proposed Issuance Net Proceeds within the intended uses described above or to use portions of the Proposed Issuance Net Proceeds for other purposes. In the event that any part of the Company’s intended uses described above does not materialise or proceed, and the Proposed Issuance Net Proceeds allocated is not used, directors of the Company will carefully evaluate the situation and may reallocate such funds to other purposes and/or hold such funds on short-term deposits for so long as directors of the Company deem it to be in the interests of the Company and its shareholders, taken as a whole. Where there is any material deviation of the Proposed Issuance Net Proceeds from the Company’s intended uses described above, the Company will make an announcement of the reasons for such deviation via SGXNET.



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The Company will make immediate announcements on the use of the Proposed Issuance Net Proceeds as and when the funds are materially disbursed and whether such use is in accordance with the Company's intended uses described above and in accordance with the Company's estimated allocation described above. The Company will provide a status report on the use of the Proposed Issuance Net Proceeds in the Company's interim and full year financial statements and annual reports. Pending the deployment of the Proposed Issuance Net Proceeds, the funds will be placed in short-term deposits and/or used to invest in short-term money market instruments as directors of the Company may, in their absolute discretion, deem appropriate.

### 2.12 Listing and Quotation Notice

The Proposed Issuance is conditional upon, *inter alia*, the Company obtaining the listing and quotation notice from the SGX-ST for the listing and quotation of the Warrants, the Conversion Shares and the Exercised Shares.

The Company will be making an application to the SGX-ST through its sponsor, Hong Leong Finance Limited, for the listing and quotation of Warrants, the Conversion Shares and the Exercised Shares on the Catalist Board of the SGX-ST and will make the necessary announcement upon receipt of the listing and quotation notice in respect of the Warrants, the Conversion Shares and the Exercised Shares from the SGX-ST.

### 2.13 Principal Terms of the Subscription Agreement

According to the Subscription Agreement:

#### 2.13.1 Completion Date

"**Completion Date**" means the date falling seven business days after the fulfilment or waiver (if capable of waiver) of all the conditions precedent below (other than conditions precedent to be fulfilled on the Completion Date), or such other date as the Company and the Subscriber (collectively, the "**Parties**") may agree in writing.

#### 2.13.2 Conditions Precedent

The obligations of the Parties under the Subscription Agreement are conditional upon, and completion shall not take place until, all the following conditions precedent (other than conditions precedent to be fulfilled or waived (if capable of waiver) on the Completion Date) have been fulfilled:

- (a) the Company having obtained such approvals from its board of directors and shareholders in connection with the Subscription Agreement and the transactions contemplated therein as may be necessary, including but not limited to (aa) the issue of the Perpetual Bonds; (bb) the issue of the Perpetual Convertible Bonds to the Subscriber and the issue of the Conversion Shares upon conversion of the Perpetual Convertible Bonds; (cc) the issue of the Warrants to the Subscriber and the issue of the Exercised Shares upon exercise of the Warrants; (dd) the issue of new share certificates in respect of the Conversion Shares and the Exercised Shares; and (ee) the lodgement of the required statutory returns with the Accounting and Regulatory Authority of Singapore, and such approvals not having been amended or revoked before the Completion Date;
- (b) the Company having obtained shareholders' approval from its shareholders for the transfer of controlling interest to the Subscriber in connection with the Proposed Issuance pursuant to Catalist Rule 803;
- (c) the Subscriber having obtained such approvals from its board of directors and shareholders (if applicable) in connection with the Subscription Agreement and the transactions contemplated therein as may be necessary;

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## LETTER TO SHAREHOLDERS

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- (d) the Company having obtained the listing and quotation notice from the SGX-ST for the listing and quotation of the Warrants, the Conversion Shares and the Exercised Shares, and the listing and quotation notice not having been amended or revoked before the Completion Date, and if the listing and quotation notice is subject to conditions, such conditions being reasonably satisfactory to the Company and, to the extent that such conditions are required to be fulfilled on or before the Completion Date, they are so fulfilled;
- (e) the Subscriber complying with the applicable requirements under the Companies Act, the SFA, the Code, the Catalist Rules and applicable laws (to the extent that such laws relates to or affects the subscription);
- (f) there is no breach by the Subscriber of its representations, warranties and undertakings contained in the Subscription Agreement;
- (g) each of the representations, warranties and undertakings remaining true and accurate in all material respects as at the Completion Date (by reference to the facts and circumstances then subsisting) with the same force and effect as if repeated on the Completion Date; and
- (h) all necessary consents, approvals and waivers where required for the transactions contemplated under the Subscription Agreement (including third party, governmental and regulatory consents, approvals and waivers) having been obtained by the Parties, and such consents, approvals and waivers not having been amended or revoked before the Completion Date, and if any such consents, approvals or waivers are subject to conditions, such conditions being fulfilled on or before the Completion Date.

### 2.13.3 Long Stop Date

**“Long Stop Date”** means 12 months from the date of the Subscription Agreement, or such other later date as the parties may agree in writing.

If any of the conditions precedent above is not fulfilled on or before 5.00 p.m. on the Long Stop Date and such non-fulfilment is not waived by the party who has the benefit of such condition precedent, the Subscription Agreement shall lapse and no party shall have any claim against the other party under the Subscription Agreement, save for any claim arising from antecedent breaches of the Subscription Agreement.

### 2.13.4 Payment of the Issue Price for the Perpetual Bonds

The aggregate issue price for the Perpetual Bonds equal to 100% of the aggregate principal amount of the Perpetual Bonds of S\$6,900,000 shall be paid to the Company in cash by way of cashier's order, cheque, telegraphic transfer or such other payment method as the Parties may agree in writing (i) free of any restriction or condition; (ii) free and clear and without any deduction or withholding for or on account of any tax; and (iii) without deduction or withholding on account of any other amount, whether by way of set-off, counterclaim or otherwise.

### 2.13.5 Payment of the Issue Price for the Perpetual Convertible Bonds

The aggregate issue price for the Perpetual Convertible Bonds equal to 100% of the aggregate principal amount of the Perpetual Convertible Bonds of S\$2,100,000 shall be paid to the Company in cash by way of cashier's order, cheque, telegraphic transfer or such other payment method as the parties may agree in writing (i) free of any restriction or condition; (ii) free and clear and without any deduction or withholding for or on account of any tax; and (iii) without deduction or withholding on account of any other amount, whether by way of set-off, counterclaim or otherwise.

### 2.13.6 Indemnity

The Subscriber has agreed to indemnify, defend and hold harmless the Company (and its directors, officers, employees, agents, representatives, affiliates, successors and assigns) from

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and against any and all losses, liabilities, fines, penalties, costs (including legal or arbitral costs, advisors', experts' and consultants' fees and costs of enforcement of any settlements, judgments or arbitral awards), charges, expenses, actions, proceedings, investigations, claims and demands which the Company may at any time and from time to time sustain, incur or suffer by reason of:

- (a) any non-compliance by the Subscriber with the applicable requirements under the Companies Act, the SFA, the Code, the Catalist Rules and applicable laws (to the extent that such laws relates to or affects the subscription); and
- (b) any breach by the Subscriber of its representations, warranties and undertakings contained in the Subscription Agreement.

### 2.13.7 Costs and Expenses

Each party shall bear and be responsible for its respective costs and expenses incurred in relation to the negotiation, preparation, finalisation, execution and performance of the Subscription Agreement and the transactions contemplated therein.

### 2.13.8 Governing Law and Jurisdiction

The Subscription Agreement shall be governed by, and construed in accordance with, the laws of Singapore.

In relation to any legal action or proceeding arising out of or in connection with the Subscription Agreement and the transactions contemplated therein, the Parties hereby irrevocably submit to the exclusive jurisdiction of the courts of Singapore.

## **2.14 Shareholders' Approval for the Proposed Issuance**

### 2.14.1 Chapter 8 of the Catalist Rules

Pursuant to Catalist Rule 803, an issuer must not issue securities to transfer a controlling interest without prior approval of shareholders in general meeting.

Assuming that the Proposed Issuance was completed, 525,000,000 Conversion Shares were issued upon conversion of all of the Perpetual Convertible Bonds and 1,000,000,000 Exercised Shares were issued upon exercise of all of the Warrants, the Subscriber will hold 1,525,000,000 Shares, representing approximately 33.75% of the enlarged total issued share capital of the Company (excluding treasury shares) comprising 4,518,532,545 Shares.

Accordingly, the Board proposes to convene the EGM to seek the approval of Shareholders for the transfer of controlling interest in the Company to the Subscriber in connection with the Proposed Issuance.

Notwithstanding the above, Mr Heilesen has confirmed that Mr Heilesen and his associates will remain as the controlling shareholder of the Company.

Pursuant to:

- (a) Catalist Rule 805, except as provided in Catalist Rule 806, an issuer must obtain the prior approval of shareholders in general meeting for, *inter alia*, the issue of shares or convertible securities or the grant of options carrying rights to subscribe for shares of the issuer.
- (b) Catalist Rule 824, every issue of company warrants or other convertible securities not covered under a general mandate must be specifically approved by shareholders in general meeting.

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- (c) Catalyst Rule 811, (1) an issue of shares must not be priced at more than 10% discount to the weighted average price for trades done on the SGX-ST for the full market day on which the placement or subscription agreement is signed. If trading in the issuer's shares is not available for a full market day, the weighted average price must be based on the trades done on the preceding market day up to the time the placement agreement is signed, (2) an issue of company warrants or other convertible securities is subject to the following requirements: (a) If the conversion price is fixed, the price must not be more than 10% discount to the prevailing market price of the underlying shares prior to the signing of the placement or subscription agreement, (b) If the conversion price is based on a formula, any discount in the price-fixing formula must not be more than 10% of the prevailing market price of the underlying shares before conversion, (3) Catalyst Rule 811(1) and (2) is not applicable if specific shareholder approval is obtained for the issue of shares, company warrants or other convertible securities, and (4) where specific shareholders' approval is sought, the circular must include the following: (a) information required under Rule 810; and (b) the basis upon which the discount was determined.
- (d) Catalyst Rule 812, an issue must not be placed to, *inter alia*, (i) the issuer's directors and substantial shareholders; (ii) immediate family members of the directors and substantial shareholders; (iii) substantial shareholders, related companies, associated companies and sister companies of the issuer's substantial shareholders; (iv) corporations in whose shares the issuer's directors and substantial shareholders have an aggregate interest of at least 10%; or (v) any person who, in the opinion of the SGX-ST, falls within category (i) to (iv), unless specific shareholder approval for such a placement has been obtained and the person, and its associates, must abstain from voting on the resolution approving the placement.

As disclosed in **Paragraphs 2.9 and 2.10**, the issuance of Conversion Shares and Exercised Shares are priced at more than 10% discount to the weighted average price for the trades done on the SGX-ST for the last full market day on 30 December 2021 on which the shares of the Company were traded prior to the signing of the Subscription Agreement.

Mr Heilesen, who is a Director and substantial shareholder of the Company, is deemed interested in the shares held in the Subscriber through Mission Well, representing approximately 10.94% of the total issued share capital of the Subscriber. Mr Heilesen is the sole shareholder and sole director of Mission Well Limited. Therefore, the Subscriber is a corporation in whose shares the Company's director directors and substantial shareholders have an aggregate interest of at least 10% and specific shareholders' approval for the Proposed Issuance is required.

Accordingly, the Company will be convening an extraordinary general meeting to seek specific shareholders' approval from independent shareholders of the Company for the Proposed Issuance. Mr Heilesen, the Subscriber and their associates shall abstain from voting on the Issuance Resolution.

### 2.14.2 Chapter 9 of the Catalyst Rules

The Subscriber is not an associate as defined under the Catalyst Rules of (a) Mr Heilesen, a Director and (b) Mission Well, a controlling shareholder of the Company. Mr Heilesen is deemed interested in the shares held in the Subscriber through Mission Well, representing approximately 10.94% of the total issued share capital of the Subscriber. Mr Heilesen is the sole shareholder and sole director of Mission Well. Accordingly, the Proposed Issuance is not classified as an interested person transaction under Chapter 9 of the Catalyst Rules.

Notwithstanding the above, as disclosed in the Company's announcement dated 11 January 2022 in relation to its response to queries received from the SGX-ST on 7 January 2022 in relation to, *inter alia*, the Proposed Issuance, an independent financial adviser will be appointed to advise the Board in connection with, *inter alia*, the Proposed Issuance. The Board will obtain an opinion from the independent financial adviser before forming its view on, *inter alia*, the Proposed Issuance. A circular containing the opinion of the independent financial adviser and

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the opinion of the Board on whether, *inter alia*, the Proposed Issuance, is on normal commercial terms and whether, *inter alia*, the Proposed Issuance is prejudicial to the interests of the Company and its minority shareholders under Chapter 9 of Catalist Rule will be sent to shareholders of the Company to provide shareholders with an opportunity to vote on the resolution in relation to, *inter alia*, the Proposed Issuance as an interested person transaction under Chapter 9 of the Catalist Rules at the extraordinary general meeting to be convened by the Company. Accordingly, the Company sets out the relevant disclosures under Chapter 9 of the Catalist Rules in this section.

Based on the audited consolidated financial statements of the Group for FY2020, the Group's latest audited NTA amounts to approximately S\$0.84 million.

The current total of all transactions (excluding transactions less than S\$100,000) with Mr Heilesen, the Subscriber and their associates for the period commencing on 1 January 2022 up to the Latest Practicable Date is set out in the table below.

Description of Transaction	Before Completion of the Proposed Issuance		After Completion of the Proposed Issuance	
	Amount	% <sup>(1)</sup>	Amount	% <sup>(1)</sup>
Proposed Acquisition of Golden Ultra Limited from Mr Heilesen	S\$14.6 million <sup>(2)</sup>	1,738%	S\$14.6 million <sup>(2)</sup>	1,738%
Proposed Acquisition of Billion Credit Financial Company Limited	S\$1.08 million <sup>(3)</sup>	129%	S\$1.08 million <sup>(3)</sup>	129%
Proposed Issuance of the Perpetual Bonds to the Subscriber by the Company	-	-	S\$6.9 million	821%
Proposed Issuance of the Perpetual Convertible Bonds and Warrants to the Subscriber by the Company	-	-	S\$2.1 million	250%
<b>Total</b>	<b>S\$15.68 million</b>	<b>1,867%</b>	<b>S\$24.68 million</b>	<b>2,938%</b>

**Notes:**

(1) As a percentage of the Group's latest audited NTA of approximately S\$0.84 million.

(2) HK\$84 million equivalent to approximately S\$14.6 million.

(3) HK\$5.8 million equivalent to approximately S\$1 million.

The current total of all interested person transactions (excluding interested person transactions less than S\$100,000) for the period commencing on 1 January 2022 up to the Latest Practicable Date is set out in the table below.

Description of Transaction	Before Completion of the Proposed Issuance		After Completion of the Proposed Issuance	
	Amount	% <sup>(1)</sup>	Amount	% <sup>(1)</sup>
Proposed Acquisition of Golden Ultra Limited from Mr Heilesen	S\$14.6 million <sup>(2)</sup>	1,738%	S\$14.6 million <sup>(2)</sup>	1,738%
Proposed Acquisition of Billion Credit Financial Company Limited	S\$1.08 million <sup>(3)</sup>	129%	S\$1.08 million <sup>(3)</sup>	129%
Proposed Issuance of the Perpetual Bonds to the Subscriber by the Company	-	-	S\$6.9 million	821%
Proposed Issuance of the Perpetual Convertible Bonds	-	-	S\$2.1 million	250%

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Description of Transaction	Before Completion of the Proposed Issuance		After Completion of the Proposed Issuance	
	Amount	% <sup>(1)</sup>	Amount	% <sup>(1)</sup>
and Warrants to the Subscriber by the Company				
<b>Total</b>	<b>S\$15.68 million</b>	<b>1,867%</b>	<b>S\$33.68 million</b>	<b>4,009%</b>

**Notes:**

- (1) As a percentage of the Group's latest audited NTA of approximately S\$0.84 million.
- (2) HK\$84 million equivalent to approximately S\$14.6 million.
- (3) HK\$5.8 million equivalent to approximately S\$1 million.

Pursuant to:

- (a) Catalist Rule 906(1), an issuer must obtain shareholder approval for any interested person transaction of a value equal to, or more than (i) 5% of the group's latest audited net tangible assets; or (ii) 5% of the group's latest audited net tangible assets, when aggregated with other transactions entered into with the same interested person during the same financial year. However, a transaction which has been approved by shareholders, or is the subject of aggregation with another transaction that has been approved by shareholders, need not be included in any subsequent aggregation.
- (b) Catalist Rule 919, in a meeting to obtain shareholder approval, the interested person and any associate of the interested person must not vote on the resolution, nor accept appointments as proxies unless specific instructions as to voting are given.

As explained above, the Proposed Issuance will be classified as an "interested person transaction" under Chapter 9 of the Catalist Rules of a value more than 5% of the Group's latest audited NTA in substance.

Accordingly, the Board proposes to convene the EGM to seek Shareholders' approval from Independent Shareholders for the Proposed Issuance as an interested person transaction. Mr Heilesen, Mission Well and their associates shall not vote on the Proposed Issuance IPT Resolution, nor accept appointments as proxies unless specific instructions as to voting are given, in accordance with Catalist Rule 919.

### 2.15 Proposed Distribution by way of Proposed Capital Reduction by the Subscriber

The Company understands that the Subscriber intends to undertake a capital reduction (the "**Ntegrator Proposed Capital Reduction**") pursuant to Section 78C of the Companies Act and return to its shareholders surplus capital of the Subscriber in excess of its needs by way of a distribution *in specie* (the "**Ntegrator Proposed Distribution**") of 300,000,000 Warrants to its shareholders in proportion to their respective shareholdings in the Subscriber as at a record date, fractional entitlements to be disregarded.

Shareholders may read announcements made or to be made by the Subscriber via SGXNET for further details on the Ntegrator Proposed Capital Reduction and the Ntegrator Proposed Distribution.

Shareholders of the Company may read the announcement made by the Subscriber via SGXNET on 1 January 2022 for further details.

### 2.16 Service Contracts

No person is proposed to be appointed as a director of the Company in connection with the Proposed Issuance and no service contract in relation thereto is proposed to be entered into by the Company.

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### 2.17 Confirmation by the Board

The Board confirms that:

- (a) After taking into consideration the Group's present bank facilities, the working capital available to the Group is sufficient to meet its present requirements. Notwithstanding the foregoing, the Company has decided to undertake the Proposed Issuance for the reasons set out in **Paragraph 2.5**; and
- (b) After taking into consideration the Group's present bank facilities and the Net Proceeds, the working capital available to the Group is sufficient to meet its present requirements.

### 2.18 Dilution effects of the Proposed Issuance

	As at the Latest Practicable Date		Scenario A <sup>(1)</sup>		Scenario B <sup>(2)</sup>	
	Number of Shares	% <sup>(3)</sup>	Number of Shares	% <sup>(4)</sup>	Number of Shares	% <sup>(5)</sup>
<u>Directors of the Company</u>						
Mr Heilesen <sup>(6)</sup>	1,770,461,781	59.14	1,770,461,781	50.32	1,770,461,781	39.18
<u>Substantial Shareholders (other than Directors)</u>						
Mission Well	1,709,659,281	57.11	1,709,659,281	48.59	1,709,659,281	37.84
Zhou Qilin	207,854,251	6.94	207,854,251	5.91	207,854,251	4.60
Subscriber	-	-	525,000,000	14.92	1,525,000,000	33.75
Go Best Holdings Limited <sup>(6)</sup>	60,802,500	2.03	60,802,500	1.73	60,802,500	1.35
Other Shareholders	1,015,216,513	33.91	1,015,216,513	28.85	1,015,216,513	22.47
<b>Total</b>	<b>2,993,532,545</b>	<b>100</b>	<b>3,518,532,545</b>	<b>100</b>	<b>4,518,532,545</b>	<b>100</b>

#### Notes:

- (1) Assuming that the Proposed Issuance was completed and 525,000,000 Conversion Shares were issued upon conversion of all of the Perpetual Convertible Bonds.
- (2) Assuming that the Proposed Issuance was completed and 525,000,000 Conversion Shares were issued upon conversion of all of the Perpetual Convertible Bonds and 1,000,000,000 Exercised Shares were issued upon exercise of all of the Warrants.
- (3) Based on the existing total issued share capital of the Company (excluding treasury shares and subsidiary holdings) comprising 2,993,532,545 ordinary shares as at the Latest Practicable Date.
- (4) Based on the enlarged total issued share capital of the Company (excluding treasury shares and subsidiary holdings) comprising 3,518,532,545 ordinary shares assuming Scenario A.
- (5) Based on the enlarged total issued share capital of the Company (excluding treasury shares and subsidiary holdings) comprising 4,518,532,545 ordinary shares assuming Scenario B.
- (6) Mr Heilesen is deemed to have an interest in 1,709,659,281 ordinary shares in the Company held by Mission Well and is deemed to have an interest in 60,802,500 ordinary shares in the Company held by Go Best Holdings Limited. The ultimate holding company of Go Best Holdings Limited is the trustee of Christian Kwok-Leun Yau Heilesen Family Trust through HSBC (Singapore) Nominees Pte Ltd.

Pursuant to Scenario A and Scenario B above, a controlling interest in the Company may be transferred to the Subscriber. Rule 803 of the Catalist Rules provides that an issuer must not issue securities to transfer a controlling interest without the prior approval of shareholders in

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general meeting. Accordingly, the Proposed Issuance is conditional upon the approval of Shareholders of the Controlling Interest Resolution in relation to the potential transfer of controlling interests in the Company to Ntegrator arising from the allotment and issue of the Conversion Shares and Exercised Shares being obtained at the EGM to be convened.

### 2.19 Financial Effects of the Proposed Issuance

2.19.1 The financial effects of the Proposed Issuance on the NTA per share and the loss per share (“LPS”) of the Group have been prepared based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2021.

2.19.2 For the purpose of illustrating the financial effects, the financial effects have been prepared based on, *inter alia*, the following assumptions:

- (a) the financial effects on the NTA per share of the Group are computed assuming that:
  - (i) the Proposed Issuance was completed on 31 December 2021 and 525,000,000 Conversion Shares were issued upon conversion of all of the Perpetual Convertible Bonds on 31 December 2021 (“**Scenario C**”); and
  - (ii) the Proposed Issuance was completed on 31 December 2021, 525,000,000 Conversion Shares were issued upon conversion of all of the Perpetual Convertible Bonds on 31 December 2021 and 1,000,000,000 Exercised Shares were issued upon exercise of all of the Warrants on 31 December 2021 (“**Scenario D**”);
- (b) the financial effects on the LPS of the Group are computed assuming that:
  - (i) the Proposed Issuance was completed on 1 January 2021 and 525,000,000 Conversion Shares were issued upon conversion of all of the Perpetual Convertible Bonds on 1 January 2021 (“**Scenario E**”); and
  - (ii) the Proposed Issuance was completed on 1 January 2021, 525,000,000 Conversion Shares were issued upon conversion of all of the Perpetual Convertible Bonds on 1 January 2021 and 1,000,000,000 Exercised Shares were issued upon exercise of all of the Warrants on 1 January 2021 (“**Scenario F**”);
- (c) no adjustments have been made to the Conversion Price, the number of Warrants and the Exercise Price; and
- (d) the costs and expenses in connection with the Proposed Issuance shall be disregarded.

### 2.19.3 Financial Effects on NTA per Share of the Group

	<b>Before Completion of the Proposed Issuance</b>	<b>Scenario C</b>	<b>Scenario D</b>
NTA as at 31 December 2021 (S\$'000)	9,664	11,764	13,364



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Number of shares in the Company, excluding treasury shares and subsidiary holdings	2,993,532,545	3,518,532,545	4,518,532,545
NTA per share of the Group (Singapore cents)	0.32	0.33	0.30

### 2.19.4 Financial Effects on EPS of the Group

	<b>Before Completion of the Proposed Issuance</b>	<b>Scenario E</b>	<b>Scenario F</b>
Net loss for the financial year ended 31 December 2021 (S\$'000)	(3,385)	(3,435)	(3,435)
Weighted average number of shares in the Company, excluding treasury shares and subsidiary holdings	2,993,532,545	3,518,532,545	4,518,532,545
LPS of the Group (Singapore cents)	(0.11)	(0.10)	(0.08)

The financial effects presented above are for illustrative purposes only and are not intended to reflect the actual future results and/or financial position of the Company and/or the Group. No representation is made as to the actual results and/or financial position of the Company and/or the Group.

## 2.20 Other Relevant Information

### 2.20.1 Proposed Acquisition of Golden Ultra Limited by the Company

The Company had, on 18 October 2021, entered into a share purchase agreement with Mr Heilesen in relation to, inter alia, the acquisition of Golden Ultra Limited (the “**Proposed Acquisition of Golden Ultra Limited**”). Shareholders may refer to the Company’s announcements dated 18 October 2021 and 22 October 2021 for further details on the Proposed Acquisition of Golden Ultra Limited.

Upon completion of the Proposed Acquisition of Golden Ultra Limited, the Company will hold 420 ordinary shares representing 42% of the issued share capital of Golden Ultra Limited. As at the Latest Practicable Date, the Proposed Acquisition of Golden Ultra Limited has not been completed.

### 2.20.2 Proposed Acquisition of Golden Ultra Limited by the Subscriber

Based on the information available on SGXNet, the Subscriber had on 12 October 2021 entered into a share purchase agreement with Mr Heilesen in relation to, inter alia, the acquisition of the Golden Ultra Limited (the “**Ntegrator’s Proposed Acquisition of Golden Ultra Limited**”). Shareholders may refer to the Subscriber’s announcements dated 12 October 2021, 14

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October 2021 and 22 October 2021 for further details on Ntegrator's Proposed Acquisition of Golden Ultra Limited.

According to the Subscriber's announcements dated 12 October 2021, upon completion of Ntegrator's Proposed Acquisition of Golden Ultra Limited, the Subscriber will hold 550 ordinary shares representing 55% of the issued share capital of the Golden Ultra Limited.

### 2.20.3 Proposed Acquisition of Gadmob Group by the Company

The Company had, on 27 October 2021, entered into a share purchase agreement with Mr Tam Ki Ying in relation to, inter alia, the acquisition of the Gadmob Group (the "**Proposed Acquisition of Gadmob Group**"). Shareholders may refer to the Company's announcements dated 27 October 2021 (the "**27 October 2021 Announcement**") and 2 November 2021 for further details on the Proposed Acquisition of Gadmob Group.

Upon completion of the Proposed Acquisition of Gadmob Group, the Company will hold 15 ordinary shares representing 15% of the issued share capital of the Gadmob Group (as defined in the 27 October 2021 Announcement). As at the Latest Practicable Date, the Proposed Acquisition of Gadmob Group has not been completed.

### 2.20.4 Proposed Acquisition of Gadmob Group by the Subscriber

Based on the information available on SGXNet, the Subscriber had on 12 October 2021 entered into a share purchase agreement with Mr Tam Ki Yang in relation to, inter alia, the acquisition of the Gadmob Group (the "**Ntegrator's Proposed Acquisition of Gadmob Group**"). Shareholders may refer to the Subscriber's announcements dated 30 July 2021, 12 October 2021, 14 October 2021 and 22 October 2021 for further details on Ntegrator's Proposed Acquisition of Gadmob Group.

According to the Subscriber's announcement dated 12 October 2021, upon completion of Ntegrator's Proposed Acquisition of Gadmob Group, the Subscriber will hold 85 ordinary shares representing 85% of the issued share capital of the Gadmob Group (as defined in the Subscriber's announcement dated 12 October 2021).

A summary of the Company's and the Subscriber's common interests in Golden Ultra Limited and Gadmob Group is set out in the table below on the assumption that all of the acquisitions are completed:

	Golden Ultra Limited		Gadmob Group <sup>(2)</sup>	
	Number of shares <sup>(1)</sup>	% <sup>(1)</sup>	Number of shares <sup>(2)</sup>	% <sup>(2)</sup>
<b>Company</b>	420	42	15	15
<b>Subscriber</b>	550	55	85	85

#### Notes:

(1) Based on the total issued share capital of 1,000 shares representing 100% of the total issued share capital of the Golden Ultra Limited.

(2) Based on the total issued share capital of 100 shares representing 100% of the total issued share capital of the Gadmob Group (as defined in the 27 October 2021 Announcement).

### 2.21 **Notification under Section 309B of the SFA**

The Perpetual Bonds, Perpetual Convertible Bonds, the Conversion Shares (including further Conversion Shares arising from any adjustments made to the Conversion Price as set out in

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the terms and conditions specified in the Subscription Agreement), the Warrants and the Exercised Shares (including further Exercise Shares arising from any adjustments made to the number of Warrants and the Exercise Price as set out in the terms and conditions specified in the Deed Poll) are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in the MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

### 2.22 Adjustments to the 2021 Warrants

2.22.1 At an extraordinary general meeting of the Company held on 9 November 2020, the Company obtained Shareholders' approval to undertake a renounceable non-underwritten rights cum warrants issue, of (a) up to 3,473,905,180 rights shares at an issue price of S\$0.0056 for each 2021 Rights Share, on the basis of ten (10) rights shares for every one (1) existing ordinary Share in the share capital of the Company held by entitled Shareholders as at the record date, fractional entitlements to be disregarded; and (b) up to 3,473,905,180 free detachable 2021 Warrants, each carrying the right to subscribe for one (1) new Share at an exercise price of S\$0.012, on the basis of one (1) 2021 Warrant for every one (1) rights Share subscribed, fractional entitlements to be disregarded.

2.22.2 As at the Latest Practicable Date, the Company has issued 2,693,670,727 2021 Warrants with the following terms:

Number of new Shares which will be allotted and issued upon exercise of the outstanding 2021 Warrants <sup>(1)</sup>	Exercise price	Exercise period
2,693,670,727	S\$0.012	5 February 2021 to 4 February 2024

**Notes:**

(1) Based on the number of outstanding 2021 Warrants held by the 2021 Warrantholders of the Company as at the Latest Practicable Date.

### 2.22.3 Issuance of the Conversion Shares

The issuance of the Conversion Shares pursuant to the Proposed Issuance constitutes an event that give rise to adjustments to the number of outstanding 2021 Warrants held by the 2021 Warrantholders and the exercise price of the 2021 Warrants in accordance with the following formula set out in Condition 5.2(a) of the 2021 Warrants Deed Poll:

As a result of the Proposed issuance of the Conversion Shares:

$$\text{New exercise price of 2021 Warrants} = \frac{A}{B} \times X$$

$$\text{Adjusted number of 2021 Warrants} = \frac{B}{A} \times W$$

where:

A is the aggregate number of issued and fully paid-up Shares immediately before such consolidation or subdivision or conversion;

B is the aggregate number of issued and fully paid-up Shares immediately after such consolidation or subdivision or conversion

X is the existing exercise price of the 2021 Warrants.

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W is the existing number of outstanding 2021 Warrants.

Such adjustments will be effective from the close of the Market Day immediately preceding the date on which the consolidation or subdivision or conversion becomes effective.

The auditors of the Company have confirmed and certified that the details of adjustments to the outstanding 2021 Warrants set out in the table below is in accordance with the formulae stated in Condition 5.2(a) of the 2021 Warrants Deed Poll.

Outstanding 2021 Warrants after adjustment (the "Adjusted 2021 Warrants Post-Conversion Shares Issue")	New exercise price	Exercise period	Number of new Shares to be issued upon exercise of the outstanding 2021 Warrants
3,166,081,536	S\$0.0102	5 February 2021 to 4 February 2024	3,166,081,536

**Notes:**

- (1) Based on the number of outstanding 2021 Warrants held by the 2021 Warrantholders of the Company as at the Latest Practicable Date.

2.22.4 Issuance of the Exercised Shares

The issuance of the Exercised Shares pursuant to the Proposed Issuance constitutes an event that give rise to adjustments to the number of outstanding 2021 Warrants held by the 2021 Warrantholders and the exercise price of the 2021 Warrants in accordance with the following formula set out in Condition 5.2(a) of the 2021 Warrants Deed Poll:

As a result of the Proposed issuance of the Conversion Shares:

$$\text{New exercise price of 2021 Warrants} = \frac{A}{B} \times X$$

$$\text{Adjusted number of 2021 Warrants} = \frac{B}{A} \times W$$

where:

A is the aggregate number of issued and fully paid-up Shares immediately before such consolidation or subdivision or conversion;

B is the aggregate number of issued and fully paid-up Shares immediately after such consolidation or subdivision or conversion

X is the existing exercise price of the 2021 Warrants.

W is the existing number of outstanding 2021 Warrants.

Such adjustments will be effective from the close of the Market Day immediately preceding the date on which the consolidation or subdivision or conversion becomes effective.

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The auditors of the Company have confirmed and certified that the details of adjustments to the outstanding 2021 Warrants set out in the table below is in accordance with the formulae stated in Condition 5.2(a) of the 2021 Warrants Deed Poll.

Outstanding 2021 Warrants after adjustment (the "Adjusted 2021 Warrants Post-Exercised Shares Issue")	New exercise price	Exercise period	Number of new Shares to be issued upon exercise of the outstanding 2021 Warrants
4,065,911,648	S\$0.008	5 February 2021 to 4 February 2024	4,065,911,648

**Notes:**

- (2) Based on the number of outstanding 2021 Warrants held by the 2021 Warrantholders of the Company as at the Latest Practicable Date.

The adjustments to the outstanding 2021 Warrants are in accordance with the provisions of the 2021 Warrants Deed Poll and will take effect (if appropriate, retroactively). The Company will in due course make timely announcement of (i) the effective date of such adjustments; (ii) the allotment of the adjusted number of 2021 Warrants; and (iii) the financial effects of such adjustments.

The Company will be making an application through its Sponsor to the SGX-ST for the listing of and quotation of the Adjusted 2021 Warrants Post-Conversion Shares Issue and the Adjusted 2021 Warrants Post-Exercised Shares Issue on the Catalist of the SGX-ST. An appropriate announcement will be made by the Company upon the receipt of the listing and quotation notice including the conditions that may be required to be fulfilled. The listing and quotation notice granted by the SGX-ST is not an indication of the merits of the Proposed Issuance, the Adjusted 2021 Warrants Post-Conversion Shares Issue and the Adjusted 2021 Warrants Post-Exercised Shares Issue, the Company, its subsidiaries and their securities.

### 3. THE PROPOSED SUBSCRIPTION

#### 3.1 Background

In the announcement dated 5 January 2022, the Company announced that it had on 31 December 2022 entered into the Ntegrator Subscription Agreement with Ntegrator in relation to, *inter alia*, the Proposed Subscription of:

- (a) 0% Ntegrator Perpetual Convertible Bonds of an aggregate principal amount of S\$9,000,000 which shall, at the option of the holder thereof, be convertible into Ntegrator Conversion Shares at a Ntegrator Conversion Price of S\$0.003333 per Ntegrator Conversion Share, on the terms and conditions specified in the Ntegrator Subscription Agreement; and
- (b) 10,000,000,000 free Ntegrator Warrants, each Ntegrator Warrant shall grant the holder thereof the right to subscribe for one Ntegrator Exercised Share at an Ntegrator Exercise Price of S\$0.003333, on the terms and conditions specified in the Ntegrator Deed Poll

The Company is intending to undertake a Proposed Capital Reduction (as defined in **Paragraph 3.13**). In the event that the Proposed Capital Reduction is completed, the Company will effectively subscribe for 100,000,000 Ntegrator Warrants. Please refer to **Paragraph 3.13** below for further details in relation to the Proposed Capital Reduction.

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The proposed issuance of the Ntegrator Perpetual Convertible Bonds is undertaken pursuant to Section 272B of the SFA. The Ntegrator Perpetual Convertible Bonds have been offered solely and sold to the Subscriber under Section 272B of the SFA and no prospectus or offer information statement in connection with the offer and sale of the Ntegrator Perpetual Convertible Bonds will be registered in Singapore with the MAS under the SFA.

The proposed issuance of the Ntegrator Warrants is undertaken pursuant to Section 277 of the SFA. An offer information statement relating to the proposed issuance of the Ntegrator Warrants which complies with such requirements as to form and content with the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 will be lodged with the SGX-ST acting as agent on behalf of the MAS in due course.

### 3.2 Information on Ntegrator

Ntegrator International Ltd. (Company Registration Number 199904281D), is a public company incorporated in Singapore on 24 July 1999 and has an issued and paid-up share capital of S\$30.1 million comprising 1,464,458,714 ordinary shares as at the Latest Practicable Date.

Ntegrator is listed on the Catalist Board of the SGX-ST. The principal activities of Ntegrator comprise, *inter alia*, the following:

- (a) design, installation and implementation of data, video, fiber optics, wireless and cellular network infrastructure, and voice communication systems; and
- (b) provision of a wide range of services such as outside plant services, including fiber cable installation and pipe laying, project management services as well as maintenance and support services.

### 3.3 Representations from the Company

The Company has represented that:

- (a) The Company is not acquiring the Ntegrator Perpetual Convertible Bonds and the Ntegrator Warrants as trustee to beneficiaries of a trust nor is the Company acting on behalf of another person (whether as an agent or otherwise) in connection with its acquisition of the Ntegrator Perpetual Convertible Bonds and the Ntegrator Warrants.
- (b) The Company is subscribing for the Ntegrator Perpetual Convertible Bonds for investment purposes and not subscribing for the Ntegrator Perpetual Convertible Bonds with a view to subsequently offer the Ntegrator Perpetual Convertible Bonds for sale to another person.
- (c) The Company will do all acts and things as may be required in order to comply with Section 272B and Section 277 of the SFA.
- (d) The Company will not convert the Ntegrator Perpetual Convertible Bonds and exercise the Ntegrator Warrants to acquire shares which (taken together with shares held or acquired by persons acting in concert with it) carry 30% or more of the voting rights of Ntegrator.
- (e) The Company will not convert the Ntegrator Perpetual Convertible Bonds and exercise the Ntegrator Warrants to acquire a controlling interest under the Catalist Rules without prior approval of shareholders of Ntegrator in general meeting.
- (f) Save that the Company is a corporation in whose shares Ntegrator's directors and substantial shareholders have an aggregate interest of at least 10%, the Company is not (i) a substantial shareholder of Ntegrator; (ii) a substantial shareholder, related company, associated company or sister company of a substantial shareholder of

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Ntegrator; and (iii) to the best of its knowledge, information and belief, a person who, in the opinion of the SGX-ST, falls within (i) or (ii).

- (g) The Company is not acting in accordance with the instructions or direction of any director or shareholder of Ntegrator, nor is the Company under any obligation to act in accordance with the instructions or direction of any director or shareholder of Ntegrator.
- (h) The Company will not convert the Perpetual Convertible Bonds and/or exercise the Warrants to the extent that would result in a very substantial acquisition or a reverse takeover by the Subscriber under the Catalist Rules.
- (i) The Company's market capitalisation of approximately S\$9.4 million on 30 December 2021, being the last full market day on which trades were done preceding the date of the Ntegrator Subscription Agreement. The Company's market capitalisation was determined by multiplying the number of shares in issue 2,993,532,545 shares by the weighted average price of such shares transacted on 30 December 2021, being S\$0.00314.

### 3.4 Principal Terms and Conditions of the Ntegrator Perpetual Convertible Bonds and the Ntegrator Conversion Shares

The following is a summary of the principal terms and conditions of the Ntegrator Perpetual Convertible Bonds and the Ntegrator Conversion Shares:

Issuer	:	Ntegrator International Ltd.
Size of Ntegrator Perpetual Convertible Bonds	:	The Company will issue S\$9,000,000 aggregate principal amount of Ntegrator Perpetual Convertible Bonds.
Issue Date of Ntegrator Perpetual Convertible Bonds	:	On the Completion Date (as defined in <b>Paragraph 3.8.1</b> ) of the Ntegrator Subscription Agreement.
Issue Price of Ntegrator Perpetual Convertible Bonds	:	100% of the principal amount of the Ntegrator Perpetual Convertible Bonds, or S\$1.00 for each S\$1.00 in principal amount of the Ntegrator Perpetual Convertible Bonds.
Form and Denomination	:	The Ntegrator Perpetual Convertible Bonds will be subscribed in registered form and in the denomination of S\$1.00 each.
Status of the Ntegrator Perpetual Convertible Bonds	:	The Ntegrator Perpetual Convertible Bonds constitute direct, unconditional, unsecured and unsubordinated obligations of Ntegrator and shall at all times rank <i>pari passu</i> , without any preference or priority among themselves and <i>pari passu</i> with all other present and future direct, unconditional, unsecured and unsubordinated obligations of Ntegrator, save for such exceptions as may be provided by mandatory provisions under applicable laws and regulations.
Conversion Right	:	The Ntegrator Perpetual Convertible Bonds shall, at the option of the holder thereof, be convertible into the Ntegrator Conversion Shares at the Ntegrator Conversion Price. The conversion right may be exercised at any time after the date of issue of the Ntegrator Perpetual Convertible Bonds and if the Ntegrator Perpetual Convertible Bonds have been called for redemption by Ntegrator, then before 5.00 p.m. on a date no later than

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ten days prior to the date fixed for redemption of such Ntegrator Perpetual Convertible Bonds.

The number of Ntegrator Conversion Shares to be issued by Ntegrator upon conversion of the Ntegrator Perpetual Convertible Bonds will be determined by dividing the principal amount of the Ntegrator Perpetual Convertible Bonds to be converted by the Ntegrator Conversion Price in effect at the conversion date.

Fractions of a Ntegrator Conversion Share will not be issued upon conversion of the Ntegrator Perpetual Convertible Bonds and no cash adjustments will be made in respect of such fractions of Ntegrator Conversion Shares.

Registration : As soon as practicable, and in any event not later than 15 market days after the conversion date, Ntegrator will, in the case of Ntegrator Perpetual Convertible Bonds converted on exercise of the conversion right and in respect of which a duly completed conversion notice has been delivered and the relevant Certificate and amounts payable by the relevant Bondholder as required have been paid, procure that the relevant number of conversion shares to be issued on conversion of the Perpetual Convertible Bonds are allotted to and registered in the name of CDP for credit to the securities account designated for the purpose in the conversion notice for so long as the Conversion Shares are listed on the Catalist Board of the SGX-ST, together with any other documents as may be required by law to effect the allotment thereof.

Number of Ntegrator Conversion Shares : Assuming there are no adjustments to the Ntegrator Conversion Price subsequent to the issuance of the Ntegrator Perpetual Convertible Bonds, Ntegrator will issue 2,700,270,027 Ntegrator Conversion Shares upon conversion of all of the Ntegrator Perpetual Convertible Bonds.

The 2,700,270,027 Ntegrator Conversion Shares represents:

(c) approximately 184.39% of the existing total issued share capital of Ntegrator (excluding treasury shares and subsidiary holdings) comprising 1,464,458,714 ordinary shares; and

(d) approximately 64.84% of the enlarged total issued share capital of Ntegrator (excluding treasury shares and subsidiary holdings) comprising 4,164,728,741 ordinary shares, assuming that 2,700,270,027 Conversion Shares were issued by Ntegrator upon conversion of all of the Perpetual Convertible Bonds.

Status of Ntegrator Conversion Shares : The Ntegrator Conversion Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing ordinary shares in Ntegrator, except that they will not rank for any dividends, rights, allotments or other distributions the record date for which falls on or before



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the date of allotment and issue of the Ntegrator Conversion Shares.

Listing and Trading of the Ntegrator Perpetual Convertible Bonds and the Ntegrator Conversion Shares : The Ntegrator Perpetual Convertible Bonds will not be listed and quoted on the Catalist Board of the SGX-ST.

The Ntegrator Conversion Shares will be listed and quoted on the Catalist Board of the SGX-ST.

Conversion Price : S\$ 0.003333

The Ntegrator Conversion Price of S\$0.003333 represents a discount of 52.39% to the weighted average price of S\$0.007 for trades done on the SGX-ST for the full market day on 30 December 2021, being the last full market day on which the shares of Ntegrator were traded prior to the signing of the Ntegrator Subscription Agreement on 31 December 2021. The Ntegrator Conversion Price was arrived at after (i) arm's length negotiations between Ntegrator and the Company on a willing-buyer willing-seller basis, (ii) latest available open market value of Ntegrator and the Company and (iii) in view of further co-operation with Ntegrator to expand the new and existing business of the Company.

Taking into account the Ntegrator Exercise Price of the Ntegrator Warrants as further detailed below under "Ntegrator Exercise Price" in **Paragraph 3.5**, the effective price of the Ntegrator Conversion Shares is the same as that of the Ntegrator Warrants, being S\$0.003333, which represents a discount of 52.39% to the weighted average price of S\$0.007 for trades done on the SGX-ST for the full market day on 30 December 2021, being the last full market day on which the shares of Ntegrator were traded prior to the signing of the Ntegrator Subscription Agreement on 31 December 2021.

Adjustments : The Ntegrator Conversion Price is subject to adjustments under certain circumstances in accordance with the terms and conditions of the Ntegrator Perpetual Convertible Bonds.

Ntegrator will make an announcement of any adjustments made to the Ntegrator Conversion Price via SGXNET.

Coupon : Zero coupon

Maturity Date : The Ntegrator Perpetual Convertible Bonds will be perpetual convertible bonds and will have no fixed maturity date.

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Redemption : The Ntegrator Perpetual Convertible Bonds may be redeemed at the option of Ntegrator in whole or in part by giving not less than 21 days' notice to the holders of the Ntegrator Perpetual Convertible Bonds at a redemption price equal to the principal amount of the Ntegrator Perpetual Convertible Bonds to be redeemed at any time after the date falling three years from the date of issue of the Ntegrator Perpetual Convertible Bonds.

The Ntegrator Perpetual Convertible Bonds may also be redeemed at the option of Ntegrator in whole but not in part at any time at a redemption price equal to the principal amount of the Ntegrator Perpetual Convertible Bonds upon the occurrence of the following events at the discretion of Ntegrator's Board: (a) certain changes in applicable laws or regulations of Singapore requiring the payment of additional amounts to gross up payments on account of withholding taxes; (b) a change in control of the Company; or (c) a suspension or delisting of the securities of the Company.

For the avoidance of doubt, the Ntegrator Perpetual Convertible Bonds are not redeemable at the option of the holders of the Ntegrator Perpetual Convertible Bonds.

Participation Rights in Distributions and/or Offer of Further Securities : The holders of the Ntegrator Perpetual Convertible Bonds have no participation rights in any distributions and/or offer of further securities made by Ntegrator.

Transferability : Subject to applicable laws and regulations, the Ntegrator Perpetual Convertible Bonds may be transferred by a holder thereof with the prior written consent of Ntegrator in accordance with the terms and conditions of the Ntegrator Perpetual Convertible Bonds.

Governing Law : The Ntegrator Perpetual Convertible Bonds will be governed by, and construed in accordance with, the laws of Singapore.

### 3.5 Principal Terms and Conditions of the Ntegrator Warrants and the Ntegrator Exercised Shares

The following is a summary of the principal terms and conditions of the Ntegrator Warrants and the Ntegrator Exercised Shares:

Issuer : Ntegrator International Ltd.

Number of Ntegrator Warrants : The Company will subscribe for 10,000,000,000 Ntegrator Warrants.

The Company is intending to undertake a Proposed Capital Reduction (as defined in **Paragraph 3.13** below). In the event that the Proposed Capital Reduction is completed, the Company will effectively subscribe for 100,000,000 Ntegrator Warrants. Please refer to **Paragraph 3.13** below for further details in relation to the Proposed Capital Reduction.

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Form and Subscription Right : The Ntegrator Warrants will be constituted by the Ntegrator Deed Poll and will be issued in registered form. Each Ntegrator Warrant shall grant the holder thereof the right to subscribe for one Ntegrator Exercised Shares at the Ntegrator Exercise Price at any time during the Ntegrator Exercise Period subject to the terms and conditions of the Warrants in the Deed Poll.

Number of Ntegrator Exercised Shares : Assuming there are no adjustments to the number of Ntegrator Warrants, Ntegrator will issue 10,000,000,000 Exercised Shares upon exercise of all of the Ntegrator Warrants.

The 10,000,000,000 Ntegrator Exercised Shares represents:

- (a) approximately 682.85% of the existing total issued share capital of Ntegrator (excluding treasury shares and subsidiary holdings) comprising 1,464,458,714 ordinary shares
- (b) approximately 87.23% of the enlarged total issued share capital of Ntegrator (excluding treasury shares and subsidiary holdings) comprising 11,464,458,714 ordinary shares, assuming that 10,000,000,000 Ntegrator Exercised Shares were issued by the Company upon exercise of all of the Warrants.

The 2,700,270,027 Ntegrator Conversion Shares and the 10,000,000,000 Ntegrator Exercised Shares represent:

- (a) approximately 867.23% of the existing total issued share capital of Ntegrator (excluding treasury shares and subsidiary holdings) comprising 1,464,458,714 ordinary shares; and
- (b) approximately 89.66% of the enlarged total issued share capital of Ntegrator (excluding treasury shares and subsidiary holdings) comprising 14,164,728,741 ordinary shares, assuming that 2,700,270,027 Ntegrator Conversion Shares were issued by Ntegrator upon conversion of all of the Ntegrator Perpetual Convertible Bonds and that 10,000,000,000 Ntegrator Exercised Shares were issued by Ntegrator upon exercise of all of the Ntegrator Warrants.

Status of Ntegrator Exercised Shares : The Ntegrator Exercised Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing ordinary shares in Ntegrator, except that they will not rank for any dividends, rights, allotments or other distributions the record date for which falls before the date of allotment and issue of the Ntegrator Exercised Shares.

Listing and Trading of the Ntegrator Warrants and the Ntegrator Exercised Shares : The Ntegrator Warrants and the Ntegrator Exercised Shares will be listed and quoted on the Catalist Board of the SGX-ST.

It should be noted that the Ntegrator Warrants may not be listed and quoted on the Catalist Board of the SGX-ST in the event of an insufficient spread of holdings of the Ntegrator Warrants to provide for an orderly market in the Ntegrator Warrants. Accordingly, in such event, the

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holders will not be able to trade their Ntegrator Warrants on the Catalist Board of the SGX-ST. However, if the Ntegrator Warrants are exercised in accordance with its terms and conditions, the Ntegrator Exercised Shares will be listed and quoted on the Catalist Board of the SGX-ST.

Ntegrator Exercise Price : S\$0.003333

The Ntegrator Exercise Price of S\$0.003333 represents a discount of 52.39% to the weighted average price of S\$0.007 for trades done on the SGX-ST for the full market day on 30 December 2021, being the last full market day on which the shares of Ntegrator were traded prior to the signing of the Ntegrator Subscription Agreement on 31 December 2021.

The Ntegrator Exercise Price was arrived at after (i) arm's length negotiations between Ntegrator and the Company on a willing-buyer willing-seller basis, (ii) latest available open market value of Ntegrator and the Company and (iii) in view of further co-operation with Ntegrator to expand the new and existing business of the Company.

Ntegrator Exercise Period : The Ntegrator Warrants may be exercised during the period commencing on the date of issue of the Ntegrator Warrants and expiring at 5.00 p.m. on the date falling five years after the date of issue of the Ntegrator Warrants. At the expiry of the Ntegrator Exercise Period, any Ntegrator Warrants which have not been exercised shall lapse and cease to be valid for any purpose.

Adjustments : The number of Ntegrator Warrants and/or the Ntegrator Exercise Price are subject to adjustments under certain circumstances in accordance with the terms and conditions of the Ntegrator Warrants in the Deed Poll.

Ntegrator will be making an application to the SGX-ST through its sponsor, PrimePartners Corporate Finance Pte. Ltd., for the listing and quotation of the Conversion Shares on the Catalist of the SGX-ST.

Any additional Ntegrator Warrants issued pursuant to such adjustments shall rank *pari passu* in all respects with the then existing Ntegrator Warrants and without any preference or priority among themselves and among the then existing Ntegrator Warrants, save as may otherwise be provided in the terms and conditions of the Ntegrator Warrants in the Ntegrator Deed Poll.

Ntegrator will make an announcement of any adjustments made to the number of Ntegrator Warrants and/or the Ntegrator Exercise Price via SGXNET.

Modification of Rights of the Holders of the Ntegrator Warrants : Ntegrator may, without the consent of the holders of the Warrants but in accordance with the terms and conditions of the Ntegrator Warrants in the Deed Poll, effect:

(c) any modification to the Warrants, the warrant agency agreement or the Deed Poll which, in its opinion, is

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not materially prejudicial to the interests of the holders of the Ntegrator Warrants;

- (d) any modification to the Ntegrator Warrants, the warrant agency agreement or the Ntegrator Deed Poll which, in its opinion, is of a formal, technical or minor nature or to correct a manifest error or to comply with mandatory provisions of Singapore law; and/or
- (e) any modification to the Ntegrator Warrants or the Deed Poll which, in its opinion, is to vary or replace provisions relating to the transfer or exercise of the Warrants, including the issue of Ntegrator Exercised Shares upon exercise of the Ntegrator Warrants or meetings of the holders of the Ntegrator Warrants in order to facilitate trading in or the exercise of the Ntegrator Warrants or in connection with the implementation and operation of the book-entry (scripless) settlement system in respect of trades of Ntegrator's securities on the Catalist Board of the SGX-ST.

Any such modification shall be binding on the holders of the Ntegrator Warrants and shall be notified to the holders of the Ntegrator Warrants in accordance with the terms and conditions of the Ntegrator Warrants in the Ntegrator Deed Poll as soon as practicable thereafter.

Any alteration to the terms and conditions of the Ntegrator Warrants in the Ntegrator Deed Poll after the issue of the Warrants must be subject to the approval of the SGX-ST (if required), except where the alterations are made pursuant to the terms and conditions of the Ntegrator Warrants in the Ntegrator Deed Poll.

Notwithstanding any other provisions as set out in the Ntegrator Deed Poll, any material alteration to the terms and conditions of the Ntegrator Warrants in the Ntegrator Deed Poll after the issue of the Ntegrator Warrants to the advantage of the holders of the Ntegrator Warrants and prejudicial to the shareholders of Ntegrator must be approved by shareholders of Ntegrator in general meeting, except where the alterations are made pursuant to the terms and conditions of the Ntegrator Warrants in the Ntegrator Deed Poll.

Save as provided by the terms and conditions of the Ntegrator Warrants in the Ntegrator Deed Poll, Ntegrator shall not extend the Ntegrator Exercise Period, create and issue new warrants to replace the Warrants, change the Ntegrator Exercise Price or change the exercise ratio of the Ntegrator Warrants.

- Winding-up of Ntegrator :
- If a resolution is passed for a members' voluntary winding-up of Ntegrator then:
    - (a) if such winding-up is for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement to which the holders of the Ntegrator Warrants, or some person designated by them for such purpose sanctioned by extraordinary resolution

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at a meeting of the holders of the Ntegrator Warrants, the terms of such scheme of arrangement shall be binding on all holders of the Ntegrator Warrants; and

- (b) in any other case, every holder of the Ntegrator Warrants shall be entitled, subject to the terms and conditions of the Ntegrator Warrants in the Ntegrator Deed Poll, within two weeks after the passing of such resolution for a members' voluntary winding-up of Ntegrator, by irrevocable surrender of his warrant certificate(s) to Ntegrator with the exercise notice(s) duly completed, together with payment of the full amount of the aggregate Ntegrator Exercise Price in respect of the Ntegrator Warrants specified in the exercise notice(s), to elect to be treated as if he had immediately prior to the commencement of such winding-up exercised the Ntegrator Warrants to the extent specified in the exercise notice(s) and had on such date been the holder of the Ntegrator Exercised Shares to which he would have become entitled pursuant to such exercise and the liquidator of Ntegrator shall, if permitted by law, give effect to such election accordingly. Ntegrator shall give notice to the holders of the Ntegrator Warrants in accordance with the terms and conditions of the Ntegrator Warrants in the Ntegrator Deed Poll of the passing of any such resolution within seven market days after the passing thereof.

Subject to the foregoing, if Ntegrator is wound-up for any other reason, all Warrants which have not been exercised at the date of the passing of such resolution in relation to the winding-up of Ntegrator, shall lapse and the Ntegrator Warrants shall cease to be valid for any purpose.

- Transferability : Subject to applicable laws and regulations and the terms and conditions of the Ntegrator Warrants in the Ntegrator Deed Poll, the Ntegrator Warrants shall be transferrable in lots entitling a holder thereof to subscribe for whole numbers of Ntegrator Exercised Shares and so that no person shall be recognised by Ntegrator as having title to the Ntegrator Warrants granting the relevant holder thereof the right to subscribe for a fractional part of an Ntegrator Exercised Share or otherwise than as the sole or joint holder of the entirety of such Ntegrator Exercised Share.
- Governing Law : The Ntegrator Warrants will be governed by, and construed in accordance with, the laws of Singapore.

### 3.6 Source of Funds for the Proposed Subscription

The aggregate maximum consideration to be paid by the Company in connection with the Proposed Subscription is approximately S\$9,333,300 (comprising the aggregate principal amount of Ntegrator Convertible Perpetual Bonds of S\$9,000,000 and the aggregate Ntegrator Exercise Price payable upon exercise of all of the Warrants of S\$333,300) and the estimated costs and expenses to be incurred in connection with the Proposed Subscription of S\$50,000 shall be funded through the Proposed Issuance to Ntegrator as announced on 5 January 2022 and the working capital of the Company if necessary. The Proposed Subscription is conditional upon the completion of the Proposed Issuance. The Company is in the midst of restructuring its business, including expanding its luxury watch trading business, commencing its new loan

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financing business, and streamlining its cost and capital structures. There would be no net cash outflow from the Company for the subscription of the Perpetual Convertible Bonds, the Company would be able to utilise its internal resources for its working capital to support its business operations and business expansion.

### 3.7 Consideration

The consideration for the Proposed Subscription is approximately S\$9.3 million as detailed above.

The aggregate principal amount of Ntegrator Convertible Perpetual Bonds, Ntegrator Conversion Price Warrants and the Ntegrator Exercise Price were arrived at arm's length and on a willing-buyer-willing-seller basis after taking into account, inter alia, the following:

- (a) the market value of Ntegrator;
- (b) the upside of the new and existing businesses of Ntegrator; and
- (c) the prevailing economic conditions.

### 3.8 Principal Terms of the Ntegrator Subscription Agreement

According to the Subscription Agreement:

#### 3.8.1 Completion Date

“**Completion Date**” means the date falling seven (7) business days after the fulfilment or waiver (if capable of waiver) of all the conditions precedent below (other than conditions precedent to be fulfilled on the Completion Date), or such other date as the Company and Ntegrator (collectively, the “**Parties**”) may agree in writing.

#### 3.8.2 Conditions Precedent

The obligations of the Parties under the Ntegrator Subscription Agreement are conditional upon, and completion shall not take place until, all the following conditions precedent (other than conditions precedent to be fulfilled or waived (if capable of waiver) on the Completion Date) have been fulfilled:

- (a) Ntegrator having obtained such approvals from its board of directors and shareholders in connection with the Ntegrator Subscription Agreement and the transactions contemplated therein as may be necessary, including but not limited to (aa) the issue of the Ntegrator Perpetual Convertible Bonds to the Company and the issue of the Ntegrator Conversion Shares upon conversion of the Ntegrator Perpetual Convertible Bonds; (bb) the issue of the Ntegrator Warrants to the Company and the issue of the Ntegrator Exercised Shares upon exercise of the Ntegrator Warrants; (cc) the issue of new share certificates in respect of the Ntegrator Conversion Shares and the Ntegrator Exercised Shares; and (dd) the lodgement of the required statutory returns with the Accounting and Regulatory Authority of Singapore, and such approvals not having been amended or revoked before the Completion Date;
- (b) Ntegrator having obtained shareholders' approval from its shareholders for the transfer of controlling interest to the Company in connection with the Proposed Subscription pursuant to Catalist Rule 803;
- (c) the Company having obtained such approvals from its board of directors and shareholders (if applicable) in connection with the Subscription Agreement and the transactions contemplated therein as may be necessary and such approvals not having been amended or revoked before the Completion Date;
- (d) Ntegrator having obtained the listing and quotation notice from the SGX-ST for the listing and quotation of the Ntegrator Warrants, the Ntegrator Conversion Shares and

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the Ntegrator Exercised Shares, and the listing and quotation notice not having been amended or revoked before the Completion Date, and if the listing and quotation notice is subject to conditions, such conditions being fulfilled on or before the Completion Date;

- (e) the Company complying with the applicable requirements under the Companies Act the SFA, the Code, the Catalist Rules and applicable laws (to the extent that such laws relates to or affects the subscription);
- (f) there is no breach by the Company of its representations, warranties and undertakings contained in the Ntegrator Subscription Agreement;
- (g) each of the representations, warranties and undertakings remaining true and accurate in all material respects as at the Completion Date (by reference to the facts and circumstances then subsisting) with the same force and effect as if repeated on the Completion Date; and
- (h) all necessary consents, approvals and waivers where required for the transactions contemplated under the Ntegrator Subscription Agreement (including third party, governmental and regulatory consents, approvals and waivers) having been obtained by the Parties, and such consents, approvals and waivers not having been amended or revoked before the Completion Date, and if any such consents, approvals or waivers are subject to conditions, such conditions being fulfilled on or before the Completion Date.

### 3.8.3 Long Stop Date

**“Long Stop Date”** means Twelve (12) months from the date of the Ntegrator Subscription Agreement, or such other later date as the Parties may agree in writing.

If any of the conditions precedent above is not fulfilled on or before 5.00 p.m. on the Long Stop Date and such non-fulfilment is not waived by the party who has the benefit of such condition precedent, the Ntegrator Subscription Agreement shall lapse and no party shall have any claim against the other party under the Ntegrator Subscription Agreement, save for any claim arising from antecedent breaches of the Ntegrator Subscription Agreement.

### 3.8.4 Payment of the Issue Price for the Ntegrator Perpetual Convertible Bonds

The aggregate issue price for the Ntegrator Perpetual Convertible Bonds equal to 100% of the aggregate principal amount of the Ntegrator Perpetual Convertible Bonds of S\$9,000,000 shall be paid to Ntegrator in cash by way of cashier's order, cheque, telegraphic transfer or such other payment method as the Parties may agree in writing (i) free of any restriction or condition; (ii) free and clear and without any deduction or withholding for or on account of any tax; and (iii) without deduction or withholding on account of any other amount, whether by way of set-off, counterclaim or otherwise.

### 3.8.5 Indemnity

The Company has agreed to indemnify, defend and hold harmless Ntegrator (and its directors, officers, employees, agents, representatives, affiliates, successors and assigns) from and against any and all losses, liabilities, fines, penalties, costs (including legal or arbitral costs, advisors', experts' and consultants' fees and costs of enforcement of any settlements, judgments or arbitral awards), charges, expenses, actions, proceedings, investigations, claims and demands which Ntegrator may at any time and from time to time sustain, incur or suffer by reason of:

- (a) any non-compliance by the Company with the applicable requirements under the Companies Act, the SFA, the Code, the Catalist Rules and applicable laws (to the extent that such laws relates to or affects the subscription); and



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- (b) any breach by the Company of its representations, warranties and undertakings contained in the Ntegrator Subscription Agreement

### 3.8.6 Costs and Expenses

Each party shall bear and be responsible for its respective costs and expenses incurred in relation to the negotiation, preparation, finalisation, execution and performance of the Ntegrator Subscription Agreement and the transactions contemplated therein.

### 3.8.7 Governing Law and Jurisdiction

The Ntegrator Subscription Agreement shall be governed by, and construed in accordance with, the laws of Singapore.

In relation to any legal action or proceeding arising out of or in connection with the Ntegrator Subscription Agreement and the transactions contemplated therein, the parties hereby irrevocably submit to the exclusive jurisdiction of the courts of Singapore.

### 3.9 **Rationale for the Proposed Subscription**

The rationale for the Proposed Subscription is for the Company to participate in the business growth and upside of the new and existing businesses of Ntegrator. The Board believes that the Proposed Subscription will broaden and diversify the Group's revenue streams and customer base.

### 3.10 **Relative Figures under Rule 1006 of the Catalist Rules**

The relative figures computed on the bases set out in Catalist Rule 1006 for the Proposed Subscription are as follows:

Catalist Rule 1006(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value. This basis is not applicable to an acquisition of assets. <sup>(1)</sup>	Not Applicable <sup>(2)</sup>
Catalist Rule 1006(b)	The net profits attributable to the assets acquired or disposed of, compared with the Group's net profits. <sup>(3)</sup>	Not Applicable <sup>(4)</sup>
Catalist Rule 1006(c)	The aggregate value of the consideration given or received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares.	95.75% <sup>(5)</sup>
Catalist Rule 1006(c)	The aggregate value of the consideration given or received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares.	99.29% <sup>(6)</sup>
Catalist Rule 1006(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not Applicable

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Catalist Rule 1006(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets. If the reserves are not directly comparable, the SGX-ST may permit valuations to be used instead of volume or amount.	Not Applicable <sup>(7)</sup>
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**Notes:**

- (1) "Net assets" means total assets less total liabilities.
- (2) The Proposed Subscription is an acquisition of assets not a disposal of assets.
- (3) "Net profits" means profit or loss including discontinued operations that have not been disposed and before income tax and non-controlling interests.
- (4) There are no net profits attributable to the Ntegrator Perpetual Bonds, the Ntegrator Perpetual Convertible Bonds and the Ntegrator Warrants.
- (5) The aggregate principal amount of approximately S\$9,000,000 comprising S\$9,000,000 Ntegrator Perpetual Convertible Bonds represents approximately 95.75% of the Company's market capitalisation of approximately S\$9.4 million on 30 December 2021, being the last full market day on which trades were done preceding the date of the Ntegrator Subscription Agreement. The Company's market capitalisation was determined by multiplying the number of 2,993,532,545 shares in issue by the weighted average price of such shares transacted on 30 December 2021.
- (6) The Company intends to undertake a capital reduction pursuant to Section 78C of the Companies Act and return to Entitled Shareholders surplus capital of the Company in excess of its needs by way of a distribution in specie of 9,900,000,000 Warrants to Entitled Shareholders in proportion to their respective shareholdings in the Company. Accordingly, the aggregate principal amount of approximately S\$9,333,300 comprising (a) S\$9,000,000 Ntegrator Perpetual Convertible Bonds; and (b) S\$333,300 on the assumption that 100,000,000 Ntegrator Warrants are exercised into 100,000,000 Ntegrator Exercised Shares represents approximately 99.29% of the Company's market capitalisation of approximately S\$9.4 million on 30 December 2021, being the last full market day on which trades were done preceding the date of the Ntegrator Subscription Agreement. The Company's market capitalisation was determined by multiplying the number of 2,993,532,545 shares in issue by the weighted average price of such shares transacted on 30 December 2021.
- (7) The Company is not a mineral, oil and gas company.

As one of the relative figures computed on the bases set out in Catalist Rule 1006 exceeds 75% but is less than 100%, the Proposed Subscription is classified as a "major transaction" under Catalist Rule 1014.

Catalist Rule 1014 requires, *inter alia*, that (a) the Company immediately announce the information required in Catalist Rules 1010, 1011, 1012 and 1013, where applicable; and (b) the Proposed Subscription must be made conditional upon approval by shareholders in general meeting. The information required in Catalist Rules 1010 and 1011 are disclosed in this Circular.

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### 3.11 Financial Effects of the Proposed Subscription

- 3.11.1 The financial effects of the Proposed Subscription on the NTA per share and the loss per share (“LPS”) of the Group have been prepared based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2021.
- 3.11.2 There are no net profits attributable to the assets being acquired in connection with the Proposed Subscription.
- 3.11.3 For the purpose of illustrating the financial effects, the financial effects have been prepared based on, *inter alia*, the following assumptions:
- (a) the financial effects on the NTA per share of the Group are computed assuming that:
    - (i) the Proposed Subscription was completed on 31 December 2021 and 2,700,270,027 Ntegrator Conversion Shares were issued upon conversion of all of the Ntegrator Perpetual Convertible Bonds on 31 December 2021 (“**Scenario A**”); and
    - (ii) the Proposed Subscription was completed on 31 December 2021, 2,700,270,027 Ntegrator Conversion Shares were issued upon conversion of all of the Ntegrator Perpetual Convertible Bonds on 31 December 2021 and 100,000,000,000 Ntegrator Exercised Shares were issued upon exercise of all of the Ntegrator Warrants on 31 December 2021 (“**Scenario B**”);
  - (b) the financial effects on the LPS of the Group are computed assuming that:
    - (i) the Proposed Subscription was completed on 1 January 2021 and 2,700,270,027 Ntegrator Conversion Shares were issued upon conversion of all of the Ntegrator Perpetual Convertible Bonds on 1 January 2021 (“**Scenario C**”); and
    - (ii) the Proposed Subscription was completed on 1 January 2021, 2,700,270,027 Ntegrator Conversion Shares were issued upon conversion of all of the Ntegrator Perpetual Convertible Bonds on 1 January 2021 and 100,000,000,000 Ntegrator Exercised Shares were issued upon exercise of all of the Ntegrator Warrants on 1 January 2021 (“**Scenario D**”);
  - (c) no adjustments have been made to the Ntegrator Conversion Price, the number of Ntegrator Warrants and the Ntegrator Exercise Price; and
  - (d) the costs and expenses in connection with the Proposed Subscription shall be disregarded.

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### 3.11.4 Financial Effects on NTA per Share of the Group

	<b>Before Completion of the Proposed Subscription</b>	<b>Scenario A</b>	<b>Scenario B</b>
NTA as at 31 December 2021 (S\$'000)	9,664	9,664	9,664
Number of shares in the Company, excluding treasury shares and subsidiary holdings	2,993,532,545	2,993,532,545	2,993,532,545
NTA per share of the Group (Singapore cents)	0.32	0.32	0.32

### 3.11.5 Financial Effects on EPS of the Group

	<b>Before Completion of the Proposed Subscription</b>	<b>Scenario C</b>	<b>Scenario D</b>
Net losses for the financial year ended 31 December 2021 (S\$'000)	(3,385)	(3,385)	(3,385)
Weighted average number of shares in the Company, excluding treasury shares and subsidiary holdings	2,993,532,545	2,993,532,545	2,993,532,545
LPS of the Group (Singapore cents)	(0.11)	(0.11)	(0.11)

3.11.6 The financial effects presented above are for illustrative purposes only and are not intended to reflect the actual future results and/or financial position of the Company and/or the Group. No representation is made as to the actual results and/or financial position of the Company and/or the Group.

## 3.12 Shareholders' Approval for the Proposed Subscription

### 3.12.1 Chapter 9 of the Catalist Rules

Ntegrator is not an associate of (a) Mr Heilesen, a Director and (b) Mission Well, a controlling shareholder of the Company. Mr Heilesen is deemed interested in the shares held in Ntegrator through Mission Well, representing approximately 10.94% of the total issued share capital of the Subscriber. Mr Heilesen is the sole shareholder and sole director of Mission Well. Accordingly, the Proposed Subscription is not classified as an interested person transaction under Chapter 9 of the Catalist Rules.

Notwithstanding the above, as disclosed in the Company's announcement dated 11 January 2022 in relation to its response to queries received from the SGX-ST on 7 January 2022 in relation to, *inter alia*, the Proposed Subscription, an independent financial adviser will be appointed to advise the Board in connection with, *inter alia*, the Proposed Subscription. The

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Board will obtain an opinion from the independent financial adviser before forming its view on, *inter alia*, the Proposed Subscription. A circular containing the opinion of the independent financial adviser and the opinion of the Board on whether, *inter alia*, the Proposed Subscription, is on normal commercial terms and whether, *inter alia*, the Proposed Subscription is prejudicial to the interests of the Company and its minority shareholders under Chapter 9 of Catalist Rule will be sent to shareholders of the Company to provide shareholders with an opportunity to vote on the resolution in relation to, *inter alia*, the Proposed Subscription as an interested person transaction under Chapter 9 of the Catalist Rules at the extraordinary general meeting to be convened by the Company. Accordingly, the Company sets out the relevant disclosures under Chapter 9 of the Catalist Rules in this section.

Based on the audited consolidated financial statements of the Group for FY2020, the Group's latest audited NTA amounts to approximately S\$0.84 million.

The current total of all transactions (excluding transactions less than S\$100,000) with Mr Heilesen, Ntegrator and their associates for the period commencing on 1 January 2022 up to the Latest Practicable Date is set out in the table below.

Description of Transaction	Before Completion of the Proposed Subscription and the Proposed Issuance		After Completion of the Proposed Subscription and the Proposed Issuance	
	Amount	% <sup>(1)</sup>	Amount	% <sup>(1)</sup>
Proposed Acquisition of Golden Ultra Limited from Mr Heilesen	S\$14.6 million <sup>(2)</sup>	1,738%	S\$14.6 million <sup>(2)</sup>	1,738%
Proposed Acquisition of Billion Credit Financial Company Limited	S\$1.08 million <sup>(3)</sup>	129%	S\$1.08 million <sup>(3)</sup>	129%
Proposed Subscription of the Ntegrator Perpetual Convertible Bonds and Ntegrator Warrants by the Company	-	-	S\$9 million	1,071%
Proposed Issuance of the Perpetual Bonds to the Subscriber by the Company	-	-	S\$6.9 million	821%
Proposed Issuance of the Perpetual Convertible Bonds and Warrants to the Subscriber by the Company	-	-	S\$2.1 million	250%
<b>Total</b>	<b>S\$15.68 million</b>	<b>1,867%</b>	<b>S\$33.68 million</b>	<b>4,009%</b>

**Notes:**

(1) As a percentage of the Group's latest audited NTA of approximately S\$0.84 million.

(2) HK\$84 million equivalent to approximately S\$14.6 million.

(3) HK\$5.8 million equivalent to approximately S\$1 million.

The current total of all interested person transactions (excluding interested person transactions less than S\$100,000) for the period commencing on 1 January 2022 up to the Latest Practicable Date is set out in the table below.

## LETTER TO SHAREHOLDERS

Description of Transaction	Before Completion of the Proposed Subscription and the Proposed Issuance		After Completion of the Proposed Subscription and the Proposed Issuance	
	Amount	% <sup>(1)</sup>	Amount	% <sup>(1)</sup>
Proposed Acquisition of Golden Ultra Limited from Mr Heilesen	S\$14.6 million <sup>(2)</sup>	1,738%	S\$14.6 million <sup>(2)</sup>	1,738%
Proposed Acquisition of Billion Credit Financial Company Limited	S\$1.08 million <sup>(3)</sup>	129%	S\$1.08 million <sup>(3)</sup>	129%
Proposed Subscription of the Ntegrator Perpetual Convertible Bonds and Ntegrator Warrants by the Company	-	-	S\$9 million	1,071%
Proposed Issuance of the Perpetual Bonds to the Subscriber by the Company	-	-	S\$6.9 million	821%
Proposed Issuance of the Perpetual Convertible Bonds and Warrants to the Subscriber by the Company	-	-	S\$2.1 million	250%
<b>Total</b>	<b>S\$15.68 million</b>	<b>1,867%</b>	<b>S\$33.68 million</b>	<b>4,009%</b>

**Notes:**

- (1) As a percentage of the Group's latest audited NTA of approximately S\$0.84 million.  
(2) HK\$84 million equivalent to approximately S\$14.6 million.  
(3) HK\$5.8 million equivalent to approximately S\$1 million.

Pursuant to:

- (a) Catalyst Rule 906(1), an issuer must obtain shareholder approval for any interested person transaction of a value equal to, or more than (i) 5% of the group's latest audited net tangible assets; or (ii) 5% of the group's latest audited net tangible assets, when aggregated with other transactions entered into with the same interested person during the same financial year. However, a transaction which has been approved by shareholders, or is the subject of aggregation with another transaction that has been approved by shareholders, need not be included in any subsequent aggregation.
- (b) Catalyst Rule 919, in a meeting to obtain shareholder approval, the interested person and any associate of the interested person must not vote on the resolution, nor accept appointments as proxies unless specific instructions as to voting are given.

As explained above, the Proposed Subscription will be classified as an "interested person transaction" under Chapter 9 of the Catalyst Rules of a value more than 5% of the Group's latest audited NTA in substance.

Accordingly, the Board proposes to convene the EGM to seek Shareholders' approval from Independent Shareholders for the Proposed Subscription as an interested person transaction. Mr Heilesen and his associates shall not vote on the Subscription IPT Resolution, nor accept appointments as proxies unless specific instructions as to voting are given, in accordance with Catalyst Rule 919.

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## LETTER TO SHAREHOLDERS

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### 3.13 Proposed Distribution by way of Proposed Capital Reduction by the Company

The Company intends to undertake a capital reduction (the “**Proposed Capital Reduction**”) pursuant to Section 78C of the Companies Act and return to Entitled Shareholders (as defined below) surplus capital of the Company in excess of its needs by way of a distribution in specie (the “**Proposed Distribution**”) of 9,900,000,000 Ntegrator Warrants to Entitled Shareholders in proportion to their respective shareholdings in the Company as at a record date (the “**Record Date**”) to be determined by the directors of the Company for the purposes of determining the entitlement of shareholders of the Company to the Proposed Distribution, fractional entitlements to be disregarded. Only shareholders of the Company with Singapore addresses as at the Record Date will be entitled to the Proposed Distribution (the “**Entitled Shareholders**”).

Entitled Shareholders will not be required to pay for any Warrants received from the Proposed Distribution. The Warrants will be distributed to Entitled Shareholders on the Proposed Distribution Completion Date (as defined below) free and clear from any encumbrances, together with all rights and entitlements that attach (or may in the future attach) to the Warrants on or after the Proposed Distribution Completion Date. The date of completion of the Proposed Distribution (the “**Proposed Distribution Completion Date**”) shall be determined by the director of the Company and announced by the Company via SGXNET.

The Company has insufficient retained profits to effect a distribution in specie of the Warrants to Entitled Shareholders by way of dividends. Accordingly, the Company is proposing to undertake the Proposed Distribution by way of the Proposed Capital Reduction which involves a reduction of the issued share capital of the Company. There will not be any cancellation of ordinary shares in the Company or any reduction in the number of issued ordinary shares in the Company, and the number of ordinary shares in the Company held by each shareholder of the Company will remain the same before and immediately after the Proposed Capital Reduction.

The completion of the Proposed Capital Reduction is conditional upon, inter alia, the following:

- (a) all the directors of the Company making a solvency statement in relation the reduction of share capital of the Company in compliance with Section 78C of the Companies Act;
- (b) the Company meeting the solvency requirements as prescribed by the Companies Act;
- (c) the Company meeting the publicity requirements as prescribed by the Companies Act;
- (d) shareholders’ approval from shareholders of the Company for the Proposed Capital Reduction by way of special resolution (the “Proposed Capital Reduction Resolution”) at an extraordinary general meeting to be convened;
- (e) no application for cancellation of the Proposed Capital Reduction Resolution being made by a creditor of the Company within the timeframe prescribed by the Companies Act or, if an application for cancellation of the Proposed Capital Reduction Resolution was made, the withdrawal or dismissal of such application by the Singapore Courts; and
- (f) the Company complying with any other requirements prescribed by the Companies Act.

Shareholders may read announcements made or to be made by the Subscriber via SGXNET for further details on the Proposed Capital Reduction and the Proposed Distribution.

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### 3.14 Service Contracts

No person is proposed to be appointed as a director of the Company in connection with the Proposed Subscription and no service contract in relation thereto is proposed to be entered into by the Company.

### 3.15 Corporate structure after the Proposed Issuance and the Proposed Subscription

The corporate structure of Incredible and Ntegrator remains unchanged before and after the completion of the Proposed Issuance and Proposed Subscription as neither of them would become subsidiary of the other.

Hence, the Company will not be providing a diagrammatic form of the corporate structure.

## 4. AMOUNT OF CASH RAISED FOR ISSUES OF SECURITIES IN THE MARKET IN THE PAST TWO YEARS

The Company had on 3 February 2021 announced that 2,693,670,727 rights shares and 2,693,670,727 2021 Warrants had been allotted and issued by the Company on 2 February 2021 pursuant to the 2021 Rights cum Warrants Issue.

Pursuant to the 2021 Rights cum Warrants Issue, the Company raised net proceeds of approximately S\$5,673,541.45 which for the avoidance of doubt, excluded the subscription amount of approximately S\$9.4 million of the 2021 Rights Shares subscribed by Mission Well and Go Best which was set-off against an equivalent amount of the principal amount outstanding loan due and owing by the Company to Mission Well under the Mission Well Loan Agreement and Go Best under the Go Best Loan Agreement. Shareholders are advised to refer to the full text of the announcement made by the Company on 22 September 2020, which is available on SGXNet, for further details.

As at the date of this announcement, the Company has utilised the net proceeds raised from the 2021 Rights cum Warrants Issue as set out in the table below:

Use of net proceeds	Allocated (S\$'000)	Re-allocation (S\$'000) <sup>1</sup>	Utilised (S\$'000)	Balance (S\$'000)
Funding for the financing business	567	(567)	-	-
Possible new acquisitions	567	-	(300)	267
Expansion of the luxury goods business	2,837	867	(3,704)	-
General corporate and working capital purposes	1,702	(300)	(1,402)	-
<b>Total</b>	<b>5,673</b>	<b>-</b>	<b>(5,406)</b>	<b>267</b>

**Note:**

(1) Please refer to the announcement dated 21 June 2021 titled "Re-Allocation of Use of Proceeds of The Rights cum Warrants Completed in February 2021" for further details.

The use of Net Proceeds described in the table above is in accordance with the Company's intended use of net proceeds described in the Company's offer information statement dated 8 January 2021.



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### 5. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

#### 5.1 Interests in Shares

The interests of the Directors and the Substantial Shareholders in the Shares as at the Latest Practicable Date are set out below:

	Before the completion of the Proposed Issuance and Proposed Subscription		Scenario A <sup>(1)</sup>		Scenario B <sup>(2)</sup>		Scenario C <sup>(3)</sup>	
	Number of Shares	% <sup>(4)</sup>	Number of Shares	% <sup>(5)</sup>	Number of Shares	% <sup>(6)</sup>	Number of Shares	% <sup>(7)</sup>
<u>Directors of the Company</u>								
<b>Mr Heilesen<sup>(8)</sup></b> <sub>(9)</sub>	<b>1,770,461,781</b>	<b>59.14</b>	<b>1,770,461,781</b>	<b>50.32</b>	<b>1,770,461,781</b>	<b>41.4</b>	<b>1,770,461,781</b>	<b>39.18</b>
<u>Substantial Shareholders of the Company</u>								
Mission Well	1,709,659,281	57.11	1,709,659,281	48.59	1,709,659,281	39.98	1,709,659,281	37.84
Zhou Qilin	207,854,251	6.94	207,854,251	5.91	207,854,251	4.86	207,854,251	4.60
Ntegrator International Limited	-	-	525,000,000	14.92	1,282,942,519	30.0	1,525,000,000	33.75
Go Best Holdings Limited <sup>(8)</sup>	60,802,500	2.03	60,802,500	1.73	60,802,500	1.42	60,802,500	1.35
<b>Other Shareholders</b>	<b>1,015,216,513</b>	<b>33.91</b>	<b>1,015,216,513</b>	<b>28.85</b>	<b>1,015,216,513</b>	<b>23.74</b>	<b>1,015,216,513</b>	<b>22.47</b>
<b>Total</b>	<b>2,993,532,545</b>	<b>100</b>	<b>3,518,532,545</b>	<b>100</b>	<b>4,276,475,064</b>	<b>100</b>	<b>4,518,532,545</b>	<b>100</b>

#### Notes:

- (1) Assuming that the Proposed Issuance was completed and 525,000,000 Conversion Shares were issued upon conversion of all of the Perpetual Convertible Bonds.
- (2) Assuming that the Proposed Issuance was completed and 525,000,000 Conversion Shares were issued upon conversion of all of the Perpetual Convertible Bonds and 757,942,519 Exercised Shares were issued upon exercise of all of the Warrants.
- (3) Assuming that the Proposed Issuance was completed and 525,000,000 Conversion Shares were issued upon conversion of all of the Perpetual Convertible Bonds and 1,000,000,000 Exercised Shares were issued upon exercise of all of the Warrants.
- (4) Based on the existing total issued share capital of the Company (excluding treasury shares and subsidiary holdings) comprising 2,993,532,545 ordinary shares as at the Latest Practicable Date.
- (5) Based on the enlarged total issued share capital of the Company (excluding treasury shares and subsidiary holdings) comprising 3,518,532,545 ordinary shares assuming Scenario A.
- (6) Based on the enlarged total issued share capital of Incredible (excluding treasury shares and subsidiary holdings) comprising 4,276,475,064 ordinary shares assuming Scenario B.
- (7) Based on the enlarged total issued share capital of Incredible (excluding treasury shares and subsidiary holdings) comprising 4,518,532,545 ordinary shares assuming Scenario C.
- (8) Mr Heilesen is deemed to have an interest in 1,709,659,281 ordinary shares in the Company held by Mission Well and is deemed to have an interest in 60,802,500 ordinary shares in the Company held by Go Best Holdings Limited. The ultimate holding company of Go Best Holdings Limited is the trustee of Christian Kwok-Leun Yau Heilesen Family Trust through HSBC (Singapore) Nominees Pte Ltd.

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- (9) The effective interest of Christian Kwok-Leun Yau Heilesen is based on Christian Kwok-Leun Yau Heilesen's deemed interest through Mission Well's direct interest of 10.94% of the total share capital of Ntegrator amounting to 1.75%, 3.51% and 3.95% for Scenario A, B and C respectively.

Save as disclosed in this Circular, none of the Directors and/or the Substantial Shareholders have any interest, direct or indirect, in the Proposed Issuance and the Proposed Subscription, other than through their respective shareholdings in the Company, if any.

### 5.2 Interests in the Proposed Issuance

Mr Heilesen, who is a director and substantial shareholder of the Company, is a director and a substantial shareholder of the Subscriber.

Mr Leung Kwok Kuen Jacob, Mr Leung Yu Tung Stanley and Ms Zhou Jia Lin, who are directors of the Company, are directors of the Subscriber. The Company and the Subscriber nonetheless operate independently and separately from each other.

Save as disclosed above, none of the directors and substantial shareholders of the Company has any interest, direct or indirect, in the Proposed Issuance, other than through their respective shareholdings in the Company, if any.

### 5.3 Interests in the Proposed Subscription

Mr Heilesen, who is a director and controlling shareholder of the Company, is a director and a substantial shareholder of Ntegrator.

Mr Leung Kwok Kuen Jacob, Mr Leung Yu Tung Stanley and Ms Zhou Jia Lin, who are directors of the Company, are directors of Ntegrator. The Company and Ntegrator nonetheless operate independently and separately from each other.

Save as disclosed above, none of the directors and substantial shareholders of the Company has any interest, direct or indirect, in the Proposed Subscription, other than through their shareholdings in the Company, if any.

## 6. IFA OPINION

Novus Corporate Finance Pte. Ltd. has been appointed as the IFA pursuant to Catalist Rule 921(4)(a) to opine on whether the Proposed Issuance and the Proposed Subscription as interested person transactions are on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders.

A copy of the IFA Letter from the IFA to the Non-Interested Director setting out its opinion is reproduced in full in Appendix A to this Circular.

The following is an extract from the IFA Letter and should be read by Shareholders in conjunction with, and in the full context of, the full text of the IFA Letter. All terms and expressions used in the extract below shall have the same meanings ascribed to them respectively in the IFA Letter, unless otherwise stated.

### “6. OUR OPINION

*In arriving at our opinion in respect of the Proposed Transactions, we have taken into consideration, inter alia, the following factors summarised below as well as elaborated elsewhere in this Letter. The following should be read in conjunction with, and in the context of, the full text of this Letter:*

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## LETTER TO SHAREHOLDERS

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- (a) *the rationale for the Proposed Transactions;*
- (b) *the historical financial performance of the Group;*
- (c) *the comparison of the effective payments of the Proposed Transaction;*
- (d) *the historical market price performance and trading activity of the Shares and the Ntegrator Shares;*
- (e) *the NAV and Adjusted NAV (as the case may be) of the Group and the Ntegrator Group;*
- (f) *the valuation ratios of selected companies listed on the SGX-ST, the HKEx, and/or Bursa Malaysia (as the case may be) which principal business activities are broadly comparable to those of the Group or the Ntegrator Group;*
- (g) *the precedent transactions involving the issue of perpetual bonds by companies listed on the SGX-ST;*
- (h) *the theoretical value the Warrants and the Ntegrator Warrants;*
- (i) *the financial effects of the Proposed Transactions; and*
- (j) *other relevant considerations in relation to the Proposed Transactions.*

***Having regard to the considerations set out above and subject to the qualifications and assumptions set out in this Letter, we are of the opinion that, on balance, the Proposed Transactions as interested person transactions are on normal commercial terms and are not prejudicial to the interests of the Company and the Independent Shareholders.***

*This Letter has been prepared pursuant to Rule 921(4)(a) of the Catalist Rules as well as for the use of the Non-Interested Director in connection with and for the purposes of their consideration of the Proposed Transactions as interested person transactions. The recommendations to be made by the Non-Interested Director to the Independent Shareholders in relation to the Proposed Transactions shall remain the sole responsibility of the Non-Interested Director.”*

**Shareholders are advised to read and consider the IFA Letter in its entirety as reproduced in Appendix A to this Circular and consider carefully the recommendations of Ms Koh in respect of the (a) Proposed Issuance as an interested person transaction as set out in paragraph 8.2, and (b) Proposed Subscription as an interested person transaction as set out in paragraph 8.5.**

### 7. SPECIAL COMMITTEE'S OPINION

The members of the Audit Committee comprise Mr Leung Kwok Kuen Jacob, Mr Leung Yu Tung Stanley and Ms Zhou Jia Lin (who are considered not independent for the purposes of the Proposed Issuance and the Proposed Subscription). Accordingly, the Company has constituted the Special Committee comprising Ms Koh to form a view on (a) the Proposed Issuance as an interested person transaction, and (b) the Proposed Subscription as an interested person transaction.

Having considered, *inter alia*, the terms of the Subscription Agreement, the financial effects and the rationale for the Proposed Issuance as well as the opinion and advice from the IFA in relation to the Proposed Issuance and the Proposed Subscription as interested person transactions as set out in the IFA Letter, and the terms of the Ntegrator Subscription Agreement,

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the financial effects and the rationale for the Proposed Subscription, Ms Koh is of the view that (a) the Proposed Issuance as an interested person transaction is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders, (b) the Proposed Subscription as an interested person transaction is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders, and (c) the benefits of the Proposed Issuance and the Proposed Subscription will outweigh the dilution effect on the minority shareholders' interest as the Company intends (i) to participate in the business growth and upside of the new and existing businesses of Ntegrator; (ii) subscribe for Ntegrator's shares with zero (0) net fund flow impact to the Company; and (iii) bring value to shareholders of the Company.

Ms Koh further recommends any Shareholder who may require specific advice to consult his/her/its stockbroker, bank manager, solicitor, accountant or other professional adviser and strongly advises Shareholders to read this Circular and the IFA Letter in its entirety.

### **8. NON-INTERESTED DIRECTOR'S RECOMMENDATIONS**

#### **8.1 The Proposed Issuance**

Ms Koh, having considered, *inter alia*, the terms of the Subscription Agreement, the financial effects and the rationale for the Proposed Issuance, is of the view that the Proposed Issuance is in the interests of the Company. Accordingly, that Ms Koh recommend that Independent Shareholders vote in favour of the Issuance Resolution as set out in the Notice of EGM to be proposed at the EGM.

#### **8.2 The Proposed Issuance as an Interested Person Transaction**

Ms Koh, having considered, *inter alia*, the terms of the Subscription Agreement, the financial effects and the rationale for the Proposed Issuance as well as the opinion and advice from the IFA in relation to the Proposed Issuance and the Proposed Subscription as interested person transactions as set out in the IFA Letter, is of the view that the Proposed Issuance as an interested person transaction is in the interests of the Company and that the Proposed Issuance as an interested person transaction is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders. Accordingly, Ms Koh recommends that Independent Shareholders vote in favour of the Issuance IPT Resolution as set out in the Notice of EGM to be proposed at the EGM.

#### **8.3 The Transfer of Controlling Interest in connection with the Proposed Issuance**

Ms Koh, having considered, *inter alia*, the terms of the Subscription Agreement, the financial effects and the rationale for the Proposed Issuance, is of the view that the transfer of controlling interest in the Company to the Subscriber in connection with the Proposed Issuance is in the interests of the Company. Accordingly, Ms Koh recommends that Shareholders vote in favour of the Controlling Interest Resolution as set out in the Notice of EGM to be proposed at the EGM.

#### **8.4 The Proposed Subscription**

Ms Koh, having considered, *inter alia*, the terms of the Ntegrator Subscription Agreement, the financial effects and the rationale for the Proposed Subscription, is of the view that the Proposed Subscription is in the interests of the Company. Accordingly, the Ms Koh recommends that Independent Shareholders vote in favour of the Subscription Resolution as set out in the Notice of EGM to be proposed at the EGM.

#### **8.5 The Proposed Subscription as an Interested Person Transaction**

Ms Koh, having considered, *inter alia*, the terms of the Subscription Agreement, the financial effects and the rationale for the Proposed Subscription as well as the opinion and advice from

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## LETTER TO SHAREHOLDERS

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the IFA in relation to the Proposed Issuance and the Proposed Subscription as interested person transactions as set out in the IFA Letter, are of the view that the Proposed Subscription as an interested person transaction is in the interests of the Company and that the Proposed Subscription as an interested person transaction is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders. Accordingly, Ms Koh recommends that Independent Shareholders vote in favour of the Subscription IPT Resolution as set out in the Notice of EGM to be proposed at the EGM.

### 9. ABSTENTION FROM VOTING

#### 9.1 The Issuance Resolution

Catalist Rule 812 provides, *inter alia*, that an issue must not be placed to corporations in whose shares the issuer's directors and substantial shareholders have an aggregate interest of at least 10% or other restricted persons specified in Catalist Rule 812 unless specific shareholder approval for such a placement has been obtained, and the person, and its associates, must abstain from voting on the resolution approving the placement.

Mr Heilesen, who is a Director and a Substantial Shareholder, holds shares in the Subscriber representing approximately 10.94% of the total issued share capital of the Subscriber. Accordingly, the Subscriber is a corporation in whose shares the Directors and the Substantial Shareholders have an aggregate interest of at least 10%, and Mr Heilesen, the Subscriber and their associates shall abstain from voting on the Issuance Resolution in accordance with Catalist Rule 812.

Accordingly, Mr Heilesen, Mission Well, Go Best, the Subscriber and their associates will abstain from voting on the resolution in relation to the Proposed Issuance Resolution in accordance with Catalist Rule 812 and they will not accept nominations as proxies or otherwise for voting at the EGM in relation to the ordinary resolutions for other Shareholders, unless specific voting instructions have been given by the Shareholder.

The Company will disregard any votes cast on the Issuance Resolution by Mr Heilesen, Mission Well, Go Best, the Subscriber and their associates in accordance with Catalist Rule 812.

#### 9.2 The Issuance IPT Resolution

Catalist Rule 919 provides that in a meeting to obtain shareholder approval, the interested person and any associate of the interested person must not vote on the resolution, nor accept appointments as proxies unless specific instructions as to voting are given.

For the reasons set out in **paragraph 2.14.2**, the Proposed Issuance has been classified as an interested person transaction under Chapter 9 of the Catalist Rules, Mr Heilesen, the Subscriber and their associates shall not vote on the IPT Resolution, nor accept appointments as proxies unless specific instructions as to voting are given.

Accordingly, Mr Heilesen, Mission Well, Go Best, the Subscriber and their associates will abstain from voting on the Issuance IPT Resolution in accordance with Catalist Rule 919 and they will not accept nominations as proxies or otherwise for voting at the EGM in relation to the ordinary resolutions for other Shareholders, unless specific voting instructions have been given by the Shareholder.

The Company will disregard any votes cast on the Issuance IPT Resolution by Mr Heilesen, Mission Well, Go Best, the Subscriber and their associates in accordance with Catalist Rule 919.

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## LETTER TO SHAREHOLDERS

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### 9.3 The Subscription Resolution

Mr Heilesen is (a) an executive director and controlling shareholder of the Company through shares held by Mission Well and Go Best in the Company; and (b) executive director and substantial shareholder of Ntegrator through shares held by Mission Well in Ntegrator.

Accordingly, Mr Heilesen, Mission Well, Go Best, Ntegrator and their associates will abstain from voting on the resolution in relation to the Proposed Subscription as a major transaction under Catalist Rule 1014 and they will not accept nominations as proxies or otherwise for voting at the EGM in relation to the ordinary resolutions for other Shareholders, unless specific voting instructions have been given by the Shareholder.

The Company will disregard any votes cast on the Subscription Resolution by Mr Heilesen, Mission Well, Go Best, Ntegrator and their associates.

### 9.4 The Subscription IPT Resolution

Catalist Rule 919 provides that in a meeting to obtain shareholder approval, the interested person and any associate of the interested person must not vote on the resolution, nor accept appointments as proxies unless specific instructions as to voting are given.

For the reasons set out in **paragraph 3.12.1**, the Proposed Subscription has been classified as an interested person transaction under Chapter 9 of the Catalist Rules, Mr Heilesen, Mission Well, Go Best, Ntegrator and their associates shall not vote on the Subscription IPT Resolution, nor accept appointments as proxies unless specific instructions as to voting are given.

Accordingly, Mr Heilesen, Mission Well, Go Best, Ntegrator and their associates will abstain from voting on the Subscription IPT Resolution in accordance with Catalist Rule 919 and they will not accept nominations as proxies or otherwise for voting at the EGM in relation to the ordinary resolutions for other Shareholders, unless specific voting instructions have been given by the Shareholder.

The Company will disregard any votes cast on the Subscription IPT Resolution by Mr Heilesen, Mission Well, Go Best, Ntegrator and their associates in accordance with Catalist Rule 919.

## 10. EGM

The EGM, notice of which is set out on page N-1 of this Circular, will be held by electronic means on Wednesday, 4 May 2022 at 11.00 a.m. (Singapore Time) for the purpose of considering and, if thought fit, passing with or without modifications, the Proposed Resolutions as set out in the Notice of EGM.

## 11. ACTION TO BE TAKEN BY SHAREHOLDERS

### 11.1 Attendance at the EGM

Due to the current COVID-19 situation in Singapore, Shareholders will not be able to attend the EGM in person. The EGM will be convened and held by electronic means. Alternative arrangements have been made by the Company to allow Shareholders to participate at the EGM through the live audio-visual webcast or the live audio-only stream. Shareholders are advised to read the notes to the Notice of EGM for more information.

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## LETTER TO SHAREHOLDERS

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### 11.2 Circular, Notice of EGM and Proxy Form

Alternative arrangements have been made by the Company to allow Shareholders to participate at the EGM via electronic means. Such alternative arrangements include:

- (a) arrangements by which Shareholders may electronically access the EGM proceedings and observe and/or listen to the live audio-visual webcast or live audio-only stream;
- (b) arrangements by which Shareholders may submit comments, queries and/or questions to the Chairman of the EGM in advance of the EGM;
- (c) arrangements by which the Board and management may address substantial and relevant comments, queries and/or questions before the EGM; and
- (d) arrangements by which Shareholders may appoint the Chairman of the meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM.

Details of the steps for pre-registration for the live audio-visual webcast or live audio-only stream, submission of comments, queries and/or questions in advance of the EGM and submission of Proxy Forms to appoint the Chairman of the Meeting to attend, speak and vote at the EGM are set out in the notes to the Notice of EGM.

### 11.3 Virtual Information Session

The comments, queries and/or questions raised by Shareholders will be addressed at the Virtual Information Session in addition to any further comments, queries and/or questions received during the Virtual Information Session which will be held by way of electronic means on 22 April 2022 at 11.00 p.m. The agenda for the Virtual Information Session is to enable Shareholders to raise questions in relation to the Proposed Resolutions at the Virtual Information Session.

### 11.4 Circular, Notice of EGM and Proxy Form

Printed copies of this Circular, the Notice of EGM and the enclosed Proxy Form will not be sent to Shareholders. This Circular together with the Notice of EGM and the enclosed Proxy Form may be accessed at the Company's website at the URL and are also available on SGXNET at the URL <https://www.sgx.com/securities/company-announcements>.

### 11.5 Submission of Questions

Shareholders will not be able to ask questions at the EGM during the live audio-visual webcast or the live audio-only stream. Shareholders may submit questions relating to the resolutions tabled for approval at the EGM in the following manner:

- (a) by email to the Company's Share Registrar, KCK CorpServe Pte. Ltd., at [ihl-egm@kckcs.com.sg](mailto:ihl-egm@kckcs.com.sg); or
- (b) by post to the Company's Share Registrar, KCK CorpServe Pte. Ltd., at 24 Raffles Place #07-07 Clifford Centre Singapore 048621,

in either case, by **11.00 a.m. (Singapore Time) on Tuesday, 19 April 2022**. The Company will endeavour to address all substantial and relevant questions (determined by the Company in its sole discretion) received by **11.00 a.m. (Singapore Time) on Wednesday, 27 April 2022** (that is, at least 72 hours prior to the closing date and time for the lodgement of the Proxy Forms).

### 11.6 Appointment of the Chairman of the EGM as Proxy

A Shareholder who wishes to exercise his/her/its voting rights at the EGM must appoint the Chairman of the EGM as his/her/its proxy to vote on his/her/its behalf at the EGM. The Proxy Form must be submitted to the Company in the following manner:

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## LETTER TO SHAREHOLDERS

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- (a) by email to the Company's Share Registrar, KCK CorpServe Pte. Ltd., at ihl-egm@kckcs.com.sg; or
- (b) by post to the Company's Share Registrar, KCK CorpServe Pte. Ltd., at 24 Raffles Place #07-07 Clifford Centre Singapore 048621,

in either case, by **11.00 a.m. (Singapore Time) on Sunday, 1 May 2022** (that is, not less than 72 hours before the time fixed for holding the EGM). Shareholders are strongly encouraged to submit the completed and signed Proxy Forms to the Company's Share Registrar via email.

In appointing the Chairman of the EGM as proxy, a Shareholder must give specific instructions as to voting, or abstentions from voting, in the Proxy Form, failing which the appointment of the Chairman of the EGM as proxy will be treated as invalid.

### 11.7 Depositors

A Depositor's name must appear on the Depository Register as at 72 hours before the time fixed for holding the EGM in order for the Depositor to be entitled to access the live audio-visual webcast or the live audio-only stream, and to vote by appointing the Chairman of the EGM as proxy at the EGM.

### 12. DIRECTORS' RESPONSIBILITY STATEMENT

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

### 13. CONSENT

Novus Corporate Finance Pte. Ltd., as the IFA, has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of (a) its name and all references thereto, (b) the statements in paragraph 6 of this Circular, and (c) the IFA Letter as set out in Appendix A to this Circular, in the form and context in which they appear in this Circular.

### 14. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are available for inspection at the registered office of the Company at 4 Leng Kee Road #06-04 SIS Building Singapore 1590887 during normal business hours from the date of this Circular up to the date of the EGM:

- (a) the constitution of the Company;
- (b) the annual report of the Company for FY2020;
- (c) the Subscription Agreement;
- (d) the Ntegrator Subscription Agreement;
- (e) the IFA Letter;
- (f) the letter of consent from the IFA referred to in **Paragraph 13** of this Circular;



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## LETTER TO SHAREHOLDERS

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- (g) the letter from the Company's auditor Baker Tilly TFW LLP dated 11 April 2022 in relation to the adjustment to the 2021 Warrants.

Shareholders who wish to inspect these documents at the registered office of the Company are required to send a written request via email to the Company at [investors@incredible.sg](mailto:investors@incredible.sg) to make an appointment in advance. The Company will allocate the date and the time when each Shareholder may come to the registered office of the Company to inspect the documents to limit the number of people who are present at the registered office of the Company at any one point in time. Such arrangements are subject to the prevailing regulations, orders advisories and guidelines relating to safe distancing, vaccination status and testing requirements which may be implemented by the relevant authorities from time to time.

Yours faithfully,

For and on behalf of the Board of Directors of  
**Incredible Holdings Ltd.**

Christian Kwok-Leun Yau Heilesen  
Executive Director

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## APPENDIX A – IFA LETTER

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### NOVUS CORPORATE FINANCE PTE. LTD.

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 201723484W)

7 Temasek Boulevard  
#18-03B Suntec Tower 1  
Singapore 038987

11 April 2022

To: The Non-Interested Director of Incredible Holdings Ltd. (the “**Company**”)

Ms Eunice Veon Koh Pei Lee

Dear Sir

**INDEPENDENT FINANCIAL ADVICE TO THE NON-INTERESTED DIRECTOR OF INCREDIBLE HOLDINGS LTD. IN RESPECT OF (I) THE PROPOSED ISSUANCE OF THE PERPETUAL BONDS, PERPETUAL CONVERTIBLE BONDS AND WARRANTS TO NTEGRATOR INTERNATIONAL LTD., AND (II) THE PROPOSED SUBSCRIPTION BY THE COMPANY OF PERPETUAL CONVERTIBLE BONDS AND WARRANTS IN NTEGRATOR INTERNATIONAL LTD. AS INTERESTED PERSON TRANSACTIONS**

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*Unless otherwise defined or the context otherwise requires, all terms defined in the circular dated 11 April 2022 (the “**Circular**”) issued by the Company to the shareholders of the Company (the “**Shareholders**”) shall have the same meanings herein.*

#### 1. INTRODUCTION

On 5 January 2022, the Company announced the entry into the following agreements on 31 December 2021 with Ntegrator International Ltd. (“**Ntegrator**” or the “**Subscriber**”) (the “**Announcements**”):

- (a) a subscription agreement on the proposed issuance by the Company (the “**Subscription Agreement**”) of (i) 0% perpetual bonds of an aggregate principal amount of S\$6,900,000 (the “**Perpetual Bonds**”), (ii) 0% perpetual convertible bonds of an aggregate principal amount of S\$2,100,000 (the “**Perpetual Convertible Bonds**”) which shall, at the option of the holder thereof, be convertible into new ordinary shares (the “**Shares**”) in the Company (the “**Conversion Shares**”) at a conversion price of S\$0.004 per Conversion Share (the “**Conversion Price**”), and (iii) 1,000,000,000 free warrants (the “**Warrants**”), with each Warrant granting the holder thereof the right to subscribe for one new Share (the “**Exercised Share**”), at an exercise price of S\$0.0016 (the “**Exercise Price**”) (the “**Proposed Issuance**”); and
- (b) a subscription agreement on the proposed subscription by the Company (the “**Ntegrator Subscription Agreement**”) of (i) 0% perpetual convertible bonds of an aggregate principal amount of S\$9,000,000 (the “**Ntegrator Perpetual Convertible Bonds**”) which shall, at the option of the holder thereof, be convertible into new shares in Ntegrator (the “**Ntegrator Conversion Shares**”) at a conversion price of S\$0.003333 per Ntegrator Conversion Share (the “**Ntegrator Conversion Price**”), and (ii) 10,000,000,000 free warrants (the “**Ntegrator Warrants**”), with each warrant

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## APPENDIX A – IFA LETTER

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granting the holder thereof the right to subscribe for one share in Ntegrator (the “**Ntegrator Exercised Share**”) at an exercise price of S\$0.003333 (the “**Ntegrator Exercise Price**”) (the “**Proposed Subscription**”),

(collectively, the “**Proposed Transactions**”).

The Company also intends to undertake a proposed capital reduction pursuant to Section 78C of the Companies Act (the “**Proposed Capital Reduction**”) and return to the Entitled Shareholders (as defined herein) surplus capital of the Company in excess of its needs by way of a distribution in specie (the “**Proposed Distribution**”) of 9,900,000,000 Ntegrator Warrants to Entitled Shareholders in proportion to their respective shareholdings in the Company as at a record date (the “**Record Date**”) to be determined by the directors of the Company (the “**Directors**”) for the purposes of determining the entitlement of shareholders of the Company (the “**Shareholders**”) for the Proposed Distribution, fractional entitlements to be disregarded. Only Shareholders with Singapore addresses as at the Record Date will be entitled to the Proposed Distribution (the “**Entitled Shareholders**”).

Christian Kwok-Leun Yau Heilesen (“**Mr Heilesen**”), who is a director and controlling shareholder of the Company holding shareholding interests of approximately 59.14% in the Company, is also deemed interested in the issued shares of Ntegrator (the “**Ntegrator Shares**”) through Mission Well Limited which is wholly-owned by Mr Heilesen being also a director of Ntegrator, representing approximately 10.94% of the total issued share capital of Ntegrator.

The Company is convening an extraordinary general meeting (“**EGM**”) to seek the approval of the Shareholders who are independent for the purpose of the Proposed Transactions (the “**Independent Shareholders**”) as a result of, *inter alia*,

- (a) an issue of Shares to the Subscriber who falls within the restricted list of persons as set out in Rule 812(1)(d) of Section B: Rules of Catalist of the Listing Manual (the “**Catalist Rules**”) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). Accordingly, specific shareholders’ approval in accordance with Rule 812(2) of the Catalist Rules is required for the issue and allotment of any Conversion Shares and/or Exercised Shares to the Subscriber pursuant to the Proposed Issuance; and
- (b) the Proposed Subscription constitutes a “major transaction” pursuant to Rule 1014(1) of the Catalist Rules, and specific shareholders’ approval in accordance with Rule 1014(2) of the Catalist Rules is required.

Furthermore, as disclosed in the Company’s announcement on 11 January 2022 in relation to the responses to queries received from the SGX-ST on 7 January 2022 on, *inter alia*, whether the Proposed Transactions constitute as interested person transactions, the Directors had responded that they will obtain an opinion from an independent financial adviser (the “**IFA**”) pursuant to Chapter 9 of the Catalist Rules, who would opine on whether the Proposed Transactions as interested person transactions are on normal commercial terms and are not prejudicial to the interests of the Company and the Independent Shareholders.

In view of the above, Novus Corporate Finance Pte. Ltd. (“**NCF**”) has been appointed by the Company as the IFA in connection with the Proposed Transactions pursuant to Rule 921(4)(a) of the Catalist Rules to render an opinion as to whether the Proposed Transactions as interested person transactions are on normal commercial terms and are not prejudicial to the interests of the Company and the Independent Shareholders.

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## APPENDIX A – IFA LETTER

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This letter (“**Letter**”) has been prepared pursuant to Rule 921(4)(a) of the Catalist Rules as well as for the use of the Director, being Ms Eunice Veon Koh Pei Lee, who is considered independent for the purposes of making recommendations to the Independent Shareholders (the “**Non-Interested Director**”) in respect of the Proposed Transactions as interested person transactions.

### 2. TERMS OF REFERENCE

We have been appointed as the IFA pursuant to Rule 921(4)(a) of the Catalist Rules to render an opinion to the Non-Interested Director on whether the Proposed Transactions are on normal commercial terms and are not prejudicial to the interests of the Company and the Independent Shareholders.

We were neither a party to the negotiations entered into by the Company in relation to the Proposed Transactions nor were we involved in the deliberations leading up to the decision of the Directors to undertake the Proposed Transactions. Accordingly, we do not, by this Letter, warrant the merits of the Proposed Transactions other than to express our opinion on the Proposed Transactions on whether the Proposed Transactions as interested person transactions are on normal commercial terms and are not prejudicial to the interests of the Company and the Independent Shareholders.

Our terms of reference do not require us to evaluate or comment on the rationale for or the legal, commercial or strategic merits of the Proposed Transactions. We are also not addressing the relative merits of the Proposed Transactions as compared to any alternative transactions which may previously have been considered by the Company or that otherwise may become available to the Company in the future. Such evaluations and comments are and remain the sole 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 as set out in this Letter.

In the course of our evaluation, we have relied on, and assumed without independent verification, the accuracy and completeness of published information relating to the Company and the Group. We have also relied on the information and representations, whether written or verbal, including relevant financial analyses, estimates and representations contained in the Circular, provided by the management of the Company (the “**Management**”), the Directors and the Company’s solicitors (where relevant). We have not independently verified such information or representations, whether written or verbal, and accordingly cannot and do not make any representation or warranty, express or implied, in respect of, and do not accept any responsibility for, the accuracy, completeness or adequacy of such information or representations. We have nevertheless made reasonable enquiries and exercised our judgement as we deemed necessary and have found no reason to doubt the accuracy or reliability of the information or representations.

We have relied upon the assurances of the Directors that upon making all reasonable inquiries and to the best of their respective knowledge, information and belief, (a) all material information in connection with the Proposed Transactions, the Company and/or the Group has been disclosed to us, (b) such information is true, complete and accurate in all material aspects, and (c) 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 Proposed Transactions, the Company and/or the Group stated in the Circular to be inaccurate, incomplete or misleading in any material respect. The Directors collectively and individually accept responsibility accordingly.

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## APPENDIX A – IFA LETTER

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For the purposes of our assessment of the Proposed Transactions and reaching our opinion thereon, we have not conducted a comprehensive independent review of the business, operations or financial condition of the Company and/or the Group. We have also not relied upon any financial projections or forecasts in respect of the Company and/or the Group. We will not be required to express, and we do not express, any view on the future growth prospects and earnings potential of the Company and/or the Group in connection with our opinion set out in this Letter.

We have not made any independent evaluation or appraisal of the assets and liabilities of the Company and/or the Group. As such, we have relied on the disclosures and representations made by the Company on the value of the assets, liabilities and profitability of the Company and/or the Group. We have also not been furnished with any independent evaluation or appraisal of the assets and liabilities of the Group.

Our opinion as set out in this Letter is based on the market, economic, industry, monetary and other conditions in effect on, and the information provided to us as at, 5 April 2022 being the latest practicable date of this Letter (the “**Latest Practicable Date**”). Such conditions may change significantly over a relatively short period of time and we assume no responsibility to update, revise or reaffirm our opinion in light of any subsequent development after the Latest Practicable Date that may affect our opinion contained herein. Shareholders should take note of any announcement in relation to the Proposed Transactions, which may be released by the Company after the Latest Practicable Date.

In rendering our opinion, we did not have regard to the specific investment objectives, financial situation, tax status, risk profiles or unique needs and constraints of any individual Shareholder. As each Shareholder would have different investment objectives and profile, we would advise the Non-Interested Director to recommend that any individual Shareholder who may require specific advice in relation to his investment objectives or portfolio should consult his stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

The Company has been separately advised by its own advisers in the preparation of the Circular (other than this Letter). Accordingly, we take no responsibility for and express no views, express or implied, on the contents of the Circular (other than this Letter).

**Our opinion in respect of the Proposed Transactions, as set out in paragraph 6 of this Letter, should be considered in the context of the entirety of this Letter and the Circular.**

### 3. THE PROPOSED ISSUANCE

#### 3.1 Background

In the announcement dated 5 January 2022, the Company announced that it had on 31 December 2021 entered into the Subscription Agreement with the Subscriber in relation to, *inter alia*, the proposed issuance of:

- (a) 0% Perpetual Bonds of an aggregate principal amount of S\$6,900,000;
- (b) 0% Perpetual Convertible Bonds of an aggregate principal amount of S\$2,100,000 which shall, at the option of the holder thereof, be convertible into Conversion Shares at the Conversion Price of S\$0.004 per Conversion Share, on the terms and conditions specified in the Subscription Agreement; and
- (c) 1,000,000,000 free Warrants, each Warrant shall grant the holder thereof the right to subscribe for one Exercised Share at the Exercise Price of S\$0.0016, on the terms and conditions specified in the Deed Poll (as defined herein).

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## APPENDIX A – IFA LETTER

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The proposed issuance of the Perpetual Bonds and Perpetual Convertible Bonds is undertaken pursuant to Section 272B of the Securities and Futures Act 2001 of Singapore, as amended or modified from time to time (the “SFA”). The Perpetual Bonds and Perpetual Convertible Bonds have been offered solely and sold to the Subscriber under Section 272B of the SFA and no prospectus or offer information statement in connection with the offer and sale of the Perpetual Bonds and Perpetual Convertible Bonds will be registered in Singapore with the Monetary Authority of Singapore (“MAS”) under the SFA.

The proposed issuance of the Warrants is undertaken pursuant to Section 277 of the SFA. An offer information statement relating to the proposed issuance of the Warrants which complies with such requirements as to form and content with the Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 will be lodged with the SGX-ST acting as agent on behalf of the MAS in due course.

### 3.2 Principal terms and conditions of the Perpetual Bonds

The following is a summary of the principal terms and conditions of the Perpetual Bonds:

Issuer	:	Incredible Holdings Ltd.
Size of Perpetual Bonds	:	The Company will issue S\$6,900,000 aggregate principal amount of Perpetual Bonds.
Issue date of Perpetual Bonds	:	On the date falling 7 business days after the fulfilment or waiver (if capable of waiver) of all the conditions precedent, or such other date as the Company and the Subscriber may agree in writing (the “Completion Date”).
Issue price of Perpetual Bonds	:	100% of the principal amount of the Perpetual Bonds, or S\$1.00 for each S\$1.00 in principal amount of the Perpetual Bonds.
Status of the Perpetual Bonds	:	The Perpetual Bonds constitute direct, unconditional, unsecured and unsubordinated obligations of the Company and shall at all times rank <i>pari passu</i> , without any preference or priority among themselves and <i>pari passu</i> with all other present and future direct, unconditional, unsecured and unsubordinated obligations of the Company, save for such exceptions as may be provided by mandatory provisions under applicable laws and regulations.
Conversion right	:	The Perpetual Bonds shall have no conversion right and will not be convertible into new Conversion Shares.
Listing and trading of the Perpetual Bonds	:	The Perpetual Bonds will not be listed and quoted on the Catalist Board of the SGX-ST.
Coupon	:	Zero Coupon
Maturity Date	:	The Perpetual Bonds will be perpetual and will have no fixed maturity date.
Redemption	:	The Perpetual Bonds may be redeemed at the option of the Company in whole or in part by giving not less than 21 days’ notice to the holders of the Perpetual Bonds at a redemption price equal to the principal amount of the Perpetual Bonds to be redeemed at any time.

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## APPENDIX A – IFA LETTER

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The Perpetual Bonds may also be redeemed at the option of the Company in whole but not in part at any time at a redemption price equal to the principal amount of the Perpetual Bonds upon the occurrence of (a) certain changes in applicable laws or regulations of Singapore requiring the payment of additional amounts to gross up payments on account of withholding taxes; (b) a change in control of the Subscriber; or (c) a suspension or delisting of the securities of the Subscriber.

For the avoidance of doubt, the Perpetual Bonds are not redeemable at the option of the holders of the Perpetual Bonds.

Participation rights in distributions and/or offer of further securities : The holders of the Perpetual Bonds have no participation rights in any distributions and/or offer of further securities made by the Company.

Transferability : Subject to applicable laws and regulations, the Perpetual Bonds may be transferred by a holder thereof with the prior written consent of the Company in accordance with the terms and conditions of the Perpetual Bonds.

Please refer to section 2.8 of the Circular for further details on the principal terms and conditions of the Perpetual Bonds.

### 3.3 Principal terms and conditions of the Perpetual Convertible Bonds and the Conversion Shares

The following is a summary of the principal terms and conditions of the Perpetual Convertible Bonds and the Conversion Shares:

Issuer	:	Incredible Holdings Ltd.
Size of Perpetual Convertible Bonds	:	The Company will issue S\$2,100,000 aggregate principal amount of Perpetual Convertible Bonds.
Issue date of Perpetual Convertible Bonds	:	On the Completion Date of the Subscription Agreement.
Issue price of Perpetual Convertible Bonds	:	100% of the principal amount of the Perpetual Convertible Bonds, or S\$1.00 for each S\$1.00 in principal amount of the Perpetual Convertible Bonds.
Form and Denomination	:	The Perpetual Convertible Bonds will be issued in registered form and in the denomination of S\$1.00 each.
Status of the Perpetual Convertible Bonds	:	The Perpetual Convertible Bonds constitute direct, unconditional, unsecured and unsubordinated obligations of the Company and shall at all times rank <i>pari passu</i> , without any preference or priority among themselves and <i>pari passu</i> with all other present and future direct, unconditional, unsecured and unsubordinated obligations of the Company, save for

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such exceptions as may be provided by mandatory provisions under applicable laws and regulations.

Conversion right : The Perpetual Convertible Bonds shall, at the option of the holder thereof, be convertible into Conversion Shares at the Conversion Price. The conversion right may be exercised at any time after the date of issue of the Perpetual Convertible Bonds and if the Perpetual Convertible Bonds have been called for redemption by the Company, then before 5.00 p.m. on a date no later than ten days prior to the date fixed for redemption of such Perpetual Convertible Bonds.

The number of Conversion Shares to be issued by the Company upon conversion of the Perpetual Convertible Bonds will be determined by dividing the principal amount of the Perpetual Convertible Bonds to be converted by the Conversion Price in effect at the conversion date.

Fractions of a Conversion Share will not be issued upon conversion of the Perpetual Convertible Bonds and no cash adjustments will be made in respect of such fractions of Conversion Shares.

Number of Conversion Shares : Assuming there are no adjustments to the Conversion Price subsequent to the issuance of the Perpetual Convertible Bonds, the Company will issue up to 525,000,000 Conversion Shares upon conversion of all of the Perpetual Convertible Bonds.

The 525,000,000 Conversion Shares represents:

- (a) approximately 17.54% of the existing total issued share capital of the Company (the “Shares”) (excluding treasury shares and subsidiary holdings) comprising 2,993,532,545 ordinary shares; and
- (b) approximately 14.92% of the enlarged total issued share capital of the Company (excluding treasury shares and subsidiary holdings) comprising 3,518,532,545 ordinary shares, assuming that 525,000,000 Conversion Shares were issued by the Company upon conversion of all of the Perpetual Convertible Bonds.

Status of Conversion Shares : The Conversion Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares, except that they will not rank for any dividends, rights, allotments or other distributions the record date for which falls on or before the date of allotment and issue of the Conversion Shares.



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- Listing and trading of the Perpetual Convertible Bonds and the Conversion Shares : The Perpetual Convertible Bonds will not be listed and quoted on the Catalist Board of the SGX-ST.
- The Company will be making an application to the SGX-ST through its sponsor, Hong Leong Finance Limited, for the listing and quotation of the Conversion Shares on the Catalist Board of the SGX-ST.
- Conversion Price : S\$0.004
- The Conversion Price of S\$0.004 represents a premium of 27.39% to the weighted average price of S\$0.00314 for trades done on the SGX-ST for the full market day on 30 December 2021, being the last full market day on which the Shares were traded prior to the signing of the Subscription Agreement on 31 December 2021.
- Conversion Price (effective price) : S\$0.00243
- The effective price of Conversion Price is calculated by assuming the full conversion of 525,000,000 Conversion Shares accompanied by the exercise of all 1,000,000,000 Warrants.
- The Conversion Price of S\$0.00243 taking into account the Exercise Price of the Warrants and the weighted average price of the Shares on the last market day preceding the date of the Subscription Agreement, represents a discount of 22.61% to the weighted average price of S\$0.00314 for trades done on the SGX-ST for the full market day on 30 December 2021, being the last full market day on which the shares of the Company were traded prior to the signing of the Subscription Agreement on 31 December 2021.
- The Conversion Price was arrived at arm's length and on a willing buyer-willing-seller-basis, taking into consideration (a) the latest available open market value of the Subscriber and the Company, (b) in view of further co-operation with the Subscriber to expand the new and existing business of the Company, and (c) to give the Subscriber an opportunity and incentive to commit, participate and further their investment in the Company and the Company being able to convert the bonds to equity in the future.
- Adjustments : The Conversion Price is subject to adjustments under certain circumstances in accordance with the terms and conditions of the Perpetual Convertible Bonds.

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The Company will make an announcement of any adjustments made to the Conversion Price via SGXNET.

- Coupon : Zero coupon.
- Maturity Date : The Perpetual Convertible Bonds will be perpetual convertible bonds and will have no fixed maturity date.
- Redemption : The Perpetual Convertible Bonds may be redeemed at the option of the Company in whole or in part by giving not less than 21 days' notice to the holders of the Perpetual Convertible Bonds at a redemption price equal to the principal amount of the Perpetual Convertible Bonds to be redeemed at any time.

The Perpetual Convertible Bonds may also be redeemed at the option of the Company in whole but not in part at any time at a redemption price equal to the principal amount of the Perpetual Convertible Bonds upon the following events at the discretion of the Company's Board: the occurrence of (a) certain changes in applicable laws or regulations of Singapore requiring the payment of additional amounts to gross up payments on account of withholding taxes; (b) a change in control of the Company; or (c) a suspension or delisting of the securities of the Company.

For the avoidance of doubt, the Perpetual Convertible Bonds are not redeemable at the option of the holders of the Perpetual Convertible Bonds.

- Participation rights in distributions and/or offer of further securities : The holders of the Perpetual Convertible Bonds have no participation rights in any distributions and/or offer of further securities made by the Company.
- Transferability : Subject to applicable laws and regulations, the Perpetual Convertible Bonds may be transferred by a holder thereof with the prior written consent of the Company in accordance with the terms and conditions of the Perpetual Convertible Bonds.

Please refer to section 2.9 of the Circular for further details on the principal terms and conditions of the Perpetual Convertible Bonds and the Conversion Shares.

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### 3.4 Principal terms and conditions of the Warrants and the Exercised Shares

The following is a summary of the principal terms and conditions of the Warrants and the Exercised Shares:

- Issuer : Incredible Holdings Ltd.
- Number of Warrants : The Company will issue 1,000,000,000 Warrants.
- Form and subscription right : The Warrants will be constituted by a deed poll (the “**Deed Poll**”) and will be issued in registered form. Each Warrant shall grant the holder thereof the right to subscribe for one Exercised Share at the Exercise Price at any time during the Exercise Period (as defined below) subject to the terms and conditions of the Warrants.
- Number of Exercised Shares : Assuming there are no adjustments to the number of Warrants, the Company will issue 1,000,000,000 Exercised Shares upon exercise of all of the Warrants.

The 1,000,000,000 Exercised Shares represents:

- (a) approximately 33.41% of the existing total issued share capital of the Company (excluding treasury shares and subsidiary holdings) comprising 2,993,532,545 Shares; and
- (b) approximately 25.04% of the enlarged total issued share capital of the Company (excluding treasury shares and subsidiary holdings) comprising 3,993,532,545 Shares, assuming that 1,000,000,000 Exercised Shares were issued by the Company upon exercise of all of the Warrants.

The 525,000,000 Conversion Shares and the 1,000,000,000 Exercised Shares represent:

- (a) approximately 50.94% of the existing total issued share capital of the Company (excluding treasury shares and subsidiary holdings) comprising 2,993,532,545 Shares; and
- (b) approximately 33.75% of the enlarged total issued share capital of the Company (excluding treasury shares and subsidiary holdings) comprising 4,518,532,545 Shares, assuming that 525,000,000 Conversion Shares were issued by the Company upon conversion of all of the Perpetual Convertible Bonds and that 1,000,000,000 Exercised Shares were issued by the Company upon exercise of all of the Warrants.

- Status of Exercised Shares : The Exercised Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing ordinary shares in the Company, except that they will not rank for

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any dividends, rights, allotments or other distributions the record date for which falls before the date of allotment and issue of the Exercised Shares.

Listing and trading of the Warrants and the Exercised Shares : The Warrants are expected to be listed and quoted on the Catalist Board of the SGX-ST.

The Company will be making an application to the SGX-ST through its sponsor, Hong Leong Finance Limited, for the listing and quotation of the Warrants and the Exercised Shares on the Catalist Board of the SGX-ST.

It should be noted that the Warrants may not be listed and quoted on the Catalist Board of the SGX-ST in the event of an insufficient spread of holdings of the Warrants to provide for an orderly market in the Warrants. Accordingly, in such event, the holders will not be able to trade their Warrants on the Catalist Board of the SGX-ST. However, if the Warrants are exercised in accordance with its terms and conditions in the Deed Poll, the Exercised Shares will be listed and quoted on the Catalist Board of the SGX-ST.

Exercise Price : S\$0.0016

The Exercise Price of S\$0.0016 taking into consideration the VWAP of the last market day prior to the Subscription Agreement, represents a discount of 49.04% to the weighted average price of S\$0.00314 for trades done on the SGX-ST for the full market day on 30 December 2021, being the last full market day on which the Shares were traded prior to the signing of the Subscription Agreement on 31 December 2021.

The Exercise Price was arrived at arm's length and on a willing buyer-willing-seller-basis, taking into consideration (a) the latest available open market value of the Subscriber and the Company, (b) in view of further co-operation with the Subscriber to expand the new and existing business of the Company, and (c) to give the Subscriber an opportunity and incentive to commit, participate and further their investment in the Company and the Company being able to convert the warrants to equity in the future.

Exercise Period : The Warrants may be exercised during the period commencing on the date of issue of the Warrants and expiring at 5.00 p.m. on the date falling 5 years after the date of issue of the Warrants (the "**Exercise Period**"). At the expiry of the Exercise Period, any Warrants which have not been exercised shall lapse and cease to be valid for any purpose.

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The Company shall, not later than one month before the expiry of the Exercise Period (the “**Expiry Date**”), announce the expiry of the Exercise Period on SGXNET. In addition, the Company shall, not later than one month before the Expiry Date, take reasonable steps to notify all holders of the Warrants in writing of the Expiry Date, and such notice shall be delivered by post to the address of the relevant holders of the Warrant(s).

Adjustments : The number of Warrants and/or the Exercise Price are subject to adjustments under certain circumstances in accordance with the terms and conditions of the Warrants.

The Company will make an application to the SGX-ST through its sponsor, Hong Leong Finance Limited, for the listing and quotation of any additional Warrants and any additional Exercised Shares on the Catalist Board of the SGX-ST as and when there are any adjustments made to the number of Warrants and/or the Exercise Price.

Any additional Warrants issued pursuant to such adjustments shall rank *pari passu* in all respects with the then existing Warrants and without any preference or priority among themselves and among the then existing Warrants, save as may otherwise be provided in the terms and conditions of the Warrants.

The Company will make an announcement of any adjustments made to the number of Warrants and/or the Exercise Price via SGXNET.

For the avoidance of doubt, except where the adjustments are made pursuant to the Deed Poll constituting the Warrants, the Company shall not change the Exercise Price and exercise ratio of the Warrants, extend the Exercise Period of an existing Warrant or issue a new warrant to replace an existing Warrant.

Further Issues : Subject to the terms and conditions of the Warrants as set out in the Deed Poll, the Company shall be at liberty to issue Shares to members either for cash or as a bonus distribution and to issue further subscription rights, upon such terms and conditions as the Company sees fit but the Warrantholders shall not have any participation rights in such issue unless otherwise resolved by the Company in general meeting or in the event of a takeover offer to acquire Shares.

Transferability : Subject to applicable laws and regulations and the terms and conditions of the Warrants in the Deed Poll, the Warrants shall be transferrable in lots entitling a holder thereof to subscribe for whole numbers of Exercised Shares and so that no person shall be recognised by the

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Company as having title to Warrants granting the relevant holder thereof the right to subscribe for a fractional part of an Exercised Share or otherwise than as the sole or joint holder of the entirety of such Exercised Share.

Please refer to section 2.10 of the Circular for further details on the principal terms and conditions of the Warrants and the Exercised Shares.

### 3.5 Intended use of the net proceeds from the Proposed Issuance

The gross proceeds from the proposed issuance of the Perpetual Bonds of S\$6,900,000 and Perpetual Convertible Bonds of S\$2,100,000 and the gross proceeds from the exercise of the Warrants of S\$1,600,000 (assuming that there are no adjustments to the number of Warrants and the Exercise Price and assuming that all of the Warrants are exercised) less the costs and expenses incurred or to be incurred in connection with the Proposed Issuance of approximately S\$50,000 amount to approximately S\$10.6 million (the “**Proposed Issuance Net Proceeds**”).

The Company intends to use the Proposed Issuance Net Proceeds to be raised by the Company from the Proposed Issuance as follows:

Intended use of Net Proceeds	Allocation of the Proposed Issuance Net Proceeds	
	S\$	%
Investment purposes to subscribe for the Ntegrator Perpetual Convertible Bonds to be issued by Ntegrator and to exercise 100,000,000 Ntegrator Warrants into Ntegrator Exercised Shares <sup>(1)</sup>	10.6 million	100

**Note:**

- (1) Please refer the Company’s announcement dated 5 January 2022 for further details in relation to the Ntegrator Perpetual Convertible Bonds and Ntegrator Warrants.

### 3.6 Principal terms of the Subscription Agreement

The obligations of the Company and the Subscriber under the Subscription Agreement are conditional upon, *inter alia*, the Company having obtained approval from the Shareholders for the transfer of controlling interest to the Subscriber in connection with the Proposed Issuance pursuant to Rule 803 of the Catalist Rules.

Please refer to section 2.13 of the Circular for further details of the principal terms of the Subscription Agreement.

### 3.7 Information on the Subscriber

The Subscriber, Ntegrator International Ltd. (Company Registration Number 199904281D), is a public company incorporated in Singapore on 24 July 1999 and has an issued and paid-up share capital of approximately S\$30.9 million comprising 1,566,508,714 ordinary shares as at the Latest Practicable Date.

The Subscriber is listed on the Catalist Board of the SGX-ST. The principal activities of the Subscriber comprise, *inter alia*, the following:

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- (d) design, installation and implementation of data, video, fiber optics, wireless and cellular network infrastructure, and voice communication systems; and
- (e) provision of a wide range of services such as outside plant services, including fiber cable installation and pipe laying, project management services as well as maintenance and support services.

Please refer to section 2.7 of the Circular for the representations from the Subscriber.

### 3.8 Rationale for the Proposed Issuance

The rationale for the Proposed Issuance is set out in section 2.5 of the Circular, and Shareholders are advised to read the information carefully.

### 3.9 Proposed Distribution by way of Proposed Capital Reduction by the Subscriber

The Company understands that the Subscriber intends to undertake the proposed capital reduction (the “**Ntegrator Proposed Capital Reduction**”) pursuant to Section 78C of the Companies Act and return to its shareholders surplus capital of the Subscriber in excess of its needs by way of a distribution *in specie* (the “**Ntegrator Proposed Distribution**”) of 300,000,000 Warrants to its shareholders in proportion to their respective shareholdings in the Subscriber as at a record date, fractional entitlements to be disregarded.

Shareholders may refer to the announcements made or to be made by the Subscriber via SGXNET for further details on the Ntegrator Proposed Capital Reduction and the Ntegrator Proposed Distribution. Shareholders of the Company may read the announcement made by the Subscriber via SGXNET on 1 January 2022 for further details.

## 4. THE PROPOSED SUBSCRIPTION

### 4.1 Background

In the announcement dated 5 January 2022, the Company announced that it had on 31 December 2021 entered into the Ntegrator Subscription Agreement with Ntegrator in relation to, *inter alia*, the proposed subscription of:

- (a) 0% Ntegrator Perpetual Convertible Bonds of an aggregate principal amount of S\$9,000,000 which shall, at the option of the holder thereof, be convertible into Ntegrator Conversion Shares at the Ntegrator Conversion Price of S\$0.003333 per Ntegrator Conversion Share, on the terms and conditions specified in the Ntegrator Subscription Agreement; and
- (b) 10,000,000,000 free Ntegrator Warrants, each Ntegrator Warrant shall grant the holder thereof the right to subscribe for one Ntegrator Exercised Share at the Ntegrator Exercise Price of S\$0.003333, on the terms and conditions specified in the deed poll to be executed by Ntegrator which contains, *inter alia*, the provisions for the protection of the rights and interests of the holders of the Ntegrator Warrants (the “**Ntegrator Deed Poll**”).

The Company intends to undertake the Proposed Capital Reduction and in the event that the Proposed Capital Reduction is completed, the Company will effectively be subscribing for 100,000,000 Ntegrator Warrants.

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### 4.2 Principal terms and conditions of the Ntegrator Perpetual Convertible Bonds and the Ntegrator Conversion Shares

The following is a summary of the principal terms and conditions of the Perpetual Convertible Bonds and the Ntegrator Conversion Shares:

Issuer	:	Ntegrator International Ltd.
Size of Ntegrator Perpetual Convertible Bonds	:	The Company will subscribe for S\$9,000,000 aggregate principal amount of Ntegrator Perpetual Convertible Bonds.
Issue date of Ntegrator Perpetual Convertible Bonds	:	On the Completion Date of the Ntegrator Subscription Agreement.
Issue price of Ntegrator Perpetual Convertible Bonds	:	100% of the principal amount of the Ntegrator Perpetual Convertible Bonds, or S\$1.00 for each S\$1.00 in principal amount of the Ntegrator Perpetual Convertible Bonds.
Form and Denomination	:	The Ntegrator Perpetual Convertible Bonds will be subscribed in registered form and in the denomination of S\$1.00 each.
Status of the Ntegrator Perpetual Convertible Bonds	:	The Ntegrator Perpetual Convertible Bonds constitute direct, unconditional, unsecured and unsubordinated obligations of Ntegrator and shall at all times rank <i>pari passu</i> , without any preference or priority among themselves and <i>pari passu</i> with all other present and future direct, unconditional, unsecured and unsubordinated obligations of Ntegrator, save for such exceptions as may be provided by mandatory provisions under applicable laws and regulations.
Conversion right	:	The Ntegrator Perpetual Convertible Bonds shall, at the option of the holder thereof, be convertible into the Ntegrator Conversion Shares at the Ntegrator Conversion Price. The conversion right may be exercised at any time after the date of issue of the Ntegrator Perpetual Convertible Bonds and if the Ntegrator Perpetual Convertible Bonds have been called for redemption by Ntegrator, then before 5.00 p.m. on a date no later than ten days prior to the date fixed for redemption of such Ntegrator Perpetual Convertible Bonds.

The number of Ntegrator Conversion Shares to be issued by Ntegrator upon conversion of the Ntegrator Perpetual Convertible Bonds will be determined by dividing the principal amount of the Ntegrator Perpetual Convertible Bonds to be converted by the Ntegrator Conversion Price in effect at the conversion date.



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Fractions of a Ntegrator Conversion Share will not be issued upon conversion of the Ntegrator Perpetual Convertible Bonds and no cash adjustments will be made in respect of such fractions of Ntegrator Conversion Shares.

Number of Ntegrator Conversion Shares : Assuming there are no adjustments to the Ntegrator Conversion Price subsequent to the issuance of the Ntegrator Perpetual Convertible Bonds, Ntegrator will issue 2,700,270,027 Ntegrator Conversion Shares upon conversion of all of the Ntegrator Perpetual Convertible Bonds.

The 2,700,270,027 Ntegrator Conversion Shares represents:

- (a) approximately 184.39% of the existing total issued share capital of Ntegrator (excluding treasury shares and subsidiary holdings) comprising 1,464,458,714 Ntegrator Shares<sup>1</sup>; and
- (b) approximately 64.84% of the enlarged total issued share capital of Ntegrator (excluding treasury shares and subsidiary holdings) comprising 4,164,728,741 Ntegrator Shares, assuming that 2,700,270,027 Conversion Shares were issued by Ntegrator upon conversion of all of the Perpetual Convertible Bonds.

Status of Ntegrator Conversion Shares : The Ntegrator Conversion Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing ordinary shares in Ntegrator, except that they will not rank for any dividends, rights, allotments or other distributions the record date for which falls on or before the date of allotment and issue of the Ntegrator Conversion Shares.

Listing and trading of the Ntegrator Perpetual Convertible Bonds and the Ntegrator Conversion Shares : The Ntegrator Perpetual Convertible Bonds will not be listed and quoted on the Catalist Board of the SGX-ST.  
The Ntegrator Conversion Shares will be listed and quoted on the Catalist Board of the SGX-ST.

Conversion Price : S\$0.003333

The Ntegrator Conversion Price of S\$0.003333 represents a discount of 52.39% to the weighted average price of S\$0.007 for trades done on the SGX-ST for the full market day on 30 December 2021, being the last full market day on which the Ntegrator Shares

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<sup>1</sup> Subsequent to the Announcements, the issued shares of Ntegrator has increased from 1,464,458,714 to 1,566,508,714 as at the Latest Practicable Date.

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were traded prior to the signing of the Ntegrator Subscription Agreement on 31 December 2021.

The Ntegrator Conversion Price was arrived at after (a) arm's length negotiations between Ntegrator and the Company on a willing-buyer willing-seller basis, (b) latest available open market value of Ntegrator and the Company and (c) in view of further co-operation with Ntegrator to expand the new and existing business of the Company.

Taking into account the Ntegrator Exercise Price of the Ntegrator Warrants, the effective price of the Ntegrator Conversion Shares is the same as that of the Ntegrator Warrants, being S\$0.003333, which represents a discount of 52.39% to the weighted average price of S\$0.007 for trades done on the SGX-ST for the full market day on 30 December 2021, being the last full market day on which the Ntegrator Shares were traded prior to the signing of the Ntegrator Subscription Agreement on 31 December 2021.

Adjustments : The Ntegrator Conversion Price is subject to adjustments under certain circumstances in accordance with the terms and conditions of the Ntegrator Perpetual Convertible Bonds.

Ntegrator will make an announcement of any adjustments made to the Ntegrator Conversion Price via SGXNET.

Coupon : Zero coupon

Redemption : The Ntegrator Perpetual Convertible Bonds may be redeemed at the option of Ntegrator in whole or in part by giving not less than 21 days' notice to the holders of the Ntegrator Perpetual Convertible Bonds at a redemption price equal to the principal amount of the Ntegrator Perpetual Convertible Bonds to be redeemed at any time after the date falling 3 years from the date of issue of the Ntegrator Perpetual Convertible Bonds.

The Ntegrator Perpetual Convertible Bonds may also be redeemed at the option of Ntegrator in whole but not in part at any time at a redemption price equal to the principal amount of the Ntegrator Perpetual Convertible Bonds upon the occurrence of the following events at the discretion of Ntegrator's Board: (a) certain changes in applicable laws or regulations of Singapore requiring the payment of additional amounts to gross up payments on account of withholding taxes; (b) a change in control of

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the Company; or (c) a suspension or delisting of the securities of the Company.

For the avoidance of doubt, the Ntegrator Perpetual Convertible Bonds are not redeemable at the option of the holders of the Ntegrator Perpetual Convertible Bonds.

- Maturity date : The Ntegrator Perpetual Convertible Bonds will be perpetual convertible bonds and will have no fixed maturity date.
- Participation rights in distributions and/or offer of further securities : The holders of the Ntegrator Perpetual Convertible Bonds have no participation rights in any distributions and/or offer of further securities made by Ntegrator.
- Transferability : Subject to applicable laws and regulations, the Ntegrator Perpetual Convertible Bonds may be transferred by a holder thereof with the prior written consent of Ntegrator in accordance with the terms and conditions of the Ntegrator Perpetual Convertible Bonds.

Please refer to section 3.4 of the Circular for further details on the principal terms and conditions of the Ntegrator Perpetual Convertible Bonds and the Ntegrator Conversion Shares.

### 4.3 Principal terms and conditions of the Ntegrator Warrants and the Ntegrator Exercised Shares

The following is a summary of the principal terms and conditions of the Ntegrator Warrants and the Ntegrator Exercised Shares:

- Issuer : Ntegrator International Ltd.
- Number of Ntegrator Warrants : 10,000,000,000 Ntegrator Warrants.
- The Company intends to undertake the Proposed Capital Reduction. In the event that the Proposed Capital Reduction is completed, the Company will effectively be subscribing for 100,000,000 Ntegrator Warrants.
- Form and Subscription Right : The Ntegrator Warrants will be constituted by the Ntegrator Deed Poll and will be issued in registered form. Each Ntegrator Warrant shall grant the holder thereof the right to subscribe for one Ntegrator Exercised Share at the Ntegrator Exercise Price at any time during the Ntegrator Exercise Period subject to the terms and conditions of the Warrants in the Ntegrator Deed Poll.
- Number of Ntegrator Exercised Shares : Assuming there are no adjustments to the number of Ntegrator Warrants, Ntegrator will issue 10,000,000,000 Exercised Shares upon exercise of all of the Ntegrator Warrants.

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The 10,000,000,000 Ntegrator Exercised Shares represents:

- (a) approximately 682.85% of the existing total issued share capital of Ntegrator (excluding treasury shares and subsidiary holdings) comprising 1,464,458,714 Ntegrator Shares<sup>2</sup>; and
- (b) approximately 87.23% of the enlarged total issued share capital of Ntegrator (excluding treasury shares and subsidiary holdings) comprising 11,464,458,714 Ntegrator Shares, assuming that 10,000,000,000 Ntegrator Exercised Shares were issued by Ntegrator upon exercise of all of the Warrants.

The 2,700,270,027 Ntegrator Conversion Shares and the 10,000,000,000 Ntegrator Exercised Shares represent:

- (a) approximately 867.23% of the existing total issued share capital of Ntegrator (excluding treasury shares and subsidiary holdings) comprising 1,464,458,714 Ntegrator Shares<sup>2</sup>; and
- (b) approximately 89.66% of the enlarged total issued share capital of Ntegrator (excluding treasury shares and subsidiary holdings) comprising 14,164,728,741 Ntegrator Shares, assuming that 2,700,270,027 Ntegrator Conversion Shares were issued by Ntegrator upon conversion of all of the Ntegrator Perpetual Convertible Bonds and that 10,000,000,000 Ntegrator Exercised Shares were issued by Ntegrator upon exercise of all of the Ntegrator Warrants.

Status of Ntegrator Exercised Shares : The Ntegrator Exercised Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing ordinary shares in Ntegrator, except that they will not rank for any dividends, rights, allotments or other distributions the record date for which falls before the date of allotment and issue of the Ntegrator Exercised Shares.

Listing and trading of the Ntegrator Warrants and the Ntegrator Exercised Shares : The Ntegrator Warrants and the Ntegrator Exercised Shares will be listed and quoted on the Catalist Board of the SGX-ST.

It should be noted that the Ntegrator Warrants may not be listed and quoted on the Catalist Board of the SGX-ST in the event of an insufficient spread of holdings of the Ntegrator Warrants to provide for an orderly market in the Ntegrator Warrants. Accordingly, in such event, the holders will not be able to trade their Ntegrator Warrants

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<sup>2</sup> Subsequent to the Announcements, the issued shares of Ntegrator have increased from 1,464,458,714 to 1,566,508,714 as at the Latest Practicable Date.

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on the Catalist Board of the SGX-ST. However, if the Ntegrator Warrants are exercised in accordance with its terms and conditions, the Ntegrator Exercised Shares will be listed and quoted on the Catalist Board of the SGX-ST.

Ntegrator Exercise Price : S\$0.003333

The Ntegrator Exercise Price of S\$0.003333 represents a discount of 52.39% to the weighted average price of S\$0.007 for trades done on the SGX-ST for the full market day on 30 December 2021, being the last full market day on which the Ntegrator Shares were traded prior to the signing of the Ntegrator Subscription Agreement on 31 December 2021.

The Ntegrator Exercise Price was arrived at after (a) arm's length negotiations between Ntegrator and the Company on a willing-buyer willing-seller basis, (b) latest available open market value of Ntegrator and the Company, and (c) in view of further co-operation with Ntegrator to expand the new and existing business of the Company.

Ntegrator Exercise Period : The Ntegrator Warrants may be exercised during the period commencing on the date of issue of the Ntegrator Warrants and expiring at 5.00 p.m. on the date falling 5 years after the date of issue of the Ntegrator Warrants (the "**Ntegrator Exercise Period**"). At the expiry of the Ntegrator Exercise Period, any Ntegrator Warrants which have not been exercised shall lapse and cease to be valid for any purpose.

Adjustments : The number of Ntegrator Warrants and/or the Ntegrator Exercise Price are subject to adjustments under certain circumstances in accordance with the terms and conditions of the Ntegrator Warrants in the Ntegrator Deed Poll.

Ntegrator will be making an application to the SGX-ST through its sponsor, PrimePartners Corporate Finance Pte. Ltd., for the listing and quotation of the Conversion Shares on the Catalist of the SGX-ST.

Any additional Ntegrator Warrants issued pursuant to such adjustments shall rank *pari passu* in all respects with the then existing Ntegrator Warrants and without any preference or priority among themselves and among the then existing Ntegrator Warrants, save as may otherwise be provided in the terms and conditions of the Ntegrator Warrants in the Ntegrator Deed Poll.

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Ntegrator will make an announcement of any adjustments made to the number of Ntegrator Warrants and/or the Ntegrator Exercise Price via SGXNET.

Transferability : Subject to applicable laws and regulations and the terms and conditions of the Ntegrator Warrants in the Ntegrator Deed Poll, the Ntegrator Warrants shall be transferrable in lots entitling a holder thereof to subscribe for whole numbers of Ntegrator Exercised Shares and so that no person shall be recognised by Ntegrator as having title to the Ntegrator Warrants granting the relevant holder thereof the right to subscribe for a fractional part of an Ntegrator Exercised Share or otherwise than as the sole or joint holder of the entirety of such Ntegrator Exercised Share.

Please refer to section 3.5 of the Circular for further details on the terms and conditions of the Ntegrator Warrants and the Ntegrator Exercised Shares.

#### 4.4 Source of funds for the Proposed Subscription

The aggregate maximum consideration to be paid by the Company in connection with the Proposed Subscription is approximately S\$9,333,300 (comprising the aggregate principal amount of the Ntegrator Convertible Perpetual Bonds of S\$9,000,000 and the aggregate Ntegrator Exercise Price payable upon the exercise of all of the Ntegrator Warrants by the Company of S\$333,300) and the estimated costs and expenses to be incurred in connection with the Proposed Subscription of S\$50,000 shall be funded through the Proposed Issuance to Ntegrator as announced on 5 January 2022, and the working capital of the Company if necessary. The Proposed Subscription is conditional upon the completion of the Proposed Issuance.

Please refer to section 3.6 of the Circular for further details on the source of funds for the Proposed Subscription.

#### 4.5 Consideration

The aggregate maximum consideration for the Proposed Subscription to be paid by the Company is approximately S\$9.3 million as detailed above.

The aggregate principal amount of Ntegrator Convertible Perpetual Bonds, Ntegrator Conversion Price, Ntegrator Warrants and the Ntegrator Exercise Price were arrived at arm's length and on a willing-buyer-willing-seller basis after taking into account, *inter alia*, the following:

- (a) the market value of Ntegrator;
- (b) the upside of the new and existing businesses of Ntegrator; and
- (c) the prevailing economic conditions.

#### 4.6 Principal terms of the Ntegrator Subscription Agreement

The obligations of the Company and Ntegrator are conditional upon, *inter alia*, Ntegrator having obtained its shareholders' approval for the transfer of controlling interest to the Company in connection with the Proposed Subscription pursuant to Rule 803 of the Catalyst Rules.

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### 4.7 Rationale for the Proposed Subscription

The rationale for the Proposed Subscription is set out in section 3.9 of the Circular, and Shareholders are advised to read the information carefully.

### 4.8 The Proposed Distribution by way of the Proposed Capital Reduction

The Company intends to undertake the Proposed Capital Reduction and return to Entitled Shareholders surplus capital of the Company in excess of its needs by way of the Proposed Distribution of 9,900,000,000 Ntegrator Warrants to Entitled Shareholders in proportion to their respective shareholdings in the Company as at the Record Date to be determined by the Directors for the purposes of determining the entitlement of the Shareholders for the Proposed Distribution, fractional entitlements to be disregarded. Only Entitled Shareholders with Singapore addresses as at the Record Date will be entitled to the Proposed Distribution.

Entitled Shareholders will not be required to pay for any Ntegrator Warrants received from the Proposed Distribution. The Ntegrator Warrants will be distributed to Entitled Shareholders on the Proposed Distribution Completion Date (as defined below) free and clear from any encumbrances, together with all rights and entitlements that attach (or may in the future attach) to the Ntegrator Warrants on or after the Proposed Distribution Completion Date. The date of completion of the Proposed Distribution (the “**Proposed Distribution Completion Date**”) shall be determined by the Directors and announced by the Company via SGXNET.

The Company has insufficient retained profits to effect a distribution in specie of the Ntegrator Warrants to the Entitled Shareholders by way of dividends. Accordingly, the Company is proposing to undertake the Proposed Distribution by way of the Proposed Capital Reduction which involves a reduction of the issued share capital of the Company. There will not be any cancellation of the Shares or any reduction in the number of issued Shares, and the number of Shares held by each shareholder of the Company will remain the same before and immediately after the Proposed Capital Reduction.

The completion of the Proposed Capital Reduction is conditional upon, *inter alia*, approval from the Shareholders for the Proposed Capital Reduction by way of special resolution at an extraordinary general meeting to be convened.

Please refer to section 3.13 of the Circular for further details on the Proposed Distribution by way of the Proposed Capital Reduction.

## 5 EVALUATION OF THE PROPOSED TRANSACTIONS

In our evaluation of the Proposed Transactions, we have reviewed and examined the following factors which have a significant bearing on our assessment:

- (a) the rationale for the Proposed Transactions;
- (b) the historical financial performance of the Group;
- (c) the comparison of the effective payments of the Proposed Transactions;
- (d) the historical market price performance and trading activity of the Shares and the Ntegrator Shares;
- (e) the net asset value (“**NAV**”) and adjusted NAV (as the case may be) of the Group and Ntegrator and its subsidiaries (the “**Ntegrator Group**”);
- (f) the valuation ratios of selected companies listed on the SGX-ST, The Stock Exchange

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of Hong Kong Limited (the “**HKEx**”), and/or Bursa Malaysia Bhd (“**Bursa Malaysia**”) (as the case may be) which principal business activities are broadly comparable to those of the Group or the Ntegrator Group;

- (g) the precedent transactions involving the issue of perpetual bonds by companies listed on the SGX-ST;
- (h) the theoretical value of the Warrants and the Netgrator Warrants;
- (i) the financial effects of the Proposed Transactions; and
- (j) other relevant considerations in relation to the Proposed Transactions.

**The figures, underlying financial and market data used in our analysis, including securities prices, trading volumes, free float data and foreign exchange rates have been extracted from Thomson Reuters Eikon under Refinitiv (formerly the Thomson Reuters Financial & Risk business), the SGX-ST, HKex, Bursa Malaysia, and other public filings as at the Latest Practicable Date or as provided by the Company where relevant. NCF makes no representation or warranty, express or implied, as to the accuracy or completeness of such information.**

### 5.1 Rationale for the Proposed Transactions

It is not within our terms of reference to comment or express an opinion on the merits of the Proposed Transactions. Nevertheless, we have reviewed the rationale for the Proposed Issuance and the Proposed Subscription as set out in sections 2.5 and 3.9 of the Circular respectively, of which has been reproduced in italics below:

#### **“2.5 Rationale for the Proposed Issuance**

*The rationale for the Proposed Issuance is for the Company to participate in the business growth and upside of the new and existing businesses of the Subscriber. The Board believes that the Proposed Issuance will broaden and diversify the Group’s revenue streams and customer base by further cooperation with the Subscriber to expand the new and existing business of the Company.*

*As announced on 5 January 2022 titled “The Proposed Subscription of Perpetual Convertible Bonds and Warrants in Ntegrator International Ltd. – Entry into Subscription Agreement”, the Company has on 31 December 2021 entered into a subscription agreement with the Subscriber. The rationale for the Proposed Issuance and the Proposed Subscription is that the Company does not have to utilise its cash to subscribe for the Subscriber’s shares as a long-term investment.*

*As announced on 18 October 2021 and 27 October 2021, the Company entered into proposed acquisition of 42% of Golden Ultra Limited and proposed acquisition of 15% of Gadmobe Group. On 12 October 2021, the Subscriber announced the proposed acquisition of 55% of Golden Ultra Limited and proposed acquisition of 85% of Gadmobe Group respectively. The Board is of the view that the Proposed Issuance and the Proposed Subscription could foster closer cooperation between the Company and the Company without using cash resources and enjoying growth in each other’s existing businesses.*

*The placement of 1,000,000,000 free warrants to the Subscriber is for the Company to benefit from additional funds expected to be raised for investment in the Subscriber and proposed mergers and acquisitions as and when the Warrants are exercised into Exercised Shares during the Exercise Period.*



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### 3.9 Rationale for the Proposed Subscription

*The rationale for the Proposed Subscription is for the Company to participate in the business growth and upside of the new and existing businesses of Ntegrator. The Board believes that the Proposed Subscription will broaden and diversify the Group's revenue streams and customer base."*

### 5.2 Historical Financial Performance of the Group

A summary of the financial statements of the Group for the last 3 financial years ended 31 December 2019 ("FY2019"), 31 December 2020 ("FY2020") and 31 December 2021 ("FY2021")<sup>3</sup> is set out below:

(\$'000)	----- Audited -----		-----Unaudited----
	FY2019	FY2020	FY2021
<b>Continuing operations</b>			
Revenue	8,781	3,258	23,338
Gross profit	541	380	676
Loss before income tax	(2,350)	(3,328)	(3,385)
Net loss attributable to owners of the Company	(2,350)	(3,328)	(3,385)
<b>Discontinued operations</b>			
Net loss attributable to owners of the Company	(29) <sup>(1)</sup>	(796) <sup>(1)</sup>	-

**Note:**

- (1) The Company had entered into a sale and purchase agreement with (a) Mr Heilesen for the sale of the Company's entire equity interest in a subsidiary, Luxury Watch Trading Limited ("LW"), at a consideration of S\$0.17 (equivalent to HKD1) on 19 December 2019, and (b) a third party for the sale of its entire interest in the subsidiary, Switech Systems & Marketing Pte Ltd ("SW"), at a consideration of S\$1 on 23 December 2019. The disposal of LW and SW were completed on 30 October 2020 and 14 September 2020 respectively.

In addition, the financial performance of the subsidiaries, Sansim Cosmetic (H.K.) Ltd ("**Sansim**"), FBT HK Limited ("**FBT**") and Vashion Assets Management Limited ("**VAM**") were also presented under "Discontinued Operations", as they have either ceased operations or remained inactive since prior years and have remained dormant in the Group. FBT was liquidated in FY2019, and Sansim and VAM had been liquidated as at the Latest Practicable Date.

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<sup>3</sup> As Ntegrator has the same financial year end as the Company, FY2019, FY2020 and FY2021 will accordingly also make reference to Ntegrator's financial years ended 31 December 2019, 31 December 2020 and 31 December 2021 respectively (where applicable) for the purpose of this Letter.

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### Consolidated statement of profit or loss and other comprehensive income

#### *FY2019 vs FY2020*

The revenue of the Group (from continuing operations) decreased by approximately S\$5.5 million or 62.9% from approximately S\$8.8 million in FY2019 to approximately S\$3.3 million in FY2020, due to a decrease in revenue contribution from (a) the distribution of consumable material for electronic industry mainly due to COVID-19 impact which resulted in the overall slowdown in electronics manufacturing industries, and (b) the trading of luxury goods mainly due to the COVID-19 impact and political events in Hong Kong.

The loss before income tax (from continuing operations) increased by approximately S\$1.0 million or 41.6% from approximately S\$2.4 million in FY2019 to approximately S\$3.3 million in FY2020 mainly due to (a) the recognition of allowance for impairment on amount due from an associated company, PT Louis Gianni, (b) an increase in the administrative expenses primarily as a result of the professional fee incurred in relation to, *inter alia*, consultancy fees incurred for the expansion of trading of luxury goods business, and (c) an increase in other operating expenses primarily as a result of the provision made for inventory obsolescence and slow moving stocks being written off, and an increase in realised and unrealised exchange loss, which was offset by (a) an increase in other operating income primarily as a result of (i) the circuit breaker job support scheme provided by the governments of Singapore and Hong Kong, and (ii) gains on disposal on investment in an associated company, (b) a decrease in selling and distribution expenses due to a decrease in payroll, and (c) a decrease in share of losses from an associated company.

Taking into account the income tax expenses, the Group's net losses from continuing operations increased by approximately S\$1.0 million or 41.6% from approximately S\$2.4 million in FY2019 to approximately S\$3.3 million in FY2020.

#### *FY2020 vs FY2021*

The revenue of the Group (from continuing operations) increased by approximately S\$20.1 million or 616.3% from approximately S\$3.3 million in FY2020 to approximately S\$23.3 million FY2021, mainly due to an increase in revenue contribution from the trading of watches in Hong Kong.

The loss before income tax increased marginally by approximately S\$57,000 or 1.7% from approximately S\$3.3 million in FY2020 to approximately S\$3.4 million in FY2021 mainly due to an increase in administrative expenses primarily due to (a) an increase of director remuneration as a result of a bonus payment to the Executive Director for his contribution in the expansion of the Group's business in FY2021, (b) an increase in the rents from the new subsidiaries in Singapore, Korea and Denmark, (c) an increase of professional fees, and (d) an increase in depreciation due to additional property, plant and equipment purchased, which was offset by (a) an increase in other operating income primarily due to unrealised exchange gain which arose from between intercompany balance, and the absence of allowance for impairment on amount due from an associate in FY2021 as a result of repayment from an associate in FY2021, and (b) a decrease in selling and distribution expenses as a result from lesser selling expenses incurred from the distribution segment due to diminishing demand.

Taking into account the income tax expenses, the Group's net losses decreased by approximately S\$0.7 million or 17.9% from approximately S\$4.1 million in FY2020 to approximately S\$3.4 million in FY2021 mainly due to the absence of losses from discontinued operations in FY2021 as all discontinued operations have been disposed of or dissolved in FY2021. Taking into account only the continuing operations, the Group's net losses increased marginally by approximately S\$57,000 or 1.7% from approximately S\$3.3 million in FY2020 to approximately S\$3.4 million in FY2021

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### Consolidated statement of cash flows

(S\$'000)	----- Audited -----		----Unaudited----
	FY2019	FY2020	FY2021
Net cash used in operating activities	(366)	(1,602)	(12,661)
Net cash used in investing activities	(16)	(165)	(1,042)
Net cash generated from financing activities	74	2,003	13,681
Net (decrease)/ increase in cash and cash equivalents	(309)	236	(22)
Cash and cash equivalents at end of financial year	606	840	815

The Group recorded net cash used in operating activities of approximately S\$0.4 million, S\$1.6 million and S\$12.7 million in FY2019, FY2020 and FY2021 respectively.

In respect of FY2021,

- (a) the Group recorded net cash used in operating activities of approximately S\$12.7 million mainly due to (i) operating cash outflows before movement in working capital of approximately S\$3.5 million, (ii) an increase in inventories of approximately S\$5.3 million, and (iii) an increase in trade and other receivables of approximately S\$5.4 million, which is offset by a decrease in trade and other payables of approximately S\$1.5 million;
- (b) the Group recorded net cash used in investing activities of approximately S\$1.0 million due to the purchase of property, plant and equipment of approximately S\$0.5 million, purchase of intangible asset of approximately S\$0.4 million, and consideration paid for acquisition of a subsidiary of approximately S\$0.2 million;
- (c) the Group recorded net cash generated from financing activities of approximately S\$13.7 million due to the proceeds raised pursuant to the completion of rights issue in February 2021 of approximately S\$14.8 million, and repayment from an associate of approximately S\$1.2 million, which was offset by (i) repayment of loan to shareholders of approximately S\$2.2 million, (ii) interest paid on lease liabilities of approximately S\$34,000 and (iii) repayment of lease liabilities of approximately S\$81,000; and
- (d) taking into account mainly (i) the cash and cash equivalents at the beginning of FY2021 of approximately S\$0.8 million, and (ii) the net decrease in cash and cash equivalents of approximately S\$22,000, the Group's cash and cash equivalents remained at approximately S\$0.8 million as at 31 December 2021.

### 5.3 Comparison of the effective payments of the Proposed Transactions

#### Proposed Issuance

The Company is proposing to issue (a) the Perpetual Bonds at a principal amount of S\$6.9 million, (b) the Perpetual Convertible Bonds at a principal amount of S\$2.1 million, and (c) 1,000,000,000 Warrants, if exercised in full, will amount to S\$1.6 million, which in aggregate would amount to S\$10.6 million (the “**Ntegrator Effective Payment**”).

Assuming that Ntegrator and its shareholders convert the Perpetual Convertible Bonds and the Warrants in full, the market value of the Conversion Shares and the Exercised Shares (based on the closing share price of the Company of S\$0.002 as at the Latest Practicable Date) would be approximately S\$3.1 million. Including the issuance of the Perpetual Bonds of S\$6.9 million, the aggregate value of the Proposed issuance as at the Latest Practicable Date would be approximately S\$10.0 million. Accordingly, the Ntegrator Effective Payment of S\$10.6 million is higher by approximately S\$0.6 million or approximately 6.0% *vis-à-vis* the value of the Proposed Issuance as at the Latest Practicable Date of approximately S\$10.0 million.

#### Proposed Subscription

The Company will subscribe for (a) the Ntegrator Perpetual Convertible Bonds at a principal amount of S\$9.0 million, and (b) 10,000,000,000 Ntegrator Warrants, if exercised in full, will amount to S\$33.3 million, which in aggregate amounted to S\$42.3 million. The Company intends to undertake a Proposed Distribution of 9,900,000,000 Ntegrator Warrants to the Entitled Shareholders. The Company would be entitled to the remaining 100,000,000 Ntegrator Warrants (the “**Ntegrator Warrants Entitlements**”) following the Proposed Distribution. Taking into consideration the Proposed Distribution, the Company would effectively be paying approximately S\$9.3 million (the “**Effective Payment**”).

Assuming that the Company converts the Ntegrator Perpetual Convertible Bonds and the Ntegrator Warrants Entitlements in full, the market value of the Ntegrator Conversion Shares and the Ntegrator Exercised Shares arising from the Ntegrator Warrants Entitlements (based on the closing share price of Ntegrator of S\$0.004 as at the Latest Practicable Date) would be approximately S\$11.2 million. Accordingly, the Effective Payment of S\$9.3 million is lower by approximately S\$1.9 million or approximately 17.0% *vis-a-vis* the value of the Proposed Subscription as at the Latest Practicable Date of approximately S\$11.2 million.

In view of the above, comparing the aforementioned values as ascribed by the closing share prices of the Company and Ntegrator as at the Latest Practicable Date for the Proposed Issuance and the Proposed Subscription *vis-a-vis* the Ntegrator Effective Payment and the Effective Payment respectively, the Proposed Transactions appear to be reasonable to the Company.

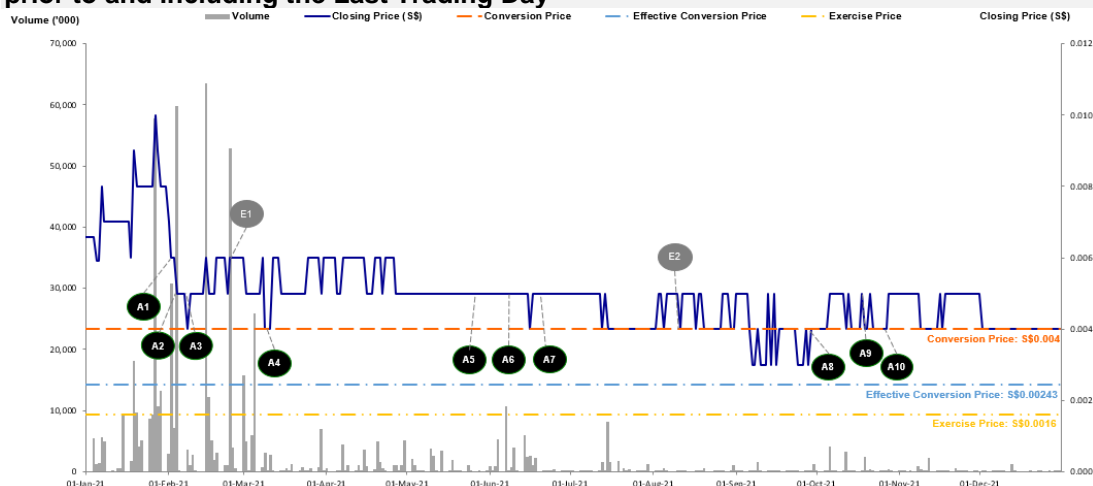
### 5.4 Historical market price performance and trading activity of the Shares and the Ntegrator Shares

#### 5.4.1 Historical market price performance and trading activity of the Shares

We have compared the Conversion Price and the Exercise Price to the daily closing prices of the Shares for the one-year period between 1 January 2021 and 31 December 2021 (the “**Last Trading Day**”), being the last traded market day immediately prior to the Announcements. We have also marked certain dates in the aforesaid one-year period where significant events occurred.

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### Daily closing prices and daily trading volumes of the Shares for the one-year period prior to and including the Last Trading Day



**Source:** Thomson Reuters Eikon and Company announcements on the SGXNET

#### Earnings announcements:

- E1. 26 February 2021.** The Company announced its unaudited financial statements for FY2020 in which the Group's net loss from continuing operations increased by approximately S\$1.0 million or 41.6% from approximately S\$2.4 million in FY2019 to approximately S\$3.3 million in FY2020. Taking into account the net loss from discontinued operations, the Group recorded a total net loss of approximately S\$4.1 million in FY2020 *vis-a-vis* a total net loss of approximately S\$2.4 million in FY2019.
- E2. 11 August 2021:** The Company announced its unaudited condensed interim financial statements for the 6-month financial period ended 30 June 2021 ("6M2021") in which the Group's net loss from continuing operations increased by approximately S\$0.2 million or 15.9% from approximately S\$1.0 million for the 6-month financial period ended 30 June 2020 ("6M2020") to approximately S\$1.2 million in 6M2021. Taking into account the net loss from discontinued operations, the Group recorded a total net loss of approximately S\$1.2 million in 6M2021 *vis-a-vis* a total net loss of approximately S\$1.0 million in 6M2020.

#### Other significant announcements:

- A1. 3 February 2021:** The Company announced the allotment and issuance of 2,693,670,727 rights shares (the "2020 Rights Shares") and 2,693,670,727 2021 warrants (the "2020 Warrants") on 2 February 2021 pursuant to the renounceable non-underwritten rights cum warrants issue announced by the Company on 23 September 2020 (the "2020 Rights cum Warrants Issue"). The trading of the 2021 Rights Shares and the 2021 Warrants will commence on Catalist with effect from 9.00 a.m. on 4 February 2021 and 5 February 2021 respectively.
- A2. 4 February 2021:** The Company announced that the 2020 Rights cum Warrants Issue constitutes an event giving rise to adjustments to the warrants issued by the Company on 12 March 2018 ("2018 Warrants"). The adjustments to the 2018 Warrants as a result of the 2020 Rights cum Warrants Issue include (a) applying a ratio of 1.375:1 to the 2018 Warrants, and (b) adjusting the existing exercise price of S\$0.02 to the new exercise price of S\$0.0145 for each of the 2018 Warrants.
- A3. 9 February 2021:** The Company announced the notice of expiry of the 2018 Warrants (i.e., W210311) (the "Notice of Expiry") on 11 March 2021 at 5:00 p.m. after which time, any subscription rights which have not been exercised will lapse and the 2018 Warrants will cease to be valid for any purpose whatsoever. The Company had subsequently announced on 10 February 2021 a corrigendum to the Notice of Expiry that, *inter alia*, the 2018 Warrants will be de-listed from the Catalist with effect from 9.00 a.m. on 12 March 2021.
- A4. 11 March 2021:** The Company announced that, further to its announcement dated 10 February 2021, the rights to subscribe for new Shares in the 2018 Warrants have expired at 5.00 p.m. on Thursday, 11 March 2021 ("Expiry Date"). Prior to the Expiry Date, 17,875 warrants have been exercised at the exercise price of S\$0.0145 for each new Share. The 186,697,680 outstanding warrants remaining after the aforesaid exercise had lapsed and the 2018 Warrants have ceased to be valid for any purpose.

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- A5. 27 May 2021:** The Company announced the entry into a share sale and purchase agreement with Mr Heilesen who is the sole shareholder and director of Central Capital ApS (the “**Central Capital**”), a private company incorporated in Denmark on 27 May 2021, to acquire the entire share capital in Central Capital by the Company (the “**Proposed Central Capital Acquisition**”) at a cash consideration of DKK40,000 (or equivalent to approximately S\$8,600). Central Capital is principally engaged in the retail sale of watches, jewellery and gold and silver articles. The Proposed Central Capital Acquisition was subsequently completed on 28 May 2021 as announced by the Company on 31 May 2021.
- A6. 9 June 2021:** The Company announced that it had, through its wholly owned subsidiary, Central Capital, entered into a share sale and purchase agreement on 9 June 2021 with Wingfort ApS (“**Wingfort**”) and LHA ApS (“**LHA**”) which each holds 50% in HB 2021 ApS (“**HB 2021**”), a private company incorporated in Denmark on 2 December 2020, to acquire the entire share capital in the HB 2021 by Central Capital (the “**Proposed HB 2021 Acquisition**”) at a consideration of DKK5.2 million (or equivalent to approximately S\$1.1 million). HB 2021 is principally engaged in the retail sale of watches, jewellery and gold and silver articles. The Proposed HB 2021 Acquisition was subsequently completed on 29 July 2021 as announced by the Company on 30 July 2021.
- A7. 21 June 2021:** The Company announced the re-allocation of the use of proceeds arising from the 2020 Rights cum Warrants Issue which was initially earmarked for the funding of financing business and working capital, for the purposes of expansion of the luxury goods business. The funding of the financing business and working capital will subsequently be funded through internal resources from the operation of the luxury goods business.
- A8. 27 September 2021:** The Company announced that it had entered into a sale and purchase agreement with Great Winner Holdings Limited (the “**Great Winner**”) to acquire 100% shareholding interest in Billion Credit Financial Company Limited (“**Billion Credit Financial**”) for an aggregate consideration of HK\$5.8 million (equivalent to approximately S\$1.0 million) (the “**Proposed Billion Credit Financial Acquisition**”). Billion Credit Financial is principally engaged in the business of money-lending mainly to individuals who provide assets as collateral. The Proposed Billion Credit Financial Acquisition constitutes an “interested person transaction” under Chapter 9 of the Catalist Rules and is conditional upon approval by Shareholders in a general meeting.
- A9. 18 October 2021:** The Company announced that it had entered into a sale and purchase agreement with Mr Heilesen to acquire 420 shares in Golden Ultra Limited (“**Golden Ultra**”), representing 42.0% of the issued share capital of Golden Ultra, for a consideration of HK\$84.0 million (equivalent to approximately S\$14.6 million) (the “**Proposed Golden Ultra Acquisition**”). Golden Ultra is principally engaged in the business of trading of watches through the online platform known as [www.bestwatch.com.hk](http://www.bestwatch.com.hk), which provides various luxury watch brands for customers in Hong Kong and other countries. As the Proposed Golden Ultra Acquisition constitutes (a) an “interested person transaction” under Chapter 9 of the Catalist Rules, and (b) a “major transaction” under Chapter 10 of the Catalist Rules, the Proposed Golden Ultra Acquisition is conditional upon approval by Shareholders in a general meeting.
- A10. 27 October 2021:** The Company announced that it had entered into a share purchase agreement with Tam Ki Ying (the “**Mr Tam**”) in relation to, *inter alia*, the acquisition of 15 shares in a private limited company to be incorporated by Mr Tam in the British Virgin Islands with an issued share capital of US\$100.0 comprising 100 shares (the “**BVI-Incorporated Company**”), representing 15% of the issued share capital of the BVI-Incorporated Company, for a consideration of HK\$18.0 million (equivalent to approximately S\$3.1 million) (the “**Proposed 15% Gadmob Group Acquisition**”).

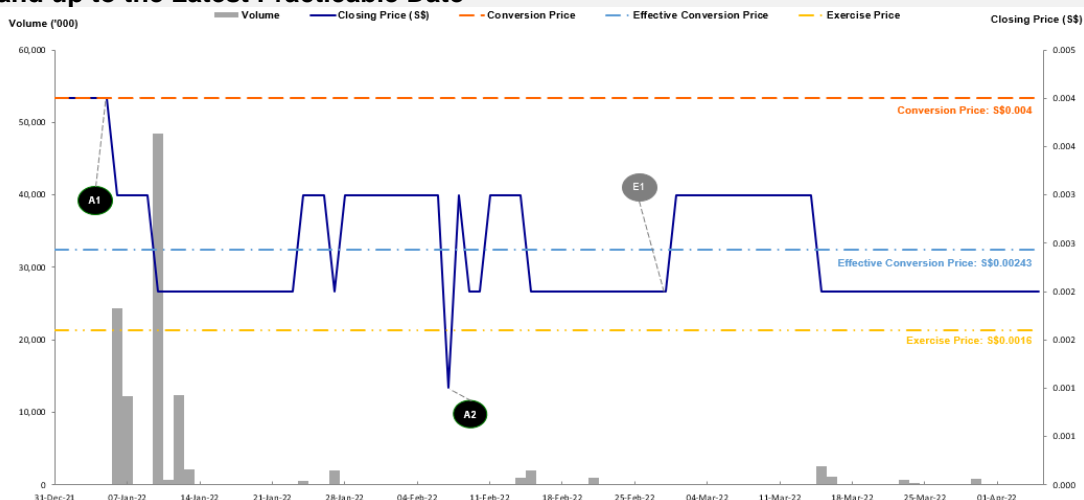
In connection with the Proposed 15% **Gadmob Group Acquisition**, Mr Tam shall undertake a proposed restructuring exercise (the “**Proposed Restructuring Exercise**”) in which the following companies will be wholly-owned by the BVI-Incorporated Company following the Proposed Restructuring Exercise: (a) Sasha Lab Limited, a private limited company incorporated in Hong Kong which engages in online payment services via partnership with mobile network operators, primarily in the Southeast Asia region, (b) Gadmob Interactive Limited, a private limited company incorporated in Hong Kong which is principally engaged in the digital advertising industry with its data-driven technologies, (c) COD Centre Pte. Ltd., a Singapore-based e-commerce company which utilises its turnkey platform to provide fulfilment solutions to merchants in Southeast Asia and worldwide, (d) Bass of Hala OÜ, a private limited company incorporated in Estonia which is principally engaged in the business of providing digital content distribution in the European market, and (v) 廣州悠綠游信息技術有限公司 (GZ Youlvyou Info Tech Co Ltd), a private limited company incorporated in People’s Republic of China and a wholly-owned subsidiary of Gadmob Interactive Limited, which is principally in the business of providing research and development for all of Gadmob Group’s (as defined below) projects in the areas of, among others, digital advertising exchanges, online payment solutions, mobile content management systems, and e-commerce enterprise resource planning systems (together with the BVI-Incorporated Company, collectively, the “**Gadmob Group**”).

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Based on the chart above, the closing prices of the Shares during the one-year period prior to and including the Last Trading Day had ranged between a low of S\$0.003 per Share (on 7, 8, 10, 14, 16, 24 and 28 September 2021) and a high of S\$0.010 per Share (on 27 January 2021). The closing prices of the Shares had generally increased from S\$0.006566 on 1 January 2021 to S\$0.010 on 27 January 2021 before trending downwards to S\$0.004 on 8 February 2021. Subsequently, the Shares were traded between a low of S\$0.003 and a high of S\$0.006 for the period between 9 February 2021 to 31 December 2021.

We have also set out the daily closing prices and daily trading volumes of the Shares from the Last Trading Day and up to the Latest Practicable Date below:

### Daily closing prices and daily trading volumes of the Shares from the Last Trading Day and up to the Latest Practicable Date



**Source:** Thomson Reuters Eikon and Company announcements on the SGXNET

#### Earnings announcements:

**E1. 28 February 2022:** The Company announced its unaudited financial statements for FY2021 in which the Group's net loss from continuing operations increased by approximately S\$57,000 or 1.7% from approximately S\$3.3 million in FY2020 to approximately S\$3.4 million in FY2021. Taking into account the net loss from discontinued operations in FY2020, the Group recorded a total net loss of approximately S\$4.1 million in FY2020 *vis-à-vis* a total net loss of approximately S\$3.4 million in FY2021.

#### Other significant announcements:

**A1. 5 January 2022:** The Announcements were made.

**A2. 7 February 2022:** The Company announced that all resolutions in relation to (a) the Proposed Golden Ultra Acquisition, (b) the Proposed Billion Credit Financial Acquisition, and (c) the proposed diversification into the e-commerce business, which were put to vote by poll at the extraordinary general meeting held on 7 February 2022, have been duly passed by the Shareholders.

Based on the chart above, during the period after the Last Trading Day and up to the Latest Practicable Date, the market prices of the Shares had closed at between S\$0.001 (on 7 February 2022) and S\$0.003.

We have set out below the premia/(discount) implied by the Conversion Price and the Exercise Price over/(to) the historical volume-weighted average prices ("VWAPs") for (a) the one-year period prior to and including the Last Trading Day, and (b) the period after the Announcements and up to the Latest Practicable Date:



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	VWAP <sup>(1)(2)</sup> (S\$)	Premium/ (discount) of Conversion Price over/(to) VWAP (%)	Discount of Exercise Price over/(to) VWAP (%)	Highest closing price (S\$)	Lowest closing price (S\$)	Average daily trading volume <sup>(3)</sup> ("ADTV") ('000)	ADTV as a percentage of free float <sup>(4)(5)</sup> (%)
<b>Periods prior to and including the Last Trading Day</b>							
One-year	0.00611	(34.5)	(73.8)	0.010	0.003	2,419	0.24
6-month	0.00399	0.3	(59.9)	0.005	0.003	304	0.03
3-month	0.00401	(0.2)	(60.1)	0.005	0.004	264	0.03
One-month	0.00389	2.8	(58.9)	0.004	0.004	59	0.01
Last Trading Day <sup>(5)</sup>	0.004	0.0	(60.0)	0.004	0.004	0.2	n.m. <sup>(6)</sup>
<b>Period after the Last Trading Day and up to the Latest Practicable Date</b>							
After the Last Trading Day and up to the Latest Practicable Date	0.00233	71.7	(31.3)	0.003	0.001	1,820	0.18
Latest Practicable Date <sup>(7)</sup>	0.002	100.0	(20.0)	0.002	0.002	9	n.m. <sup>(6)</sup>

**Source:** Thomson Reuters Eikon

**Notes:**

- (1) The VWAP has been weighted based on the average traded prices and traded volumes of the Shares for the relevant market days for each of the above periods.
- (2) The closing share prices of the Company (where relevant) had been adjusted for the 10 rights shares-for-one Share rights cum warrants issue, which was completed on 5 February 2021.
- (3) The average daily trading volume of the Shares is calculated based on the total volume of Shares traded during the relevant period divided by the number of market days (excluding trading halts) during that period.
- (4) Free float refers to approximately 1,015.2 million Shares or 33.91% of the issued share capital of the Company held by the public (as defined in the Catalyst Rules) for (a) the one-year period prior to and including the Last Trading Day, and (b) the period after the Last Trading Day and up to the Latest Practicable Date, as extracted from publicly available information.
- (5) Refers to the closing price of the Shares on the Last Trading Day, being 31 December 2021, prior to the trading halt of the Shares on 3 January 2022.
- (6) Denotes "not meaningful".
- (7) Refers to the closing price of the Shares on the Latest Practicable Date.

Based on the above, we note the following:

Periods prior to and including the Last Trading Day

- (a) The Conversion Price of S\$0.004:
  - (i) represents a marginal premium of approximately 2.8% and 0.3% over the VWAPs of the Shares for the one-month period and 6-month period respectively prior to and including the Last Trading Day;



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- (ii) represents a marginal discount of approximately 0.2% to the VWAP of the Shares for the 3-month period prior to and including the Last Trading Day;
  - (iii) represents a significant discount of approximately 34.5% to the VWAP of the Shares for the one-year period prior to and including the Last Trading Day; and
  - (iv) is the same as the closing price of the Shares of S\$0.004 on the Last Trading Day.
- (b) The Exercise Price of S\$0.0016:
- (i) represents a significant discount of approximately 73.8%, 59.9%, 60.1% and 58.9% to the VWAPs of the Shares for the one-year, 6-month, 3-month, one-month periods prior to and including the Last Trading Day respectively; and
  - (ii) represents a significant discount of 60.0% to the closing price of the Shares of S\$0.004 on the Last Trading Day.
- (c) The closing prices of the Shares over the one-year period prior to and including the Last Trading Day were between a low of S\$0.003 per Share (on 7, 8, 10, 14, 16, 24 and 28 September 2021) and a high of S\$0.010 per Share (on 27 January 2021).
- (d) During the one-year period prior to and including the Last Trading Day, the average daily trading volumes of the Shares ranged from approximately 59,000 Shares to 2,419,000 Shares, representing approximately 0.24%, 0.03%, 0.03% and 0.01% of the Company's free float over each of the one-year, 6-month, 3-month and one-month periods respectively.

### Period after the Last Trading Day and up to the Latest Practicable Date

- (a) The Conversion Price of S\$0.004 represents a significant premium of approximately 71.7% over the VWAP of the Shares of S\$0.00233 for the period after the Last Trading Day and up to the Latest Practicable Date, and (ii) a significant premium of 100.0% over the closing price of the Shares of S\$0.002 on the Latest Practicable Date.
- (b) The Exercise Price of S\$0.0016 represents a significant discount of approximately 31.3% to the VWAP of the Shares of S\$0.00233 for the period after the Last Trading Day and up to the Latest Practicable Date, and (ii) a discount of 20.0% to the closing price of the Shares of S\$0.002 on the Latest Practicable Date.
- (c) During the period after the Latest Trading Day and up to the Latest Practicable Date, the Shares were traded at an average daily trading volume of approximately 1,820,000 Shares, representing approximately 0.18 % of the Company's free float.

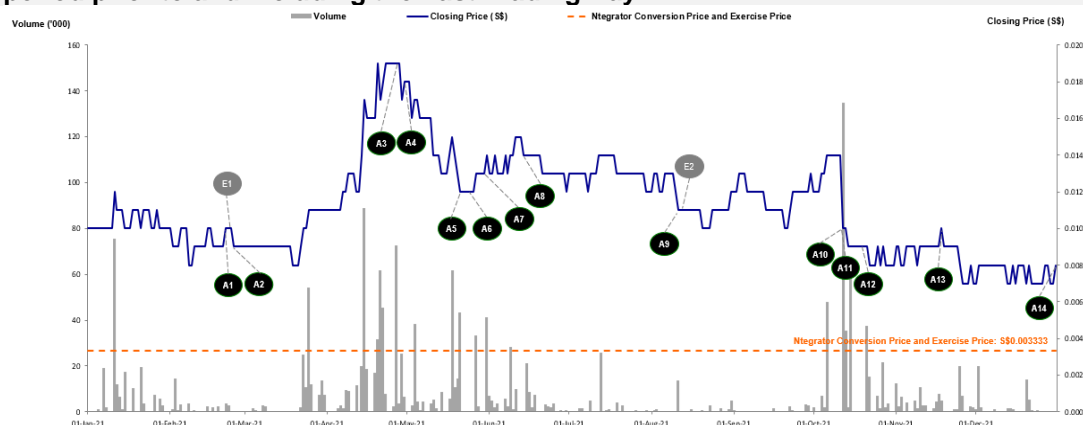
We wish to highlight that the market valuation of shares of a company traded on a securities exchange may be affected by, *inter alia*, the prevailing economic conditions, economic outlook, stock market conditions and sentiment, the corporate activities of the company, its relative liquidity, the size of its free float, the extent of research coverage, the investor interest it attracts and the general market sentiment at a given point in time.

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### 5.4.2 Historical trading price performance and trading activity of the Ntegrator Shares

We have compared the Ntegrator Conversion Price and the Ntegrator Exercise Price to the daily closing prices of Ntegrator Shares for the one-year period between 1 January 2021 and 31 December 2021, being the Last Trading Day prior to the announcements by Ntegrator on 1 January 2022 in relation to the (a) the proposed issuance of the Ntegrator Perpetual Convertible Bonds and the Ntegrator Warrants, and (b) the proposed subscription of the Ntegrator Perpetual Bonds, Ntegrator Perpetual Convertible Bonds and the Ntegrator Warrants. We have also marked certain dates in the aforesaid one-year period where significant events occurred.

#### Daily closing prices and daily trading volumes of the Ntegrator Shares for the one-year period prior to and including the Last Trading Day



**Source:** Thomson Reuters Eikon and Ntegrator announcements on the SGXNET

#### Earnings announcements:

- E1. 24 February 2021.** Ntegrator announced its unaudited financial statements for FY2020 in which it recorded a net loss attributable to equity holders of Ntegrator of approximately S\$2.8 million in FY2020 *vis-a-vis* a net loss attributable to equity holders of Ntegrator of approximately S\$2.0 million in FY2019.
- E2. 14 August 2021:** Ntegrator announced its unaudited condensed interim financial statements for 6M2021 in which it recorded a net profit attributable to equity holders of Ntegrator of approximately S\$0.1 million in 6M2021 *vis-a-vis* a net loss attributable to equity holders of Ntegrator of approximately S\$0.8 million in 6M2020.

#### Other Significant announcements:

- A1. 22 February 2021:** Ntegrator issued a profit guidance in respect of the Ntegrator Group's FY2020 financial results in which the Ntegrator Group is expected to report a loss for FY2020, mainly due to operating losses arising from a complete halt of business activities during the circuit breaker and limited service delivery in the latter half of the year as a result of the COVID-19 pandemic.
- A2. 26 February 2021:** Ntegrator announced the securement of a contract with a Singapore-based regional service provider worth S\$6.1 million. The contract is expected to contribute positively to the Ntegrator Group's financial performance and condition for the year ending 31 December 2021, subject to the timely completion of the project and effective cost management.
- A3. 28 April 2021:** Ntegrator announced the results of its annual general meeting ("AGM") held on 28 April 2021 which set out, among others, that the resolutions relating to the re-election of each of Han Meng Siew, Jimmy Chang Joo Whut, Charles George St. John Reed, Lai Chun Loong and Lee Keen Whye as directors of Ntegrator were not passed at the AGM. Consequent to the foregoing, Ntegrator announced that Jimmy Chang Joo Whut, Lai Chun Loong and Lee Keen Whye have ceased to be directors of Ntegrator with effect from 28 April 2021 while Han Meng Siew and Charles George St. John Reed would remain on the board of Ntegrator (the "Ntegrator Board") until such time that Ntegrator appoints at least 2 new directors to the board of Ntegrator, to comply with regulation 100 of Ntegrator's constitution.

Ntegrator further announced the receipt of notice of intention from Mission Well Limited and Tansri Saridju Benui, who collectively own 10.0% of the total number of issued shares of Ntegrator as at 21 April 2021

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(the “**Relevant Shareholders**”), to convene an extraordinary general meeting pursuant to Section 177 of Companies for the purpose of considering and, if thought fit, passing the resolutions relating to, among others, the appointment of Leung Kwok Kuen Jacob, Mr Heilesen, Leung Yu Tung Stanley, Zhou Jia Lin and Eunice Veon Koh Pei Lee as directors of Ntegrator (the “**Incoming Ntegrator Directors**”).

Subsequently, Ntegrator had on 20 May 2021 announced that Eunice Veon Koh Pei Lee had withdrawn her consent to act as a director of Ntegrator.

- A4. 30 April 2021:** Ntegrator announced the receipt of another letter from the Relevant Shareholders to include additional resolutions in an extraordinary general meeting to be convened with respect to the removal of Han Meng Siew and Charles George St. John Reed as directors of Ntegrator (the “**Outgoing Ntegrator Directors**”).
- A5. 22 May 2021:** Ntegrator announced that all the resolutions which were tabled at the extraordinary general meeting held on 21 May 2021 were duly passed by Ntegrator’s shareholders. In connection with the foregoing, Ntegrator further announced the appointment of the Incoming Ntegrator Directors, excluding Eunice Veon Koh Pei Lee, and the cessation of the Outgoing Ntegrator Directors, save for Han Meng Siew who remained as a director of Ntegrator until another person who is ordinarily resident in Singapore is appointed as a director of Ntegrator.
- A6. 25 May 2021:** Ntegrator announced that it had entered into a conditional placement agreement with Zhou Qilin in relation to, *inter alia*, a proposed allotment and issue of an aggregate of 187,863,480 Ntegrator Shares to Zhou Qilin at a subscription price of S\$0.01094 per new Ntegrator Share (the “**Zhou Qilin Placement**”). The net proceeds from the issuance of the new Ntegrator Shares amounted to approximately S\$2.0 million.
- A7. 1 June 2021:** Ntegrator announced the entry into a share sale and purchase agreement with Mr Heilesen, who is the sole shareholder and director of the Fund Joy Limited (“**Fund Joy**”), a private company incorporated in Hong Kong on 1 June 2021, to acquire the entire share capital in the Fund Joy by Ntegrator at a consideration of HK\$1.0. Fund Joy is a dormant company and does not have any business activity.
- A8. 14 June 2021:** Ntegrator announced the securing of two (2) contracts amounting to approximately S\$2.4 million from a leading telecommunications network service provider in the region. The said contracts are expected to contribute positively to the Ntegrator Group’s financial performance and condition for the year ending 31 December 2021, subject to the timely completion of the project and effective cost management.
- A9. 11 August 2021:** Ntegrator announced the receipt of a letter of statutory demand dated 6 August 2021 from the lawyers of Asian Corporate Advisors Pte. Ltd. (“**ACA**”), the former continuing sponsor of Ntegrator, pursuant to Section 125(2)(a) of the Insolvency, Restructuring and Dissolution Act 2018 for alleged fees amounting to S\$177,432.06 in aggregate owing by Ntegrator to ACA. ACA has demanded payment within 3 weeks from the date of receipt of the said letter of statutory demand, failing which ACA may commence winding up proceedings against the Ntegrator. Subsequently, Ntegrator announced on 27 August 2021 that ACA will not commence winding up proceedings against Ntegrator on the basis of the aforementioned letter of statutory demand on the condition that Ntegrator places a sum of S\$177,432.06, being the sum alleged to be due and owing by the Ntegrator to ACA into an escrow account. Accordingly, Ntegrator has, on 27 August 2021, placed the sum of S\$177,432.06 in the escrow account.
- A10. 12 October 2021:** Ntegrator announced the entry into a share purchase agreement with Mr Tam through its newly-incorporated subsidiary, Cyber Sail Global Limited, in relation to, *inter alia*, the acquisition of 85 shares in the BVI-Incorporated Company, representing 85% of the issued share capital of the BVI Incorporated Company, for a consideration of S\$15.2 million (the “**Proposed 85% Gadmob Group Acquisition**”). The Proposed 85% Gadmob Group Acquisition constitutes a “major transaction” under Chapter 10 of the Catalist Rules and accordingly, the Proposed 85% Gadmob Group Acquisition is conditional upon approval by Ntegrators’ shareholders in a general meeting.

In connection with the foregoing, Mr Tam shall undertake the Proposed Restructuring Exercise in which the following companies will be wholly-owned by the BVI Incorporated Company following the Proposed Restructuring Exercise: (i) Sasha Lab Limited, (ii) Gadmob Interactive Limited, (iii) COD Centre Pte. Ltd., (iv) Bass of Hala OÜ, and (v) 廣州悠線游信息技術有限公司 (GZ Youlvyou Info Tech Co Ltd). Further information regarding the Gadmob Group can be found under item A10 of the ‘Other Significant Announcements’ in paragraph 5.4.1 of this Letter.

- A11. 12 October 2021:** Ntegrator announced that it had entered into a sale and purchase agreement with Mr Heilesen to acquire 550 shares in Golden Ultra, representing 55.0% of the issued share capital of Golden Ultra, for a consideration of HK\$110.0 million (equivalent to approximately S\$19.2 million) (the “**Proposed 55% Golden Ultra Acquisition**”). Further information regarding Golden Ultra can be found under item A9 of the ‘Other Significant Announcements’ in paragraph 5.4.1 of this Letter. As the Proposed 55% Golden Ultra Acquisition constitutes (a) an “interested person transaction” under Chapter 9 of the Catalist Rules, and (b) a “major transaction” under Chapter 10 of the Catalist Rules, the Proposed 55% Golden Ultra Acquisition is conditional upon approval by the Ntegrator’s shareholders in a general meeting.

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- A12. 20 October 2021:** Ntegrator announced that it had on 20 October 2021 entered into conditional placement agreements with Zheng Ze Li and Industrial Electronics Pte Ltd in relation to, *inter alia*, a proposed allotment and issuance of (a) an aggregate of 172,400,000 new Ntegrator Shares at a subscription price of S\$0.0082 per share and (b) an aggregate of 172,400,000 free warrants, from Ntegrator to Zheng Ze Li and Industrial Electronics Pte Ltd, where each warrant shall grant the holder thereof the right to subscribe for one new Ntegrator Share at an exercise price of S\$0.0082 for each share (the “**2021 Ntegrator Placement**”). The net proceeds arising from the conditional placement agreements would amount to approximately S\$2.8 million.
- A13. 18 November 2021:** Ntegrator announced the proposed change of its current auditors, Nexia TS Public Accounting Corporation to Moore Stephens LLP.
- A14. 31 December 2021:** Ntegrator announced that it is proposing to, in conjunction with and immediately prior to the rights cum warrants issue, undertake a share consolidation of every 3 existing issued ordinary shares in the capital of Ntegrator into one Ntegrator Share (the “**2021 Ntegrator Share Consolidation**”), and (b) subject to and conditional upon the completion of the 2021 Ntegrator Share Consolidation, Ntegrator is proposing to undertake a renounceable non-underwritten rights cum warrants issue on the basis of 15 rights shares for every one consolidated share held by shareholders of Ntegrator (the “**2021 Ntegrator Rights Issue**”), with 2 warrant A, 2 warrant B, 2 warrant C, 2 warrant D and 2 warrant E for every 15 rights share subscribed by Ntegrators’ shareholders of up to 8,890,293,570 new ordinary shares (post-share consolidation) in the capital of Ntegrator at an issue price of S\$0.01 for each rights share, with up to 5,926,862,380 free detachable warrants, with every one warrant, in the form of warrant A, warrant B, warrant C, warrant D and warrant E, each granting the holder thereof the right to subscribe for one new Ntegrator Share at an exercise price of S\$0.0504 for each warrant A, S\$0.03864 for each warrant B, S\$0.0264 for each warrant C, S\$0.015 for each warrant D and a 30% discount to the 30-day volume weighted average price to be determined on the expiration date, subject to a ceiling of an exercise price of S\$0.045, for each warrant E (the “**2021 Ntegrator Rights cum Warrants Issue**”).

Based on the above chart, the closing prices of the Ntegrator Shares during the one-year period prior to and including the last Trading Day ranged between a low of S\$0.007 (on 26 and 30 November 2021, 1, 13, 14, 16, 20, 22, 24, 29 and 30 December 2022) and a high of S\$0.019 (20, 23, 26, 27 and 28 April 2021).

The closing prices of the Ntegrator Shares had ranged between a low of S\$0.008 and a high of S\$0.013 for the period between 1 January 2021 and 13 April 2021, before spiking up to S\$0.019 on 20 April 2021. Subsequently, the Ntegrator Shares had gradually decreased to S\$0.012 on 21 May 2021 and had generally been trading between a low of S\$0.010 and a high of S\$0.015 for the period between 27 May 2021 and 13 October 2021, before the Shares closed at S\$0.008 on 31 December 2021.

We have also set out the daily closing prices and daily trading volumes of the Ntegrator Shares from the Last Trading Day and up to the Latest Practicable Date below:

### Daily closing prices and daily trading volumes of the Ntegrator Shares from the Last Trading Day and up to the Latest Practicable Date



**Source:** Thomson Reuters Eikon and Ntegrator announcements on the SGXNET

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### Earnings announcements:

- E1. 1 March 2022:** Ntegrator announced its condensed interim financial statements for FY2021 in which the Ntegrator Group's net loss decreased by approximately S\$2.1 million or 42.0% from approximately S\$5.0 million in FY2020 to approximately S\$2.9 million in FY2021.

### Other significant announcements:

- A1. 1 January 2022:** Ntegrator announced its entry into the Subscription Agreement and Ntegrator Subscription Agreement with the Company.
- A2. 19 January 2022:** Ntegrator announced that it has on 19 January 2022 entered into an exclusive non-binding letter of intent till 30 June 2022 with Watchismo LLC ("**Watchismo**") in relation to, *inter alia*, the proposed acquisition of, amongst others, the domain names "Watches.com", "Watches.net", "Watches.ca" and "Watches.co", at a cash consideration of US\$11.0 million. Watchismo is principally in the business of trading of watches through the online platform known as Watches.com, which provides watches of various brands to customers globally, including the United States.
- A3. 16 February 2022:** Ntegrator announced the securement of a contract amounting to approximately S\$4.0 million from a leading network service provider in the region. The said contracts will commence on 1 April 2022 and is expected to be completed by the end of 2022.
- A4. 14 March 2022:** Ntegrator announced that it had won 2 contracts from the same regional telecommunication giant worth a maximum of approximately S\$43.5 million including the one-year options. The first contract of approximately S\$26.0 million has a 2-year term and an option by the customer to extend the contract for an additional year for S\$13.0 million and the second contract of approximately S\$3.0 million has a 2-year term and an option by the customer to extend the contract for an additional S\$1.5 million.
- A5. 19 March 2022:** Ntegrator released the circular relating to (a) the 2021 Ntegrator Share Consolidation, (b) the 2021 Ntegrator Rights cum Warrants Issue, and (c) the potential transfer of controlling interest in Ntegrator to Mr Heilesen, Mission Well Limited, the Company, Zheng Ze Li and/or Industrial Electronics Pte Ltd arising from the issue of the rights shares pursuant to the 2021 Ntegrator Rights Issue.

Based on the above chart, during the period after the Last Trading Day and up to the Latest Practicable Date, the market prices of the Ntegrator Shares had closed at between S\$0.003 and S\$0.005.

We have set out below the discount implied by the Ntegrator Conversion Price and the Ntegrator Exercise Price to the VWAPs for (a) the one-year period prior to and including the Last Trading Day, and (b) the period after the Last Trading Day and up to the Latest Practicable Date:

	VWAP <sup>(1)</sup> (S\$)	Discount of Ntegrator Conversion Price and Ntegrator Exercise Price to VWAP (%)	Highest closing price (S\$)	Lowest closing price (S\$)	Average daily trading volume <sup>(2)</sup> ("ADTV") ( <sup>3</sup> 000)	ADTV as a percentage of free float <sup>(2)(3)</sup> (%)
<b>Periods prior to and including the Last Trading Day</b>						
One-year	0.01285	(74.1)	0.019	0.007	7,485	0.64
6-month	0.01055	(68.4)	0.014	0.007	5,052	0.43
3-month	0.01022	(67.4)	0.014	0.007	9,058	0.78
One-month	0.00750	(55.6)	0.008	0.007	2,229	0.19
Last Trading Day <sup>(4)</sup>	0.008	(58.3)	0.008	0.008	300	0.03

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	VWAP <sup>(1)</sup>	Discount of Ntegrator Conversion Price and Ntegrator Exercise Price to VWAP	Highest closing price	Lowest closing price	Average daily trading volume <sup>(2)</sup> (“ADTV”)	ADTV as a percentage of free float <sup>(2)(3)</sup>
<b>Period after the Last Trading Day and up to the Latest Practicable Date</b>						
After the Last Trading Day and up to the Latest Practicable Date	0.00449	(25.8)	0.005	0.003	2,316	0.20
Latest Practicable Date <sup>(5)</sup>	0.004	(16.7)	0.004	0.004	1,689	0.15

**Source:** Thomson Reuters Eikon

**Notes:**

- (1) The VWAP has been weighted based on the average traded prices and traded volumes of the Ntegrator Shares for the relevant market days for each of the above periods.
- (2) The average daily trading volume of the Ntegrator Shares is calculated based on the total volume of Ntegrator Shares traded during the relevant period divided by the number of market days (excluding trading halts) during that period.
- (3) Free float refers to (a) approximately 1,163.2 million Ntegrator Shares or 79.4% of the issued share capital of Ntegrator held by the public (as defined in the Catalist Rules) for the one-year period prior to and including the Last Trading Day, and (b) approximately 1,163.2 million Ntegrator Shares or 74.3% for the period after the Last Trading Day and up to the Latest Practicable Date, as extracted from publicly available information. The free float had reduced from 79.4% for the one-year period prior to and including the Last Trading Day to 74.3% for the period after the Last Trading Day and up to the Latest Practicable Date as a result of an increase in the Ntegrator issued Shares pursuant to the exercise of unlisted warrants by a shareholder of Ntegrator.
- (4) Refers to the closing price of the Ntegrator Shares on the Last Trading Day, being 31 December 2021.
- (5) Refers to the closing price of the Ntegrator Shares on the Latest Practicable Date.

Based on the above, we note the following:

Periods prior to and including the Last Trading Day

- (a) The closing prices of the Ntegrator Shares over the one-year period prior to and including the Last Trading Day were traded between a low of S\$0.007 per Ntegrator Share (on 26 and 30 November 2021, 1, 13, 14, 16, 20, 22, 24, 29 and 30 December 2021) and a high of S\$0.019 per Ntegrator Share (20, 23, 26, 27 and 28 April 2021), and the Ntegrator Conversion Price and the Ntegrator Exercise Price represent (i) a significant discount of approximately 74.1%, 68.4%, 67.4%, 55.6% to the VWAPs of the Ntegrator Shares for the one-year, 6-month, 3-month, one-month periods prior to and including the Last Trading Day respectively.
- (b) The Ntegrator Conversion price and the Ntegrator Exercise Price represent a significant discount of 58.3% to the closing price of the Ntegrator Shares of S\$0.008 on the Last Trading Day.
- (c) During the one-year period prior to and including the Last Trading Day, the average daily trading volumes of the Ntegrator Shares ranged from approximately 2,229,000 Ntegrator Shares to 9,058,000 Ntegrator Shares, representing approximately 0.64%, 0.43%, 0.78% and 0.19% of the Ntegrator’s free float over each of the one-year, 6-month, 3-month and one-month periods respectively.



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### Period after the Last Trading Day and up to the Latest Practicable Date

- (a) The Ntegrator Conversion Price and the Ntegrator Exercise Price represent a discount of approximately 25.8% to the VWAP of the Ntegrator Shares of S\$0.00449 for the period after the Last Trading Day and up to the Latest Practicable Date, and (ii) a discount of approximately 16.7% to the closing price of the Ntegrator Shares of S\$0.004 on the Latest Practicable Date.
- (b) During the period after the Latest Trading Day and up to the Latest Practicable Date, the Ntegrator Shares were traded at an average daily trading volume of approximately 2,316,000 Ntegrator Shares, representing approximately 0.20% of the Ntegrator's free float.

We wish to highlight that the market valuation of shares of a company traded on a securities exchange may be affected by, *inter alia*, the prevailing economic conditions, economic outlook, stock market conditions and sentiment, the corporate activities of the company, its relative liquidity, the size of its free float, the extent of research coverage, the investor interest it attracts and the general market sentiment at a given point in time.

### 5.4.3 Comparison of the trading statistics of the Shares and the Ntegrator Shares

As the Conversion Price and the Exercise Price are different, we have also computed the effective Conversion Price (assuming the conversion of the Perpetual Convertible Bonds, and the exercise of the Warrants, in full) for a more meaningful comparison *vis-à-vis* the trading statistics of the Ntegrator Shares. Accordingly, the effective Conversion Price would be approximately S\$0.00243 per Share (the "**Effective Conversion Price**").

	In relation to the Proposed Issuance			In relation to the Proposed Subscription
	Premium/(discount) of Conversion Price over/(to) VWAP (%)	Discount of Exercise Price to VWAP (%)	Premium/(discount) of Effective Conversion Price to VWAP (%)	Discount of Ntegrator Conversion Price and Ntegrator Exercise Price to VWAP (%)
<b>Periods prior to and including the Last Trading Day</b>				
One-year	(34.5)	(73.8)	(60.2)	(74.1)
6-month	0.3	(59.9)	(39.1)	(68.4)
3-month	(0.2)	(60.1)	(39.4)	(67.4)
One-month	2.8	(58.9)	(37.5)	(55.6)
Last Trading Day	0.0	(60.0)	(39.3)	(58.3)
<b>Period after the Last Trading Day and up to the Latest Practicable Date</b>				
After the Last Trading Day and up to the Latest Practicable Date	71.7	(31.3)	4.3	(25.8)
Latest Practicable Date	100.0	(20.0)	21.5	(16.7)

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Our observations in respect of the above table are set out as follows:

- (a) for the periods prior to and including the Last Trading Day, the premia / discounts of the Conversion Price, the Exercise Price and the Effective Conversion Price (in relation to the Proposed Issuance) over/to the VWAPs of the Shares are generally more favourable as compared to the discounts of the Ntegrator Conversion Price and the Ntegrator Exercise Price (in relation to the Proposed Subscription) to the VWAPs of the Ntegrator Shares for the corresponding periods; and
- (b) for the period after the Last Trading Day and up to the Latest Practicable Date, notwithstanding that the discount of the Exercise Price (in relation to the Proposed Issuance) to the VWAP of the Shares is higher than the corresponding discounts of the Ntegrator Conversion Price and the Ntegrator Exercise Price (in relation to the Proposed Subscription) to the VWAP of the Ntegrator Shares, the premia of the Conversion Price and the Effective Conversion Price (in relation to the Proposed Issuance) over the VWAP of the Shares are generally more favourable as compared to the corresponding discounts of the Ntegrator Conversion Price and the Ntegrator Exercise Price (in relation to the Proposed Subscription) to the VWAPs of the Ntegrator Shares.

In view of the above comparison, the Proposed Transactions appear to be reasonable to the Company.

### 5.5 NAV and adjusted NAV (as the case may be) of the Group and the Ntegrator Group

#### 5.5.1 NAV of the Group

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

A summary of the latest unaudited financial position of the Group as at 31 December 2021 is set out below:

	<b>Unaudited 31 December 2021 (S\$'000)</b>
<b>Assets:</b>	
<b>Non-current assets</b>	
Property, plant and equipment	1,547
Intangible assets	1,304
Goodwill	1,062
<b>Total non-current assets</b>	<b>3,913</b>
<b>Current assets</b>	
Inventories	5,847
Trade receivables	5,554
Other receivables, deposits and prepayments	670



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	<b>Unaudited 31 December 2021 (S\$'000)</b>
Cash and cash equivalents	815
<b>Total current assets</b>	<b>12,886</b>
 <b>Liabilities:</b>	
<b>Non-current liabilities</b>	
Lease obligations	(419)
<b>Total non-current liabilities</b>	<b>(419)</b>
 <b>Current liabilities</b>	
Trade payables	(139)
Other payables and accruals	(3,483)
Lease liabilities	(54)
<b>Total current liabilities</b>	<b>(4,350)</b>
 <b>Net current assets</b>	 <b>8,536</b>
<b>Net assets</b>	<b>12,030</b>
 <b>Equity:</b>	
Share capital	53,665
Translation reserve	(752)
Accumulated losses	(40,883)
<b>Total equity</b>	<b>12,030</b>
 Number of issued Shares as at 31 December 2021	 2,993,532,545
<b>NAV per Share (S\$)</b>	<b>0.00402</b>
<b>Discount of Conversion Price to NAV per Share</b>	<b>(0.5)%</b>
<b>Discount of Exercise Price to NAV per Share</b>	<b>(60.2)%</b>
<b>Discount of Effective Conversion Price to NAV per Share</b>	<b>(39.6)%</b>
<b>Price-to-NAV ratio ("P/NAV") as implied by the Conversion Price</b>	<b>1.00 times</b>
<b>P/NAV ratio as implied by the Exercise Price</b>	<b>0.40 times</b>
<b>P/NAV ratio as implied by the Effective Conversion Price</b>	<b>0.60 times</b>

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As set out in the table above, the Group's NAV amounted to approximately S\$12.0 million or S\$0.00402 per Share (based on 2,993,532,545 issued Shares) as at 31 December 2021. Accordingly, the Conversion Price, Exercise Price and the Effective Conversion Price represent a discount of approximately 0.5%, 60.2% and 39.6% to the NAV per Share as at 31 December 2021 respectively, and the P/NAV ratio (as implied by the Conversion Price, the Exercise Price and the Effective Conversion Price) would be 1.00 times, 0.40 times and 0.60 times respectively.

As at the Latest Practicable Date, the Company has 2,693,670,727 outstanding warrants (the "**Existing Warrants**") with an exercise price of S\$0.012 for each new Share<sup>4</sup>. Based on the closing price of the Share as at the Latest Practicable Date of S\$0.002, the exercise price of S\$0.012 of the Existing Warrants would be at a significant premium of 500.0% over the closing price of the Share of S\$0.002 as at the Latest Practicable Date. Accordingly, we have not made any adjustments to the NAV of the Group as the Existing Warrants are out-of-the money as at the Latest Practicable Date.

In respect of the above, the Directors have confirmed that as at the Latest Practicable Date and to the best of their knowledge and belief:

- (a) there are no such assets which values as at the Latest Practicable Date may be materially different from their respective book values as at 31 December 2021;
- (b) there are no other contingent liabilities, bad or doubtful debts, impairment losses or material events which would likely have a material impact on the NAV of the Group as at 31 December 2021;
- (c) there are no litigation, claim or proceedings pending or threatened against the Company or the Group or likely to give rise to any proceedings which might materially and adversely affect the financial position of the Company and/or the Group as at 31 December 2021;
- (d) there are no other intangible assets which ought to be disclosed in the statement of financial position of the Group in accordance with the Singapore Financial Reporting Standards (International) and which have not been so disclosed, that would have had a material impact on the overall financial position of the Group as at 31 December 2021;
- (e) there have been no material acquisitions or disposals of assets by the Group since 31 December 2021 and up to the Latest Practicable Date; and
- (f) they are not aware of any circumstances which may cause the NAV of the Group as at the Latest Practicable Date to be materially different from that recorded in the unaudited statement of financial position of the Group as at 31 December 2021.

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<sup>4</sup> As stated in section 2.22 of the Circular, the issuance of the Conversion Shares and the Exercised Shares pursuant to the Proposed Issuance would constitute an event that give rise to adjustments to the number and exercise price of the Existing Warrants. Pursuant to such adjustments, the Existing Warrants will increase up to 4,065,911,648 warrants, and the adjusted exercise price will range between S\$0.008 and S\$0.0102. Accordingly, comparing the closing price of the Shares as at the Latest Practicable Date of S\$0.002 *vis-à-vis* the adjusted exercise price of the Existing Warrants, the Existing Warrants would remain out-of-the-money as at the Latest Practicable Date. Further information on the adjustments to the Existing Warrants are set out in section 2.22 of the Circular.

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5.5.2 NAV and adjusted NAV of the Ntegrator Group

NAV of the Ntegrator Group

	<b>Unaudited 31 December 2021 (S\$'000)</b>
<b>Assets:</b>	
<b>Current assets</b>	
Cash and cash equivalents	4,963
Trade and other receivables	19,796
Inventories	315
	<b>25,074</b>
<b>Non-current assets</b>	
Property, plant and equipment	454
Right-of-use assets	1,632
Deferred income tax assets	778
	2,864
<b>Total assets</b>	<b>27,938</b>
<b>Liabilities:</b>	
<b>Current liabilities</b>	
Trade and other payables	5,446
Borrowings	11,977
	17,423
<b>Non-current liabilities</b>	
Borrowings	647
	<b>18,070</b>
<b>Net assets</b>	<b>9,868</b>
<b>Equity:</b>	
<b>Capital and reserves attributable to equity holders of Ntegrator</b>	
Share capital	29,948
Treasury shares	(11)
Accumulated losses	(15,657)
	14,280
Non-controlling interests	(4,412)
<b>Total equity</b>	<b>9,868</b>

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	<b>Unaudited</b> <b>31 December 2021</b> <b>(S\$'000)</b>
Number of issued Shares (excluding treasury shares) as at 31 December 2021	1,464,458,714
<b>NAV per Ntegrator Share (S\$)</b>	<b>0.00975</b>
<b>Discount of Ntegrator Conversion Price and Ntegrator Exercise Price to NAV per Ntegrator Share</b>	<b>(65.8)%</b>
<b>P/NAV ratio as implied by the Ntegrator Conversion Price and Ntegrator Exercise Price</b>	<b>0.34 times</b>

As set out in the table above, the NAV of Ntegrator attributable to equity holders of the company amounted to approximately S\$14.3 million or S\$0.00975 per Ntegrator Share (based on 1,464,458,714 issued Ntegrator Shares) as at 31 December 2021. Accordingly, the Ntegrator Conversion Price and the Ntegrator Exercise Price represent a discount of approximately 65.8% to the NAV per Ntegrator Share as at 31 December 2021 respectively, and the P/NAV ratio (as implied by the Ntegrator Conversion Price and the Ntegrator Exercise Price) would be 0.34 times.

### Adjusted NAV of the Ntegrator Group

Pursuant to the 2021 Ntegrator Placement, Ntegrator had in FY2021 issued 172,400,000 new Ntegrator Shares in full and 38,800,000 new Ntegrator Shares from the exercise of the free warrants, with 133,600,000 outstanding warrants as at 31 December 2021. On 28 January 2022, Ntegrator issued an additional 102,050,000 new Ntegrator Shares pursuant to the exercise of the free warrants under the 2021 Ntegrator Placement. Accordingly, the issued Ntegrator Shares had increased from 1,464,458,714 as at 31 December 2021 to 1,566,508,714 as at the Latest Practicable Date.

Taking into account the proceeds from the exercise of 102,050,000 warrants into new Ntegrator Shares pursuant to the 2021 Ntegrator Placement of approximately S\$0.8 million, the NAV of Ntegrator attributable to equity holders of the company would be approximately S\$15.1 million (the “**Adjusted Ntegrator NAV**”) or S\$0.00965 per Ntegrator Share (the “**Adjusted NAV per Ntegrator Share**”) (based on 1,566,508,714 issued Ntegrator Shares as at the Latest Practicable Date). Accordingly, the Ntegrator Conversion Price and Ntegrator Exercise Price would represent a discount of approximately 65.5% to the Adjusted NAV per Ntegrator Share, and the P/NAV ratio (as implied by the Ntegrator Conversion Price and the Ntegrator Exercise Price) (“**P/Adjusted NAV ratio**”) would be 0.35 times.

As at the Latest Practicable Date, Ntegrator has 31,550,000 outstanding warrants (the “**Ntegrator Existing Warrants**”) at an exercise price of S\$0.0082. Based on the closing price of the Ntegrator Share as at the Latest Practicable Date of S\$0.004, the exercise price of S\$0.0082 of the Ntegrator Existing Warrants would be at a significant premium of 105.0% over the closing price of the Ntegrator Share of S\$0.004 as at the Latest Practicable Date. Accordingly, we have not made any adjustments to the NAV of the Ntegrator Group as the Ntegrator Existing Warrants are out-of-the-money as at the Latest Practicable Date.

In view of the above, comparing the P/NAV ratio (as implied by the Conversion Price, the Exercise Price and the Effective Conversion Price) *vis-à-vis* the P/NAV ratio and the P/Adjusted NAV ratio (as implied by the Ntegrator Conversion Price and the Ntegrator Exercise Price) (i.e. the discounts of the Conversion Price, the Exercise Price and the Effective Conversion Price to the NAV of the Group are lower *vis-a-vis* the discounts of the Ntegrator Conversion Price and the Ntegrator Exercise Price to the NAV of Ntegrator Group), the Proposed Transactions (in relation to the aforesaid comparison) appear to be reasonable to the Company.

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### 5.6 Valuation ratios of Selected Companies Listed on the SGX-ST, the HKEx, and/or Bursa Malaysia (as the case may be) which principal business activities are broadly comparable to those of the Group or the Ntegrator Group

In our evaluation, we have adopted the following valuation measures:

Valuation ratios	General description
Price-earnings (“ <b>P/E</b> ”) or latest twelve-month (“ <b>LTM</b> ”) price-earnings (“ <b>LTM P/E</b> ”) ratio	<p>The P/E ratio or the LTM P/E ratio illustrates the ratio of the market capitalisation of a company in relation to its historical consolidated full-year or LTM (as the case may be) net profit attributable to its shareholders. As such, it is affected by a company’s capital structure, tax position and accounting policies relating to depreciation and intangible assets.</p> <p>We have considered the P/E ratio or LTM P/E ratios of the comparable companies based on their respective market capitalisations on the Latest Practicable Date and their latest full-year or LTM (as the case may be) net profit attributable to shareholders.</p>
Enterprise value-to-earnings before interest, taxes, depreciation and amortisation (“ <b>EV/EBITDA</b> ”) or latest twelve-month EV/EBITDA (“ <b>LTM EV/EBITDA</b> ”) ratio	<p>EV refers to enterprise value, which is the sum of a company’s market capitalisation, preferred equity, non-controlling interests, short-term, long-term debts and lease liabilities less its cash and cash equivalents.</p> <p>EBITDA or LTM EBITDA refers to the historical consolidated full-year or LTM (as the case may be) earnings before interest, taxes, depreciation and amortisation.</p> <p>The EV/EBITDA ratio or LTM EV/EBITDA ratio illustrates the ratio of the market value of a company’s business in relation to its historical pre-tax operating cash flow performance. The EV/EBITDA ratio or LTM EV/EBITDA ratio is an earnings-based valuation methodology. The difference between the EV/EBITDA ratio or LTM EV/EBITDA ratio and the P/E or LTM P/E ratio (described above) is that the former does not take into account the capital structure of a company as well as its interest, taxation, depreciation and amortisation charges.</p> <p>We have considered the EV/EBITDA ratios or LTM EV/EBITDA ratios of the comparable companies based on their respective market capitalisations on the Latest Practicable Date, latest-available balance sheet values and latest full-year or LTM (as the case may be) EBITDA.</p>
P/NAV ratio	<p>P/NAV refers to the ratio of the market capitalisation of a company in relation to its NAV. The P/NAV ratio represents an asset-based relative valuation which takes into consideration the book value or NAV backing of a company.</p> <p>The NAV of a company provides an estimate of its value assuming a hypothetical sale of all its assets and repayment of its liabilities and obligations, with the balance being available for distribution to its shareholders. It is an asset-based valuation methodology and</p>

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Valuation ratios	General description
	<p>this approach is meaningful to the extent that it measures the value of each share that is attached to the net assets of the company.</p> <p>We have considered the P/NAV ratios of the comparable companies based on their respective market capitalisations on the Latest Practicable Date and their latest-available NAV.</p>

### 5.6.1 Comparison of the valuation ratios of the Company with Selected Companies

Based on the unaudited financial statements of the Company for FY2021, the Group is principally engaged in the following business segments:

- (a) the trading of watches which accounted for approximately 95.7% of the Group's revenue in FY2021, and accounted for approximately 75.1% of the reportable segment assets as at 31 December 2021, and
- (b) the distribution of specialty of chemical products, consumable material, films and spare parts for electronic industry which accounted for approximately 4.3% of the Group's revenue in FY2021, and accounted for approximately 9.2%<sup>5</sup> of the reportable segment assets as at 31 December 2021.

Based on the latest available unaudited financial statements of the Company for FY2021, we note that the Group had recorded net loss and the trading of luxury watches business segment is the main contributor to the Group's revenue and constituted the main bulk of the segmental assets as at 31 December 2021. We wish to highlight that although the Group has indicated that it intends to focus on the trading of luxury watches and asset-backed loan financing business, the Company has not recorded significant revenue from the loan financing business as at the Latest Practicable Date<sup>6</sup>. In addition, the Management is of the view that there are no companies listed on the regional stock exchanges engaging in similar business activities which can be comparable to the Group in terms of scale of business operation.

Nevertheless, solely for illustrative purposes, we have made reference to the valuation ratios of selected companies listed on the HKEx with market capitalisations of up to approximately S\$60 million (or its equivalent in Hong Kong dollars ("HK\$")) and are principally engaged in the manufacturing, retail, distribution and/or trading of watches (the "**Watch Business**"), which we consider to be broadly comparable to the principal business of the Group to obtain an indication of the current market expectations with regard to the perceived valuation of the Group (collectively, the "**Comparable Companies**").

We wish to highlight that the Comparable Companies are not exhaustive and we recognise that there is no company listed on the HKEx which is identical to the Group in terms of, *inter alia*, geographical markets, composition of business activities, scale of business operations, risk profile, asset base, valuation methodologies adopted, accounting policies, track record, future prospects, market/industry size, political risk, competitive and regulatory environment, financial positions and other relevant criteria and that such businesses may have

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<sup>5</sup> The revenue and segmental assets of the 2 business segments do not added up to 100.0% as the balance are in relation to (a) "other" which include other operations in relation to investment holding companies, and (b) accounting elimination.

<sup>6</sup> As announced on 4 March 2022 by the Company, the Proposed Billion Credit Financial Acquisition has been completed. Please refer to paragraph 5.4.1 of this Letter for further details. In addition, the Company had on 7 February 2022, sought Shareholders' approval for, *inter alia*, the proposed diversification into the e-commerce business including but not limited to internet advertisement and payment systems. We understand from the Management that no revenue has been recognised from this business segment as at the Latest Practicable Date.

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fundamentally different profitability objectives. In addition, each of the Comparable Companies may engage in other separate business activities which are not related to the Watch Business. Shareholders should note that any comparison made with respect to the Comparable Companies merely serves to provide an illustrative perceived market valuation of the Group as at the Latest Practicable Date.

A brief description of the Comparable Companies is as follows:

Comparable Companies / Country of listing	Business description	Financial year-end
Asia Commercial Holdings Ltd (“ <b>Asia Commercial</b> ”) / Hong Kong	Asia Commercial is mainly engaged in the sales of watches and operates its business through 2 business segments, namely, the watch sales segment and property leasing segment.	31 March
Luxxu Group Ltd (“ <b>Luxxu</b> ”) / Hong Kong	Luxxu, formerly known as Time2U International Holding Limited, is principally engaged in the manufacture and trading of watches. Its principal businesses include the design, production and assembly of watches for original equipment manufacturer customers and the design, manufacture and sales of watches under the brand names of Time2U, Jonquet and sub-brand of Color.	31 December
Sincere Watch (Hong Kong) Ltd (“ <b>Sincere Watch</b> ”) / Hong Kong	Sincere Watch is principally engaged in the distribution of branded watches, timepieces and accessories, dining businesses and property investment in Hong Kong.	31 March
Stelux Holdings International Ltd (“ <b>Stelux</b> ”) / Hong Kong	Stelux is principally engaged in the wholesale and retail of watches in Hong Kong, and operates through 2 segments, namely, the watch retail segment and watch wholesale trading segment.	31 March

*Source: Thomson Reuters Eikon and the Comparable Companies’ annual reports*

The valuation ratios of the Comparable Companies based on their last transacted share prices as at the Latest Practicable Date are set out below:

Comparable Companies	Market capitalisation	LTM P/E (times)	LTM EV/EBITDA (times)	P/NAV (times)
Asia Commercial	HK\$152,413,137 (approx. S\$26,448,675)	2.83	1.19	0.34
Luxxu	HK\$167,132,160 (approx. S\$29,002,908)	n.a. <sup>(1)</sup>	n.a. <sup>(1)</sup>	0.70 <sup>(2)</sup>

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Comparable Companies	Market capitalisation	LTM P/E (times)	LTM EV/EBITDA (times)	P/NAV (times)
Sincere Watch	HK\$332,417,250 (approx. S\$57,685,290)	n.a. <sup>(1)</sup>	n.a. <sup>(1)</sup>	0.50
Stelux	HK\$62,788,442 (approx. S\$10,895,853)	n.a. <sup>(1)</sup>	6.95	0.14
<b>High</b>		<b>n.m.<sup>(3)</sup></b>	<b>6.95</b>	<b>0.70</b>
<b>Mean</b>		<b>n.m.<sup>(3)</sup></b>	<b>4.07</b>	<b>0.42</b>
<b>Median</b>		<b>n.m.<sup>(3)</sup></b>	<b>4.07</b>	<b>0.42</b>
<b>Low</b>		<b>n.m.<sup>(3)</sup></b>	<b>1.19</b>	<b>0.14</b>
<b>Company</b>				
<b>(as implied by the Conversion Price)</b>	<b>S\$11,974,130</b>	<b>n.a.<sup>(1)</sup></b>	<b>n.a.<sup>(1)</sup></b>	<b>1.00<sup>(4)</sup></b>
<b>(as implied by the Exercise Price)</b>	<b>S\$4,789,652</b>	<b>n.a.<sup>(1)</sup></b>	<b>n.a.<sup>(1)</sup></b>	<b>0.40<sup>(4)</sup></b>
<b>(as implied by the Effective Conversion Price)</b>	<b>S\$7,274,284</b>	<b>n.a.<sup>(1)</sup></b>	<b>n.a.<sup>(1)</sup></b>	<b>0.60<sup>(4)</sup></b>

**Source:** Thomson Reuters Eikon, annual reports and announcements of the Comparable Companies and NCF calculations

**Notes:**

- (1) Denotes “not applicable” as the respective companies recorded LTM net losses attributable to owners of the company and/or negative LTM EBITDA, as the case may be.
- (2) Adjusted for the placing of new shares by Luxxu as announced by Luxxu on 5 August 2021.
- (3) Denotes “not meaningful” as the respective companies had recorded LTM net losses attributable to owners of the company, save for Asia Commercial which resulted in a LTM P/E ratio of 2.83 times.
- (4) Based on the NAV per Share of S\$0.00402 as at 31 December 2021.

Our observations are set out as follows:

- (a) as the Company had recorded net loss in FY2021, the P/E ratio of the Company (as implied by the Conversion Price, the Exercise Price, and the Effective Conversion Price respectively) is not applicable. Solely for illustrative purpose, save for Asia Commercial’s LTM P/E ratio of 2.83 times, the other Comparable Companies had also recorded LTM net losses attributable to owners of the company which resulted in negative LTM P/E ratios;
- (b) as the Company had recorded a negative EBITDA in FY2021, the EV/EBITDA ratio of the Company (as implied by the Conversion Price, Exercise Price, and the Effective Conversion Price respectively) is not applicable. Solely for illustrative purposes, the LTM EV/EBITDA ratios of the Comparable Companies ranged between 1.19 times



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and 6.95 times, with the mean and median LTM EV/EBITDA ratios at 4.07 times and 4.07 times respectively; and

- (c) the P/NAV ratio of the Company:
- (i) (as implied by the Conversion Price) of 1.00 times is above the range of P/NAV ratios of the Comparable Companies of between 0.14 times and 0.70 times;
  - (ii) (as implied by the Exercise Price) of 0.40 times is within the range of P/NAV ratios of the Comparable Companies of between 0.14 times and 0.70 times, and slightly below the mean and median ratios of the Comparable Companies of 0.42 times and 0.42 times respectively; and
  - (iii) (as implied by the Effective Conversion Price) of 0.60 times is within the range of P/NAV ratios of the Comparable Companies of between 0.14 times and 0.70 times, and above the mean and median P/NAV ratios of the Comparable Companies of 0.42 times and 0.42 times respectively.

### 5.6.2 Comparison of Valuation ratios of Ntegrator with Selected Companies

Based on the latest available unaudited financial statements of Ntegrator for FY2021, the Ntegrator Group is principally engaged in the following segments:

- (a) the integration of network infrastructure which accounted for approximately 11.8% of the Ntegrator Group's revenue and approximately 79.3% of the reportable segment assets as at 31 December 2021 (the **Project Sales Segment**);
- (b) the installation and implementation services of the network infrastructure or voice communication systems which accounted for approximately 76.0% of the Ntegrator Group's revenue and approximately 3.4% of the reportable segment assets as at 31 December 2021 (the **Project Management and Maintenance Services Segment**); and
- (c) the retailing and designing, manufacturing, distributing, marketing, trading and selling of watches and watch accessories which accounted for approximately 12.2% of the Ntegrator Group's revenue and approximately 17.3% of the reportable segment assets as at 31 December 2021 (the **Retail Business Segment**).

We note that Ntegrator has sought the approval on, *inter alia*, its proposed diversification into the e-commerce business and the manufacturing and distributing of watches and watch accessories in November 2021, and it has recognised revenue in the Retail Business Segment<sup>7</sup> as at 31 December 2021. As the contribution from the Retail Business Segment was insignificant *vis-à-vis* the contribution from the Project Sales Segment and the Project Management and Maintenance Services Segment as at 31 December 2021, we have made reference to the valuation ratios of selected companies listed on the SGX-ST and Bursa Malaysia with market capitalisations of up to approximately S\$120 million (or its equivalent in Malaysian Ringgit ("RM")) and are principally engaged in the business of providing telecommunications services and/or network infrastructure solutions (the **Ntegrator Comparable Businesses**), which we consider to be broadly comparable to the principal business of the Ntegrator Group to obtain an indication of the current market expectations with regard to the perceived valuation of the Ntegrator Group (collectively, the **Ntegrator Comparable Companies**) solely for illustrative purposes.

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<sup>7</sup> Ntegrator had on 12 October 2021 announced the acquisition of 55.0% of the issued share capital of Golden Ultra Limited, and 85% of the issued share capital of the Gadmoble Group. As at the Latest Practicable Date, the aforementioned acquisitions have not been completed.

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We wish to highlight that the Ntegrator Comparable Companies are not exhaustive and we recognise that there is no company listed on the SGX-ST which is identical to the Ntegrator Group in terms of, *inter alia*, geographical markets, composition of business activities, scale of business operations, risk profile, asset base, valuation methodologies adopted, accounting policies, track record, future prospects, market/industry size, political risk, competitive and regulatory environment, financial positions and other relevant criteria and that such businesses may have fundamentally different profitability objectives. In addition, each of the Ntegrator Comparable Companies may engage in other separate business activities which are not related to the Ntegrator Comparable Businesses. Shareholders should note that any comparison made with respect to the Ntegrator Comparable Companies merely serves to provide an illustrative perceived market valuation of the Ntegrator Group as at the Latest Practicable Date.

A brief description of the Ntegrator Comparable Companies is as follows:

Ntegrator Comparable Companies / Country of listing	Business description	Financial year-end
Nera Telecommunications Ltd (“ <b>Nera</b> ”) / Singapore	Nera is a communications company and system integrator and solution provider, and its business segments include Wireless Infrastructure Networks (“ <b>WIN</b> ”) and Network Infrastructure (“ <b>NI</b> ”). The WIN segment is engaged in sales, marketing and distribution, design and engineering, project implementation, service and maintenance of satellite communications, transmission products and systems and wireless solutions. WIN segment provides end-to-end wireless infrastructure network solutions, alongside a host of other wireless services. It offers 5G-ready solutions and serve a multitude of customers such as service providers, Internet service providers, broadcasters, enterprises, offshore and utilities. The NI segment is engaged in sales, marketing and distribution, design and engineering, project implementation, service and maintenance of info-communications network infrastructure, network security solutions, Internet protocol networks and broadcast infrastructure.	31 December
Telechoice International Ltd (“ <b>Telechoice</b> ”) / Singapore	TeleChoice provides and enables info-communications products and services, and it operates through 3 segments: (a) Personal Communications Solutions Services (“ <b>PCS</b> ”), (b) Info-Communications Technology Services (“ <b>ICT</b> ”), and (c) Network Engineering Services (Engineering). The PCS segment provides distribution and supply chain management services relating to mobile communication devices, wearables and accessories. The ICT segment provides consultancy and system integration services for enterprise information technology (IT) infrastructure and cutting-edge	31 December

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Ntegrator Comparable Companies / Country of listing	Business description	Financial year-end
	business solutions and applications. The Engineering segment provides network engineering services and supplies specialized telecommunications products. It designs, builds and manages telecommunications networks and provides a suite of specialised products and solutions to address the network infrastructure needs of fixed and mobile operators in Asia-Pacific.	
Redtone Digital Berhad (“Redtone”) / Malaysia	REDtone is a Malaysia-based company that is engaged in the investment holding and the provision of management services to its subsidiary companies. Its segments include telecommunications services, managed telecommunications network services and industry digital services. The telecommunications services segment offers data, voice and managed network and security services to government, enterprises and small and medium enterprises. The managed telecommunications network services segment includes telecommunication engineering services, building, maintaining and operating mobile base station, fiber infrastructure and large scale wireless fidelity (WiFi) hotspots. The industry digital services segment offers cloud services and applications, data centre services, virtual reality and internet of things for smart farming.	30 June

*Source: Thomson Reuters Eikon and the Comparable Companies’ annual reports*

The valuation ratios of the Ntegrator Comparable Companies based on their last transacted share prices as at the Latest Practicable Date are set out below:

Comparable Companies	Market capitalisation	LTM P/E (times)	LTM EV/EBITDA (times)	P/NAV (times)
Nera	S\$33,656,421	n.a. <sup>(1)</sup>	n.a. <sup>(1)</sup>	0.72
Telechoice	S\$63,464,707	n.a. <sup>(1)</sup>	10.10	1.11
Redtone	RM332,369,311 (approx. S\$107,375,238)	10.22	1.39	1.80
<b>High</b>		<b>n.m.<sup>(2)</sup></b>	<b>10.10</b>	<b>1.80</b>
<b>Mean</b>		<b>n.m.<sup>(2)</sup></b>	<b>5.74</b>	<b>1.21</b>
<b>Median</b>		<b>n.m.<sup>(2)</sup></b>	<b>5.74</b>	<b>1.11</b>
<b>Low</b>		<b>n.m.<sup>(2)</sup></b>	<b>1.39</b>	<b>0.72</b>

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Comparable Companies	Market capitalisation	LTM P/E (times)	LTM EV/EBITDA (times)	P/NAV (times)
(as implied by the Ntegrator Conversion Price and the Ntegrator Exercise Price)	S\$4,881,041 <sup>(3)</sup>	n.a. <sup>(1)</sup>	n.a. <sup>(1)</sup>	0.34 <sup>(3)(4)</sup>
	S\$5,221,174 <sup>(5)</sup>			0.35 <sup>(5)(6)</sup>

**Source:** Thomson Reuters Eikon, annual reports and announcements of the Ntegrator Comparable Companies and NCF calculations

**Notes:**

- (1) Denotes “not applicable” as the respective companies had recorded LTM net losses attributable to owners of the company and/or negative LTM EBITDA, as the case may be.
- (2) Denotes “not meaningful” as the respective companies had recorded LTM net losses attributable to owners of the company, save for REDtone which resulted in a LTM P/E ratio of 10.22 times.
- (3) Based on 1,464,458,714 issued Ntegrator Shares as at 31 December 2021.
- (4) Based on the NAV per Ntegrator Share of S\$0.00975.
- (5) Based on 1,566,508,714 issued Ntegrator Shares as at the Latest Practicable Date.
- (6) Based on the Adjusted NAV per Ntegrator Share of S\$0.00965.

Our observations are set out as follows:

- (a) as Ntegrator had recorded net losses attributable to owners of the company which resulted in negative P/E ratio, the P/E ratio of Ntegrator (as implied by the Ntegrator Conversion Price and the Ntegrator Effective Price) is not applicable. Solely for illustrative purposes, save for REDtone’s LTM P/E ratio of 10.22 times, the other Ntegrator Comparable Companies had recorded LTM net losses attributable to owners of the company which resulted in negative LTM P/E ratios;
- (b) as Ntegrator had recorded negative EBITDA in FY2021 which resulted in a negative EV/EBITDA ratio, the EV/EBITDA ratio of Ntegrator is not applicable. Solely for illustrative purposes, the LTM EV/EBITDA ratios of the Ntegrator Comparable Companies ranged between 1.39 times and 10.10 times; and
- (c) the P/NAV and P/Adjusted NAV ratios of Ntegrator (as implied by the Ntegrator Conversion Price and the Ntegrator Exercise Price) of 0.34 times and 0.35 times respectively are below the range of P/NAV ratios of the Ntegrator Comparable Companies of between 0.72 times and 1.80 times.

### 5.7 Precedent Transactions Involving the Issue of Perpetual Bonds by Companies Listed on the SGX-ST

In assessing the salient terms of the Perpetual Bonds and the Convertible Perpetual Bonds, we have made reference to the salient statistics of selected transactions involving the issue of unlisted perpetual bonds by companies (excluding real estate investment trusts and business trusts) listed on the SGX-ST (collectively, the “**Comparable Transactions**”) during the period from January 2019 to the Latest Practicable Date, as set out below:

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Issuer name	Feature	Issue date	Principal amount (\$' million)	Distribution rate per annum (%)	Conversion premium/ (discount) over/(to) the VWAP prior to announcement <sup>(1)</sup> (%)	Conversion price-to-NAV per share (times) <sup>(2)</sup>
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OUE Lippo Healthcare Limited (“OUE Lippo”)	Convertible perpetual bonds	23 February 2021	S\$189.6	4.00	85.7 <sup>(3)</sup>	2.20
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Alpha Energy Holdings Limited (currently known as Alpha DX Group Limited) (“Alpha”)	Convertible perpetual capital securities	5 April 2019	US\$4.5	1.35	234.4 <sup>(4)</sup>	2.70
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<b>High</b>	<b>4.00</b>	<b>234.4</b>	<b>2.70</b>
<b>Mean</b>	<b>2.68</b>	<b>160.0</b>	<b>2.45</b>
<b>Median</b>	<b>2.68</b>	<b>160.0</b>	<b>2.45</b>
<b>Low</b>	<b>1.35</b>	<b>85.7</b>	<b>2.20</b>

<b>Company</b>	<b>Perpetual Bonds</b>	<b>S\$6.9</b>	<b>0.00</b>	<b>n.a.<sup>(5)</sup></b>	<b>n.a.<sup>(5)</sup></b>
<b>Company (as implied by the Conversion Price)</b>	<b>Perpetual Convertible Bonds</b>	<b>S\$2.1</b>	<b>0.00</b>	<b>0.0<sup>(6)</sup></b>	<b>1.00</b>

**Notes:**

- (1) Market premium/(discount) is calculated relative to the VWAP or last transacted price (as the case may be) of the respective companies prior to the announcement of the Comparable Transactions.
- (2) Based on the latest publicly-available financial statements of the respective companies prior to the announcement of the Comparable Transactions.
- (3) Based on the conversion price of S\$0.070 and the VWAP of approximately S\$0.0377 for each share of OUE Lippo based on trades done on the SGX-ST on 22 February 2021, being the last full market day in which shares of OUE Lippo were traded prior to the announcement.
- (4) Based on the conversion price of S\$0.41798203011 and the VWAP of S\$0.125 for each share of Alpha based on trades done on the SGX-ST on 12 September 2018, being the last full market day in which shares of Alpha were traded prior to the trading halt on 24 September 2018.
- (5) Denotes “not applicable” as the Perpetual Bonds do not have any conversion option.
- (6) Based on the closing price of S\$0.004 on the Last Trading Day.

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Our observations for the Proposed Issuance are set out as follows:

- (a) the 0% distribution rates of the Perpetual Bonds and Perpetual Convertible Bonds are below the range of the distribution rates of the Comparable Transactions of between 1.35% per annum and 4.00% per annum;
- (b) the discount of 0% represented by the Conversion Price to the closing price of the Shares on the Last Trading Day is below the corresponding range of premia over the VWAPs prior to the announcement of the Comparable Transactions of between 85.7% and 234.4%; and
- (c) the P/NAV ratio of the Company of 1.00 times (as implied by the Conversion Price) is below the corresponding range of conversion price-to-NAV ratios of the Comparable Transactions of between 2.20 times and 2.70 times.

We have considered that although the discount represented by the Conversion Price to the closing price of the Shares, and the P/NAV ratio of the Company (as implied by the Conversion Price) are less favourable than the corresponding premia and the conversion price-to-NAV ratios of the Comparable Transactions respectively, the 0% distribution rates of the Perpetual Bonds and Perpetual Convertible Bonds are more favourable to the Company *vis-a-vis* the corresponding distribution rates of the Comparable Transactions.

In the context of the Proposed Subscription, we observed that (a) the 0% distribution rate of the Ntegrator Perpetual Convertible Bonds is below the corresponding range of the distribution rates of the Comparable Transactions, (b) the significant discount of 58.3% represented by the Ntegrator Conversion Price to the closing price of the Ntegrator Shares on the Last Trading Day is below the corresponding range of premia of the Comparable Transactions, and (c) the P/Adjusted NAV ratio of Ntegrator of 0.35 times is below the corresponding range of the conversion price-to-NAV ratios of the Comparable Transactions.

We wish to highlight that the Company is not in the same industry and does not conduct the same businesses as the other companies in the list of Comparable Transactions and would not, therefore, be directly comparable to the list of companies in terms of, *inter alia*, geographical markets, market condition, composition of business activities, scale of business operations, risk profile, funding needs, asset base, valuation methodologies adopted, accounting policies, track record, future prospects, market/industry size, financial positions and other relevant criteria. Certain circumstances and terms relating to the perpetual bonds in the Comparable Transactions are also unique and might not be identical or comparable to those of the Perpetual Bonds, Convertible Perpetual Bonds and Ntegrator Perpetual Convertible Bonds in terms of, *inter alia*, principal amount, distribution rate of the perpetual bonds, financial performance and position of the companies, and the volatility and trading liquidity of the shares of such companies. Further, the list of Comparable Transactions is by no means exhaustive and the information relating to these companies was compiled from publicly available information. Accordingly, it should be noted that the above comparison merely serves as a general guide to provide an indication of the relevant salient statistics in connection with the Comparable Transactions. Any comparison of the terms of the Perpetual Bonds, Convertible Perpetual Bonds and Ntegrator Perpetual Convertible Bonds with those of the Comparable Transactions is solely for illustrative purposes.

### 5.8 Theoretical value of the Warrants and the Ntegrator Warrants

#### *Proposed Issuance of the Warrants, and the Proposed Subscription of the Ntegrator Warrants*

Given that the Warrants and the Ntegrator Warrants are exercisable over a 5-year period commencing after the date of issuance, there is time value to the warrants to take into consideration. Accordingly, we have considered the valuation of the Warrants and the Ntegrator Warrants using the Binomial model, which is a common methodology used in the

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valuation of warrants. The theoretical value of the warrants is a function of, *inter alia*, the strike price, the current price of the underlying Shares, the length of the warrants, the nature of the option as to whether it is a European option (which is only exercisable on a predetermined exercise date) or an American option (which can be exercised at any time prior to the expiry date of the warrant), the risk-free interest rate, the dividend yield and the price volatility of the underlying shares.

As (a) the Exercise Price of the Warrants of S\$0.0016 per Share represents a discount of approximately 20% to the closing price of the Shares of S\$0.002 as at the Latest Practicable Date, and (b) the Ntegrator Warrants of S\$0.003333 per Ntegrator Share represents a discount of approximately 16.7% to the closing price of the Ntegrator Shares of S\$0.004 as at the Latest Practicable Date, both the Warrants and Ntegrator Warrants are in-the-money as at the Latest Practicable Date.

Based on the risk-free interest rate, and the price volatility of the Shares and the Ntegrator Shares (as the case may be) as at the Latest Practicable Date (as extracted from Thomson Reuters Eikon):

- (a) the theoretical value of the Warrants (being similar to an American call option) with a 5-year option period and an Exercise Price of S\$0.0016, would be approximately S\$0.001995 as calculated using the Thomson Reuters Eikon Option Pricer; and
- (b) the theoretical value of the Ntegrator Warrants (being similar to an American call option) with a 5-year option period and an Ntegrator Exercise Price of S\$0.003333 would be approximately S\$0.003772 as calculated using the Thomson Reuters Eikon Option Pricer.

It should be noted that the theoretical value of the Warrants and the Ntegrator Warrants calculated using the Binomial model may not reflect the actual value of the Warrants and the Ntegrator Warrants to be transacted on the SGX-ST respectively, and there can be no assurance that an active trading of the Warrants and the Ntegrator Warrants will ensue or will trade at or close to the theoretical value as suggested by the Binomial model.

### 5.9 Financial effects of the Proposed Transactions

The financial effects of the Proposed Issuance and the Proposed Subscription, which have been prepared based on the financial statements of the Group for FY2021 are set out in sections 2.19 and 3.11 of the Circular respectively. Shareholders are advised to read the information carefully, including the bases and assumptions set out therein. Shareholders should note that the financial effects of the Proposed Issuance and the Proposed Subscription are solely for illustrative purposes and are not necessarily indicative of the results of operations or the financial position of the Company and the Group after the completion of the Proposed Issuance and the Proposed Subscription.

#### 5.9.1 Proposed Issuance

We note the following for the Proposed Issuance:

##### NTA per Share

The NTA of the Group of approximately 0.32 cents as at 31 December 2021 would (a) increase to approximately 0.33 times after the allotment and issue of the 525,000,000 Conversion Shares by the Company to Ntegrator (upon the conversion of the Perpetual Convertible Bonds), but (b) decrease to approximately 0.30 cents after the allotment of the 1,000,000,000 Exercised Shares by the Company to Ntegrator (upon the exercise of the Warrants in full).

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### Earnings per Share

The net loss per Share of the Group of approximately 0.11 times for FY2021 would (a) decrease to approximately 0.10 cents after the allotment and issue of the 525,000,000 Conversion Shares by the Company to Ntegrator (upon the conversion of the Perpetual Convertible Bonds), and (b) decrease further to approximately 0.08 cents after the allotment of the 1,000,000,000 Exercised Shares by the Company to Ntegrator (upon the exercise of the Warrants in full).

#### 5.9.2 Proposed Subscription

We note the following for the Proposed Subscription:

### NTA per Share

The NTA of the Group of approximately 0.32 cents as at 31 December 2021 would remain unchanged at 0.32 times after the allotment and issue of 2,700,270,027 Ntegrator Conversion Shares by Ntegrator to the Company (upon the conversion of the Ntegrator Perpetual Convertible Bonds), and also remain unchanged after the allotment of the 10,000,000,000 Ntegrator Exercised Shares by Ntegrator to the Company (upon the exercise of the Ntegrator Warrants in full).

### Earnings per Share

The net loss per Share of the Group of approximately 0.11 cents would remain unchanged at 0.11 cents after the allotment and issue of the 2,700,270,027 Ntegrator Conversion Shares by Ntegrator to the Company (upon the conversion of the Ntegrator Perpetual Convertible Bonds), and remain unchanged at approximately 0.11 cents after the allotment of the 10,000,000,000 Ntegrator Exercised Shares by Ntegrator to the Company (upon the exercise of the Ntegrator Warrants in full).

#### **5.10 Other Relevant Considerations in relation to the Proposed Transactions**

##### 5.10.1 Minimise cash flow constraint on the Group

We understand from the Company that it is in the midst of restructuring its business, including expanding its luxury watch trading business, commencing its new loan financing business, and streamlining its cost and capital structures. In addition, the Company had entered into sale and purchase agreements for the Proposed Billion Credit Financial Acquisition as announced on 27 September 2021, (b) the Proposed Golden Ultra Acquisition as announced on 18 October 2021, and (c) the Proposed 15% Gadmobe Group Acquisition as announced on 27 October 2021.

Taking into account the aforementioned restructuring plans, the Directors are of the view that as there would be no net cash outflow from the Company for the subscription of the Perpetual Convertible Bonds, the Company would be able to utilise its internal resources for its working capital to support its business operations and business expansion.

##### 5.10.2 Impact on the shareholdings following the Proposed Transactions

### *Dilution impact of the Proposed Issuance on the Independent Shareholders*

Pursuant to the conversion of the Perpetual Convertible Bonds and the exercise of the Warrants by Ntegrator and its shareholders,

- (a) in the event that Ntegrator converts the Perpetual Convertible Bonds, the shareholdings of the Independent Shareholders (excluding Mr Heilesen's aggregate deemed interests in the Company through Mission Well Limited and Go Best Holdings



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Limited) will decrease from 40.86% as at the Latest Practicable Date to approximately 34.76%, and

- (b) in the event that Ntegrator (i) converts the Perpetual Convertible Bonds, and (ii) Ntegrator and its shareholders exercise the Warrants in full, the shareholdings of the Independent Shareholders (excluding Mr Heilesen's aggregate deemed interests in the Company through Mission Well Limited and Go Best Holdings Limited) will decrease further to approximately 27.07%.

### Shareholdings of the Company in Ntegrator following the Proposed Subscription

Pursuant to the conversion of the Ntegrator Convertible Bonds and the Ntegrator Warrants by the Company and/or its Shareholders:

- (a) in the event that the Company converts the Ntegrator Perpetual Convertible Bonds, the shareholdings of the Company in Ntegrator will increase from 0% to 63.29%; and
- (b) in the event that (i) the Company converts the Ntegrator Perpetual Convertible Bonds, and (ii) the Company and its Shareholders exercise the Ntegrator Warrants in full, the shareholdings of the Company and the Shareholders in Ntegrator will increase from 0% to approximately 19.63% and 69.39 respectively<sup>8</sup>.

Accordingly, the Company will potentially become the single largest shareholder in Ntegrator following the Proposed Subscription.

Notwithstanding the above, as set out in section 2.7 of the Circular, we note the Ntegrator has represented that it will not, *inter alia*, convert the Perpetual Convertible Bonds and exercise the Warrants to acquire Shares (taken together with shares held or acquired by persons acting in concert with it) carry 30% or more of the voting rights of the Company. Similarly, as set out in section 3.3 of the Circular, we note that the Company has, *inter alia*, represented that it will not convert the Ntegrator Perpetual Convertible Bonds and exercise the Ntegrator Warrants to acquire shares which (taken together with shares held or acquired by persons acting in concert with it) carry 30% or more of the voting rights of Ntegrator.

### 5.10.3 Comparison of the Perpetual Bonds and the Convertible Perpetual Bonds with existing borrowings of the Company

We have also considered to compare the interest rate of the Perpetual Bonds and the Convertible Perpetual Bonds with the interest rates of the Company' existing borrowings. However, we understand from the Management that the Company does not have any bank borrowings as at the Latest Practicable Date.

We note that the Company had recently announced acquisitions with purchase considerations being satisfied by, *inter alia*, promissory notes issued by the Company as follows:

Date of announcement	Transaction	Interest rate of promissory notes
9 June 2021	Proposed HB 2021 Acquisition	Promissory note of DKK2.6 million (or equivalent to approximately S\$0.6 million) at 0% interest rate per annum
27 September	Proposed Billion Credit Financial	Promissory note of HK\$5.8

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<sup>8</sup> The impact of shareholdings of the Company in Ntegrator have not taken into account the 2021 Ntegrator Rights cum Warrants Issue as announced by Ntegrator on 31 December 2021. As at the Latest Practicable Date, the aforesaid rights cum warrants issue has not been completed.

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2021	Acquisition	million (or equivalent to S\$1 million) at 8.0% interest rate per annum
18 October 2021	Proposed Golden Ultra Acquisition	Promissory note of HK\$84 million (or equivalent to approximately S\$14.6 million) at 0% interest rate per annum
27 October 2021	Proposed 15% Gadmobe Group Acquisition	Promissory note of HK\$18.0 million (equivalent to approximately S\$3.1 million) at 0% interest rate per annum

Save for the Proposed Golden Ultra Acquisition and Proposed 15% Gadmobe Group Acquisition which have not been completed, all of the aforementioned acquisitions were completed as at the Latest Practicable Date.

Based on the above table, we note that the 0% interest rate of the Perpetual Bonds and the Perpetual Convertible Bonds is at the lower end of the interest rates of the above promissory notes which ranged between 0% and 8.0%.

#### 5.10.4 Recent corporate exercises of the Company and Ntegrator

##### Rights cum warrants exercise undertaken by the Company

In February 2021, the Company had issued 2,693,670,727 2020 Rights Shares at the rights price of S\$0.0056 per Share (the “**2020 Rights Price**”) and 2,693,670,727 2020 Warrants at the exercise price of S\$0.012 per Share (the “**2020 Exercise Price**”) (i.e., the 2020 Rights cum Warrants Issue)<sup>9</sup>. The 2020 Rights Price represented a significant discount of 56.9% to the closing price of S\$0.013 per Share on 22 September 2020, being the last trading day of the Shares prior to the announcement of the 2020 Rights cum Warrants Issue, and the 2020 Exercise Price represented a discount of 7.7% to the closing price of S\$0.013 per Share on 22 September 2020, being the last trading day of the Shares prior to the announcement of the 2020 Rights cum Warrants Issue.

We observe the following:

- (a) in relation to the Proposed Issuance, (i) the Conversion Price of S\$0.004 is the same as the closing price of the Shares on the Last Trading Day, (ii) the Exercise Price of S\$0.0016 is at a significant discount of approximately 60.0% to the closing price of the Shares on the Last Trading Day, and (iii) the Effective Conversion Price of S\$0.00243 is at a significant discount of approximately 39.3% to the closing price of the Shares on the Last Trading Day;
- (b) the Conversion Price of S\$0.004 would be at a (i) discount of approximately 28.6% to the 2020 Rights Price of S\$0.0056, and (ii) significant discount of approximately 66.7% to the 2020 Exercise Price S\$0.012;
- (c) the Exercise Price of S\$0.0016 would be at a (i) significant discount of approximately 71.4% to the 2020 Rights Price of S\$0.0056, and (ii) a significant discount of approximately 86.7% to the 2020 Exercise Price of S\$0.012; and

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<sup>9</sup> The Company had originally announced the rights cum warrants issue on 15 April 2019, however the Company was unable to complete the rights cum warrants exercise due to, *inter alia*, the sudden downturn in the economy in Hong Kong. The 2020 Rights Price and the 2020 Exercise Price were the same as those announced on 15 April 2019.

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- (d) the Effective Conversion Price of S\$0.00243 would be a (i) significant discount of approximately 56.6% to the 2020 Rights Price of S\$0.0056, and (ii) a significant discount of approximately 79.8% to the 2020 Exercise Price of S\$0.012.

Corporate exercises by Ntegrator

Ntegrator has announced, or completed, the following issuance of new Ntegrator Shares:

- (a) in December 2021, Ntegrator announced that it is proposing to undertake (i) a share consolidation of every 3 Ntegrator Shares into one Ntegrator Share (i.e., the 2021 Ntegrator Share Consolidation), and (ii) a renounceable non-underwritten rights cum warrants issue on the basis of 15 rights shares for every one consolidated share held by the shareholders of Integrator, at an issue price of S\$0.01 for each rights share with the warrants at the exercise price of S\$0.0504 for each warrant A, S\$0.03864 for each warrant B, S\$0.0264 for each warrant C, S\$0.015 for warrant D, and a 30% discount to the 30-day VWAP to be determine on the expiration date, subject to a ceiling of an exercise price of S\$0.045 for each warrant E (i.e., the 2021 Ntegrator Rights cum Warrants Issue).

For the avoidance of doubt, the aforementioned rights price and the exercise prices for warrant A to E are based on post-consolidated prices. The pre-share consolidation for the rights price would be S\$0.00333, and the exercise prices for warrant A, warrant B, warrant C, warrant D and warrant E would be S\$0.0168, S\$0.0128, S\$0.0088, S\$0.005 and S\$0.005 respectively. As disclosed in the 2021 Ntegrator Rights cum Warrants announcement, assuming that all the warrants are exercised, the effective price of each of the warrants (post-consolidation) would be S\$0.01769. As at the Latest Practicable Date, the 2021 Ntegrator Rights cum Warrants Issue has not been completed.

- (b) Pursuant to the 2021 Ntegrator Placement (as further described in paragraphs 5.4.2 and 5.5.2 of this Letter), Ntegrator had issued an aggregate of 313,250,000 Ntegrator Shares to Ms Zheng Ze Li and Industrial Electronics Pte Ltd at S\$0.0082 per new Ntegrator Share.
- (c) Pursuant to the Zhou Qilin Placement (as further described in paragraph 5.4.2 of this Letter), Ntegrator had in June 2021 issued 187,863,480 Ntegrator Shares to Ms Zhou Qilin at a subscription price of S\$0.01094 per Ntegrator Share.

For illustrative purposes, we have compared (a) the Ntegrator Conversion Price and the Ntegrator Exercise Price *vis-à-vis* the aforementioned transacted share prices, and (b) such transacted share prices *vis-à-vis* the historical share price performance prevailing at the time of the relevant transactions in the table as follows:

	<b>Transaction</b>	<b>Transacted Share Price (S\$)</b>	<b>Discount of the Ntegrator Conversion Price and the Ntegrator Exercise Price to the transacted share price (%)</b>	<b>Remarks</b>
1.	2021 Ntegrator Rights cum Warrants Issue – rights share	0.003333 <sup>(1)</sup>	-	The issue price for each rights share represented a significant discount of 52.4% to the weighted

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				average price of S\$0.021 (post-share consolidation), for trades done on 30 December 2021, being the last full market day on which the Ntegrator Shares were traded prior to the announcement on the 2021 Ntegrator Rights cum Warrants Issue (the “ <b>Ntegrator Closing Price</b> ”).
	2021 Ntegrator Rights cum Warrants Issue – warrants	0.005897 <sup>(2)</sup>	(43.5)	The effective price represented a discount of approximately 15.7% to the Ntegrator Closing Price.
2.	2021 Ntegrator Placement	0.0082	(59.4)	The subscription price of S\$0.0082 represented a discount of approximately 10.0% to the weighted average price of Ntegrator Shares of S\$0.0091 on 15 October 2021, being the last market day prior to the date of the conditional placement agreements as announced in October 2021.
3.	Zhou Qilin Placement	0.01094	(69.5)	The subscription price of S\$0.1094 represented a discount of approximately 10.0% to the weighted average price of S\$0.01215 for trades done on 21 May 2021, being the last market day on which the Ntegrator Shares were traded prior to the signing of the placement agreement as announced in May 2021.

**Notes:**

- (1) Refers to the pre-consolidation issue price of the warrants in relation to the Ntegrator 2021 Rights cum Warrants Issue.
- (2) Refers to the pre-consolidation effective price of the rights issue assuming all the warrants in relation to the 2021 Ntegrator Rights cum Warrants Issue are exercised.

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In comparison with the corporate transactions undertaken by Ntegrator in the table above, the Ntegrator Conversion Price and the Ntegrator Exercise Price of S\$0.003333 represent a significant discount of approximately 58.4% to the closing price of the Ntegrator Shares on the Last Trading Day.

Shareholders should note that the determination of the transacted prices relating to the above transactions is dependent on the circumstances and market sentiment prevailing at the time of the transactions. Consequently, the above comparison merely serves as an illustrative guide.

### 5.10.5 Historical financial performance of Ntegrator

We note that Ntegrator had recorded net losses attributable to equity holders of Ntegrator of approximately S\$2.0 million, S\$2.8 million and S\$2.4 million for the financial years ended December 2019, 31 December 2020 and 31 December 2021 respectively. In addition, Ntegrator has recorded negative working capital of approximately S\$7.7 million and negative cash and cash equivalents of approximately S\$1.8 million as at 31 December 2021.

We also noted the following commentary statement in the Ntegrator's announcement in relation to the Ntegrator Group's FY2021 unaudited financial statements:

*"The outstanding order book (contracts signed) as at 31 December 2021 is S\$67.9 million. The majority of the Group's outstanding order book is in Singapore, the Group's key market.*

*The Regional and Global economic forecasts still remain very negative. Although there has been an improvement in the Group's performance in the financial year ended 31 December 2021 as compared to the previous corresponding year, the Group had been adversely affected by the pandemic in FY2021 and this impact on our operations may continue to last in the next 12 months, subject to the Covid-19 situation and the government's implementation of measures, if any, to control the spread of Covid-19.*

*The Group however saw improvements in the Covid-19 situation in Singapore since its entry into the Preparatory Stage of a four-stage plan to live with Covid-19 since 10 August 2021 and the Group is hence seeing improvements in its Singapore operations compared to the last financial year ended 31 December 2020. Due to the new "Omicron" virus outbreak, Singapore has pushed back its plans to ease limits on home gathering and other pandemic curbs as a resurgent Covid-19 outbreak tests the country's pivot to living with the virus. The plans to ease and simplify some virus rules in phases, originally due to be effected on 25 February and 4 March 2022, will be delayed, according to a statement from the Ministry of Health release on 24 February 2022. (Source : MOH | News Highlights) The Group envisages that the upcoming Covid-19 measures will not have a material impact to our business operations. While we hope that there will not be any more new 'covid waves', many uncertainties remain in the countries we operate in. While the Group will continue to monitor the recent increase in cases globally, it is clear that the impact of the Covid-19 pandemic on our businesses will continue to last much longer than we had hoped.*

*The Company had on 6 August 2021 received a letter of statutory demand ("**Letter of Statutory Demand**") from the Company's previous sponsor, Asian Corporate Advisors Pte. Ltd. (the "**Previous Sponsor**") (as announced on 11 August 2021) in relation to the work alleged to be done by the Previous Sponsor as set out in their invoices. As at 31 December 2021, the Company has placed the alleged outstanding fee in the Escrow account. As such, the Company is in the capacity to make immediate payment if the fees charged are agreeable."*

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## APPENDIX A – IFA LETTER

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### 5.10.6 No assurance of improvement in the Group's financial position and performance or enhancement of Shareholders' value

Shareholders should note that there is no assurance that the Proposed Transactions (if completed) and/or the steps taken or to be taken by the Company subsequent to the Proposed Transactions will be successful or will result in an improvement in the Group's financial position and performance or an enhancement of Shareholders' value.

### 5.10.7 Inter-conditionality of the resolutions

Shareholders should note that the resolutions in relation to the Proposed Subscription (the "**Proposed Subscription Resolutions**") is inter-conditional with the resolutions in relation to the Proposed Issuance (the "**Proposed Issuance Resolutions**"). Accordingly, in the event that the Proposed Subscription Resolutions are not passed by the Independent Shareholders, the Proposed Issuance will not proceed.

### 5.10.8 Voting Abstention

As set out in section 9 of the Circular, Mr Heilesen, Mission Well Limited, Go Best Holdings Limited, the Subscriber and their respective associates will abstain from voting on the ordinary resolutions relating to the Proposed Transactions in respect of their shareholdings in the Company, and they will not accept nominations as proxies or otherwise for voting at the EGM in relation to the ordinary resolutions for other Shareholders, unless specific voting instructions have been given by the Shareholder.

## 6 OUR OPINION

In arriving at our opinion in respect of the Proposed Transactions, we have taken into consideration, *inter alia*, the following factors summarised below as well as elaborated elsewhere in this Letter. The following should be read in conjunction with, and in the context of, the full text of this Letter:

- (a) the rationale for the Proposed Transactions;
- (b) the historical financial performance of the Group;
- (c) the comparison of the effective payments of the Proposed Transaction;
- (d) the historical market price performance and trading activity of the Shares and the Ntegrator Shares;
- (e) the NAV and Adjusted NAV (as the case may be) of the Group and the Ntegrator Group;
- (f) the valuation ratios of selected companies listed on the SGX-ST, the HKEx, and/or Bursa Malaysia (as the case may be) which principal business activities are broadly comparable to those of the Group or the Ntegrator Group;
- (g) the precedent transactions involving the issue of perpetual bonds by companies listed on the SGX-ST;
- (h) the theoretical value the Warrants and the Ntegrator Warrants;
- (i) the financial effects of the Proposed Transactions; and
- (j) other relevant considerations in relation to the Proposed Transactions.

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## APPENDIX A – IFA LETTER

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**Having regard to the considerations set out above and subject to the qualifications and assumptions set out in this Letter, we are of the opinion that, on balance, the Proposed Transactions as interested person transactions are on normal commercial terms and are not prejudicial to the interests of the Company and the Independent Shareholders.**

This Letter has been prepared pursuant to Rule 921(4)(a) of the Catalist Rules as well as for the use of the Non-Interested Director in connection with and for the purposes of their consideration of the Proposed Transactions as interested person transactions. The recommendations to be made by the Non-Interested Director to the Independent Shareholders in relation to the Proposed Transactions shall remain the sole responsibility of the Non-Interested Director.

Whilst a copy of this Letter may be reproduced in the Circular, neither the Company nor the Directors may reproduce, disseminate or quote this Letter (or any part thereof) for any other purpose at any time and in any manner without the prior written consent of NCF in each specific case, except for the EGM and for the purposes of the Proposed Transactions. Our opinion 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 truly,  
For and on behalf of  
**Novus Corporate Finance Pte. Ltd.**

Andrew Leo  
Chief Executive Officer

Lau Sze Mei  
Associate Director

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### Incredible Holdings Ltd.

(Incorporated in the Republic of Singapore)  
(Company Registration Number 199906220H)

*Unless otherwise defined, all capitalised terms herein shall have the same meanings ascribed to them in the circular issued by the Company to shareholders of the Company dated 4 May 2022.*

## NOTICE OF EXTRAORDINARY GENERAL MEETING

**Notice is hereby given** that an Extraordinary General Meeting (the “**EGM**”) of **Incredible Holdings Ltd.** (the “**Company**”) will be convened and held by way of electronic means on Wednesday, 4 May 2022 at 11.00 a.m. (Singapore Time) for the purpose of considering and, if thought fit, passing with or without any modifications, the following resolutions:

### **Resolution 1**

#### **Ordinary Resolution: The Issuance Resolution**

RESOLVED THAT, subject to and contingent upon the passing of Resolutions 2 to 5:

- (a) approval be and is hereby given for the Proposed Issuance under Catalist Rules 805, 824, 811 and 812 and as set out in **Paragraph 2** of the Circular;
- (b) pursuant to the provisions of Section 161 of the Companies Act but subject otherwise to the provisions of the Companies Act and the constitution of the Company, the directors of the Company be and are hereby authorised to issue:
  - (i) 0% perpetual convertible bonds of an aggregate principal amount of S\$6,900,000 (the “**Perpetual Bonds**”);
  - (ii) 0% perpetual convertible bonds of an aggregate principal amount of S\$2,100,000 (the “**Perpetual Convertible Bonds**”) which shall, at the option of the holder thereof, be convertible into new Shares (the “**Conversion Shares**”) at a conversion price of S\$0.004 per Conversion Share (the “**Conversion Price**”), on the terms and conditions specified in the Subscription Agreement;
  - (iii) 1,000,000,000 free warrants (the “**Warrants**”), each Warrant shall grant the holder thereof the right to subscribe for one new Share (the “**Exercised Share**”) at an exercise price of S\$0.0016 (the “**Exercise Price**”), on the terms and conditions specified in the Deed Poll; and
  - (iv) such number of additional Warrants arising from the adjustments to the number of Warrants in accordance with the terms and conditions specified in the Deed Poll (such additional warrants to rank *pari passu* in all respects with then then existing Warrants and without preference or priority among themselves and among the then existing Warrants, save as may otherwise be provided in the terms and conditions specified in the Deed Poll),

and such authority shall continue in force until the conclusion of the next annual general meeting or the expiration of the period within which the next annual general meeting is required by law to be held, whichever is the earlier; and



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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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- (c) pursuant to the provisions of Section 161(4) of the Companies Act but subject otherwise to the provisions of the Companies Act and the constitution of the Company, the directors of the Company be and are hereby authorised to issue:
- (i) such number of Conversion Shares arising from the conversion of the Perpetual Convertible Bonds issued pursuant to paragraph (a)(i);
  - (ii) such number of Exercised Shares arising from the exercise of the Warrants issued pursuant to paragraph (a)(ii); and
  - (iii) such number of additional Exercised Shares arising from the exercise of the additional Warrants issued pursuant to paragraph (a)(iii),
- and such authority shall continue in force notwithstanding that the authority granted by paragraph (a) has ceased to be in force; and
- (d) the directors of the Company and each of them be and are hereby authorised to complete and to do all such acts and things (including executing all such documents as may be required and to approve any amendments or modifications to any such documents) as they and/or he/she may consider necessary, desirable or expedient to give effect to this Resolution 1.

**Notes:**

- (1) The passing of the Proposed Issuance Resolutions and Proposed Subscription Resolutions are inter-conditional upon the passing one another. This means if the any of the Proposed Issuance Resolutions or any of the Proposed Subscription Resolutions is not passed at the EGM, the other Proposed Issuance Resolutions and Proposed Subscription Resolutions will not be passed.
- (2) Mr Christian Kwok-Leun Yau Heilesen, the Subscriber and their associates shall abstain from voting on the Issuance Resolution. The Company will disregard any votes cast on the Issuance Resolution by Mr Christian Kwok-Leun Yau Heilesen, the Subscriber and their associates in accordance with Catalist Rule 812.

**Resolution 2**

**Ordinary Resolution: The Issuance IPT Resolution**

RESOLVED THAT, subject to and contingent upon the passing of Resolution 1 and Resolutions 3 to 5:

- (a) approval be and is hereby given for the Proposed Issuance as an interested person transaction for the purposes of Chapter 9 of the Catalist Rules; and
- (b) the directors of the Company and each of them be and are hereby authorised to complete and to do all such acts and things (including executing all such documents as may be required and to approve any amendments or modifications to any such documents) as they and/or he/she may consider necessary, desirable or expedient to give effect to this Resolution 2.

**Notes:**

- (1) The passing of the Proposed Issuance Resolutions and Proposed Subscription Resolutions are inter-conditional upon the passing one another. This means if the any of the Proposed Issuance Resolutions or any of the Proposed Subscription Resolutions is not passed at the EGM, the other Proposed Issuance Resolutions and Proposed Subscription Resolutions will not be passed.
- (2) Mr Christian Kwok-Leun Yau Heilesen, the Subscriber and their associates shall not vote on the IPT Resolution, nor accept appointments as proxies unless specific instructions as to voting are given. The

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## **NOTICE OF EXTRAORDINARY GENERAL MEETING**

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Company will disregard any votes cast on the IPT Resolution by Mr Christian Kwok-Leun Yau Heilesen, the Subscriber and their associates in accordance with Catalist Rule 919.

### **Resolution 3**

#### **Ordinary Resolution: The Controlling Interest Resolution**

RESOLVED THAT, subject to and contingent upon the passing of Resolutions 1, 2, 4 and 5:

- (a) approval be and is hereby given for the transfer of controlling interest in the Company to the Subscriber in connection with the Proposed Issuance for the purposes of Catalist Rule 803; and
- (b) the directors of the Company and each of them be and are hereby authorised to complete and to do all such acts and things (including executing all such documents as may be required and to approve any amendments or modifications to any such documents) as they and/or he/she may consider necessary, desirable or expedient to give effect to this Resolution 3.

#### **Note:**

- (1) The passing of the Proposed Issuance Resolutions and Proposed Subscription Resolutions are inter-conditional upon the passing one another. This means if the any of the Proposed Issuance Resolutions or any of the Proposed Subscription Resolutions is not passed at the EGM, the other Proposed Issuance Resolutions and Proposed Subscription Resolutions will not be passed.

### **Resolution 4**

#### **Ordinary Resolution: The Subscription Resolution**

RESOLVED THAT, subject to and contingent upon the passing of Resolutions 1, 2, 3, 5:

- (a) approval be and is hereby given for the Proposed Subscription as a major transaction under Catalist Rule 1014; and
- (b) the directors of the Company and each of them be and are hereby authorised to complete and to do all such acts and things (including executing all such documents as may be required and to approve any amendments or modifications to any such documents) as they and/or he/she may consider necessary, desirable or expedient to give effect to this Resolution 4.

#### **Notes:**

- (1) The passing of the Proposed Issuance Resolutions and Proposed Subscription Resolutions are inter-conditional upon the passing one another. This means if the any of the Proposed Issuance Resolutions or any of the Proposed Subscription Resolutions is not passed at the EGM, the other Proposed Issuance Resolutions and Proposed Subscription Resolutions will not be passed.
- (2) Mr Christian Kwok-Leun Yau Heilesen, Mission Well Limited and Go Best Holdings Limited shall abstain from voting on the Subscription Resolution. The Company will disregard any votes cast on the Issuance Resolution by Mr Christian Kwok-Leun Yau Heilesen, Mission Well Limited and Go Best Holdings Limited.

### **Resolution 5**

#### **Ordinary Resolution: The Subscription IPT Resolution**

RESOLVED THAT, subject to and contingent upon the passing of Resolutions 1 to 4:

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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- (a) approval be and is hereby given for the Proposed Subscription as an interested person transaction for the purposes of Chapter 9 of the Catalist Rules; and
- (b) the directors of the Company and each of them be and are hereby authorised to complete and to do all such acts and things (including executing all such documents as may be required and to approve any amendments or modifications to any such documents) as they and/or he/she may consider necessary, desirable or expedient to give effect to this Resolution 5.

**Notes:**

- (1) The passing of the Proposed Issuance Resolutions and Proposed Subscription Resolutions are inter-conditional upon the passing one another. This means if the any of the Proposed Issuance Resolutions or any of the Proposed Subscription Resolutions is not passed at the EGM, the other Proposed Issuance Resolutions and Proposed Subscription Resolutions will not be passed.
- (2) Mr Christian Kwok-Leun Yau Heilesen, , Mission Well Limited and their associates shall not vote on the Subscription IPT Resolution, nor accept appointments as proxies unless specific instructions as to voting are given. The Company will disregard any votes cast on the IPT Resolution by Mr Christian Kwok-Leun Yau Heilesen, Mission Well Limited and their associates in accordance with Catalist Rule 919.

By Order of the Board of Directors of  
**Incredible Holdings Ltd.**

Christian Kwok-Leun Yau Heilesen  
Executive Director

11 April 2022  
Singapore

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### Notes:

1. The EGM will be convened and held by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, as amended or modified from time to time.
2. **Printed copies of this Notice of EGM and the Proxy Form will not be sent to members of the Company.** This Notice of EGM and the Proxy Form may be accessed at the Company's website at the URL [www.incredible.sg](http://www.incredible.sg) and are also available on SGXNET at the URL <https://www.sgx.com/securities/company-announcements>.
3. Alternative arrangements relating to attendance at a Virtual Information Session and at the EGM via electronic means (including arrangements by which the EGM proceedings may be electronically accessed via live audio-visual webcast or live audio-only stream), submission of comments, queries and/or questions to the Chairman of the Meeting in advance of the Virtual information Session and the EGM, addressing of substantial and relevant comments, queries and/or questions relating to the resolutions to be tabled for approval at the EGM before the EGM and voting by appointing the Chairman of the Meeting as proxy at the EGM, are set out in the notes to the Notice of EGM and Section 11 of the Circular.
4. **Due to the current COVID-19 situation in Singapore, members of the Company will not be able to attend the EGM in person. A member of the Company who wishes to exercise his/her/its voting rights at the EGM must appoint the Chairman of the EGM as his/her/its proxy to vote on his/her/its behalf at the EGM.** In appointing the Chairman of the EGM as proxy, a member of the Company must give specific instructions as to voting, or abstentions from voting, in respect of a resolution, failing which the appointment of the Chairman of the EGM as proxy for that resolution will be treated as invalid.
5. Members of the Company who wish to watch and observe the proceedings of the EGM through the live audio-visual webcast or the live audio-only stream via their mobile phones, tablets or computers must pre-register at the URL <https://complete-corp.com/incredible-egm/> by **11.00 a.m. (Singapore Time) on Sunday, 1 May 2022** (that is, not less than 72 hours before the time fixed for holding the EGM) to enable the Company's Share Registrar, KCK CorpServe Pte. Ltd., to authenticate their status as members of the Company.

Upon successful authentication, each such member of the Company will receive an email with instructions to access the live audio-visual webcast or the live audio-only stream (the "**Confirmation Email**") by **12.00 p.m. on Tuesday, 3 May 2022**. Only members of the Company who have been successfully authenticated will be entitled to access the live audio-visual webcast or the live audio-only stream. Members of the Company who have pre-registered but have not received the Confirmation Email by **12.00 p.m. on Tuesday, 3 May 2022** should contact the Company's Share Registrar, KCK CorpServe Pte. Ltd., at [ihl-egm@kckcs.com.sg](mailto:ihl-egm@kckcs.com.sg) as soon as practicable.

6. Members of the Company will not be able to ask questions at the EGM during the live audio-visual webcast or the live audio-only stream. Members of the Company may submit questions relating to the resolutions tabled for approval at the EGM, together with their full name (as per CDP/CPF/SRS/Script-based records), identification number (e.g. NRIC/Passport/Company Registration Number), shareholding type (e.g. CDP/CPF/SRS/Script-based), email address and contact number to enable the Company (or its agents or service providers) to authenticate their status as members of the Company, in the following manner:

(a) by email to the Company's Share Registrar, KCK CorpServe Pte. Ltd., at [ihl-egm@kckcs.com.sg](mailto:ihl-egm@kckcs.com.sg); or

(b) by post to the Company's Share Registrar, KCK CorpServe Pte. Ltd., at 24 Raffles Place #07-07 Clifford Centre Singapore 048621,

in either case, by **11.00 a.m. (Singapore Time) on Tuesday, 19 April 2022**. The Company will endeavour to address all substantial and relevant questions (determined by the Company in its sole discretion) received by **11.00 a.m. (Singapore Time) on Wednesday, 27 April 2022** (that is, at least 72 hours prior to the closing date and time for the lodgement of the Proxy Forms).

7. CPF/SRS investors, including persons who hold Shares through relevant intermediaries (as defined in Section 181 of the Companies Act), who wish to appoint the Chairman of the EGM as proxy should approach their respective CPF agent banks, SRS operators or relevant intermediaries to submit their votes and/or questions relating to the resolutions tabled for approval at the EGM by **11.00 a.m. (Singapore Time) on Tuesday, 19 April 2022** (that is, at least seven working days before the date of the EGM).
8. The Chairman of the EGM, acting as proxy, need not be a member of the Company.
9. A member of the Company who wishes to submit a Proxy Form must first download, complete and sign the Proxy Form before submitting it to the Company in the following manner:
  - (a) by email to the Company's Share Registrar, KCK CorpServe Pte. Ltd., at [ihl-egm@kckcs.com.sg](mailto:ihl-egm@kckcs.com.sg); or

## NOTICE OF EXTRAORDINARY GENERAL MEETING

(b) by post to the Company's Share Registrar, KCK CorpServe Pte. Ltd., at 24 Raffles Place #07-07 Clifford Centre Singapore 048621,

in either case, by **11.00 a.m. (Singapore Time) on Saturday, 1 May 2022** (that is, not less than 72 hours before the time fixed for holding the EGM). Members of the Company are strongly encouraged to submit the completed and signed Proxy Forms to the Company's Share Registrar via email.

10. A Depositor's name must appear on the Depository Register as at 72 hours before the time fixed for holding the EGM in order for the Depositor to be entitled to access the live audio-visual webcast or the live audio-only stream, and to vote by appointing the Chairman of the EGM as proxy at the EGM.
11. The Company will publish the minutes of the EGM on the Company's website at the URL [www.incredible.sg](http://www.incredible.sg) and on SGXNET at the URL <https://www.sgx.com/securities/company-announcements> within one month after the date of the EGM.
12. As the COVID-19 situation in Singapore continues to evolve, members of the Company are advised to read the Government of Singapore's "COVID-19: Advisories for Various Sectors" at the URL <https://www.gov.sg/article/covid-19-sector-specific-advisories>, including the health advisories issued by the Ministry of Health. The Company will monitor the situation and reserves the right to take further measures as appropriate in order to comply with the various government and regulatory advisories. Any changes to the manner of conduct of the EGM will be announced on the Company's website at the URL [www.incredible.sg](http://www.incredible.sg) and on SGXNET at the URL <https://www.sgx.com/securities/company-announcements>.

### Summary of Key Dates and Times

Dates and Times	Action to be taken by Members of the Company
By 11.00 a.m. (Singapore Time) on Tuesday, 19 April 2022	CPF/SRS investors, including persons who hold Shares through relevant intermediaries (as defined in Section 181 of the Companies Act), who wish to appoint the Chairman of the EGM as proxy to approach their respective CPF agent banks, SRS operators or relevant intermediaries to submit their votes and/or questions relating to the resolutions tabled for approval at the EGM.
By 11.00 a.m. (Singapore Time) on Tuesday, 19 April 2022	Members of the Company to submit questions relating to the resolutions tabled for approval at the EGM in the following manner: (a) by email to the Company's Share Registrar, KCK CorpServe Pte. Ltd., at <a href="mailto:ihl-egm@kckcs.com.sg">ihl-egm@kckcs.com.sg</a> ; or (b) by post to the Company's Share Registrar, KCK CorpServe Pte. Ltd., at 24 Raffles Place #07-07 Clifford Centre Singapore 048621.
By 11.00 a.m. (Singapore Time) on Tuesday, 19 April 2022	Deadline for Shareholders to pre-register for the Virtual Information Session.  The agenda for the Virtual Information Session is to enable Shareholders to raise questions in relation to the Issuance Resolution, the IPT Resolution, the Controlling Interest Resolution, the Subscription Resolution and the Incredible IPT Resolution at the Virtual Information Session.
By 11.00 a.m. (Singapore Time) on Thursday, 21 April 2022	Shareholders, who have pre-registered for the Virtual Information Session and who have been verified by the Company's Share Registrar, KCK Corpserve Pte. Ltd., will receive an email which will contain the user ID and password details as well as the URL to access the Virtual Information Session (the "VIS Confirmation Email").  Shareholders who have pre-registered for the Virtual Information Session but who have not received the VIS Confirmation Email by 12.00 p.m. on 21 April 2022, should contact the Company's Share Registrar at <a href="mailto:ihl-egm@kckcs.com.sg">ihl-egm@kckcs.com.sg</a> .
By 11.00 a.m. (Singapore Time) on Friday, 22 April 2022	Shareholders may participate at the Virtual Information Session via electronic means by: (a) accessing the URL in the VIS Confirmation Email and entering the user ID and password to access the live audio-visual webcast; or (b) calling the toll-free telephone number to access the live audio-only stream.

## NOTICE OF EXTRAORDINARY GENERAL MEETING

<p>By 11.00 a.m. (Singapore Time) on Sunday, 1 May 2022</p>	<p>Members of the Company to pre-register at the URL <a href="https://complete-corp.com/incredible-egm/">https://complete-corp.com/incredible-egm/</a> should they wish to watch and observe the proceedings of the EGM through the live audio-visual webcast or the live audio-only stream.</p> <p>Members of the Company to submit the completed and signed Proxy Forms in the following manner:</p> <p>(a) by email to the Company's Share Registrar, KCK CorpServe Pte. Ltd., at <a href="mailto:ihl-egm@kckcs.com.sg">ihl-egm@kckcs.com.sg</a>; or</p> <p>(b) by post to the Company's Share Registrar, KCK CorpServe Pte. Ltd., at 24 Raffles Place #07-07 Clifford Centre Singapore 048621.</p> <p>Members of the Company are strongly encouraged to submit the completed and signed Proxy Forms to the Company's Share Registrar via email.</p>
<p>By 12.00 p.m. (Singapore Time) on Tuesday, 3 May 2022</p>	<p>Members of the Company who have been successfully authenticated to receive an email with instructions to access the live audio-visual webcast or the live audio-only stream (the "<b>Confirmation Email</b>").</p> <p>Members of the Company who have pre-registered but have not received the Confirmation Email by this date and time should contact the Company's Share Registrar, KCK CorpServe Pte. Ltd., at <a href="mailto:ihl-egm@kckcs.com.sg">ihl-egm@kckcs.com.sg</a> as soon as practicable.</p>
<p>11.00 a.m. (Singapore Time) on Wednesday, 4 May 2022</p>	<p>Members of the Company may access the live audio-visual webcast or the live audio-only stream using the instructions set out in the Confirmation Email.</p>

**Personal Data Privacy:**

By submitting the Proxy Form appointing the Chairman of the EGM as proxy to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of the appointment of the Chairman of the EGM as proxy for the EGM and/or any adjournment thereof and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM and/or any adjournment thereof, and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines.

## PROXY FORM

### Incredible Holdings Ltd.

(Incorporated in the Republic of Singapore)  
(Company Registration Number 199906220H)

## PROXY FORM

**IMPORTANT:**

1. Unless otherwise defined, all capitalised terms herein shall have the same meanings ascribed to them in the circular issued by the Company to shareholders of the Company dated 11 April 2022.
2. The EGM will be convened and held by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, as amended or modified from time to time.
3. **Printed copies of the Notice of EGM and this Proxy Form will not be sent to members of the Company.** The Notice of EGM and this Proxy Form may be accessed at the Company's website at the URL [www.incredible.sg](http://www.incredible.sg) and are also available on SGXNET at the URL <https://www.sgx.com/securities/company-announcements>.
4. Alternative arrangements relating to attendance at the EGM via electronic means through the live audio-visual webcast or the live audio-only stream, submission of questions in advance of the EGM and appointment of the Chairman of the EGM as proxy to vote at the EGM are set out in the notes to the Notice of EGM.
5. **Due to the current COVID-19 situation in Singapore, members of the Company will not be able to attend the EGM in person. A member of the Company who wishes to exercise his/her/its voting rights at the EGM must appoint the Chairman of the EGM as his/her/its proxy to vote on his/her/its behalf at the EGM.** In appointing the Chairman of the EGM as proxy, a member of the Company must give specific instructions as to voting, or abstentions from voting, in respect of a resolution, failing which the appointment of the Chairman of the EGM as proxy for that resolution will be treated as invalid.
6. CPF/SRS investors, including persons who hold Shares through relevant intermediaries (as defined in Section 181 of the Companies Act), who wish to appoint the Chairman of the EGM as proxy should approach their respective CPF agent banks, SRS operators or relevant intermediaries to submit their votes by 11.00 a.m. (Singapore Time) on Tuesday, 19 April 2022 (that is, at least seven working days before the date of the EGM).
7. By submitting a Proxy Form, a member of the Company is deemed to have accepted and agreed to the personal data privacy terms set out in the Notice of EGM.
8. **Please read the notes overleaf which contain instructions on, *inter alia*, the appointment of the Chairman of the EGM as proxy to vote at the EGM.**

### EXTRAORDINARY GENERAL MEETING

I/We\* \_\_\_\_\_ (Name) \_\_\_\_\_ (NRIC / Passport / Company Registration Number\*)

of \_\_\_\_\_ (Address)

being a member of **Incredible Holdings Ltd.** (the "Company"), hereby appoint the Chairman of the EGM as my/our\* proxy to attend, speak and vote for me/us\* on my/our\* behalf at the EGM to be convened and held by way of electronic means on Wednesday, 4 May 2022 at 11.00 a.m. (Singapore Time) and at any adjournment thereof.

I/We\* direct the Chairman of the EGM to vote for or against, or abstain from voting on, the resolutions to be proposed at the EGM as indicated hereunder. **In absence of specific instructions as to voting, or abstentions from voting, in respect of a resolution, the appointment of the Chairman of the EGM as proxy for that resolution will be treated as invalid.**

All resolutions put to vote at the EGM shall be decided by way of poll.

Ordinary Resolutions relating to:	Number of Votes For <sup>#</sup>	Number of Votes Against <sup>#</sup>	Number of Votes Abstain <sup>#</sup>
1. The Issuance Resolution			
2. The Issuance IPT Resolution			
3. The Controlling Interest Resolution			
4. The Subscription Resolution			
5. The Subscription IPT Resolution			

\* Delete as appropriate.

<sup>#</sup> If you wish to exercise all your votes "For" or "Against" or "Abstain", please indicate so with a (✓) within the box provided. Alternatively, please indicate the number of votes as appropriate.



Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2022.

Total number of Shares in:	Number of Shares
(a) CDP Register	
(b) Register of Members	

\_\_\_\_\_  
*Signature or Common Seal of Member*

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## PROXY FORM

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### Notes:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register, you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, a Proxy Form shall be deemed to relate to all the Shares held by you.
2. **Due to the current COVID-19 situation in Singapore, members of the Company will not be able to attend the EGM in person. A member of the Company who wishes to exercise his/her/its voting rights at the EGM must appoint the Chairman of the EGM as his/her/its proxy to vote on his/her/its behalf at the EGM.** In appointing the Chairman of the EGM as proxy, a member of the Company must give specific instructions as to voting, or abstentions from voting, in respect of a resolution, failing which the appointment of the Chairman of the EGM as proxy for that resolution will be treated as invalid.
3. CPF/SRS investors, including persons who hold Shares through relevant intermediaries (as defined in Section 181 of the Companies Act), who wish to appoint the Chairman of the EGM as proxy should approach their respective CPF agent banks, SRS operators or relevant intermediaries to submit their votes by 11.00 a.m. **(Singapore Time) on Tuesday, 19 April 2022** (that is, at least seven working days before the date of the EGM).
4. The Chairman of the EGM, acting as proxy, need not be a member of the Company.
5. A member of the Company who wishes to submit a Proxy Form must first download, complete and sign the Proxy Form before submitting it to the Company in the following manner:
  - (a) by email to the Company's Share Registrar, KCK CorpServe Pte. Ltd., at [ihl-egm@kckcs.com.sg](mailto:ihl-egm@kckcs.com.sg); or
  - (b) by post to the Company's Share Registrar, KCK CorpServe Pte. Ltd., at 24 Raffles Place #07-07 Clifford Centre Singapore 048621,in either case, by **11.00 a.m. (Singapore Time) on Sunday, 1 May 2022** (that is, not less than 72 hours before the time fixed for holding the EGM). Members of the Company are strongly encouraged to submit the completed and signed Proxy Forms to the Company's Share Registrar via email.
6. Where a Proxy Form is executed by an individual, it must be executed under the hand of the individual or his/her attorney duly authorised in writing. Where a Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or officer duly authorised in writing.
7. Where a Proxy Form is signed on behalf of an individual or a corporation, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be submitted to the Company together with the Proxy Form, failing which the Proxy Form may be treated as invalid.
8. The Company shall be entitled to reject a Proxy Form if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the Proxy Form. In addition, in the case of a member of the Company whose Shares are entered against his/her/its name in the Depository Register, the Company may reject a Proxy Form if such member, being the appointor, is not shown to have Shares entered against his/her/its name in the Depository Register as at 72 hours before the time fixed for holding the EGM, as certified by the CDP to the Company.
9. Any amendments or modifications made in a Proxy Form must be initialled by the person who signs the Proxy Form.