

CIRCULAR DATED 24 AUGUST 2021

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

Capitalised terms appearing on the cover of this Circular shall have the same meanings as defined herein. If you have sold or transferred all your shares in the capital of Alpha DX Group Limited (the “**Company**”) held through The Central Depository (Pte) Limited (“**CDP**”), you need not forward this Circular with the Notice of Extraordinary General Meeting (“**EGM**”) and the attached Proxy Form to the purchaser or transferee as arrangements will be made by CDP for a separate Circular to be sent to the purchaser or transferee.

*This Circular has been reviewed by the Company’s sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “**Sponsor**”). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the “**Exchange**”) and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.*

The contact person for the Sponsor is Ms. Ng Shi Qing, 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, sponsorship@ppcf.com.sg.

This Circular has been made available on SGXNet (www.sgx.com). A printed copy of this Circular will NOT be despatched to Shareholders.

Due to the current COVID-19 restriction orders in Singapore, this EGM would be held by electronic means and therefore Shareholders will not be able to attend the EGM. Instead, alternative arrangements have been put in place to allow Shareholders to participate at the EGM by (a) watching or listening to the EGM proceedings through a “live” webcast comprising both video (audiovisual) and audio feeds, (b) submitting questions in advance of the EGM, and/or (c) voting by proxy for the resolution(s) tabled at the EGM.

Please refer to section 12 of this Circular for further information, including the steps to be taken by Shareholders to participate at the EGM.



ALPHA DX GROUP LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 200310813H)

CIRCULAR TO SHAREHOLDERS
in relation to:

THE PROPOSED ACQUISITION OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF DIDI ACADEMY INC AS AN INTERESTED PERSON TRANSACTION

Independent Financial Adviser to the Recommending Directors
in relation to the Proposed Acquisition



RHT Capital Pte. Ltd.
(Company Registration No. 201109968H)
(Incorporated in the Republic of Singapore)

Important Dates and Times

Last date and time for lodgement of Proxy Form	:	6 September 2021 at 3.00 p.m.
Date and time of Extraordinary General Meeting	:	8 September 2021 at 3.00 p.m.
Place of Extraordinary General Meeting	:	By way of electronic means

TABLE OF CONTENTS

DEFINITIONS	1
CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS	6
LETTER TO SHAREHOLDERS	7
1. INTRODUCTION	7
2. THE PROPOSED ACQUISITION	8
3. THE INTERESTED PERSON TRANSACTION	18
4. OPINION OF THE IFA	19
5. STATEMENT OF THE AUDIT COMMITTEE	20
6. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS	20
7. DIRECTORS' SERVICE CONTRACTS	21
8. WORKING CAPITAL	21
9. DIRECTORS' RECOMMENDATIONS	21
10. ABSTENTION FROM VOTING	22
11. EXTRAORDINARY GENERAL MEETING	22
12. ACTION TO BE TAKEN BY SHAREHOLDERS	22
13. RESPONSIBILITY STATEMENTS	24
14. CONSENTS	25
15. DOCUMENTS FOR INSPECTION	25
APPENDIX I – SUMMARY OF VALUATION REPORT	I-1
APPENDIX II – IFA LETTER	II-1
NOTICE OF EXTRAORDINARY GENERAL MEETING	N-1
PROXY FORM	P-1

DEFINITIONS

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

- “Addendum”** : Has the meaning ascribed to it in section 2.4 of this Circular
- “Aggregate Value”** : S\$2,352,000, being the aggregate value of all interested person transactions entered into with the Seller (representing the amount at risk) for the current FY commencing on 1 January 2021 up to the Latest Practicable Date
- “AGM”** : Annual general meeting of the Company
- “Associates”** : (a) In relation to any director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:
- (i) his immediate family;
 - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
 - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more.
- (b) In relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
- “Audit Committee”** : The audit committee of the Company comprising Mr. Chang Chi Hsung, Mr. Ng Chee Weng, Mr. Fabian Sven Bahadur Scheler and Mr. Chang Chi Hsung
- “Board”** : The board of Directors of the Company
- “Catalist”** : The Catalist board of the SGX-ST
- “Catalist Rules”** : Section B: Rules of Catalist of the SGX-ST listing manual, as amended, modified or supplemented from time to time
- “CDP”** : The Central Depository (Pte) Limited
- “Circular”** : This circular to Shareholders dated 24 August 2021
- “Companies Act”** : The Companies Act (Chapter 50) of Singapore as amended, modified or supplemented from time to time
- “Company”** : Alpha DX Group Limited (Company Registration No. 200310813H) having its registered office at 229 Mountbatten Road, #01-11 Mountbatten Square Singapore 398007

DEFINITIONS

“Completion”	: Completion of the Proposed Acquisition
“Completion Date”	: The date of Completion, which shall take place on a date which is mutually agreed to by the parties to the SPA but in any event not more than five (5) business days from the date of fulfilment or waiver of all Conditions Precedent
“Conditions Precedent”	: Has the meaning ascribed to it in section 2.7.3 of this Circular
“Consideration”	: Has the meaning ascribed to it in section 2.7.2 of this Circular
“Constitution”	: The Constitution of the Company, as amended, modified or supplemented from time to time
“Controlling Shareholder”	: A person who: (a) holds directly or indirectly 15% or more of the total number of issued shares excluding treasury shares and subsidiary holdings in the company. The SGX-ST may determine that a person who satisfies this section is not a controlling shareholder; or (b) in fact exercises control over a company
“Convertible Loan”	: Has the meaning ascribed to it in section 2.3 of this Circular
“Deed”	Has the meaning ascribed to it in section 2.7.9 of this Circular
“DiDi”	: DiDi Investments, Inc
“Directors”	: The directors of the Company as at the Latest Practicable Date
“Diversification Circular”	: The circular of the Company dated 24 September 2020
“EGM”	: The extraordinary general meeting of the Company in relation to the Proposed Resolution to be held via electronic means on 8 September 2021 at 3.00 p.m., notice of which is set out in pages N-1 to N-3 of this Circular
“ERCI”	ERC Institute Pte. Ltd.
“FY”	: The financial year ended or ending 31 December, as the case may be
“FY2020”	: The financial year ended 31 December 2020
“Group”	: The Company and its subsidiaries
“IFA Letter”	: The letter dated 24 August 2021 issued by the IFA in respect of the Proposed Acquisition as an interested person transaction as reproduced <u>Appendix II</u> of this Circular

DEFINITIONS

“Independent Adviser” or “IFA”	Financial	: RHT Capital Pte. Ltd.
“Independent Valuer”		: Cushman & Wakefield VHS Pte. Ltd.
“Target”		: DiDi Academy, Inc
“Latest Practicable Date”		: 23 August 2021, being the latest practicable date prior to the finalisation and release of this Circular
“Licence”		: Has the meaning ascribed to it in section 2.4 of this Circular
“Long Stop Date”		: 30 September 2021 or any other date as mutually agreed by the parties to the SPA
“Market Day”		: A day on which the SGX-ST is open for trading in securities
“MOU”		: Has the meaning ascribed to it in section 2.2 of this Circular
“Notice of EGM”		: The notice of the EGM which is set out in pages N-1 to N-3 of this Circular
“NTA”		: Net tangible assets
“NTL”		: Net tangible liabilities
“Options”		: Has the meaning ascribed to it in section 2.3 of this Circular
“Ordinary Resolution 1”		: The ordinary resolution to approve the proposed acquisition of the entire issued and paid-up ordinary shares in the capital of DiDi Academy Inc as an interested person transaction under Chapter 9 of the Catalist Rules
“Project Asnaro”		Has the meaning ascribed to it in section 2.2 of this Circular
“Proposed Acquisition”		: The proposed acquisition of the entire issued and paid-up ordinary shares in the capital of DiDi Academy Inc as an interested person transaction under Chapter 9 of the Catalist Rules
“Property”		: Has the meaning ascribed to it in section 2.4 of this Circular
“Proposed Resolution”		: Refers collectively to Ordinary Resolution
“Proxy Form”		: The proxy form in respect of the EGM as attached to this Circular
“Recommending Directors”		: Directors who are regarded as independent for the purposes of making a recommendation on the Proposed Acquisition, being Mr. Daiji Yamada, Mr. Fabian Sven Bahadur Scheler, Mr. Ng Chee Weng, Mr. Chang Chi Hsung, Ms. Michiko Koyano and Ms. Chew Yean Nee

DEFINITIONS

“Record Date”	:	In relation to any dividends, rights, allotments or other distributions, the date as at the close of the business (or such other time as may have been notified by the Company) on which Shareholders must be registered with the Company or the CDP, as the case may be, in order to participate in such dividends, rights, allotments or distributions
“Register of Members”	:	The register of members of the Company
“Sale Shares”	:	The entire issued and paid-up share capital of the Target
“Securities Account”	:	A securities account maintained by a depositor with CDP but does not include a securities sub-account maintained with a depository agent
“Securities and Futures Act” or “SFA”	:	The Securities and Futures Act (Chapter 289) of Singapore, as amended, modified or supplemented from time to time
“Seller”	:	DiDi Investments, Inc
“Service Fees”		Has the meaning ascribed to it in section 3.2 of this Circular
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Shareholders”	:	Registered holders of ordinary shares in the capital of the Company, except where the registered holder is CDP, in which case the term “Shareholders” shall in relation to such Shares mean the Depositors whose Securities Accounts maintained with CDP are credited with Shares
“Shares”	:	Ordinary share(s) in the share capital of the Company
“SPA”	:	The conditional sale and purchase agreement dated 17 August 2021 entered into between the Company and the Seller in relation to the Proposed Acquisition
“Substantial Shareholder”	:	Shall have the meaning ascribed to it in Section 81 of the Companies Act and Section 2(4) of the SFA, being a person who: (a) has an interest or interests in one (1) or more voting Shares in the Company; and (b) 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
“Summary of Valuation Report”	:	A summary of the Valuation Report set out in <u>Appendix I</u> to this Circular
“Target”	:	DiDi Academy, Inc
“Uzbek MHSSE”	:	Government of Uzbekistan (Ministry of Higher Education and Secondary Specialized Education of Uzbekistan)

DEFINITIONS

“Valuation Date”	30 June 2021
“Valuation Report”	: Valuation report dated 24 August 2021 issued by the Independent Valuer in relation to the valuation of 100% equity interest in the capital of the Target, a summary of which is set out in Appendix I to this Circular
“VWAP”	: Volume weighted average price
“Waiver”	: Has the meaning ascribed to it in section 2.7.8 of this Circular
<i>Currencies, Units and Others</i>	
“%”	: Per centum or percentage
“S\$” and “cents”	: Singapore dollars and cents respectively, the lawful currency of Singapore

The terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the respective meanings ascribed to them in Section 81SF of the SFA and the terms “**subsidiary**” and “**related corporations**” shall have the meanings ascribed to them respectively in the Companies Act.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter gender and vice versa. References to persons shall, where applicable, include firms, corporations and other entities.

Any reference in this Circular to any enactment is a reference to that statute or enactment for the time being amended or re-enacted up to the Latest Practicable Date. Any term defined under the Companies Act, the SFA, the Catalist Rules or any statutory modification thereof and used in this Circular shall, where applicable, have the meaning assigned to it under the Companies Act, the SFA, the Catalist Rules or any statutory modification thereof, as the case may be, unless otherwise provided.

Any reference in this Circular to “**Rule**” or “**Chapter**” is a reference to the relevant rule or chapter in the Catalist Rules as for the time being, unless otherwise stated.

Any discrepancies in the tables included herein between the amounts in the columns of the tables and the totals thereof and relevant percentages (if any) are due to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

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

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

Unless otherwise stated, the conversion of S\$ to JPY in this Circular is based on the exchange rate of S\$1:JPY 78.04 as at 31 December 2020.

The legal advisers appointed by the Company for the purpose of the corporate actions set out in this Circular is Morgan Lewis Stamford LLC.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements other than statements of historical facts included in this Circular are or may be forward looking statements. Forward-looking statements include but are not limited to, those using words such as “expect”, “seek”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect the Company’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information as at the Latest Practicable Date. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results or outcomes may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and neither the Company nor the Sponsor undertakes any obligation to update publicly or revise any forward-looking statements for any reasons, even if new information becomes available or other events occur in the future, subject to compliance with all applicable laws and regulations and/or rules of the SGX-ST and/or any other regulatory or supervisory body or agency.

LETTER TO SHAREHOLDERS

ALPHA DX GROUP LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 200310813H)

Directors:

Mr. Yoshiyasu Naruse (Chairman and Non-Independent Non-Executive Director)
Mr. Daiji Yamada (Chief Executive Officer and Executive Director)
Mr. Fabian Sven Bahadur Scheler (Non-Independent Non-Executive Director)
Mr. Ng Chee Weng (Independent Non-Executive Director)
Mr. Chang Chi Hsung (Independent Non-Executive Director)
Ms. Michiko Koyano (Independent Non-Executive Director)
Ms. Chew Yean Nee (Independent Non-Executive Director)

Registered Office:

229 Mountbatten
Road, #01-11
Mountbatten Square
Singapore 398007

24 August 2021

To: **Shareholders of Alpha DX Group Limited**

Dear Sir / Madam

THE PROPOSED ACQUISITION OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF DIDI ACADEMY INC AS AN INTERESTED PERSON TRANSACTION

1. INTRODUCTION

1.1. Purpose of Circular

The Directors are convening an EGM by way of electronic means on 8 September 2021 at 3.00 p.m. to seek Shareholders' approval for the proposed acquisition of the entire issued and paid-up ordinary shares in the capital of DiDi Academy Inc as an interested person transaction under Chapter 9 of the Catalist Rules (the "**Proposed Acquisition**").

The purpose of this Circular is to provide Shareholders with relevant information relating to the Proposed Acquisition and to seek Shareholders' approval in respect of the same at the EGM. The Notice of EGM is set out at pages N-1 to N-3 of this Circular.

1.2. Disclaimers

If a Shareholder is in any doubt as to the action he/she should take, he/she should consult his/her legal, financial, tax or other professional adviser(s) immediately.

2. THE PROPOSED ACQUISITION

2.1. Introduction

The Company had entered into a conditional sale and purchase agreement dated 17 August 2021 (the “**SPA**”) with DiDi Investments, Inc (the “**Seller**”) in relation to the Proposed Acquisition by the Company of the entire issued and paid-up share capital (the “**Sale Shares**”) in DiDi Academy, Inc (the “**Target**”) from the Seller.

The Proposed Acquisition constitutes an “interested person transaction” pursuant to Chapter 9 of the Catalyst Rules and is subject to the approval of Shareholders under Rule 906 of the Catalyst Rules by way of an ordinary resolution.

2.2. Rationale for the Proposed Acquisition

The Group is currently providing digital education and learning solutions and customised learning content through (a) learning solution consultancy services; (b) content digitalisation solutions; (c) enterprise learning management system solutions; (d) operations and support; and (e) specialist manpower deployment services, with a strategic focus on integrating digital technology and education through collaborations with global education and learning institutions.

The integration of the business operations of the Target will allow the Group to expand its customer base into Japanese education market, which is of strategic importance to the Group for the following reasons:

- (a) the COVID-19 pandemic has precipitated a drastic shift in focus in the entire education market in Japan towards the online and/or virtual delivery of education services, which has significantly expanded the market in Japan for online educational services;
- (b) through the Proposed Acquisition of the Target, the Group would be able to establish a presence and offer a fully integrated ubiquitous learning platform and learning management systems to potential customers in Japan;
- (c) the Group’s presence in Japan will enhance the Group’s ability to expand and/or enhance its partnerships with various higher education institutions globally, which includes renowned universities, colleges and vocational schools;
- (d) the Group’s presence in Japan will also enable the Group to enter into partnerships with higher educational institutions in Japan which will enhance the track record of the Group and thereafter better allow the Group to bring its content to foreign markets in South East Asia, China, India and Central Asia; and
- (e) through its expanded size and scope of partnerships and customer base, the Group would be in a better position to attract further investments from investors and businesses in Japan as well as in other countries in Asia.

LETTER TO SHAREHOLDERS

In addition to the Japanese education market, the Company is also looking to expand its services to the Uzbekistan education market. On 12 December 2020, the Company has entered into a memorandum of understanding (“**MOU**”) with the Government of Uzbekistan (Ministry of Higher Education and Secondary Specialized Education of Uzbekistan) (“**Uzbek MHSSE**”) in a project to build and operate a “Next Generation” University – the Ansaro University of Uzbekistan (“**Project Asnaro**”). The Target and the Company are currently in discussions with the Uzbek MHSSE to include the Target as a member contractor for Project Asnaro through an addendum to the MOU (“**Addendum**”) which, if completed, will expand the scope of services provided by the Group to the Uzbek MHSSE after the completion of the Proposed Acquisition.

Uzbekistan is a strategic market for the Company as it has been going through rapid growth with aggressive reforms in all sectors through the strong leadership of its government, which has set improving academic ability and fostering talent for the future society as its educational goal. In order to increase its capacity and capability to provide its population with access to higher education, the Uzbek MHSSE has established specialised public educational institution (or “Presidential Schools”) in the regions of in Tashkent, Khiva, Nukus and Namangan and plans to establish similar institutions in all regions of Uzbekistan in the near future. In the year of 2020, public Universities and other higher education institutions in Uzbekistan accepted only 6.8% of its applicants. As such, the Group anticipates that there will be a strong and increased demand for high quality post-secondary education in Uzbekistan, and especially for programmes offered by foreign institutions in Uzbekistan.

For the reasons provided above, the Group will stand to benefit from the potential commercial, operational and costs synergies over time. The Board, taking into consideration the merits of Proposed Acquisition, believes that there the Proposed Acquisition will enhance both immediate and the long-term interests of the Company and its Shareholders.

2.3. Information on the Seller

The Seller is a private company incorporated on 26 August 2019 in Japan and involved in the learning and education business in Japan. As at the Latest Practicable Date, the Seller is the legal and beneficial owner of 100% of the Sale Shares.

Pursuant to the Diversification Circular, an extraordinary general meeting was held by the Company on 9 October 2020 wherein Shareholders of the Company had approved the issuance of up to 171,428,571 Shares (or 6,857,142,857 Shares on a pre-consolidated basis) pursuant to the conversion of a S\$24,000,000 convertible loan (“**Convertible Loan**”) and 85,714,285 non-transferable options (“**Options**”) (or 3,428,571,428 non-transferable options on a pre-consolidated basis) to the Seller.

As at the Latest Practicable Date, the Seller owns 157,142,856 Shares, representing 68.85% of the entire issued and paid up share capital of the Company, through the disbursement and conversion of S\$22,000,000 (out of a maximum of S\$24,000,000) to the Company under the Convertible Loan Agreement. As at the Latest Practicable Date, and the Company has not issued any shares pursuant to the Options to the Seller. Accordingly, the Seller is a controlling shareholder of the Company.

LETTER TO SHAREHOLDERS

Assuming completion of the transactions stated in the Diversification Circular and full conversion of the Convertible Loan and full exercise of Options, the Seller will own up to 78.2% of all the Shares in the Company. Save as set out above, the Seller does not have any shareholding interest, direct or indirect in the Company.

The beneficial owners of the Seller are Mr. Furuya Koji and Mr. Yoshiyasu Naruse, each a 50% shareholder. Mr. Furuya Koji is a director of the Seller. Mr. Yoshiyasu Naruse is the Chairman and non-independent non-executive Director of the Company, the chief executive officer of the Seller, as well as the sole director of the Target. Save as set out above, the Seller and its beneficial owners are not related to any of the Directors, the chief executive officer, or controlling shareholders of the Company, or their respective Associates.

No commission was paid or is payable by the Company to any person in relation to the Proposed Acquisition.

2.4. Information on the Target

The Target is a private company limited by shares duly incorporated on 17 June 2020 under the laws of Japan which has a total issued and paid-up share capital of Japanese Yen 99.99 million comprising 9,999 ordinary shares. The Seller is the legal and beneficial owner of the entire issued and paid up share capital of the Target.

The Target aims to be the first and only private higher education institution of its kind in Japan to provide various EduTrust¹ certified academic and training programs and contents in the Japanese market including various certificate programs, diploma programs, bachelors and masters degree programs as well as a wide range of professional training programmes, through an exclusive perpetual territorial license (“**Licence**”) from Singapore-based ERC Institute Pte. Ltd. (“**ERCI**”).

The Target had entered into an agreement with ERCI on 30 June 2021 to purchase the Licence for an aggregate consideration of S\$2,000,000, of which the Target had paid S\$500,000 as a deposit (“**Deposit**”) which is fully refundable to the Target should the Target choose not to proceed with the purchase of the Licence for any reason. The Group will make a decision on whether to proceed with the purchase of the Licence after the completion of the Proposed Acquisition. If completed, the Licence will be valid from the date of full payment on the Licence until such time when the Target ceases to operate as a provider of the said programs or in the event of bankruptcy of the Target. As ERCI is fully owned by the Seller who is an “interested person” pursuant to Chapter 9 of the Catalist Rules, the purchase of the Licence will constitute an “interested person transaction” under Chapter 9 of the Catalist Rules and will be subject to the approval of shareholders of the Company (the “**Shareholders**”) under Rule 906 of the Catalist Rules. Please refer to paragraph 2.5 of this Circular for further background information on ERCI.

¹ The EduTrust Certification Scheme is a scheme administered by the Committee of Private Education appointed under Section 5 of the Private Education Act (Chapter 247A).

LETTER TO SHAREHOLDERS

In addition to its plans to offer academic and training programs in the Japanese market, the Target and the Company are currently in discussions with the Uzbek MHSSE to include the Target as a member contractor for Project Asnaro, and is in advanced stage of negotiations for formal collaborations with several academic institutions and businesses in Japan to offer educational content to students and professionals in Japan. Please refer to section 2.2 of this Circular for further information.

As at the date of this Circular, the Target's key tangible asset is a property located in Tokojimachi, Kofu-city, Yamanashi (the "**Property**"). The Property is intended to be used as a campus and/or student dormitory.

As at the Latest Practicable Date, Mr. Yoshiyasu Naruse, the Chairman and a non-independent and non-executive Director of the Company, is one of the beneficial owners of the Seller, which is a Controlling Shareholder of the Company.

2.5. **Information on ERCI**

ERCI is a private company incorporated under the laws of Singapore, and it is engaged in the business of providing various EduTrust¹ certified academic programs through collaborations with global institutions, which includes Advanced Diploma Programs, Bachelor's Degree Programs, Master's Degree Programs and corporate training services. The Seller is the legal and beneficial owner of the entire issued and paid-up share capital of both the Target and ERCI.

In an extraordinary general meeting of the Company conducted on 15 May 2021, the shareholders of the Company had approved the proposed acquisition of ERCI on the terms set out in the Company's circular dated 30 April 2021. The Company subsequently announced on 22 June 2021 that due to a potential issue between the Seller and the previous owner of ERCI, the Company had decided to delay the proposed acquisition of ERCI until after such time when the issue(s) have been satisfactorily resolved in order to avoid undue disturbances to its business and expansion plans.

2.6. **Key Financial Information on the Target**

(a) **Asset Value of the Target**

Based on the latest unaudited financial statements of the Target for the financial period ended 30 June 2021, the net tangible asset value of the Target is JPY89.00 million (S\$1.08 million based on exchange rate of S\$1 to JPY82.18 as at 30 June 2021). Please refer to paragraph 2.7.10 of this Circular for more information on the adjusted net tangible asset value subsequent to the Waiver.

(b) **Book Value of the Target**

Based on the latest unaudited financial statements of the Target for the financial period ended 30 June 2021, the book value of the Target is JPY89.0 million (S\$1.08 million based on exchange rate of S\$1 to JPY82.18 as at 30 June 2021).

LETTER TO SHAREHOLDERS

The NTA and book value of the Target as disclosed above mainly comprises of the Deposit of JPY38.87 million (S\$0.47 million based on exchange rate of S\$1 to JPY82.18 as at 30 June 2021) and book value of the Property of JPY47.18 million (S\$0.57 million based on exchange rate of S\$1 to JPY82.18 as at 30 June 2021).

(c) **Net Loss of the Target**

Based on the latest unaudited financial statements of the Target for the 6 months period ended 30 June 2021, the net loss attributable to the Target is JPY5.65 million (S\$0.07 million based on exchange rate of S\$1 to JPY82.18 as at 30 June 2021).

(d) **Independent Valuation**

The Company has appointed Cushman & Wakefield VHS Pte. Ltd. as an Independent Valuer to assess and determine the market value of the 100% equity interest in the capital of the Target for the Proposed Acquisition.

A Valuation Report dated 24 August 2021 has been issued by the Independent Valuer in respect of the independent valuation on the market value of 100% equity interest in the capital of the Target, and the Summary of Valuation Report is set out in **Appendix I** to this Circular.

Based on the Valuation Report, the market value of the 100% equity interest in the capital of the Target as at 30 June 2021 ("**Valuation Date**") is in the region of JPY84.5 million to JPY93.5 million or S\$1.0 million to S\$1.2 million. The valuation is based primarily on the cost approach with reference to the market approach.

In addition, as instructed by the Company, a scenario analysis has been performed by the Independent Valuer to illustrate the potential market value of the Target based on financial projections provided assuming that the Addendum between the Target and Uzbek MHSSE is executed by FY2021. Based on the scenario analysis and the financial projections provided, the equity value of 100% equity interest in the capital of Target as at the Valuation Date ranges from JPY143.4 million to JPY213.5 million or SGD1.7 million to SGD2.6 million. The scenario analysis is for illustration purposes only and does not necessary imply or represent the market value of the Target as at the Valuation Date as the Addendum has not been executed and the Target is at its start-up stage as at the Valuation Date.

Shareholders are advised to read and consider the Summary of Valuation Report set out in **Appendix I** to this Circular in respect of the independent valuation on the Target carefully, in particular the terms of reference, key assumptions and critical factors.

2.7. **Principal Terms of the Proposed Acquisition**

2.7.1 **Acquisition of the Sale Shares**

The Seller shall at Completion sell and the Company shall purchase the entire legal and beneficial ownership in the Shares free from all encumbrances.

LETTER TO SHAREHOLDERS

2.7.2 Consideration

The aggregate consideration payable by the Company to the Seller for the Sale Shares shall be S\$2,000,000 (the “**Consideration**”) in cash, consisting of:

- (a) S\$1,200,000 to be paid to the Seller upon completion of the Proposed Acquisition; and
- (b) S\$800,000 to be paid to the Seller upon the Company and Target entering into the Addendum provided that such Addendum is entered into on or before 31 December 2021.

The Consideration payable by the Company to the Seller for the Sale Shares was arrived at and agreed on a “willing-buyer willing-seller” basis and taking into account the net tangible asset value and the net loss of the Target (details of which are provided in section 2.6 of this Circular); the Valuation Report; the potential synergy that could be realised between the Company and the Target; and potential benefits that may accrue to the enlarged group. The Company has also taken into consideration the potential for the Target to enter into the Addendum and subsequently an agreement with the Uzbek MHSSE as a member contractor for Project Ansnaro, which may generate additional revenues for the Target in the future.

2.7.3 Conditions Precedent

Completion shall be conditional on the following conditions precedent (the “**Conditions Precedent**”) being reasonably satisfied, or, waived by the Company, in accordance with the SPA:

- (a) the passing of written resolution by the directors of the Seller on terms reasonably satisfactory to the Company approving the transactions contemplated by the SPA;
- (b) the delivery to the Company of the Directors’ resolution in writing of the Target, in the form and substance reasonably satisfactory to the Company, in which it is approved by the Directors;
- (c) the approval of the Shareholders, having been obtained at an EGM to be convened in respect of the Company’s entry into the SPA and all transactions contemplated therein and in connection therewith, and such approval not having been revoked or amended and if such approval is subject to any conditions and where such conditions affect any party, such conditions being reasonably acceptable to the party concerned, and if such conditions are required to be fulfilled on or before the Completion Date, they are so fulfilled in all material respects;
- (d) all necessary consents, approvals and waivers being granted for all transactions contemplated in the SPA, not being withdrawn or revoked by third parties, including without limitation, government bodies, stock exchange and other relevant authorities having jurisdiction over the transactions contemplated in the SPA, and if such approvals, consents and waivers are obtained subject to any conditions and where such conditions affect any party, such conditions being reasonably acceptable to the party concerned, and if such conditions are required to be fulfilled on or before Completion, they are so fulfilled in all material respects; and

LETTER TO SHAREHOLDERS

- (e) the waiver of all of the Target's long term liabilities towards the Seller save for unpaid directors' fees.

2.7.4 Completion Date

The Completion shall take place on a date mutually agreed to by the parties to the SPA but in any event not more than five (5) business days from the date of fulfilment or waiver of all Conditions Precedent.

2.7.5 Long Stop for the fulfilment of Conditions

The Seller undertakes, at its own cost, to use all reasonable endeavours to ensure that the Conditions Precedent are fulfilled to the reasonable satisfaction of the Company as soon as reasonably practicable and in any event by the Long Stop Date.

In the event that any of the Conditions Precedent shall not have been fulfilled (or waived pursuant to the SPA) prior to the Long Stop Date, then the Company shall not be bound to proceed with the purchase of the Completion Shares.

2.7.6 Company's right to terminate

The Company may by written notice given to the Seller any time only prior to the Completion terminate the SPA if any fact, matter or event whether existing or occurring on or before the date of the SPA or arising or occurring afterwards comes to the notice of the Company at any time prior to the Completion which:

- (a) constitutes a breach by the Seller of the SPA including any breach of the covenants or other obligations of the Seller;
- (b) would constitute a breach of any of the warranties contained in the SPA; or
- (c) affects or is likely to affect in a materially adverse manner the business, financial position or prospects of the Target taken as a whole.

2.7.7 Warranties, Covenants and Undertakings

The SPA contains such warranties, covenants and undertakings, from the Vendor as are customary for transactions of similar nature.

2.7.8 Waiver of Short Term Loans

Pursuant to a side letter between the Target and the Seller dated 23 August 2021, the Seller has agreed to waive JPY6,000,000 of the Target's short-term loans towards the Seller upon the completion of the Proposed Acquisition ("**Waiver**"). Adjusting for the Waiver, the adjusted NAV of the Target as at 30 June 2021 amounted to approximately JPY95.0 million (or S\$1.16 million based on exchange rate of S\$1 to JPY82.18 as at 30 June 2021). As at 30 June 2021, the Target has no long term liabilities due to the Seller.

LETTER TO SHAREHOLDERS

2.7.9 Non-Competition Deed

The Seller has, pursuant to a deed of undertaking (“**Deed**”) between the Target and the Seller dated 24 August 2021, agreed to customary non-competition covenants with the Target for the period commencing on the completion date of the SPA and ending on the earlier of (a) the date that the Seller and its affiliates ceases to be, directly or indirectly, a Controlling Shareholder of the Company and a director of Company; or (ii) the date that the Company and its affiliates cease to be, directly or indirectly, a Controlling Shareholder of the Target and a director of Target.

2.8. Rule 1006 Relative Figures for the Proposed Acquisition

The relative figures set out in Rule 1006 of the Catalist Rules below are computed based on the latest announced consolidated financial statements of the Group (being the audited financial statements for the financial period ended 30 June 2021 (“**HY2021**”) such financial period being the most recently announced financial period, and the unaudited financial statements for the Target for the same period HY2021, on the assumptions that the relative figures in relation to the Proposed Acquisition computed on the applicable bases set out in Rule 1006 of the Catalist Rules are as follows:

Rule 1006	Bases of Calculation	Relative Figure (%)
(a)	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.	N.A. ⁽¹⁾
(b)	The net profits attributable to the assets acquired or disposed of, compared with the Group's net profits.	-0.06% ⁽²⁾
(c)	The aggregate value of the consideration given or received, compared with the issuer's market capitalisation based on the total number of issued shares excluding treasury shares.	3.32% ⁽³⁾
(d)	The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.	N.A. ⁽⁴⁾

Notes:

- (1) This is not applicable to an acquisition of assets.
- (2) The net profits attributable to the Target for HY2021 was -\$0.07 million. The Group's net profits before tax from continuing operations for HY2021 was S\$109.48 million .
- (3) The market capitalisation of the Company is calculated on the basis of 228,246,304 Shares, and the VWAP of S\$0.264 per Share, based on the trades done on the Catalist of the SGX-ST on 17 August 2021, being the last full market day which the Shares were traded immediately preceding the date and up to the time the SPA was signed.

LETTER TO SHAREHOLDERS

(4) No equity securities will be issued in relation to the Proposed Acquisition.

2.9. **Classification of the Proposed Acquisition under Chapter 10 of the Catalyst Rules**

The Proposed Acquisition constitutes the acquisition of a loss-making asset by an issuer (whether profitable or loss-making) where (i) the absolute relative figure computed on the basis of each of Rule 1006(c) and Rule 1006(d) amounts to 5% or less; and (ii) the net loss attributable to the asset to be acquired amounts to 5% or less of the consolidated net profit or net loss of the issuer (in each case taking into account only the absolute values).

Having regard to paragraph 4.3(1) of Practice Note 10A of the Catalyst Rules, unless Rule 703, Rule 905 or Rule 1009 applies, no announcement and shareholders' approval of the transaction is required. However, as the Proposed Acquisition constitutes an "interested person transaction" pursuant to Chapter 9 of the Catalyst Rules, the Proposed Acquisition is subject to the approval of Shareholders under Rule 906 of the Catalyst Rules. Please refer to paragraph 3 below for further information on the Proposed Acquisition as an "interested person transaction".

Pursuant to the circular of the Company dated 24 September 2020 ("**Diversification Circular**"), an extraordinary general meeting was held by the Company on 9 October 2020 wherein Shareholders of the Company had approved the issuance of up to 171,428,571 ordinary shares of the Company ("**Shares**") (or 6,857,142,857 Shares on a pre-consolidated basis) pursuant to the conversion of the S\$24,000,000 Convertible Loan to the Seller. For the purposes of Chapter 10 of the Catalyst Rules, the transactions relating to the Convertible Loan and the Proposed Acquisition are not aggregated as: (a) the Convertible Loan was a separate fund-raising exercise conducted by the Company which does not constitute a "transaction" within the meaning of Rule 1002(1) of the Catalyst Rules and (b) the purchase of ZioNext was from a party unrelated to the Seller, as well as to fund the operations of the Group following the diversification of the Company into the learning and education business.

2.10. **Financial effects of the Proposed Acquisition**

2.10.1 **Assumptions**

The *pro forma* financial effects of the Proposed Acquisition on the net tangible assets per share of the Group, the earnings per share of the Group and the share capital of the Company as set out below are prepared purely for illustration only and do not reflect the actual future financial situation of the Group after the Proposed Acquisition.

The objective of presenting the *pro forma* financial effects of the Proposed Acquisition as shown below is to illustrate what the historical financial information might have been had the Proposed Acquisition been completed at an earlier date. However, such financial information is not necessarily indicative of the results of the operations or the related effects in the financial position that would have been attained had the Proposed Acquisition been completed at the earlier date.

The *pro forma* financial effects have been prepared based on (i) the latest announced audited financial statements of the Group for FY2020, such financial year being the most recently completed financial year, and (ii) the unaudited financial statements for the Target for the same period FY2020, having accounted for the following adjustments:

LETTER TO SHAREHOLDERS

- (a) the acquisition of Zionext Pte. Ltd. (formerly known as Kydon Learning Systems Institute Pte. Ltd.) and its subsidiaries (which the purchase consideration was based on contractual terms and disregards fair value adjustments);
- (b) the disbursement of S\$22,000,000 from DiDi Investments, Inc. to the Company under a convertible loan agreement which was completed on 22 January 2021 which was converted by issuance of conversion shares on 7 June 2021; and
- (c) the disposal of JK North Slope LLC which was completed on 25 May 2021.

2.10.2 NTA/NTL

Purely for illustrative purposes only and assuming that the Proposed Acquisition had been completed on 31 December 2020, being the end of FY2020, the effect on the NTL per share of the Group as at 31 December 2020 are as follows:

	Before the Proposed Acquisition	After the Proposed Acquisition
NTL (S\$'000)	127,445	128,222
Adjusted NTA (S\$'000)	5,447	4,671
Number of issued Shares (excluding treasury shares)	228,241,629	228,241,629
NTL per Share (S\$ cents) ⁽¹⁾	55.84	56.18
Adjusted NTA per Share (S\$ cents)	2.39	2.05

Notes:

- (1) This excludes the adjusted net tangible asset value subsequent to the entry of the Waiver as detailed in section 2.7.10 of this Circular.

2.10.3 Earnings/Loss

Purely for illustrative purposes only and assuming that the Proposed Acquisition had been completed on 1 January 2020, being the beginning of FY2020, the effect on the loss per Share of the Group for FY2020 are as follows:

LETTER TO SHAREHOLDERS

	Before the Proposed Acquisition	After the Proposed Acquisition
Loss attributable to the equity holders of the Company (S\$'000)	14,458	14,537
Adjusted loss attributable to the equity holders of the Company(S\$'000)	3,165	3,245
Weighted number of issued Shares (excluding treasury shares)	228,241,629	228,241,629
Loss per Share (S\$ cents)	6.33	6.37
Adjusted loss per Share (S\$ cents)	1.39	1.42

3. THE PROPOSED ACQUISITION AS AN INTERESTED PERSON TRANSACTION

3.1. Details of Interested Persons

Mr. Yoshiyasu Naruse, the Chairman and a non-independent non-executive Director of the Company, is also the chief executive officer of the Seller. Pursuant to Chapter 9 of Catalist Rules, the Seller, who is also a Controlling Shareholder of the Company, is also an associate of Mr. Yoshiyasu Naruse and is regarded as an “interested person” and the Proposed Acquisition thus constitutes an “interested person transaction”. The Consideration would therefore constitute the “amount at risk” for the interested person transaction.

3.2. Materiality Thresholds under Chapter 9

Rule 906(1) of the Catalist Rules provides that an issuer must obtain shareholder approval for any interested person transaction of a value equal to, or more than:

- (a) 5% of the group’s latest audited NTA; or
- (b) 5% of the group’s latest audited NTA, 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 the shareholders, or is the subject of aggregation with another transaction that has been approved by shareholders, need not be included in any subsequent aggregation.

LETTER TO SHAREHOLDERS

Rule 918 of the Catalist Rules provides that if a transaction requires shareholder approval, it must be obtained either prior to the transaction being entered into, or if the transaction is expressed to be conditional on such approval, prior to the completion of the transaction.

The value at risk of the Proposed Acquisition is S\$2,000,000 (being the Consideration). Pursuant to Rule 917(5) of the Catalist Rules, the aggregate value of all interested person transactions entered into with the Seller (representing the amount at risk) for the current financial year 2021 commencing on 1 January 2021 up to the date of this Circular is S\$2,352,000 (“**Aggregate Value**”) representing the Consideration of S\$2,000,000 and payments under financial and business development advisory service agreements between the Group and the Seller of S\$352,000 (“**Service Fees**”). Save for as disclosed above, there are no other interested person transactions entered into with the Seller or with any interested person.

Pursuant to consultations with SGX-ST, the Company has been informed by SGX-ST through its Sponsor on 1 July 2021 that for the purposes of computing material thresholds under Rules 905 and 906 of the Catalist Rules, the Company should make reference to its net tangible asset value for its latest half year ended 30 June 2021 being S\$3.21 million (“**HY2021 NTA**”), as a benchmark.

The Aggregate Value represents approximately 73.30% of the HY2021 NTA (on an absolute basis) of the Group.

As the Aggregate Value of the interested person transactions exceeds 5.0% of the HY2021 NTA (on an absolute basis) of the Group, the Company is required to seek Shareholders’ approval for the Proposed Acquisition. Pursuant Rule 919 of the Catalist Rules, the Seller, Mr. Yoshiyasu Naruse and their respective Associates are required to abstain from voting on the resolution approving the interested person transaction at the EGM to be convened by the Company in respect of the Proposed Acquisition.

Save as disclosed above, as at the Latest Practicable Date, the Group has not entered into any transactions with the Seller, Mr. Yoshiyasu Naruse and their respective Associates in FY2021.

Pursuant to Rule 919 of the Catalist Rules, Mr. Yoshiyasu Naruse, the Seller and their respective Associates will abstain, and will undertake to ensure that its Associates will abstain, from voting on the resolution approving the interested person transaction. In addition, the Mr. Yoshiyasu Naruse, the Seller and their respective Associates will decline to accept appointments as proxy for any Shareholder to vote in respect of the resolution approving the interested person transaction, unless the Shareholder concerned shall have given specific instructions in his proxy form as to the manner in which his votes are to be cast.

4. **OPINION OF THE IFA**

In accordance with Rule 921(4)(a) of the Catalist Rules, the Company has appointed RHT Capital Pte. Ltd. as its IFA to advise the Recommending Directors as to whether the Proposed Acquisition as an interested person transaction:

- (a) are on normal commercial terms; and
- (b) are not prejudicial to the interests of the Company and its minority Shareholders.

LETTER TO SHAREHOLDERS

The opinion of the IFA in respect of the Proposed Acquisition as an interested person transaction is extracted and set out below. All terms and expressions used in the extract below shall have the same meanings those defined in the IFA Letter, unless otherwise stated.

“Having regards to the considerations as set out above and the information available to us as at the Latest Practicable Date, we are of the opinion that the Proposed Acquisition, as an Interested Person Transaction, is on normal commercial terms and not prejudicial to the interests of the Company and its minority Shareholders.

We were neither a party to the negotiations entered into by the Company in relation to the Proposed Acquisition nor were we involved in the deliberations leading up to the decision on the part of the Directors to enter into the Proposed Acquisition, and we do not warrant the merits of the Proposed Acquisition. Furthermore, we were not involved in the legal and financial due diligence that were conducted by the Company and its advisers on the Target.”

Shareholders are advised to read and consider the IFA Letter issued by the IFA in its entirety as reproduced in **Appendix II** to this Circular and consider carefully the recommendations of the Recommending Directors for the Proposed Acquisition set out in section 9 of this Circular.

5. STATEMENT OF THE AUDIT COMMITTEE

The Audit Committee, having considered and reviewed, *inter alia*, the terms of, rationale for and benefits of the Proposed Acquisition, the Valuation Report, as well as the advice and opinion of the IFA as set out in the IFA Letter, concurs with the IFA and is of the opinion that the Proposed Acquisition is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders.

6. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, the interests of the Directors and Substantial Shareholders in the Shares, as recorded in the register of Directors' shareholdings and register of Substantial Shareholders' shareholdings maintained pursuant to Section 164 and Section 88 of the Companies Act respectively, are as follows:

Directors and Substantial Shareholders	Direct interest		Deemed Interest	
	Number of Shares	%	Number of Shares	%
DiDi Investments, Inc	157,142,856	68.85	-	-
Yoshiyasu Naruse	-	-	157,142,856 ⁽¹⁾	68.85
Koji Furuya	-	-	157,142,856 ⁽²⁾	68.85
Daiji Yamada	-	-	-	-
Fabian Sven Bahadur Scheler	-	-	-	-
Ng Chee Weng	-	-	-	-
Chang Chi Hsung	-	-	-	-
Michiko Koyano	-	-	-	-
Chew Yean Nee	-	-	-	-

LETTER TO SHAREHOLDERS

Notes:

- (1) Mr. Yoshiyasu Naruse is deemed interested in the Shares held by DiDi Investments, Inc by virtue of his 50% voting shares held in DiDi Investments, Inc.
- (2) Mr. Koji Furuya is deemed interested in the Shares held by DiDi Investments, Inc by virtue of his 50% voting shares held in DiDi Investments, Inc.

Mr. Yoshiyasu Naruse, the Chairman and a non-independent non-executive Director of the Company, is also the chief executive officer and a beneficial owner of the Seller and the sole director of the Target.

Save as disclosed above and in this Circular, none of the Directors or the Substantial Shareholders or their respective Associates has any direct or indirect interest in the Proposed Acquisition, other than through their respective shareholding interests in the Company (if any).

7. DIRECTORS' SERVICE CONTRACTS

No person is proposed to be appointed as a director of the Company in connection with the Proposed Acquisition. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

8. WORKING CAPITAL

The Directors are of the reasonable opinion that, having made due and careful enquiry and taking into consideration, as at the Latest Practicable Date:

- (a) the Group's cash and cash equivalents as of the Latest Practicable Date;
- (b) the Group's present bank facilities; and
- (c) the expected earnings of the Target;

that the working capital available to the Group is sufficient to meet the Group's present requirements and for the next twelve (12) months following the completion of the Proposed Acquisition.

9. DIRECTORS' RECOMMENDATIONS

9.1. Abstention of Mr. Yoshiyasu Naruse

Mr. Yoshiyasu Naruse being the Chairman and a non-independent non-executive Director of the Company, the chief executive officer and a beneficial owner of the Seller, as well as the sole director of the Target, has abstained from making a recommendation to the Shareholders on the Proposed Acquisition.

9.2. Recommendation of Recommending Directors

LETTER TO SHAREHOLDERS

Having considered, *inter alia*, the terms and conditions of and rationale for the Proposed Resolution, the statement of the Audit Committee and the opinion of the IFA, the Recommending Directors are of the view that the Proposed Acquisition is in the interests of the Company and are not prejudicial to the interests of the minority Shareholders. Accordingly, the Recommending Directors recommend that Shareholders vote in favour of the Proposed Resolution relating to the Proposed Acquisition as set out in the Notice of EGM.

9.1. **Note to Shareholders**

Shareholders, in deciding whether to vote in favour of the Proposed Resolution, should carefully read the terms and conditions, rationale and financial effects of the Proposed Resolution. In giving the above recommendations, the Directors have not had regard to the specific investment objectives, financial situation, tax position or unique needs or constraints of any individual Shareholder. As Shareholders would have different investment objectives, the Directors recommend that any Shareholder who may require specific advice in relation to his or her specific investment objectives or portfolio should consult his or her stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser.

10. **ABSTENTION FROM VOTING**

In accordance with Rule 919 of the Catalist Rules, Mr. Yoshiyasu Naruse, the Seller and their respective Associates will abstain, and will undertake to ensure that its Associates, will abstain, from voting on the resolution approving the Proposed Acquisition. In addition, Mr. Yoshiyasu Naruse, the Seller and their Associates will also decline to accept appointment as proxy for any Shareholder to vote in respect of the Proposed Acquisition, unless the Shareholder concerned shall have given specific instructions in his proxy form as to the manner in which his votes are to be cast.

All Shareholders who are required to abstain from voting pursuant to a court order must abstain, and the Company will (provided that if the abstention is pursuant to a court order, such court order is served on the Company before the EGM) procure such Shareholder to abstain, from voting in respect of the relevant resolution. Such Shareholder will also not accept nominations to act as proxy in respect of the relevant resolution unless the Shareholder concerned has provided specific instructions as to voting. The Company will disregard any votes cast on the relevant resolution by such Shareholder (who is required to abstain from voting pursuant to a court order where such court order is served on the Company before the EGM).

11. **EXTRAORDINARY GENERAL MEETING**

The EGM, notice of which is set out on pages N-1 to N-3 of this Circular, will be held by way of electronic means on 8 September 2021 at 3.00 p.m. for the purpose of considering and, if thought fit, passing with or without modifications, the Proposed Resolution set out in the Notice of EGM.

12. **ACTION TO BE TAKEN BY SHAREHOLDERS**

In light of the current COVID-19 measures in Singapore, this EGM would be held by electronic means and therefore Shareholders will NOT be able to attend the EGM in person. Instead, alternative arrangements have been put in place to allow Shareholders to participate at the EGM through a “live” webcast or “live” audio feed as set out below:

LETTER TO SHAREHOLDERS

12.1. Watching the EGM proceedings via Webinar

Shareholders must pre-register at the pre-registration website at the URL <http://alpha-dxEgm.zionext.com> from 24 August 2021 till 3 September 2021 at 3.00 p.m. to enable the Company to verify their status as Shareholders.

Following the verification, authenticated Shareholders will receive an email by 6 September 2021. The email will contain login credentials and instructions to access the live audio-visual webcast of the EGM proceedings. Shareholders who do not receive an email by 3.00 p.m. on 6 September 2021, but have registered by 3.00 p.m. on 3 September 2021, should contact the Company at enquiries@alpha-dx.com.sg.

12.2. Submitting questions in advance of the EGM

Shareholders will not be able to ask questions during the live audio-visual webcast of the EGM proceedings. Therefore, it is important for Shareholders to pre-register and submit their questions in advance of the EGM.

Shareholders can submit questions related to the Proposed Resolution to be tabled for approval at the EGM to the Chairman of the EGM, in advance, via email to the Company at enquiries@alpha-dx.com.sg or in hard copy by sending personally or by post and lodging the same at 229 Mountbatten Road, #01-11 Mountbatten Square Singapore 398007. All questions must be submitted by 3.00 p.m. on 3 September 2021 and the Company will not be able to address questions received after the cut-off time and date. The Company shall address substantial and relevant questions (as may be determined by the Company in its sole discretion) received from the Shareholders relating to the Proposed Acquisition prior to the EGM via SGXNet and/or during the EGM proceedings.

The Company will publish the minutes as well as responses to the questions received of the EGM on the SGXNet within one (1) month after the EGM.

12.3. Submitting Proxy Form

Shareholders (other than CDP) holding Shares who wish to vote, should complete, sign and return the Shareholder Proxy Form attached to the Notice of EGM in accordance with the instructions printed therein as soon as possible and, must appoint the Chairman of the EGM as their proxy by completing and submitting the Proxy Form to the Company in the following manner:

- (a) If submitted by post, be deposited at registered office of the Company at 229 Mountbatten Road, #01-11 Mountbatten Square Singapore 398007; or
- (b) If submitted electronically, be submitted via email to the Company at sg.is.proxy@sg.tricorglobal.com,

in either case not later than forty-eight (48) hours before the time fixed for holding the EGM, which is by 3.00 p.m. on 6 September 2021.

LETTER TO SHAREHOLDERS

In appointing the Chairman of the EGM as Proxy, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting in the Proxy Form, failing which the appointment will be treated as invalid.

If the appointor is a corporate, the Proxy Form must be executed under seal or the hand of its duly authorised officer or attorney.

In view of the current COVID-19 measures which may make it difficult for Shareholders to submit completed proxy forms by post, Shareholders are strongly encouraged to submit completed proxy forms electronically via email.

The Company shall be entitled to reject the instrument appointing the Chairman of the EGM as proxy if it is incomplete, improperly complete, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the EGM as proxy (such as in the case the appointor submits more than one (1) instrument of proxy).

A Depositor's name must appear on the Depository Register maintained by the CDP at least seventy-two (72) hours before the time fixed for holding the EGM in order for the Depositor to be entitled to vote on the resolution at the EGM by appointing the Chairman of the EGM as his/her proxy to do so on his/her behalf. In view of Section 81SJ(4) of the Securities and Futures Act (Cap. 289), Singapore, a Depositor shall not be regarded as a shareholder of the Company entitled to attend the EGM and to speak and vote thereat unless his/her name appears in the Depository Register maintained by the CDP at least seventy-two (72) hours before the EGM. Any Shareholder who is holding his/her shares via the CDP but whose name is not registered with the CDP seventy-two (72) hours before the EGM will not be entitled to attend and vote at the EGM. Accordingly, even if such Shareholder deposits his/her proxy form forty-eight (48) hours before the EGM, the Chairman of the EGM who is appointed as his/her proxy will not be entitled to vote on his/her behalf at the EGM.

SRS Investors who wish to appoint the Chairman of the EGM as proxy should approach their respective SRS Operators at least seven (7) working days before the EGM (i.e. by 30 August 2021), to ensure that their votes are submitted.

13. RESPONSIBILITY STATEMENTS

13.1. Directors

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 Acquisition, 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.

LETTER TO SHAREHOLDERS

14. CONSENTS

14.1. Independent Valuer, Cushman & Wakefield VHS Pte. Ltd.

The Independent Valuer has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name, and the issue of the Summary of Valuation Report as set out in **Appendix I** of this Circular, and to act in such capacity in relation to this Circular.

14.2. Independent Financial Adviser, RHT Capital Pte. Ltd.

The Independent Financial Adviser has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name, and the issue of the IFA Letter as set out in **Appendix II** of this Circular, and to act in such capacity in relation to this Circular.

15. DOCUMENTS FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company at 229 Mountbatten Road, #01-11 Mountbatten Square Singapore 398007 during normal business hours from 9.00 a.m. to 5.00 p.m. for three (3) months from the date of this Circular:

- (a) the Constitution;
- (b) the SPA;
- (c) the letter of Waiver;
- (d) the Deed;
- (e) the annual report of the Company for FY2020;
- (f) the Valuation Report; and
- (g) the letter of consents referred to in section 14 of this Circular.

Shareholders who wish to inspect these documents at the registered office of the Company are required to send an email request to enquiries@alpha-dx.com.sg to make an appointment in advance. The Company will arrange a date when each Shareholder can come to the registered office to inspect accordingly. The inspection of documents will be arranged with each Shareholder to limit the number of people who are present at the registered office at any one point in time and such arrangements are subject to the prevailing regulations, orders, advisories and guidelines relating to safe distancing which may be implemented by the relevant authorities from time to time.

Yours faithfully

For and on behalf of the Board of Directors of
ALPHA DX GROUP LIMITED

Daiji Yamada
Chief Executive Officer and Executive Director

APPENDIX I – SUMMARY OF VALUATION REPORT

APPENDIX I – SUMMARY OF VALUATION REPORT

Valuation of 100% equity interest in the capital of
the Target (as defined herein)

Prepared for

Alpha DX Group Limited

Report Date

24 August 2021

Ref: 21/BV/RV-AN/0181-2

Executive Summary

Valuation of 100% equity interest in the capital of the Target (as defined herein)

Valuation Date: 30 June 2021

Purpose: Public disclosure purpose

Situation/Background: Alpha DX Group Limited (formerly known as Alpha Energy Holdings Limited) is a Singapore-based investment holding company (“Alpha DX” or “Company”). Together with its subsidiaries (“Group”), the Group has transformed itself in January 2021 with fund raising and restructuring initiatives under the leadership of technology and financial veterans in the learning and education industry. With a strategic focus on integrating digital technology and education and through collaborations and partnerships with education and learning institutions, the Group aims to transform learning and education to a fully personalised and ubiquitous learning experience for all learners across the world.

On 12 December 2020, the Company has entered into a memorandum of understanding with the Government of Uzbekistan (Ministry of Higher Education and Secondary Specialized Education of Uzbekistan) (“MHSSE”) in a project to build and operate a “Next Generation” University – the Ansaro University of Uzbekistan (“Project Asnaro”). On 22 June 2021, the Group had entered into a non-binding memorandum of understanding to acquire Japan-based DiDi Academy, Inc (“DiDi” or “Target”) from DiDi Investments, Inc (“Proposed Acquisition”). The Proposed Acquisition is expected to be subjected to extraordinary general meeting of the Company to seek its shareholder’s approval.

As a result of the Proposed Acquisition, we have been requested to perform a valuation of 100% equity interest in the capital of the Target as at 30 June 2021 (“Valuation Date”).

Description of the Target:

The Target is planning to be the first and the only private higher education institution of its kind in Japan with an exclusive territorial license from Singapore-based ERC Institute to offer all of their academic and training programs and contents in the Japanese market including various Certificate Programs, Diploma Programs, Bachelor and Master Degree Programs as well as wide range of professional training programs.

As at the Valuation Date, the Target’s key asset is a property located in Tokojimachi, Kofu-city, Yamanashi (“Property”).

Subject Matter: 100% equity interest in the capital of Target

Basis of Valuation: Market Value

Valuation of 100% equity interest in the capital of the Target (as defined herein)

Valuation Approach: Cost Approach

Other Details:

We wish to highlight that any discrepancies in tables included herein between the amounts and the totals thereof are due to rounding; accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

The outbreak of the Novel Coronavirus (“COVID-19”), declared by the World Health Organisation as a “Global Pandemic” on 11 March 2020, has impacted global financial markets. Travel restrictions have been implemented by many countries.

The market that the Target is valued in is being impacted by the uncertainty that COVID-19 outbreak has caused. Market conditions are changing daily at present. This valuation is current at the Valuation Date only. The value assessed herein may change significantly and unexpectedly over a relatively short period of time (including as a result of factors that the Valuer (as defined herein) could not reasonably have been aware of as at the Valuation Date). We do not accept responsibility or liability for any losses arising from such subsequent changes in value. As such, we recommend that the user(s) of this report review this valuation periodically.

Having regard to the foregoing and the market conditions as at the Valuation Date, we are of the opinion that the Market Value of the 100% equity interest in the capital of the Target as at Valuation Date, subject to the assumptions stated herein, is in as follows:-

JPY84.5 million to JPY93.5 million

or

SGD1.0 million to SGD1.2 million

This summary is strictly confidential to the addressee. It must not be copied, distributed or considered in isolation from the full report.

A Valuation Report

To: Alpha DX Group Limited
Subject Matter: 100% equity interest in the capital of Target
Report Date: 24 August 2021
Valuation Date: 30 June 2021

1. Introduction and Instructions

Appointment

In accordance with your instructions, we have assessed and ascertained the Market Value of 100% equity interest in the capital of the Target. We are pleased to submit our summarised valuation report (“Report”), which has been prepared for public disclosure purpose to seek shareholders’ approval pursuant to the Proposed Acquisition and should be read in conjunction with the full valuation report dated 24 August 2021 (“Full Report”).

Unless otherwise defined, all capitalised terms used herein shall bear the same meanings as ascribed to them in the Full Report.

2. Terms of reference

Cushman & Wakefield VHS Pte Ltd (“C&W” or “Valuer”) has been appointed to undertake an independent valuation of 100% equity interest in the capital of the Target. We were neither a party to the negotiations entered into by the Group in relation to the Proposed Acquisition nor were we involved in the deliberation leading up to the decision on the part of the management of the Company, Group and/or Target (“Management”) to enter into the Proposed Acquisition (as the case may be) and we do not, by the Report, Full Report or otherwise, advise or form any judgement on the merits of the Proposed Acquisition. We do not warrant the merits of the Proposed Acquisition or the acceptability of the risk for the Proposed Acquisition.

We have confined our evaluation strictly and solely on the financial of the Target and have not taken into account the commercial/financial risks and/or merits (if any) of the Proposed Acquisition or the strategic merits or the comparison with other deals involving shares of the Company, Group and/or Target. We were not required to comment on or evaluate the methods or procedures used by the Target to manage the change in any risk profile of the Company, Group and/or Target in the context of possible changes in the nature of operations. Such evaluation or comment remains the responsibility of the Management of the Company, Group and/or Target 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 view as set out in the Report and/or Full Report.

We were not requested or authorised to solicit, and we have not solicited, any indications of interest from any third party with respect to the Proposed Acquisition. In addition, we do not express any views or opinion on the merits of the Proposed Acquisition, the legality or all other matters pertaining to the Proposed Acquisition, documents for the Proposed Acquisition (the

notice of meeting and the accompanying explanatory notes), *inter alia*, the independence of any party or mechanism or process of voting, acceptance, its eligibility or validity or the other alternatives (if any) or the sufficiency of information.

In the course of our evaluation, we have held discussions with, *inter alia*, the Management of the Company, Group and/or Target, regarding their assessment of the Proposed Acquisition and have examined publicly available information collated by us as well as the financial information, both written and verbal, provided to us by the Management, including its consultants or advisers (where applicable). We have not independently verified such information but have made enquiries and used our judgement as we deemed necessary on such information and have found no reason to doubt the reliability of the information. Accordingly, we cannot and do not expressly or impliedly represent or warrant, and do not accept any responsibility for, the accuracy, completeness or adequacy of such information or the manner in which it has been classified or presented.

We do not warrant and have not commented on the acceptability of the risk that the Company, Group and/or Target may be subject to for the Proposed Acquisition.

We were not required to and have not made any independent evaluation or appraisal of the individual assets and liabilities (including without limitation, real property) of the Target (where applicable). Our opinion in this Report and Full Report is based on economic conditions, market, industry, monetary and other conditions (if applicable) in effect on, and the information provided to us, as at the Valuation Date. Accordingly, the bases or assumptions and likewise our views or opinion may change in light of developments which *inter alia*, includes general as well as company specific or industry specific conditions or sentiments or factors.

Shareholders should note that the evaluation is based solely on publicly available information and other information provided by the Management as well as the economic and market conditions prevailing as at the Valuation Date, and therefore does not reflect unexpected financial performance and financial condition after the Valuation Date or developments both macro and company specific and that these factors do and will necessarily affect the valuation of the interests in the capital of the Target. Likewise, this Report outlines some of the matters or bases or factors or assumptions which we have used in our valuation and is a summary. They are by no means exhaustive or a reproduction of all the matters or bases or factors or assumptions etc. which we have used in the valuation.

In rendering the opinion, we have made no regard for the general or specific investment objectives, financial situation, tax position, risk profiles or unique needs and constraints of any individual shareholder of the Company, Group and/or Target (the "Shareholder"). As such, any individual Shareholder who may require advice in the context of his or her specific investment portfolio, including his or her investment in the Company, Group and/or Target, should consult his or her stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

Accordingly, any factor or assumption or basis as well as the relative emphasis on any matter set out in this Report and provided by the Company, Group and/or Target which we used or may have used may differ from the relative emphasis accorded by any individual Shareholder

and that any reliance on our opinion or view or assessment, is subject to the contents of the Report and Full Report in its entirety.

Accordingly, our Report, Full Report, opinion or views or recommendation should not be used or relied by anyone for any other purposes and should only be used by the Company, subject to the terms of reference and the contents of the Report and Full Report as one of the basis for their opinion or views or recommendation. In addition, any references to our Report, Full Report, opinion or views, should not be made except with our prior consent in writing and even if made with our prior consent in writing, shall be subject to the contents of the Report and/or Full Report in its entirety *inter alia* the matters, conditions, assumptions, factors and bases as well as our terms of reference for the Report and/or the Full Report.

3. Bases of Valuation

The valuation has been prepared in accordance with International Valuation Standards.

Bases

The subject matter has been valued on the basis of Market Value which is defined as follows:

“The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.”

4. Assumptions and Reservations

Assumptions

In preparing our assessment, we have made the following key assumptions in our valuation and Scenario Analysis and these apply throughout unless otherwise stated:

- The financial information provided accurately reflects the Target's financial and operating position and performance.
- The financial statements were prepared in accordance with accounting principles generally accepted internationally on a true and fair basis.
- The Management has provided us the financial projections from the financial period between 1 July 2021 and 31 December 2021 (“FPDec2021”) to financial period ended 31 December (“FY”) 2026. To its best knowledge, the Management is solely responsible for the contents, estimation and the assumptions used in the projections.
- The Target shall continue to operate as a going concern and they have sufficient liquidity to achieve the financial forecasts and projections.
- There will not be any material changes in the political and/or economic conditions under which the Target operates that may adversely affect the future prospects of the Target.
- There are no other liabilities, including any contingent liabilities, unusual contractual obligations or substantial commitments which would have a material effect on the value of the Target.

- The current owners of the Target have clear and unencumbered title of ownership over all assets included in this assessment.
- There are no material changes in existing political, legal or regulatory (including changes in legislation, laws, regulations, government policies or rules), fiscal, market or economic conditions in the Target's countries of operations.
- There will be no material change in inflation, interest rates or exchange rates from those prevailing as at the Valuation Date.
- There will be no material changes in the bases or rates of taxation or duties.
- The Target's operations and business will not be severely interrupted by any force majeure event or unforeseeable factors or any unforeseeable reasons that are beyond the control of the Management, including but not limited to the occurrence of natural disasters or catastrophes, epidemics or serious accidents.

Other assumptions specific to a particular valuation approach or certain observations and conclusions are outlined in the ensuing sections of the Report.

It should be noted that the valuation of the Target critical upon the key value driver that the Target continues to operate as a going concern and is able to meet all its financial obligations.

- The Target continues to operate as a going concern and is able to meet all its financial obligations;
- The Target's sales, costs, and net profit continue to grow according to the forecast. Their capital expenditure and working capital requirements are estimated accurately in the projections;
- The Target has sufficient operational resources to support the projected turnover and profitability; and
- The Target continues to maintain costs in accordance with the forecast.

Any deviation from the above key drivers may significantly vary the valuation of the Target.

The valuation is largely based on information provided to us by the Management who are solely responsible for their contents/accuracy. We have not performed any work in the nature of an audit, due diligence or investigation of the information provided to us and accordingly have not expressed any such opinion in this Report. Further, we have not carried out any work in the nature of a feasibility study, nor have we expressed a viability opinion on the Proposed Acquisition. We have also not verified or confirmed information provided to us and have assumed that all such information is accurate and is not subject to material error or omission.

For this exercise, we have considered published market data and other public information relating to the comparable companies on international stock exchanges. We are not responsible as to their content and accuracy in deriving parameters such as country risk rate for purposes of valuation. Such information was obtained from Bloomberg and other sources, where applicable.

Reservations

The value conclusions reflect all information known by the valuers of C&W who worked on the valuation in respect to the equity interest in the capital of the Target, market conditions and available data.

5. General Comment

A valuation is a prediction of price, not a guarantee. By necessity it requires the valuer to make subjective judgements that, even if logical and appropriate, may differ from those made by a lessee, or another valuer. Historically, it has been considered that valuers may properly conclude within a range of possible values.

Market Value of the subject matter can change substantially, even over short periods of time, and so our opinion of value could differ significantly if the Valuation Date was to change.

The outbreak of the COVID-19, declared by the World Health Organisation as a “Global Pandemic” on 11 March 2020, has impacted global financial markets. Travel restrictions have been implemented by many countries.

The market that the Target is valued in is being impacted by the uncertainty that the COVID-19 outbreak has caused. Market conditions are changing daily at present. This valuation is current at the Valuation Date only. The value assessed herein may change significantly and unexpectedly over a relatively short period of time (including as a result of factors that the Valuer could not reasonably have been aware of as at the Valuation Date). We do not accept responsibility or liability for any losses arising from such subsequent changes in value. As such, we recommend that the user(s) of this Report review this valuation periodically.

We have no present or prospective interest in the Target and are not a related corporation of nor do we have a relationship with the owner(s) or other party/parties whom the client is contracting with.

The valuers’ compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the Company, Group and/or Target the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

We hereby certify that the valuers undertaking the valuation are authorized to practice as valuers and have the necessary experience in valuing similar types of assets. Any discrepancies in tables included herein between the amounts and the totals thereof are due to rounding; accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

6. Valuation Methodology

We have considered the 3 valuation approaches namely Cost Approach, Income Approach and Market Approach and have adopted Cost Approach as our primary approach with Market Approach as reference.

The Income Approach is not adopted because the Target is still at its start-up stage and has not started to generate revenue as at the Valuation Date.

Under Market Approach, we have considered comparable transactions and price to book (“P/B”) multiples in the valuation. Based on our analysis, the volatilities from comparable transactions and the multiples of Comparable Companies make it difficult to conclude a reliable amount for the valuation by adopting the result from a single market multiple approach and no single company was comparable in size, capital nature of business and operations. As such, Market Approach is used as reference.

Accordingly, we have relied solely on Cost Approach in assessing the equity value of the Target and the Market Approach as a reference.

Cost Approach

As at the Valuation Date, the balance sheet of the Target is as follows:

JPY'000, unless otherwise specified	Book Value		Market Value	
ASSETS				
Current assets				
Cash & cash equivalents	1,916	4.7%	1,916	4.7%
Advances	38,873	94.4%	38,873	94.4%
Receivables	407	1.0%	407	1.0%
	41,196	100.0%	41,196	100.0%
Non-current assets				
Property	47,182	84.5%	47,182	84.5%
Investment/other assets	7,777	13.9%	7,777	13.9%
Deferred assets	854	1.5%	854	1.5%
	55,813	100.0%	55,813	100.0%
Total assets	97,009		97,009	
LIABILITIES				
Current liabilities				
Short term loan	6,000	74.9%	6,000	74.9%
Deposit	1,756	21.9%	1,756	21.9%
Tax payables	258	3.2%	258	3.2%
	8,014	100.0%	8,014	100.0%
Total liabilities	8,014		8,014	

Non-current assets

Property

Based on the review of the sale and purchase agreement dated 23 July 2020, the Target purchased the property located in Tokojimachi, Kofu-city, Yamanashi from Mr. Goro Umehara (梅原五郎). Based on discussion with Management, Mr. Goro Umehara (梅原五郎) is an independent individual and is not related to the Target and/or the Company. We further understand that the transaction was completed by 30 July 2020 which was within 12 months from the Valuation Date. As such, net book value (“NBV”) is assumed to be representative of its Market Value as at the Valuation Date.

Investment/other assets

In September 2020, the Target entered into a loan agreement with Jobforesight Pte Ltd for an investment of JPY7.8 million. Based on discussion with Management, the amount is expected to be collected within the next 12 months from the Valuation Date. As such, the NBV approximates its Market Value as at the Valuation Date.

7. Valuation Result

Having regard to the foregoing and the market conditions as at the Valuation Date, we are of the opinion that the Market Value of the 100% equity interest in the capital of the Target as at Valuation Date, subject to the assumption stated herein, is as follows:-

JPY84.5 million to JPY93.5 million

or

SGD1.0 million to SGD1.2 million

8. Scenario Analysis

Pursuant to the Proposed Acquisition, we understand that the Target and the Company are currently in discussions with MHESS and they expect to execute an addendum to the memorandum of understanding dated 12 December 2020 to include the Target as a member contractor for Project Asnaro (“Addendum”). Management had provided the financial projections from FPDec2021 to FY2026 assuming the Addendum is executed. As instructed by Management, scenario analysis is performed assuming that the Addendum is executed by FY2021 to illustrate the potential Market Value of the Target based on income approach i.e. discounted cash flow method (“DCF Method”). The results are subject to, *inter alia*, the execution of the Addendum, achievement of the financial projections and there is no certainty as at the Valuation Date that the Target is able to meet the relevant milestone/projections.

The scenario analysis is for illustration purposes only and does not necessary imply or represent the Market Value of the Target as at the Valuation Date as the Addendum had not been executed and the Target is at its start-up stage as at the Valuation Date. We are not required to reconcile or rationalize the differences between the results in the scenario analysis with the result in Section 7 “Valuation Result”.

As such, based on DCF Method and financial projections provided, the equity value of 100% equity interest in the capital of Target as at the Valuation Date ranges from JPY143.4 million to JPY213.5 million or SGD1.7 million to SGD2.6 million. The results are subject to, *inter alia*, the execution of the Addendum, achievement of the financial projections and there is no certainty as at the Valuation Date that the Target is able to meet such the relevant milestone/projections.

9. Confidentiality

Our valuation is confidential to you, for your sole use and for the specific purpose stated. We will not accept responsibility to any third party in respect of its contents.

10. Disclosure and Publication

You must not disclose the contents of the Report and/or Full Report to a third party in any way without first obtaining our written approval to the form and context of the proposed disclosure. You must obtain our consent, even if we are not referred to by name or the Report and/or Full Report is to be combined with others. We will not approve any disclosure that does not refer sufficiently to any special assumptions or departures that we have made.

11. Limiting Conditions

This report is prepared subject to the Limiting Conditions in Appendix 1 of the Report.

12. Valuer's Credential

The valuation is performed by Richard Yap who is a senior corporate advisory executive with more than 10 years of experience in M&A, valuation of business, financial instruments and intangible assets and has worked extensively throughout Asia Pacific. He has demonstrable success across Valuations, Advisory and Capital Markets. Currently based in Singapore, Richard leads the Business Valuation team for C&W throughout Singapore and South East Asia. Richard is a Chartered Financial Analyst (CFA), Chartered Accountant (CA Singapore) as well as Chartered Valuer and Appraiser (CVA).

Signed for and on behalf of C&W.

Richard Yap

CFA, CA (Singapore), CVA

Senior Director

Appendix 1 Limiting Conditions

The Report and/or Full Report is prepared subject to the following terms and conditions: -

- 1) The Report and/or Full Report is:
 - a. restricted to the use by the client to whom the Report and/or Full Report is addressed;
 - b. for the specific purpose stated therein; and
 - c. for the sole purpose for which it was commissioned.

Any reliance on its contents shall be made within a reasonable time from Valuation Date. We disclaim any liability arising from any reliance on the Report and/or Full Report by any other person or for any other purpose or beyond a reasonable time.
- 2) Neither the whole nor any part of the Report and/or Full Report or any reference to it may be included in any document, circular, statement, correspondence nor publication in any way without our prior written approval of the form and context in which it may appear. We bear no responsibility for any unauthorised inclusion or publication.
- 3) Where it is stated in the Report and/or Full Report that information has been supplied to us by another party, this information is believed to be reliable and accurate and we disclaim all responsibility if this information should later prove not to be so. Where information is given without being attributed directly to another party, it shall be taken that this information has been obtained by our own search of records and examination of documents, or by our enquiry from Government or quasi-Government departments.
- 4) The values assessed in the Report and/or Full Report for the subject property and any allocation of values between parts of the property apply strictly on the terms of and for the purpose of this valuation (where applicable). The values assessed should not be used in conjunction with any other assessment, as they may prove incorrect if so used.
- 5) While due care is taken in the course of inspection to note serious building defects, no structural survey has been made and no guarantee is given that the building is free from rot, termite, pest infestation or other hidden defects (where applicable). We have also not made any test on the building services such as air-conditioning, fire-fighting systems, lifts, escalators, plumbing and lighting etc. and the services are presumed to be in good working order (where applicable).
- 6) Our valuation assumes that the title(s) is (are) in good order and are marketable, free from any liens, mortgages, encumbrances, restrictions and other legal impediments (where applicable). We accept no responsibility for investigations into title(s), searches, legal requisitions, legal validity of title or any charges, claims, liabilities registered against the title(s). The client is advised to consult his solicitors on any matter concerning the title(s) (where applicable).
- 7) Any plans that are included in the Report and/or Full Report are meant for identification purposes and to assist the client in visualising the subject property (where applicable). The plans should not be treated as certified true copies of areas or other particulars contained therein. We have not made any survey of the property and assume no responsibility in connection with such matters (where applicable).
- 8) We have not taken into account of any plant and machinery in our valuation (where applicable).
- 9) We have not made any requisition for the Road Line Plan or for drainage proposal (where applicable). We have also not made any application for information/document in respect of

- Building Control Records. Such requisitions/applications will not be made unless specifically instructed by our client (where applicable).
- 10) As matters concerning compulsory acquisitions by the Government are confidential, we are unable to provide information relating to Government acquisitions unless the subject property has already been gazette for acquisition (where applicable).
 - 11) Our valuation assumes that the subject property, as currently used, is in compliance with the existing land use zoning and is not in contravention of any planning rules or regulations (where applicable).
 - 12) Our valuation assumes that all development charges and maintenance/ service/ conservancy charges, if any, whether outstanding or payable as at the Valuation Date, have already been fully paid (where applicable).
 - 13) Our valuation further assumes that, as at the Valuation Date, there are no outstanding liabilities or charges attached to the property (ies) (where applicable).
 - 14) Subject at all times to the provisions in these terms and conditions and in the letter of engagement, we shall not be liable to you in contract, tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of our services in respect of:
 - a) any direct loss of profit;
 - b) any indirect, special or consequential loss whatsoever howsoever caused including without limitation (i) indirect loss of profit; (ii) loss of business; (iii) loss of goodwill; (iv) loss of use of money; (v) loss of opportunity, and the parties agree that the sub-clauses of this clause shall be severable.
 - 15) Subject at all times to the provisions in these terms and conditions and in the letter of engagement, we shall not be liable to you in negligence for pure economic loss arising in connection with the performance or contemplated performance of our services.
 - 16) Where a third party has contributed to the losses, damages, costs, claims or expenses, we shall not be liable to make any contribution in respect of the liability of such third party.
 - 17) Save in respect of third parties directly instructed by us and not on your behalf, we shall not be liable for the services or products provided by other third parties, nor shall we be required to inspect or supervise such third parties, irrespective of the third party services or products being incidental to or necessary for the provision of our services to you (where applicable).
 - 18) Subject to the provisions in these terms and conditions and in the letter of engagement, our total aggregate liability (including that of our partners and employees) to you in contract, tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of our services shall be limited to (i) an aggregate sum not exceeding the fee paid for each instruction accepted; or (ii) SGD500,000.00, whichever is lower.
 - 19) We shall be released from our obligations to the extent that performance thereof is delayed, hindered or prevented by any circumstances beyond our reasonable control (examples being a strike, act of God or act of terrorism). On becoming aware of any circumstance which gives rise, or which is likely to give rise, to any failure or delay in the performance of our obligations, we will notify you by the most expeditious method then available.

- 20) Our pricing structure has been established by reference to these limitations on our liability and our level of professional indemnity insurance in respect of the services we provide. If you feel that it is necessary to discuss with us a variation in these levels, then please raise the issue with your client partner who will be able to let you have proposals for a revised pricing structure to reflect the agreed level of our liability and/or professional indemnity cover.
- 21) Responsibility for our valuation extends only to the party(ies) to whom it is addressed. However, in the event of us being asked by you to re-address the Report and/or Full Report to another party or other parties or permit reliance upon it by another party or other parties, we will give consideration to doing so, to named parties, subject to payment of additional fees.

These fees are exclusive of GST & expenses (including the cost of re-addressing the Report and/or Full Report) and are subject to a minimum fee of SGD1,000. Should additional work be involved, over and above that undertaken to provide the initial Report and/or Full Report, we may make a further charge although we will agree this with you before commencing the work.
- 22) Where we consent to reliance on the Report and/or Full Report by another party or other parties, we do so on the basis that these terms and conditions will apply to the new addressee(s) as if it/they had been a party to the original letter of engagement between us. Where we consent to such reliance, you agree to furnish the addressee with a copy of any reliance letter issued by us and/or a copy of these terms and conditions.
- 23) Where you provide a copy of and/or permit another party or parties to rely upon the Report and/or Full Report without obtaining our express written consent (in accordance with clauses 21 and 22 above), you agree to indemnify and us, our affiliates and their respective shareholders, directors, officers and employees, harmless from and against all damages, expenses, claims and costs, including reasonable attorneys' fees, incurred in investigating and defending any claim arising from or in any way connected to the use of, or reliance upon, the Report and/or Full Report by any such unauthorised person or entity.
- 24) Save where we have consented to another party or other parties relying on the Report and/or Full Report in accordance with clauses 21 and 22, where the Report and/or Full Report is prepared or where we consent to the Report and/or Full Report being used for the purpose of a public offering in accordance with any stock exchange listing rules, you agree to indemnify us for any liability whatsoever that we have to any party or parties which exceeds our aggregate cap on liability (referred to in clause 18) which arises from their use and/or reliance on the Report and/or Full Report.
- 25) Where reference is made to "Reinstatement Cost for Insurance Values", such insurance value is the value of property on the appropriate basis as defined in the insurance contract or policy (where applicable).
- 26) Where reference is made to "Forced Sale Value", such value is the amount that may reasonably be received from the sale of a property under (forced sale) conditions that do not meet all the criteria of a normal market transaction. Such Forced Sale Value is not a representation of the market value (where applicable).
- 27) The Report and/or Full Report is prepared on the basis that we are not required to give testimony or appear in court or any other tribunal or to any government agency by reason of the Report and/or Full Report or with reference to the property in question unless prior arrangements have been made and we are properly reimbursed.

28)

- a) The U.S. Foreign Corrupt Practices Act (the “FCPA”) and other laws make it unlawful for us or anyone acting on our behalf to offer, pay, promise or authorize to pay any money, gift or anything of value directly or indirectly to any Public Official with the intent of causing the Public Official to misuse such official’s position to obtain or retain business for us or our subsidiaries or affiliates. The term Public Official is broadly defined to include not only traditional government officials and those employed by government agencies, departments, or ministries but also employees of companies which are owned or controlled by the state. The U.K. Bribery Act and other laws also prohibit commercial bribery of any kind.
- b) We comply with all applicable anti-bribery and corruption laws, rules, and regulations of the United States, European Union or any member state and any other similar laws in all applicable jurisdictions, including but not limited to the FCPA and U.K. Bribery Act (“Applicable Anti-Bribery Laws and Rules”).
- c) You acknowledge and confirm your understanding of and agree to comply with all applicable Anti-Bribery Laws and Rules and agree not to take or fail to take any action that might in any way cause us to be in violation of such laws.
- d) We must at all times comply with all U.S. sanctions administered by the Office of Foreign Asset Control (“OFAC”) of the Department of the Treasury or under any statute, executive order (including, but not limited to, the September 24, 2001, Executive Order 13224 Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism) or other governmental action and any applicable international laws and regulations pertaining to the detection, prevention and Report and/or Full Reporting of potential money laundering and terrorist financing activities (collectively “Applicable Sanctions/AML Rules”).
- e) You represent and warrant to us that you, and all persons and entities owning (directly or indirectly) an ownership interest in you: (i) are not, and will not become, a person or entity with whom a party is restricted from doing business under Applicable Sanctions/AML Rules; and (ii) are not knowingly engaged in, and will not knowingly engage in, any dealings or transactions or be otherwise associated with such persons or entities described in Clause 28 (e) (i) above.
- f) In the event that we believe in good faith, and whether or not we have conducted an investigation, that you have acted in a way that may subject us to liability under Applicable Anti-Bribery Laws and Rules or you (including all persons and entities owning (directly or indirectly) an ownership interest in you) become a Target of Applicable Sanctions/AML Rules, we shall have the unilateral right, exercisable immediately upon written notice, to terminate this agreement and shall be entitled to receive payment of the service fees for services rendered pursuant to this agreement together with any and all reasonable additional costs incurred due to such early termination.

APPENDIX II – IFA LETTER

RHT CAPITAL PTE. LTD.

(Company Registration Number: 201109968H)
(Incorporated in the Republic of Singapore)
6 Raffles Quay, #24-02
Singapore 048580

24 August 2021

To: The Non-Interested Directors of Alpha DX Group Limited
(deemed to be independent in respect of the Proposed Acquisition)

Mr Daiji Yamada (Chief Executive Officer and Executive Director)
Mr Fabian Sven Bahadur Scheler (Non-Independent Non-Executive Director)
Mr Ng Chee Weng (Independent Non-Executive Director)
Mr Chang Chi Hsung (Independent Non-Executive Director)
Ms Michiko Koyano (Independent Non-Executive Director)
Ms Chew Yean Nee (Independent Non-Executive Director)

Dear Sirs,

INDEPENDENT FINANCIAL ADVICE IN RELATION TO THE PROPOSED ACQUISITION OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF DIDI ACADEMY INC. AS AN INTERESTED PARTY TRANSACTION (AS DEFINED HEREIN)

Unless otherwise defined or the context otherwise requires, all terms defined in the circular dated 24 August 2021 (“Circular”) issued by Alpha DX Group Limited (“Alpha DX” or “Company”, together with its subsidiaries, “Group”) to the shareholders of the Company (“Shareholders”) shall have the same meaning herein. For the purpose of our Letter (as defined below), where applicable, we have used the exchange rates of SGD1:JPY80.8785 as at 23 August 2021, being the Latest Practicable Date. The above exchange rate is extracted from published information by Bloomberg L.P. and are provided solely for information.

1. INTRODUCTION

On 17 August 2021, the board of directors (the “Directors” or the “Board”) of Alpha DX Group Limited announced that it had on the same day, entered into a conditional sale and purchase agreement (“SPA”) with DiDi Investments, Inc (“DiDi” or “Seller”) in relation to the proposed acquisition (“Proposed Acquisition”) of the entire issued and paid-up share capital (“Sale Shares”) in DiDi Academy Inc. (“Target”) from the Seller.

Pursuant to the SPA, the aggregate consideration payable by the Company to the Seller for the Sale Shares shall be S\$2,000,000 (“Consideration”) in cash, consisting of:

- (a) S\$1,200,000 to be paid to the Seller upon completion of the Proposed Acquisition (“Base Consideration”); and
- (b) S\$800,000 to be paid to the Seller upon the Company and Target entering into the Addendum (as defined herein) provided that such Addendum is entered into on or before 31 December 2021 (“Additional Consideration”).

As at the Latest Practicable Date, the Seller owns 157,142,856 Shares, representing 68.85% of the entire issued and paid up share capital of the Company, through the disbursement and conversion of S\$22,000,000 (out of a maximum of S\$24,000,000) to the Company under the Convertible Loan Agreement (as defined herein). The beneficial owners of the Seller are Mr Furuya Koji and Mr Yoshiyasu Naruse, each a 50% shareholder. Mr Furuya Koji is a director of the Seller. Mr Yoshiyasu Naruse is the Chairman and non-independent non-executive Director of the Company, the chief executive officer of the Seller, as well as the sole director of the Target.

Pursuant to Chapter 9 of the Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), the Seller is a controlling shareholder of the Company and is also an associate of Mr Yoshiyasu Naruse and is regarded as an interested person (“**Interested Person**”). Accordingly, the Proposed Acquisition constitutes an “interested person transaction”.

The value at risk of the Proposed Acquisition is S\$2,000,000 (being the Consideration). Pursuant to Rule 917(5) of the Catalist Rules, the aggregate value of all interested person transactions entered into with the Seller (representing the amount at risk) for the current financial year 2021 commencing on 1 January 2021 up to the Latest Practicable Date is S\$2,352,000 (“**Aggregate Value**”) representing the Consideration of S\$2,000,000, and payments under financial and business development advisory service agreements between the Group and the Seller of S\$352,000.

Pursuant to consultations with SGX-ST, the Company has been informed by SGX-ST through its Sponsor on 1 July 2021 that for the purposes of computing material thresholds under Rules 905 and 906 of the Catalist Rules, the Company should make reference to its net tangible asset value (“**NTA**”) for its latest quarter ended 30 June 2021, being S\$3.21 million, as a benchmark.

The Aggregate Value represents approximately 73.30% of the Group’s NTA as at 30 June 2021. As the Aggregate Value of the interested person transactions exceeds 5.0% of the Group’s NTA as at 30 June 2021, the Company is required to seek Shareholders’ approval for the Proposed Acquisition. Pursuant to Rule 919 of the Catalist Rules, Mr Yoshiyasu Naruse and the Seller will abstain and will procure that their associates and nominees to abstain from voting on the resolutions to approve the Proposed Acquisition at the extraordinary general meeting (“**EGM**”) in respect of their entire shareholdings in the Company.

Pursuant to Rule 921(4)(a) of the Catalist Rules, the Company is required to appoint an independent financial adviser (“**IFA**”) to advise the Directors who are deemed to be independent in respect of the Proposed Acquisition (“**Non-Interested Directors**”) as to whether the Proposed Acquisition is on normal commercial terms and not prejudicial to the interests of the Company and its minority Shareholders.

Accordingly, RHT Capital Pte. Ltd. (“**RHTC**”) has been appointed by the Company as the IFA to the Non-Interested Directors to render an opinion on whether the Proposed Acquisition, as an Interested Person Transaction, is on normal commercial terms and not prejudicial to the interests of the Company and its minority Shareholders.

Save for Mr Yoshiyasu Naruse who will abstain from making any recommendation on the Proposed Acquisition as a Director of the Company, the remaining Directors, namely, Mr Daiji Yamada, Mr Fabian Sven Bahadur Scheler, Mr Ng Chee Weng, Mr Chang Chi Hsung, Ms Michiko Koyano and Ms Chew Yean Nee are deemed to be independent for the purpose of the Proposed Acquisition and will be making a recommendation on the Proposed Acquisition.

This letter (“**Letter**”) is addressed to the Non-Interested Directors and sets out, *inter alia*, our evaluation and recommendation on the Proposed Acquisition as an Interested Person Transaction. This Letter forms part of the Circular to Shareholders which provides, *inter alia*, the details of the Proposed Acquisition and the recommendation of the Non-Interested Directors thereon.

2. TERMS OF REFERENCE

The purpose of this Letter is to provide an independent opinion, for the purpose of Chapter 9 of the Catalist Rules, on whether the Proposed Acquisition, as an Interested Person Transaction, is on normal commercial terms and not prejudicial to the interests of the Company and its minority Shareholders.

We were neither a party to the negotiations entered into by the Company in relation to the Proposed Acquisition nor were we involved in the deliberations leading up to the decision on the part of the Directors to enter into the Proposed Acquisition. We do not, by this Letter, warrant the merits of the Proposed Acquisition other than to form an opinion on the Proposed Acquisition for the purposes of Chapter 9 of the Catalist Rules.

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. We have also relied on information provided and representations made by the Directors, the management of the Company ("**Management**") and the Company's advisers. We have not independently verified such information or any representation or assurance made by them, whether written or verbal, and accordingly cannot and do not make any representation or warranty, expressed or implied, in respect of, and do not accept any responsibility for, the accuracy, completeness and adequacy of such information. We have nevertheless made such enquiries and exercised our judgement as we deemed necessary and have found no reason to doubt the reliability of the information.

We have relied upon the assurance of the Directors (including those who may have delegated detailed supervision of the Circular) that, upon making all reasonable inquiries and to the best of their respective knowledge and belief, all facts stated and opinions expressed in the Circular which relate to the Proposed Acquisition, the Target and the Company are fair and accurate and that there are no material facts or omissions of which would make any statement in this Letter misleading in any material respect. The Directors collectively and individually accept responsibility accordingly.

For the purposes of assessing the terms of the Proposed Acquisition and reaching our conclusions thereon, we have not relied upon any financial projections or forecasts in respect of the Target, the Company and/or the Group. We will not be required to express, and we do not express, any view on the growth prospects and earnings potential of the Target, the Company and/or the Group in connection with our opinion in this Letter.

We have not made an independent evaluation or appraisal of the assets and liabilities of the Target, the Company and/or the Group (including without limitation, property, plant and equipment). We have, however, been furnished with the valuation report in respect of the independent valuation on 100% equity interest in the capital of the Target dated 24 August 2021 ("**Valuation Report**") prepared by Cushman & Wakefield VHS Pte. Ltd. ("**Cushman & Wakefield**" or "**Independent Valuer**"), being the Independent Valuer appointed by the Company for the purposes of the Proposed Acquisition, on which we have placed sole reliance on for such valuation. In addition, the Independent Valuer has also included a scenario analysis in the Valuation Report to illustrate the potential market value of 100% equity interest in the capital of the Target assuming that the Addendum (as defined herein) is signed by 31 December 2021. Further details on the Valuation Report are set out in paragraph 6.3 of this Letter and a summary of the Valuation Report is set out in Appendix I to the Circular.

We are not experts in the evaluation or appraisal of the assets concerned. We have made reference to the Valuation Report for such appraisal and have not made any independent verification of the contents thereof. In particular, we do not assume any responsibility to enquire about the basis of the valuations contained in the Valuation Report or if the contents thereof have been prepared and/or included in the Circular in accordance with all applicable regulatory requirements.

We will be relying on the disclosures and representations made by the Company on the value of the assets, liabilities and profitability of the Target, the Company and/or the Group. We have not relied on any financial projections or forecasts in respect of the Target, the Company and/or the Group for the purpose of our evaluation of the Proposed Acquisition.

Our opinion as set out in this Letter is based upon the market, economic, industry, monetary and other conditions in effect on, and the information provided to us as of 23 August 2021 (“**Latest Practicable Date**”). Such conditions may change significantly over a relatively short period of time. **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 further take note of any announcements relevant to their consideration of the Proposed Acquisition 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 profiles, we advise the Non-Interested Directors 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 set out in the Circular). Accordingly, we take no responsibility for and express no views, expressed or implied, on the contents of the Circular (other than this Letter set out in the Circular).

This Letter sets out, *inter alia*, our opinion on whether the Proposed Acquisition, as an Interested Person Transaction, is on normal commercial terms and not prejudicial to the interests of the Company and its minority Shareholders, and should be considered in the context of the entirety of this Letter and the Circular. Our opinion does not include the proposed acquisition of the License (as defined herein) by the Target from ERCI, which may constitute an “interested person transaction” under Chapter 9 of the Catalyst Rules and may be subject to the approval of shareholders of the Company under Rule 906 of the Catalyst Rules.

3. INFORMATION ON THE COMPANY

The Company is a learning and education solution company. Formerly known as Alpha Energy Holdings Limited, the Group has transformed itself with fund raising and restructuring initiatives under the leadership of technology and financial veterans in the learning and education industry.

The Group was previously operating as mineral, oil and gas company. In November 2019, its entire principal sum of all indebtedness, amounting to US\$64.0 million was declared immediately due and payable. While the Company was actively engaging in negotiations with stakeholders in attempt to achieve a favourable outcome to its restructuring plan, the downturn of the oil prices, together with the broader oil and stock market outlook at that juncture presented challenges to the Company’s fund raising initiatives. On 22 May 2020, the Group had received notices of default and sale, notifying the Group that the Mustang Assets was elected to be sold to satisfy the Group’s indebtedness.

Due to the lack of viability of its existing business, the Group looked into the possibilities of diversifying its business to generate additional revenue streams and had identified an opportunity in the business of education services. Backed by the funding via convertible loan from DiDi or the Seller, the Company entered into a conditional sale and purchase agreement dated 14 July 2020 with Kydon Holdings Pte. Ltd. for the acquisition by the Company of 100% of existing shares in Kydon Learning Systems Institute Pte. Ltd (“**KLSI**”), a fast-growing digital learning organisation offering learning technology solutions and customised digital learning content.

On 17 September 2020, the Company entered into: i) a S\$24 million convertible loan agreement (**‘Convertible Loan Agreement’**) and ii) an option agreement pursuant to which the Company has agreed to grant, and DiDi has agreed to acquire 3,428,571,428 non-transferrable options (**‘Option Agreement’**), with DiDi to raise funds to support the Group’s efforts to revive its business by diversifying into the learning and education business through acquisition, as well as to inject sufficient working capital for the Group to operate as a going concern.

On 21 January 2021, S\$22 million was disbursed under the Convertible Loan Agreement to the Company, of which, the full amount was converted to 157,142,856 shares of the Company on 7 June 2021. On 22 January 2021, the acquisition of KLSI was completed.

The Company and Asnaro Enterprises Pte. Ltd. had on 28 April 2021 entered into a conditional sale and purchase agreement with DiDi or the Seller in relation to the acquisition of the entire issued and paid-up share capital in ERC Institute Pte. Ltd (**‘ERCI’**). However, on 22 June 2021, it had been put on notice that completion of the acquisition of ERCI may be delayed due to a potential issue between DiDi and the previous owner of the ERCI. In order to avoid undue disturbances to its business and expansion plans, the Board had decided to postpone the acquisition by terminating and revisiting the acquisition at a future date, when the issue(s) have been satisfactorily resolved.

As part of the Company’s transformation, the disposal of the entire issued and paid up capital of JK North Slope LLC had taken place on 25 May 2021 and the Company ceased to be a mineral, oil and gas company.

As at the Latest Practicable Date, the Company has an issued and paid-up share capital comprising 228,241,629 issued shares of the Company. Based on the last transacted share price of S\$0.305 and the outstanding shares as at the Latest Practicable Date, the market capitalisation of the Company was approximately S\$69.6 million.

4. INFORMATION ON THE SELLER AND TARGET

4.1 Information on the Seller

The details on the Seller, which have been set out in section 2.3 of the Circular, are extracted and reproduced in italics below:

“2.3. Information on the Seller

The Seller is a private company incorporated on 26 August 2019 in Japan and involved in the learning and education business in Japan. As at the Latest Practicable Date, the Seller is the legal and beneficial owner of 100% of the Sale Shares.

*Pursuant to the Diversification Circular, an extraordinary general meeting was held by the Company on 9 October 2020 wherein Shareholders of the Company had approved the issuance of up to 171,428,571 Shares (or 6,857,142,857 Shares on a pre-consolidated basis) pursuant to the conversion of a S\$24,000,000 convertible loan (**‘Convertible Loan’**) and 85,714,285 non-transferable options (**‘Options’**) (or 3,428,571,428 non-transferable options on a pre-consolidated basis) to the Seller.*

As at the Latest Practicable Date, the Seller owns 157,142,856 Shares, representing 68.85% of the entire issued and paid up share capital of the Company, through the disbursement and conversion of S\$22,000,000 (out of a maximum of S\$24,000,000) to the Company under the Convertible Loan Agreement. As at the Latest Practicable Date, and the Company has not issued any shares pursuant to the Options to the Seller. Accordingly, the Seller is a controlling shareholder of the Company.

Assuming completion of the transactions stated in the Diversification Circular and full conversion of the Convertible Loan and full exercise of Options, the Seller will own up to 78.2% of all the Shares in the Company. Save as set out above, the Seller does not have any shareholding interest, direct or indirect in the Company.

The beneficial owners of the Seller are Mr. Furuya Koji and Mr. Yoshiyasu Naruse, each a 50% shareholder. Mr. Furuya Koji is a director of the Seller. Mr. Yoshiyasu Naruse is the Chairman and non-independent non-executive Director of the Company, the chief executive officer of the Seller, as well as the sole director of the Target. Save as set out above, the Seller and its beneficial owners are not related to any of the Directors, the chief executive officer, or controlling shareholders of the Company, or their respective Associates.

No commission was paid or is payable by the Company to any person in relation to the Proposed Acquisition.”

4.2 Information on the Target and ERCI

The details on the Target and ERCI, which have been set out in sections 2.4 and 2.5 of the Circular, are extracted and reproduced in italics below:

“2.4. Information on the Target

The Target is a private company limited by shares duly incorporated on 17 June 2020 under the laws of Japan which has a total issued and paid-up share capital of Japanese Yen 99.99 million comprising 9,999 ordinary shares. The Seller is the legal and beneficial owner of the entire issued and paid up share capital of the Target.

*The Target aims to be the first and only private higher education institution of its kind in Japan to provide various EduTrust certified academic and training programs and contents in the Japanese market including various certificate programs, diploma programs, bachelors and masters degree programs as well as a wide range of professional training programmes, through an exclusive perpetual territorial license (“**Licence**”) from Singapore-based ERC Institute Pte. Ltd. (“**ERCI**”).*

*The Target had entered into an agreement with ERCI on 30 June 2021 to purchase the Licence for an aggregate consideration of S\$2,000,000, of which the Target had paid S\$500,000 as a deposit (“**Deposit**”) which is fully refundable to the Target should the Target choose not to proceed with the purchase of the Licence for any reason. The Group will make a decision on whether to proceed with the purchase of the Licence after the completion of the Proposed Acquisition. If completed, the Licence will be valid from the date of full payment on the Licence until such time when the Target ceases to operate as a provider of the said programs or in the event of bankruptcy of the Target. As ERCI is fully owned by the Seller who is an “interested person” pursuant to Chapter 9 of the Catalist Rules, the purchase of the Licence will constitute an “interested person transaction” under Chapter 9 of the Catalist Rules and will be subject to the approval of shareholders of the Company (the “**Shareholders**”) under Rule 906 of the Catalist Rules. Please refer to paragraph 2.5 of this Circular for further background information on ERCI.*

In addition to its plans to offer academic and training programs in the Japanese market, the Target and the Company are currently in discussions with the Uzbek MHSSE to include the Target as a member contractor for Project Asnaro, and is in advanced stage of negotiations for formal collaborations with several academic institutions and businesses in Japan to offer educational content to students and professionals in Japan. Please refer to section 2.2 of this Circular for further information.

*As at the date of this Circular, the Target’s key tangible asset is a property located in Tokojimachi, Kofu-city, Yamanashi (the “**Property**”). The Property is intended to be used as a campus and/or student dormitory.*

As at the Latest Practicable Date, Mr. Yoshiyasu Naruse, the Chairman and a non-independent and non-executive Director of the Company, is one of the beneficial owners of the Seller, which is a Controlling Shareholder of the Company.

2.5. Information on ERCI

ERCI is an exempt private company incorporated under the laws of Singapore, and it is engaged in the business of providing various EduTrust1 certified academic programs through collaborations with global institutions, which includes Advanced Diploma Programs, Bachelor's Degree Programs, Master's Degree Programs and corporate training services. The Seller is the legal and beneficial owner of the entire issued and paid-up share capital of both the Target and ERCI.

In an extraordinary general meeting of the Company conducted on 15 May 2021, the shareholders of the Company had approved the proposed acquisition of ERCI on the terms set out in the Company's circular dated 30 April 2021. The Company subsequently announced on 22 June 2021 that due to a potential issue between the Seller and the previous owner of ERCI, the Company had decided to delay the proposed acquisition of ERCI until after such time when the issue(s) have been satisfactorily resolved in order to avoid undue disturbances to its business and expansion plans."

Please refer to the Company's circular dated 30 April 2021 for further details on ERCI.

5. PRINCIPAL TERMS OF THE PROPOSED ACQUISITION

The principal terms of the Proposed Acquisition are set out below for your reference. Please refer to the section 2.7 of the Circular for further details.

"2.7.1 Acquisition of the Sale Shares

The Seller shall at Completion sell and the Company shall purchase the entire legal and beneficial ownership in the Shares free from all encumbrances.

2.7.2 Consideration

*The aggregate consideration payable by the Company to the Seller for the Sale Shares shall be S\$2,000,000 (the "**Consideration**") in cash, consisting of:*

- (a) S\$1,200,000 to be paid to the Seller upon completion of the Proposed Acquisition; and*
- (b) S\$800,000 to be paid to the Seller upon the Company and Target entering into the Addendum provided that such Addendum is entered into on or before 31 December 2021.*

The Consideration payable by the Company to the Seller for the Sale Shares was arrived at and agreed on a "willing-buyer willing-seller" basis and taking into account the net tangible asset value and the net loss of the Target (details of which are provided in section 2.6 of this Circular); the Valuation Report; the potential synergy that could be realised between the Company and the Target; and potential benefits that may accrue to the enlarged group. The Company has also taken into consideration the potential for the Target to enter into the Addendum and subsequently an agreement with the Uzbek MHSSE as a member contractor for Project Ansnaro, which may generate additional revenues for the Target in the future.

2.7.3 Conditions Precedent

Completion shall be conditional on the following conditions precedent (the "**Conditions Precedent**") being reasonably satisfied, or, waived by the Company, in accordance with the SPA:

- (a) the passing of written resolution by the directors of the Seller on terms reasonably satisfactory to the Company approving the transactions contemplated by the SPA;
- (b) the delivery to the Company of the Directors' resolution in writing of the Target, in the form and substance reasonably satisfactory to the Company, in which it is approved by the Directors;
- (c) the approval of the Shareholders, having been obtained at an EGM to be convened in respect of the Company's entry into the SPA and all transactions contemplated therein and in connection therewith, and such approval not having been revoked or amended and if such approval is subject to any conditions and where such conditions affect any party, such conditions being reasonably acceptable to the party concerned, and if such conditions are required to be fulfilled on or before the Completion Date, they are so fulfilled in all material respects;
- (d) all necessary consents, approvals and waivers being granted for all transactions contemplated in the SPA, not being withdrawn or revoked by third parties, including without limitation, government bodies, stock exchange and other relevant authorities having jurisdiction over the transactions contemplated in the SPA, and if such approvals, consents and waivers are obtained subject to any conditions and where such conditions affect any party, such conditions being reasonably acceptable to the party concerned, and if such conditions are required to be fulfilled on or before Completion, they are so fulfilled in all material respects; and
- (e) the waiver of all of the Target's long term liabilities towards the Seller save for unpaid directors' fees.

2.7.4 Completion Date

The Completion shall take place on a date mutually agreed to by the parties to the SPA but in any event not more than five (5) business days from the date of fulfilment or waiver of all Conditions Precedent.

2.7.5 Long Stop for the fulfilment of Conditions

The Seller undertakes, at its own cost, to use all reasonable endeavours to ensure that the Conditions Precedent are fulfilled to the reasonable satisfaction of the Company as soon as reasonably practicable and in any event by the Long Stop Date.

In the event that any of the Conditions Precedent shall not have been fulfilled (or waived pursuant to the SPA) prior to the Long Stop Date, then the Company shall not be bound to proceed with the purchase of the Completion Shares.

2.7.6 Company's right to terminate

The Company may by written notice given to the Seller any time only prior to the Completion terminate the SPA if any fact, matter or event whether existing or occurring on or before the date of the SPA or arising or occurring afterwards comes to the notice of the Company at any time prior to the Completion which:

- (a) constitutes a breach by the Seller of the SPA including any breach of the covenants or other obligations of the Seller;
- (b) would constitute a breach of any of the warranties contained in the SPA; or
- (c) affects or is likely to affect in a materially adverse manner the business, financial position or prospects of the Target taken as a whole.

2.7.7 Warranties, Covenants and Undertakings

The SPA contains such warranties, covenants and undertakings, from the Vendor as are customary for transactions of similar nature.

2.7.8 Waiver of Short Term Loans

Pursuant to a side letter between the Target and the Seller dated 23 August 2021, the Seller has agreed to waive JPY6,000,000 of the Target's short-term loans towards the Seller upon the completion of the Proposed Acquisition ("**Waiver**"). Adjusting for the Waiver, the adjusted NAV of the Target as at 30 June 2021 amounted to approximately JPY95.0 million (or S\$1.16 million based on exchange rate of S\$1 to JPY82.18 as at 30 June 2021). As at 30 June 2021, the Target has no long term liabilities due to the Seller.

2.7.9 Non-Competition Deed

The Seller has, pursuant to a deed of undertaking ("**Deed**") between the Target and the Seller dated 24 August 2021, agreed to customary non-competition covenants with the Target for the period commencing on the completion date of the SPA and ending on the earlier of (a) the date that the Seller and its affiliates ceases to be, directly or indirectly, a Controlling Shareholder of the Company and a director of Company; or (ii) the date that the Company and its affiliates cease to be, directly or indirectly, a Controlling Shareholder of the Target and a director of Target."

6. EVALUATION OF THE PROPOSED ACQUISITION

In our evaluation of the Proposed Acquisition, we have given due consideration to, *inter alia*, the following key factors:

- (i) Rationale for the Proposed Acquisition;
- (ii) Financial performance and position of the Target;
- (iii) Independent valuation on 100% equity interest in the capital of the Target;
- (iv) Financial effects of the Proposed Acquisition; and
- (v) Other relevant considerations in relation to the Proposed Acquisition.

6.1 Rationale for the Proposed Acquisition

The rationale for the Proposed Acquisition, which has been set out in section 2.2 of the Circular, is extracted and reproduced in italics below:

“2.2. Rationale for the Proposed Acquisition

The Group is currently providing digital education and learning solutions and customised learning content through (a) learning solution consultancy services; (b) content digitalisation solutions; (c) enterprise learning management system solutions; (d) operations and support; and (e) specialist manpower deployment services, with a strategic focus on integrating digital technology and education through collaborations with global education and learning institutions.

The integration of the business operations of the Target will allow the Group to expand its customer base into Japanese education market, which is of strategic importance to the Group for the following reasons:

- (a) the COVID-19 pandemic has precipitated a drastic shift in focus in the entire education market in Japan towards the online and/or virtual delivery of education services, which has significantly expanded the market in Japan for online educational services;*
- (b) through the Proposed Acquisition of the Target, the Group would be able to establish a presence and offer a fully integrated ubiquitous learning platform and learning management systems to potential customers in Japan;*
- (c) the Group's presence in Japan will enhance the Group's ability to expand and/or enhance its partnerships with various higher education institutions globally, which includes renowned universities, colleges and vocational schools;*
- (d) the Group's presence in Japan will also enable the Group to enter into partnerships with higher educational institutions in Japan which will enhance the track record of the Group and thereafter better allow the Group to bring its content to foreign markets in South East Asia, China, India and Central Asia; and*
- (e) through its expanded size and scope of partnerships and customer base, the Group would be in a better position to attract further investments from investors and businesses in Japan as well as in other countries in Asia.*

In addition to the Japanese education market, the Company is also looking to expand its services to the Uzbekistan education market. On 12 December 2020, the Company has entered into a memorandum of understanding (“MOU”) with the Government of Uzbekistan (Ministry of Higher Education and Secondary Specialized Education of Uzbekistan) (“Uzbek MHSSE”) in a project to build and operate a “Next Generation” University – the Ansaro University of Uzbekistan (“Project Asnaro”). The Target and the Company are currently in discussions with the Uzbek MHSSE to include the Target as a member contractor for Project Asnaro through an addendum to the MOU (“Addendum”) which, if completed, will expand the scope of services provided by the Group to the Uzbek MHSSE after the completion of the Proposed Acquisition.

Uzbekistan is a strategic market for the Company as it has been going through rapid growth with aggressive reforms in all sectors through the strong leadership of its government, which has set improving academic ability and fostering talent for the future society as its educational goal. In order to increase its capacity and capability to provide its population with access to higher education, the Uzbek MHSSE has established specialised public educational institution (or "Presidential Schools") in the regions of in Tashkent, Khiva, Nukus and Namangan and plans to establish similar institutions in all regions of Uzbekistan in the near future. In the year of 2020, public Universities and other higher education institutions in Uzbekistan accepted only 6.8% of its applicants. As such, the Group anticipates that there will be a strong and increased demand for high quality post-secondary education in Uzbekistan, and especially for programmes offered by foreign institutions in Uzbekistan.

For the reasons provided above, the Group will stand to benefit from the potential commercial, operational and costs synergies over time. The Board, taking into consideration the merits of Proposed Acquisition, believes that there the Proposed Acquisition will enhance both immediate and the long-term interests of the Company and its Shareholders."

6.2 Financial performance and position of the Target

The Target is a private company limited by shares duly incorporated on 17 June 2020 under the laws of Japan. The Target intends to provide various EduTrust certified academic and training programs and contents in the Japanese market including various certificate programs, diploma programs, bachelors and masters degree programs as well as a wide range of professional training programmes ("**Education Business**").

Since incorporation and until the Latest Practicable Date, the Target has been preparing to launch its Education Business. The Target currently has 1 staff in Japan and had on 30 July 2020 completed the purchase of a property located in Tokojimachi, Kofu-city, Yamanashi ("**Campus Property**") from an independent third party, intended for the Target's Japan campus. The Target had also on 30 June 2020 entered into a perpetual territorial license arrangement ("**License**") with ERCI for its Education Business. As mentioned above, the proposed acquisition of the License by the Target from ERCI may constitute an "interested person transaction" under Chapter 9 of the Catalist Rules and may be subject to the approval of shareholders of the Company.

In addition to its plans to offer academic and training programs in the Japanese market, the Target and the Company are currently in discussions with the Uzbek MHSSE to include the Target as a member contractor for Project Asnaro through an addendum to the MOU ("**Addendum**"). Further, we understand from the Company that the fees arising from the Addendum is anticipated to be no less than S\$1.56 million (approximately JPY128.2 million) for the 5-year period starting from year 2022.

Financial performance of the Target

As mentioned above, as the Target has not commenced its Education Business, it did not generate any revenue for financial year ended 31 December 2020 ("**FY2020**") and the six-month period ended 30 June 2021 ("**HY2021**"). The Target had largely incurred director fees during the periods and is in net loss of JPY5.3 million and JPY5.7 million for FY2020 and HY2021 respectively.

Financial position of the Target

The financial position of the Target as at 30 June 2021 is as follows:

	Unaudited
(JPY)	30 June 2021
Cash and Cash Equivalent	1,916,335
Advances	38,872,500
Receivables	406,800
Total current assets	41,195,635
Fixed Assets	47,181,718
Investment/Other Assets	7,777,377
Deferred Assets	854,200
Total non-current assets	55,813,295
Total assets	97,008,930
Short term Loan	6,000,000
Deposit	1,755,824
Tax payable	258,000
Total current liabilities	8,013,824
Capital	99,990,000
Retained earnings	(10,994,894)
Total equity	88,995,106
Total equity and liabilities	97,008,930

Source: Target's unaudited financial statements for 30 June 2021

Review of financial position

As at 30 June 2021

The assets of the Target as at 30 June 2021 comprised mainly: (i) fixed assets of JPY47.2 million, (ii) advances of JPY38.9 million and (iii) investment/other assets of JPY7.8 million representing 48.6%, 40.1% and 8.0% of the total assets respectively. Fixed assets comprised of Campus Property the Target had acquired from third party on 30 July 2020, which was within 12 months from the valuation date of the Valuation Report of 30 June 2021. As such, we understand from the Independent Valuer that the net book value of the Campus Property is assumed to be representative of its market value as at the valuation date of 30 June 2021. Advances comprised of refundable deposit the Target paid in relation to the proposed purchase of the Licence from ERCI. Investment/other assets comprised of interest bearing loan to a third party company expected to mature in the next 12 months

The liabilities of the Target as at 30 June 2021 comprised mainly: (i) short term loan of JPY6.0 million; and (ii) deposit of JPY1.8 million, representing 74.9% and 21.9% of the total liabilities respectively. Short term loan comprised of interest free loan from the Seller. Deposit comprised of withholding tax on executive compensation.

As at 30 June 2021, the NAV of the Target amounted to approximately JPY89.0 million.

Pursuant to the Proposed Acquisition, the Seller has agreed to waive JPY6,000,000 of the Target's short-term loan towards the Seller upon the completion of the Proposed Acquisition. Adjusting for the waiver of the short-term loan, the adjusted NAV of the Target as at 30 June 2021 amounted to approximately JPY95.0 million.

In respect of the above, we have sought the following confirmations from the Directors and Management, and they confirmed to us that as at the Latest Practicable Date, to the best of their knowledge and belief that:

- (a) there are no material differences between realisable values of Target's assets and their respective book values as at the Latest Practicable Date which would have material impact on the NAV of the Target as at 30 June 2021;
- (b) there are no other contingent liabilities, bad or doubtful debts or material events as at the Latest Practicable Date which would likely have a material impact on the NAV of the Target as at 30 June 2021;
- (c) there are no litigation, claim or proceedings pending or threatened against the Target or of any fact likely to give rise to any proceedings as at the Latest Practicable Date which might materially and adversely affect the financial position of the Target as at 30 June 2021;
- (d) there are no other intangible assets as at the Latest Practicable Date and which ought to be disclosed in the statement of financial position of the Target in accordance with the Japanese Accounting Standards and which have not been so disclosed and where such intangible assets would have had a material impact on the overall financial position of the Target as at 30 June 2021; and
- (e) save as disclosed in this Letter, there are no material acquisitions or disposals of assets by the Target between 30 June 2021 and the Latest Practicable Date, and the Target does not have any plans for any such impending material acquisition or disposal of assets, conversion of the use of the Target's material assets or material change in the nature of the Target's business.

We wish to highlight to the Non-Interested Directors that the above analysis is only for illustrative purposes and is not meant to be an indication of, or comment on Target's future profitability, growth prospects, financial positions and working capital sufficiency.

Adjusted Net asset value ("NAV") (JPY)	94,995,106
Adjusted NAV (S\$)	1,174,541
Base Consideration for the Target (S\$)	1,200,000
Price-to-NAV ("P/Adjusted NAV") ratio as implied by Base Consideration	1.02

6.3 Independent valuation on 100% equity interest in the capital of the Target

In connection with the Proposed Acquisition, the Company has commissioned the Independent Valuer to carry out an independent valuation on the 100% equity interest in the capital of the Target and to conduct a scenario analysis to illustrate the potential market value of 100% equity interest in the capital of the Target assuming that the Addendum is signed by 31 December 2021, as at 30 June 2021 (“**Valuation Date**”). A summary of the Valuation Report is set out in Appendix I to the Circular.

Based on the Valuation Report, the valuation has been carried out in accordance with the International Valuation Standards. The Target has been valued on the basis of Market Value which is defined as follows in the Valuation Report:

"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

In relation to the independent valuation of 100% equity interest in the capital of the Target, the Independent Valuer has adopted the cost approach as the primary approach and has used the market approach as a cross-check. The income approach is not adopted because the Target is still at its start-up stage and has not started to generate revenue as at the Valuation Date.

In relation to the scenario analysis, the Independent Valuer has provided the potential market value of 100% equity interest in the capital of the Target assuming that the Addendum is signed by 31 December 2021, based on income approach. We note that the Independent Valuer has only considered the potential future cash flow arising from the Addendum. The Independent Valuer has not considered other potential future cash flow arising from the Target's Education Business.

Further information on the market approach and cost approach is extracted and reproduced in italic below:

Income Approach

Income Approach provides an indication of value by converting future cash flow to a single current value. Under the Income Approach, the value of an asset is determined by reference to the value of income, cash flow or cost savings generated by the asset.

Market Approach

Market Approach provides an indication of value by comparing the asset with identical or comparable (that is similar) assets for which price information is available. The Market Approach often uses market multiples derived from a set of comparable companies, each with different multiples. The selection of the appropriate multiple within the range requires judgement, considering qualitative and quantitative factors.

Cost Approach

Cost Approach provides an indication of value using the economic principle that a buyer will pay no more for an asset than the cost to obtain an asset of equal utility, whether by purchase or by construction, unless undue time, inconvenience, risk or other factors are involved. The approach provides an indication of value by calculating the current replacement or reproduction cost of an asset and making deductions for physical deterioration and all other relevant forms of obsolescence."

Based on the Valuation Report, the Independent Valuer is of the opinion that the market value of the 100% equity interest in the capital of the Target as at Valuation Date is between JPY84.5 million and JPY93.5 million or S\$1.0 million and S\$1.2 million.

In this regard, we note that the Base Consideration of S\$1.2 million is equal to the upper range of the valuation range of between S\$1.0 million and S\$1.2 million.

Pursuant to the SPA, in addition to the Base Consideration of S\$1.2 million, the Company shall pay Additional Consideration of S\$800,000 to the Seller upon the Company and Target entering into the Addendum, provided that such Addendum is entered into on or before 31 December 2021.

Based on the scenario analysis in the Valuation Report and assuming that the Addendum is signed by 31 December 2021, the potential market value of the 100% equity interest in the capital of the Target as at Valuation Date is between JPY143.4 million and JPY213.5 million or S\$1.7 million and S\$2.6 million.

In this regard, we note that the Consideration (including both the Base Consideration and Additional Consideration) of S\$2,000,000 is within the valuation range of between S\$1.7 million and S\$2.6 million.

The Directors and Management have confirmed to us that they have made due and careful inquiries with respect to the assumptions and projections underlying the financial forecasts of the Target used by the Independent Valuer to value the 100% equity interest in the capital of the Target.

We recommend the Non-Interested Directors to advise the Independent Shareholders to read the summary of the Valuation Report carefully.

6.4 Financial effects of the Proposed Acquisition

The financial effects of the Proposed Acquisition, which have been set out in section 2.10 of the Circular, are extracted and reproduced in italics below:

“2.10 FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION

2.10.1 Assumptions

The pro forma financial effects of the Proposed Acquisition on the net tangible assets per share of the Group, the earnings per share of the Group and the share capital of the Company as set out below are prepared purely for illustration only and do not reflect the actual future financial situation of the Group after the Proposed Acquisition.

The objective of presenting the pro forma financial effects of the Proposed Acquisition as shown below is to illustrate what the historical financial information might have been had the Proposed Acquisition been completed at an earlier date. However, such financial information is not necessarily indicative of the results of the operations or the related effects in the financial position that would have been attained had the Proposed Acquisition been completed at the earlier date.

The pro forma financial effects have been prepared based on (i) the latest announced audited financial statements of the Group for FY2020, such financial year being the most recently completed financial year, and (ii) the unaudited financial statements for the Target for the same period FY2020, having accounted for the following adjustments:

- (a) the acquisition of Zionext Pte. Ltd. (formerly known as Kydon Learning Systems Institute Pte. Ltd.) and its subsidiaries (which the purchase consideration was based on contractual terms and disregards fair value adjustments);*
- (b) the disbursement of S\$22,000,000 from DiDi Investments, Inc. to the Company under a convertible loan agreement which was completed on 22 January 2021 which was converted by issuance of conversion shares on 7 June 2021; and*
- (c) the disposal of JK North Slope LLC which was completed on 25 May 2021.*

2.10.2 NTA/NTL

Purely for illustrative purposes only and assuming that the Proposed Acquisition had been completed on 31 December 2020, being the end of FY2020, the effect on the NTL per share of the Group as at 31 December 2020 are as follows:

	Before the Proposed Acquisition	After the Proposed Acquisition
NTL (S\$'000)	127,445	128,222
Adjusted NTA (S\$'000)	5,447	4,671
Number of issued Shares (excluding treasury shares)	228,241,629	228,241,629
NTL per Share (S\$ cents) ⁽¹⁾	55.84	56.18
Adjusted NTA per Share (S\$ cents)	2.39	2.05

Notes:

- (1) This excludes the adjusted net tangible asset value subsequent to the entry of the Waiver as detailed in section 2.7.10 of this Circular.

2.10.3 Earnings/Loss

Purely for illustrative purposes only and assuming that the Proposed Acquisition had been completed on 1 January 2020, being the beginning of FY2020, the effect on the loss per Share of the Group for FY2020 are as follows:

	Before the Proposed Acquisition	After the Proposed Acquisition
Loss attributable to the equity holders of the Company (S\$'000)	14,458	14,537
Adjusted loss attributable to the equity holders of the Company (S\$'000)	3,165	3,245
Weighted number of issued Shares (excluding treasury shares)	228,241,629	228,241,629
Loss per Share (S\$ cents)	6.33	6.37
Adjusted loss per Share (S\$ cents)	1.39	1.42

6.5 Other relevant considerations in relation to the Proposed Acquisition

- (i) Faster Entry Into Japan and Uzbekistan's Education Markets
- (ii) Support from DiDi and familiarity with the Target

6.5.1 Faster Entry Into Japan and Uzbekistan's Education Markets

We understand from the Company that since the Target's incorporation in June 2020, the Target has employed the relevant staff to launch its Education Business, entered into a perpetual territorial license arrangement with ERCI and acquired the Campus Property for its Japan's campus.

Further, as mentioned in paragraph 6.2 of this Letter, the Target and the Company are currently in discussions with the Uzbek MHSSE to include the Target as a member contractor for Project Asnaro through an addendum to the MOU. The Target is also in advanced stage of negotiations for formal collaborations with several academic institutions and businesses in Japan to offer educational content to students and professionals in Japan.

The Proposed Acquisition allows the Company to enter into the Japan and Uzbekistan's education markets faster, as compared to setting it up from the start.

6.5.2 Support from DiDi and familiarity with the Target

As mentioned in paragraph 3 of this Letter, DiDi or the Seller had injected capital into the Company to help resuscitate and transform its business. In addition, to demonstrate its commitment to the Company, DiDi had also i) converted S\$22 million of the Convertible Loan into shares of the Company and is the single largest Shareholder of the Company holding 68.85% of the entire issued and paid up share capital of the Company, and ii) entered into a deed of undertaking agreeing to customary non-competition covenants with the Target.

DiDi has substantial experience in Japan's education market through its investments in the education services sector where its subsidiaries deliver educational content through classroom and online platforms in Japan. As DiDi is familiar with both the Target and Japanese education market, as the single largest Shareholder of the Company, the Company is well positioned to integrate the Target into the Company and gain entry into Japan's education market after completion of the Proposed Acquisition.

7. OUR OPINION

In arriving at our recommendation in respect of the Proposed Acquisition, 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.

- (i) Rationale for the Proposed Acquisition;
- (ii) Financial performance and position of the Target;
- (iii) Independent valuation on the 100% equity interest in the capital of the Target;
- (vi) Financial effects of the Proposed Acquisition;
- (vii) Other relevant considerations in relation to the Proposed Acquisition:
 - (a) Faster Entry Into Japan and Uzbekistan's Education Markets; and
 - (b) Support from DiDi and familiarity with the Target.

In respect of the Proposed Acquisition assuming that the Addendum is not signed, the Company is required to satisfy only the Base Consideration of S\$1.2 million. We note that:

- P/Adjusted NAV of the Target as implied by the Base Consideration is 1.02 times; and
- Base Consideration of S\$1.2 million is equal to the upper range of the valuation range of 100% equity interest in the capital of the Target of between S\$1.0 million and S\$1.2 million.

In respect of the Proposed Acquisition assuming that the Addendum is signed, the Company is required to satisfy both the Base Consideration of S\$1.2 million and the Additional Consideration of S\$800,000. We note that:

- Total Consideration of S\$2,000,000 is within the valuation range of 100% equity interest in the capital of the Target of between S\$1.7 million and S\$2.6 million.

Having regards to the considerations as set out above and the information available to us as at the Latest Practicable Date, we are of the opinion that the Proposed Acquisition, as an Interested Person Transaction, is on normal commercial terms and not prejudicial to the interests of the Company and its minority Shareholders.

We were neither a party to the negotiations entered into by the Company in relation to the Proposed Acquisition nor were we involved in the deliberations leading up to the decision on the part of the Directors to enter into the Proposed Acquisition, and we do not warrant the merits of the Proposed Acquisition. Furthermore, we were not involved in the legal and financial due diligence that were conducted by the Company and its advisers on the Target.

We have prepared this Letter for the use of the Non-Interested Directors in connection with and for the purposes of their consideration of the Proposed Acquisition. The recommendation made by them to the Shareholders in relation to the Proposed Acquisition shall remain the sole responsibility of the Non-Interested Directors. 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 other than for the purpose of the Proposed Acquisition to be approved by the shareholders in the EGM at any time and in any manner without prior written consent of RHTC in each specific case.

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

Yours sincerely
For and on behalf of
RHT CAPITAL PTE. LTD.

Khong Choun Mun
Chief Executive Officer

Mah How Soon
Managing Director

NOTICE OF EXTRAORDINARY GENERAL MEETING

ALPHA DX GROUP LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 200310813H)

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting (“**EGM**”) of Alpha DX Group Limited (the “**Company**”) will be held by way of electronic means on 8 September 2021 at 3.00 p.m. for the purpose of considering and, if thought fit, passing (with or without any modifications) the following ordinary resolution:

Please refer to the section titled “IMPORTANT INFORMATION” below for details.

*All capitalised terms in this Notice which are not defined herein shall have the same meaning as ascribed to them in the Company’s circular dated 24 August 2021 (the “**Circular**”).*

AS ORDINARY RESOLUTION:

ORDINARY RESOLUTION

THE PROPOSED ACQUISITION OF THE ENTIRE ISSUED AND PAID-UP ORDINARY SHARES IN THE CAPITAL OF DIDI ACADEMY INC AS AN INTERESTED PERSON TRANSACTION UNDER CHAPTER 9 OF THE CATALIST RULES

THAT:

- (a) the Proposed Acquisition be and is hereby approved and that authority be and is hereby granted to the Directors to carry out and implement the Proposed Acquisition in accordance with the terms of the SPA, and any other transactions and/or ancillary documents contemplated under the SPA, as an interested person transaction under Chapter 9 of the Catalist Rules; and
- (b) the Directors and each of them be and are hereby authorised to complete, enter and do all acts and things (including without limitation, prepare and finalise, approve, sign, execute and deliver all such documents or agreements as may be required) and do all deeds and things as they may consider necessary, desirable, incidental or expedient for the purposes of or to give effect to this Ordinary Resolution and implement any of the foregoing as they think fit and in the interests of the Company.

By Order of the Board
ALPHA DX GROUP LIMITED

Tan Wee Sin
Company Secretary

Singapore
24 August 2021

NOTICE OF EXTRAORDINARY GENERAL MEETING

IMPORTANT INFORMATION

Shareholders of the Company (“Shareholders”) should take note of the following arrangements for the EGM:

- (a) **Participation in the EGM via Live EGM Webcast and Live EGM Audio Feed:** The EGM will be conducted by electronic means and Shareholders will not be able to attend the EGM physically. All Shareholders or their corporate representatives (in the case of Shareholders which are legal entities) will be able to participate in the EGM proceedings by watching a “live” webcast (the “**Live EGM Webcast**”) or listen to a “live” audio feed (the “**Live EGM Audio Feed**”). Shareholders/Investors holding shares through relevant intermediaries (**other than SRS investors**) will not be able to pre-register for the “live” broadcast of the EGM. Such Shareholders/investors who wish to participate in the EGM proceedings should instead approach his/her relevant intermediary as soon as possible in order to make the necessary arrangements.
- (b) **Live EGM Webcast and Live EGM Audio Feed:** All Shareholders who wish to follow the proceedings of the EGM will need to pre-register at <http://alpha-dxEGM.zionext.com> (the “**Pre-registration Link**”) from 24 August 2021 till 3.00 p.m. on 3 September 2021 (the “**Registration Deadline**”) for verification of their status as Shareholders (or the corporate representatives of such Shareholders) of the Company. Following successful verification, each Shareholder or its corporate representative(s) will receive an email confirmation (“**Confirmation Email**”) by 3.00 p.m. on 6 September 2021 containing instructions to access the live EGM proceedings.

Shareholders or their corporate representative(s) must not forward the abovementioned information to any other persons who are not shareholders and who are not eligible to attend the EGM. This is also to avoid any technical disruptions to the Live EGM Webcast or Live EGM Audio Feed due to overloading.

Shareholders or their corporate representatives who have registered by the Registration Deadline but do not receive the Confirmation Email by 3.00 p.m. on 6 September 2021 may contact the Company for assistance at +65 6571 0200 or email enquiries@alpha-dx.com.sg.

- (c) **Submission of Questions in advance of the EGM:** Shareholders will not be able to ask questions “live” via the Live EGM Webcast. Shareholders may submit questions related to the ordinary resolution(s) to be tabled for approval at the EGM to the Chairman of the EGM, in advance, by post to the Company at 229 Mountbatten Road, #01-11 Mountbatten Square Singapore 398007; or sent by email to enquiries@alpha-dx.com.sg. Questions must be submitted by 3.00 p.m. on 3 September 2021 so that they may be addressed during the EGM proceedings. Shareholders or their representatives (in the case of shareholders which are legal entities) must state his/her full name and whether he/she is a shareholder or a representative of a shareholder which is a legal entity. Any question without the identification details will not be addressed. The Company shall address relevant and substantial questions (as may be determined by the Company in its sole discretion) received by 3.00 p.m. on 3 September 2021 prior to the EGM via SGXNet and/or during the EGM proceedings. The Company will publish the minutes of the EGM, including substantial and relevant comments or queries from shareholders relating to the agenda of the EGM, and responses from the Company, on SGXNet within one month after the date of EGM.
- (d) **Voting solely via appointing Chairman of the Meeting as Proxy:** Shareholders may only exercise their voting rights at the EGM via proxy voting. Shareholders who wish to vote on the resolution(s) at the EGM must appoint the Chairman of the EGM as their proxy to do so on their behalf. In the Proxy Form, a shareholder should specifically direct the Chairman on how he is to vote for or vote against (or abstain from voting on) the resolution(s) to be tabled at the EGM, failing which the appointment of the Chairman of the EGM as proxy for that resolution will be treated as invalid. The instrument appointing the Chairman of the EGM as proxy must be deposited at the registered office of the Company at 229 Mountbatten Road, #01-11 Mountbatten Square Singapore 398007 or sent by email to sg.is.proxy@sg.tricorglobal.com not less than forty-eight (48) hours (i.e. by 3.00 p.m. on 6 September 2021), before the time appointed for holding the EGM. The Proxy Form can be downloaded from SGXNet (www.sgx.com). **In view of the current COVID-19 measures which may make it difficult for shareholders to submit completed proxy forms by post, shareholders are strongly encouraged to submit completed proxy forms electronically via email to sg.is.proxy@sg.tricorglobal.com.**
- (e) **Investors who hold through Relevant Intermediaries (including SRS Investors):** A Depositor’s name must appear on the Depository Register maintained by The Central Depository (Pte) Limited (the “**CDP**”) at least seventy-two (72) hours before the time fixed for holding the EGM in order for the Depositor to be entitled to vote on the resolution(s) at the EGM by appointing the Chairman of the EGM as his/her proxy to do so on his/her behalf. In view of Section 81SJ(4) of the Securities and Future Act, Chapter 289 of Singapore, a Depositor shall not be regarded as a shareholder of the Company entitled to attend the EGM and to speak and vote thereat unless his/her name appears in the Depository Register maintained by the CDP at least seventy-two (72) hours before the EGM. Any shareholder who is holding his shares via the CDP but whose name is not registered with the CDP seventy-two (72) hours before the EGM will not be entitled to attend and vote at the EGM. Accordingly, even if such shareholder deposits his proxy form forty-eight (48) hours before the EGM, the Chairman of the EGM who is appointed as his/her proxy will not be entitled to vote at the EGM. SRS Investors who wish to appoint the Chairman of the EGM as proxy should approach their respective SRS Operators at least seven (7) working days before the EGM (i.e. by 3.00 p.m. on 30 August 2021), to ensure that their votes are submitted.

Access to documents or information relating to the EGM

In accordance with the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, all documents and information relating to the business

NOTICE OF EXTRAORDINARY GENERAL MEETING

of the EGM (including the Circular and the Proxy Form) have been published on SGXNet (www.sgx.com). Printed copies will not be sent to Shareholders.

Further Updates

In view of the evolving COVID-19 situation, the Company reserves the right to take such further precautionary measures as may be appropriate up to the date of the EGM, including any precautionary measures required or recommended by government agencies, in order to curb the spread of COVID-19. Shareholders should continually check for announcements by the Company for updates on the EGM. The Company would like to thank all shareholders for their patience and co-operation in enabling the Company to continue holding its EGM amidst the COVID-19 situation.

Personal Data Privacy

By (a) submitting an instrument appointing the Chairman of the EGM as a proxy to vote at the EGM and/or any adjournment hereof, or (b) completing the Pre-registration in accordance with this Notice, or (c) submitting any question prior to the EGM in accordance with this Notice, a shareholder of the Company consents to the collection, use and disclosure of the shareholders' personal data by the Company (or its agents or service providers) for the following purposes:

- (i) the processing and administration by the Company (or its agents or service providers) of proxy forms appointing the Chairman of the EGM as a proxy for the EGM (including any adjournment thereof);
- (ii) the processing of the Pre-registration for purposes of granting access to shareholders (or their representatives in the case of shareholders which are legal entities) to the live webcast or live audio feed of the EGM proceedings and providing them with any technical assistance where necessary;
- (iii) addressing relevant and substantial questions from Shareholders received before the EGM and if necessary, following up with the relevant shareholders in relation to such questions;
- (iv) the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the EGM (including any adjournment thereof); and
- (v) enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines.

PROXY FORM

<p>ALPHA DX GROUP LIMITED (Incorporated in the Republic of Singapore) (Company Registration No. 200310813H)</p> <p>PROXY FORM EXTRAORDINARY GENERAL MEETING <i>(Please see notes overleaf before completing this Proxy Form)</i></p>	<p>IMPORTANT:</p> <ol style="list-style-type: none"> 1. Shareholders who wish to vote on any or all of the resolution(s) at the Extraordinary General Meeting (“EGM”) must appoint the Chairman of the EGM as their proxy to do so on their behalf. 2. For investors who have used their SRS monies to buy Alpha DX Group Limited’s shares, this Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them. 3. SRS investors who wish to appoint Chairman of the EGM as their proxy should contact their respective Agent Banks or SRS Operators at least seven (7) working days before the EGM to specify voting instructions and to ensure that their votes are submitted. <p>PERSONAL DATA PRIVACY:</p> <p>By submitting an instrument appointing the Chairman of the EGM as Proxy, the shareholder accepts and agrees to the personal data privacy terms set out in the Proxy Form and Notice of Extraordinary General Meeting dated 24 August 2021.</p>	
*I/We, _____	(Name) _____	(NRIC/Passport/Co Reg No.) _____
of _____	(Address) _____	
being a shareholder/shareholders* of ALPHA DX GROUP LIMITED (the “ Company ”), hereby appoint the Chairman of the EGM as *my/our *proxy to vote for *me/us on *my/our behalf at the EGM to be held by electronic means on 8 September 2021 at 3.00 p.m. and at any adjournment thereof.		

No.	Ordinary Resolution relating to:	No. of Votes For ⁽¹⁾	No. of Votes Against ⁽¹⁾	No. of Votes Abstain ⁽²⁾
1	The Proposed Acquisition			

⁽¹⁾ Voting will be conducted by poll. If you wish the Chairman of the EGM as your proxy to cast all your votes “For” or “Against” a resolution, please tick (✓) within the “For” or “Against” box provided in respect of that resolution. Alternatively, please indicate the number of votes “For” or “Against” in the “For” or “Against” box provided in respect of that resolution.

⁽²⁾ If you wish the Chairman of the EGM as your proxy to abstain from voting a resolution, please tick (✓) within the “Abstain” box provided in respect of that resolution. Alternatively, please indicate the number of votes that the Chairman of the EGM as your proxy is directed to abstain from voting in the “Abstain” box provided in respect of that resolution.

Dated this _____ day of _____ 2021

Signature(s) of Shareholder(s)
or Common Seal of Corporate Shareholder

* Delete where inapplicable

Total Number of Shares in:	No. of shares
(a) CDP Register	
(b) Register of Members	

IMPORTANT: PLEASE READ NOTES OVERLEAF

PROXY FORM

Notes:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Future Act, Chapter 289 of Singapore), 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, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
2. In accordance with the alternative arrangements under the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, this EGM would be held by electronic means and therefore shareholders will not be able to attend the EGM in person. A shareholder (whether individual or a legal entity) must appoint the Chairman of the EGM as his/her/its proxy to vote on his/her/its behalf at the EGM if such shareholder wishes to exercise his/her/its voting rights at the EGM. This proxy form has been made available on SGXNet (www.sqx.com). A printed copy of this proxy form will NOT be despatched to shareholders.
3. A shareholder who is a relevant intermediary entitled to vote at the EGM must appoint the Chairman of the EGM to attend and vote at the EGM instead of the shareholder. SRS Investors who wish to appoint the Chairman of the EGM as proxy should approach their respective SRS Operators at least seven (7) working days before the EGM (i.e. by 3.00 p.m. on 30 August 2021), to ensure that their votes are submitted. Where a shareholder (whether individual or a legal entity) appoints the Chairman of the EGM as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the EGM as proxy for that resolution will be treated as invalid.

“Relevant intermediary” means:
 - (a) a banking corporation licensed under the Banking Act, Chapter 19 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
 - (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Future Act, Chapter 289 of Singapore and who holds shares in that capacity; or
 - (c) the Central Provident Fund Board established by the Central Provident Fund Act, Chapter 36 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Central Provident Fund Act, Chapter 36 of Singapore, providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
4. The instrument appointing the Chairman of the EGM as proxy must be deposited at the registered office of the Company at 229 Mountbatten Road, #01-11 Mountbatten Square Singapore 398007 or sent by email to sg.is.proxy@sg.tricorglobal.com not less than forty-eight (48) hours (i.e. by 3.00 p.m. on 6 September 2021), before the time appointed for holding the EGM. **In view of the current COVID-19 measures which may make it difficult for shareholders to submit completed proxy forms by post, shareholders are strongly encouraged to submit completed proxy forms electronically via email.**
5. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.
6. A corporation which is a shareholder may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.

General:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In the case of shareholder of the Company whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such shareholder are not shown to have shares entered against their names in the Depository Register seventy-two (72) hours before the time appointed for holding the EGM as certified by The Central Depository (Pte) Limited to the Company.

PROXY FORM

Personal data privacy:

By (a) submitting an instrument appointing the Chairman of the EGM as a proxy to vote at the EGM and/or any adjournment thereof, or (b) completing the Pre-registration in accordance with the Notice of EGM, or (c) submitting any question(s) prior to the EGM in accordance with the Notice of EGM a shareholder of the Company consents to the collection, use and disclosure of the shareholders' personal data by the Company (or its agents or service providers) for the following purposes:

- (i) the processing and administration by the Company (or its agents or service providers) of proxy forms appointing the Chairman of the EGM as a proxy for the EGM (including any adjournment thereof);
- (ii) the processing of the Pre-registration for purposes of granting access to shareholders (or their representatives in the case of shareholders which are legal entities) to the live webcast or live audio feed of the EGM proceedings and providing them with any technical assistance where necessary;
- (iii) addressing relevant and substantial questions from shareholders received before the EGM and if necessary, following up with the relevant shareholders in relation to such questions;
- (iv) the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the EGM (including any adjournment thereof); and
- (v) enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines.