



**BROMAT HOLDINGS LTD.**  
(Unique Entity Number: 201715253N)  
Incorporated in the Republic of Singapore

## PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE

### 1. INTRODUCTION

- 1.1. **Rights Issue.** The board of directors (the “**Board**” or “**Directors**”) of Bromat Holdings Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company is proposing to undertake a renounceable non-underwritten rights issue (the “**Proposed Rights Issue**”) of up to 154,129,586 new ordinary shares in the capital of the Company (the “**Rights Shares**”), at an issue price of S\$0.042 for each Rights Share (the “**Issue Price**”), on the basis of one (1) Rights Share for every two (2) existing ordinary shares in the capital of the Company (the “**Shares**”), held by shareholders of the Company (“**Shareholders**”) who are eligible to participate in the Proposed Rights Issue (the “**Entitled Shareholders**”) as at a date and time to be determined by the Directors, at and on which the Register of Members of the Company and the Transfer Books of the Company will be closed to determine the provisional allotments of Rights Shares of the Entitled Shareholders (defined herein) under the Proposed Rights Issue (the “**Record Date**”), fractional entitlements to be disregarded.
- 1.2. **Authority to issue the Rights Shares.** Under the general share issue mandate granted by the Shareholders at the annual general meeting held on 24 June 2024 (the “**Share Issue Mandate**”), the number of issued Shares (excluding treasury shares and subsidiary holdings) and the maximum number of Shares that can be issued on a pro rata basis is 308,259,172 Shares. The Company will issue the Rights Shares under the authority of the Share Issue Mandate.

### 2. PRINCIPAL TERMS OF THE PROPOSED RIGHTS ISSUE

- 2.1. Principal Terms. The principal terms of the Proposed Rights Issue are summarised below:

<b>Issue Price of each Rights Share</b>	:	The Issue Price of each Rights Share is S\$0.042, to be paid in full on application by Entitled Shareholders.
<b>Discount (specifying benchmarks and periods)</b>	:	The Issue Price of S\$0.042 for each Rights Share represents a discount of approximately,  (a) 52.27% to the last traded price per Share of S\$0.088 (the “ <b>Closing Price</b> ”) on the Catalist Board of the Singapore Exchange Securities Trading Limited (the “ <b>SGX-ST</b> ”) (the “ <b>Catalist</b> ”), as at 27 September 2024, being the last full Market Day (“ <b>Market Day</b> ” being a day on which the SGX-ST is open for the dealing and trading of securities) immediately preceding the date of this announcement; and  (b) 42.2% to the theoretical ex-rights price of S\$0.073 (the “ <b>TERP</b> ”) <sup>1</sup> per Share.
<b>Allotment/Entitlement Ratio</b>	:	Entitled Shareholders are entitled to subscribe for one (1) Rights Share for every two (2) existing Shares held in the Company as at the Record Date, fractional entitlements to be disregarded.
<b>Maximum number of Rights Shares offered</b>	:	Up to 154,129,586 Rights Shares are to be offered in the Maximum Subscription Scenario. Please refer to paragraph 4.6(i) of this announcement for the definition of Maximum Subscription Scenario.
<b>Minimum number of Rights Shares offered</b>	:	Up to 83,333,333 Rights Shares are to be offered in the Minimum Subscription Scenario. Please refer to paragraph 4.6(ii) of this announcement for the definition of Minimum Subscription Scenario.

<sup>1</sup>The Theoretical Ex-Rights Price (**TERP**) is the theoretical market price of each Share assuming the completion of the Rights Issue, and is calculated based on the Closing Price, and assuming that the maximum number of Rights Shares are issued pursuant to the Proposed Rights Issue.

<b>Rationale for the Proposed Rights Issue</b>	:	Please refer to paragraph 5 of this announcement for details on the rationale for the Proposed Rights Issue.
<b>Use of Proceeds</b>	:	Please refer to paragraph 6 of this announcement for details on the use of proceeds arising from the Proposed Rights Issue.

- 2.2. **Rights Issue Manager.** The Company has appointed SAC Capital Private Limited as manager of the Proposed Rights Issue (the “**Manager**”).
- 2.3. **Legal Advisor.** The Company has engaged Altum Law Corporation (“**Altum Law**”) to advise on compliance with Singapore laws and Section B of the Listing Manual: Rules of Catalist of SGX-ST (“**Catalist Rules**”) regarding the Proposed Rights Issue.
- 2.4. **Offer Information Statement.** The final terms and conditions of the Proposed Rights Issue, including the procedures for acceptances and applications for the Rights Shares, will be set out in an offer information statement (the “**Offer Information Statement**”) in accordance with the Sixteenth Schedule to the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of the Securities and Futures Act (the “**SFA**”) and in associated documents accompanying the Offer Information Statement. The Offer Information Statement and associated documents will be lodged with the SGX-ST, acting as an agent on behalf of the Monetary Authority Singapore (the “**MAS**”), following which they will be despatched or disseminated to Entitled Shareholders in due course, provided the conditions listed in paragraph 4.16 (*Conditions for the Proposed Rights Issue*) have been fulfilled. An announcement regarding the lodgment and despatch or dissemination of the Offer Information Statement and associated documents will be made by the Company at the appropriate time.

### 3. UNDERTAKING BY VALIANT INVESTMENTS LIMITED

- 3.1. **Irrevocable Undertaking.** To demonstrate its commitment and confidence in the Company and the Proposed Rights Issue, Valiant Investments Limited (“**Valiant**” or “**Undertaking Shareholder**”) has executed an irrevocable undertaking (the “**Irrevocable Undertaking**”) to subscribe for and pay in full 83,333,333 Rights Shares out of the 116,371,234 Provisional Rights (defined below in paragraph 4.1 of this announcement) that Gazelle Ventures Pte. Ltd. (“**GV**”) has undertaken to renounce to Valiant, PROVIDED ALWAYS THAT if pursuant to the Irrevocable Undertaking, the Undertaking Shareholder and his concert parties (as defined in the Singapore Code on Take-overs and Mergers (the “**Code**”)) are placed in a position of incurring a mandatory general offer obligation under Rule 14 of the Code, his subscription for the Rights Shares shall be scaled down in such manner to be agreed at the discretion of the Company, the Manager and the Undertaking Shareholder so as to avoid placing him in such a position as a result of other Entitled Shareholders not taking up, where partly or in full, their entitlements fully.

### 4. TERMS OF THE PROPOSED RIGHTS ISSUE AND OTHER RELEVANT INFORMATION

- 4.1. **Basis of Provisional Allotment of Rights.** The Proposed Rights Issue will be made on a pro-rata, renounceable and non-underwritten basis. Entitled Shareholders will receive one (1) Rights Share for every two (2) existing Shares held as of the Record Date, with fractional entitlements disregarded (the “**Provisional Rights**”).
- 4.2. **Renounceable.** The Provisional Rights are renounceable, in part or in whole. This means Entitled Shareholders can give up or renounce all or some of their Provisional Rights to subscribe for Rights Shares to a third party. Additionally, Entitled Shareholders can trade their nil-paid rights<sup>2</sup> on the SGX-ST from the commencement of the trading period of the Provisional Rights on a “nil-paid” basis. However, there is no guarantee that there will be a market for these nil-paid rights. It is the responsibility of purchasers of nil-paid rights to inform themselves of the eligibility criteria for the exercise of these nil-paid rights. More details of the trading period of the nil-paid Rights and the procedures for the exercise of these nil-paid rights will be set out in the Offer Information Statement.
- 4.3. **Non-Underwritten.** The Proposed Rights Issue will not be underwritten. In view of the Irrevocable Undertaking, the savings in costs enjoyed by the Company as a result of not having to bear any underwriting fees, and there being no minimum amount that must be raised from the Rights Issue, the Company has decided to proceed with the Rights Issue on a non-underwritten basis. The Proposed Rights Issue will not be withdrawn after the commencement of the ex-rights trading of the Shares pursuant to Rule 820(1) of the Catalist Rules.
- 4.4. **Share Capital and Securities of the Company.** As at the date of this announcement, the Company has in issue 308,259,172 Shares, no treasury shares, subsidiary holdings, existing warrants or other convertible securities, save for 145,000,000 convertible redeemable preference shares (“**CRPS**”) issued by the Company to GV, pursuant to the Implementation Agreement entered into on 30 June 2022.
- 4.5. **Investment Sum and Advance.** Under the Implementation Agreement, the Company issued 231,194,379 ordinary

<sup>2</sup> Nil-paid rights are rights arising from the provisional allotment of Rights Shares issued to Entitled Shareholders.

shares and 145,000,000 CRPS to GV in consideration of a total sum of S\$5,000,000 (the “Investment Sum”)<sup>3</sup>. The CRPS can be converted into 145,000,000 Shares. In addition to the Investment Sum, Valiant advanced S\$3,500,000 to the Company to fund its working capital requirements (the “Advance”). Gazelle Capital Pte. Ltd (“GC”) and Valiant are currently each a 50% shareholder of GV. As Valiant provided the entire amount of the Investment Sum and the Advance to the Company, for the purposes of this announcement, any reference to the shareholding of or funding provided by GV under the Implementation Agreement or the mandatory general offer made by GV under the Code on 28 March 2024 (the “Offer”) will be referred to as being held or made by the “Concert Parties”, comprising GV, GC and Valiant.

4.6. **Size of the Proposed Rights Issue.** On the assumption that:

- (a) no new Shares were issued prior to the Record Date;
- (b) no CRPS was converted into Shares prior to the Record Date; and
- (c) the Concert Parties did not dispose of any of its Shares prior to the Record Date,

the final number of Rights Shares that the Company will allot and issue is illustrated under the following two scenarios:

- (i) **Maximum Subscription Scenario.** If all Entitled Shareholders subscribed and paid for the Rights Shares under their respective Provisional Rights, the Company would have to allot and issue up to 154,129,586 Rights Shares (the “Maximum Subscription Scenario”). The resultant enlarged share capital under the Maximum Subscription Scenario would be 462,388,758 Shares, with 154,129,586 Rights Shares representing 33.33% of the Company’s enlarged share capital.
- (ii) **Minimum Subscription Scenario.** If only Valiant subscribed and paid for the Rights Shares pursuant to its Irrevocable Undertaking and pursuant to the Provisional Rights renounced to it by GV<sup>4</sup>, (i.e., 83,333,333 Rights Shares), the Company would have to allot and issue up to 83,333,333 Rights Shares (the “Minimum Subscription Scenario”). The resultant enlarged share capital under the Minimum Subscription Scenario would be 391,592,505 Shares, with 83,333,333 Rights Shares representing 21.28% of the Company’s enlarged share capital. In this scenario, there would be, unsubscribed, 70,796,253 Rights Shares, following the closing date of the Proposed Rights Issue.

4.7. **Resultant Shareholding Proportions of the Shareholders.** The resultant shareholding proportions held by the Company’s substantial Shareholders (as the term is defined in the Companies Act 1967 (the “Companies Act”)) and its public Shareholders at the Record Date and following completion of the Proposed Rights Issue, based on the maximum and minimum scenarios, are illustrated below:

**Maximum Subscription Scenario:**

Shareholders	Before the Proposed Rights Issue		After the Proposed Rights Issue	
	Number of Shares held as at Record Date	Percentage (%) as at Record Date	Total Resultant Number of Shares	Total Percentage (%)
Gazelle Ventures Pte. Ltd.	232,742,469	75.5	232,742,469	50.3
Valiant Investments Limited	-	-	116,371,234 <sup>(1)</sup>	25.2
Su Haijin	15,413,082	5.0	23,119,623	5.0
Other Shareholders	60,103,621	19.5	90,155,432	19.5
<b>Total</b>	<b>308,259,172</b>	<b>100.0</b>	<b>462,388,758</b>	<b>100.0</b>

**Minimum Subscription Scenario:**

Shareholders	Before the Proposed Rights Issue		After the Proposed Rights Issue	
	Number of Shares held as at Record Date	Percentage (%) as at Record Date	Total Resultant Number of Shares	Total Percentage (%)
Gazelle Ventures Pte. Ltd.	232,742,469	75.5	232,742,469	59.4
Valiant Investments Limited	-	-	83,333,333 <sup>(2)</sup>	21.3
Su Haijin	15,413,082	5.0	15,413,082	3.9
Other Shareholders	60,103,621	19.5	60,103,621	15.3
<b>Total</b>	<b>308,259,172</b>	<b>100.0</b>	<b>391,592,505</b>	<b>100.0</b>

**Notes:**

- (1) This is assuming that Valiant subscribes for all the 116,371,234 Provisional Rights that GV has undertaken to renounce to Valiant under the Maximum Subscription Scenario. Shareholders should note that as at the date of this announcement, Valiant had only undertaken to subscribe for and pay in full 83,333,333 Rights Shares out of the 116,371,234 Provisional Rights that

<sup>3</sup> Shareholders should refer to previous announcements made by the Company in relation to the Implementation Agreement and the resumption of the trading of its shares for context.

<sup>4</sup> As at the date of this announcement, GV holds a total of 232,742,469 Shares in the Company following the close of the general offer made by GV, GC and Valiant on 16 May 2024.

GV has undertaken to renounce to Valiant pursuant to the Irrevocable Undertaking.

- (2) As at the date of this announcement, Valiant had undertaken to subscribe for and pay in full 83,333,333 Rights Shares out of the 116,371,234 Provisional Rights that GV has undertaken to renounce to Valiant pursuant to the Irrevocable Undertaking.

- 4.8. **Shareholding Interest of Shareholders Other than the Concert Parties.** Shareholders' attention is drawn to the fact that under the Minimum Subscription Scenario, the collective shareholding interest of Shareholders (other than the Concert Parties) will be diluted from 24.5% to 19.3%, assuming no new Shares were issued prior to the Record Date and no CRPS were converted.
- 4.9. **Ranking of the Rights Shares.** The Rights Shares when issued will rank *pari passu* in all respects with all existing Shares, save for any dividends, rights, allotments or other distributions, the record date of which falls before the date of the issue of the Rights Shares.
- 4.10. **Provisional Allotments and Excess Applications.** Entitled Shareholders may accept, decline, or renounce their Provisional Rights in part or in whole. Only Entitled Depositors (defined below) may trade (during the provisional allotment trading period prescribed by the SGX-ST) their nil-paid rights. All Entitled Shareholders are eligible to apply for additional Rights Shares in excess of their Provisional Rights ("**Excess Rights Shares**").
- 4.11. **Excess Rights Shares.** Where fractions arise in the calculation of the allotment of Provisional Rights, they will be disregarded. Such fractional entitlements will, together with Rights Shares not validly taken up by Entitled Shareholders, or their respective renounee(s), or the purchasers of such Provisional Rights, any unsold "nil-paid" rights of Foreign Shareholders (as defined below) and Rights Shares not validly taken up or subscribed for, for any reason, be aggregated and allotted to satisfy applications for Excess Rights Shares (if any), or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interest of the Company, subject to applicable laws and the Catalist Rules.
- 4.12. **Rounding and Priority in Allotment of Excess Rights Shares.** In the allotment of Excess Rights Shares, preference will be given to the rounding of odd lots. In addition, Directors and Entitled Shareholders (who are substantial shareholders) and who have control or influence over the Company in connection with its day-to-day affairs, or the terms of this Proposed Rights Issue, or have representation (direct or through a nominee) on the Board, will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares. The Company will also not make any allotment and issue of any Excess Rights Shares that will result in a transfer of controlling interest in the Company. Such an issuance can only be made with the approval of Shareholders in a general meeting, in compliance with Catalist Rule 803.
- 4.13. **Scaling Down of Subscriptions.** The Code regulates the acquisition of ordinary shares of, among others, corporations with a primary listing on the SGX-ST, including the Company. Under Rule 14 of the Code, except with the consent of the Securities Industry Council, any person acquiring an interest, either on his own or together with parties acting in concert with him (as defined under the Code), in 30.0% or more of the voting rights in the Company or if such person holds, either on his own or together with parties acting in concert with him, between 30.0% and 50.0% (both inclusive) of the voting rights in the Company, and acquires additional Shares representing more than 1.0% of the voting rights in the Company in any six (6)-month period, must extend a mandatory general offer for the remaining Shares in the Company, in accordance with the provisions of the Code.
- 4.14. Therefore, depending on the level of subscription for the Rights Shares, the Company may, if necessary, scale down the subscription for Rights Shares and/or excess applications for Excess Rights Shares by any of the Entitled Shareholders to:
- (a) avoid placing such Entitled Shareholders and parties acting in concert with them in a position of having to make a mandatory general offer for all Shares not owned or to be owned by them under the Code, as a result of other Entitled Shareholders not taking up not, whether in part or in whole, their Provisional Rights; and/or
  - (b) to avoid the transfer of a controlling interest in the Company under Catalist Rule 803, unless prior approval of Shareholders is obtained in a general meeting.
- 4.15. **Trading of Odd Lots.** For the purposes of trading on the Catalist Board, each board lot comprises 100 Shares. In connection with the Proposed Rights Issue, Shareholders who hold odd lots of Rights Shares and who wish to trade in odd lots on the Catalist Board may do so on the Unit Share Market of the SGX-ST. The Unit Share Market is a ready market for trading of odd lots of Shares with a minimum size of one (1) Share. Shareholders should note that the market for trading of such odd lots of Shares may be illiquid. There is no assurance that Shareholders who hold odd lots of Shares will be able to acquire such number of Shares required to make up a board lot, or to dispose of their odd lots (whether in part or in whole) on the SGX-ST's Unit Share Market.
- 4.16. **Conditions for the Proposed Rights Issue.** The Proposed Rights Issue is subject to, among others, the following conditions having been satisfied:
- (a) the receipt of a listing and quotation notice ("**LQN**") from the SGX-ST for the listing and quotation of the Rights Shares on the Catalist Board, and such notice not having been withdrawn or revoked on or prior to the

completion of the Proposed Rights Issue. If the LQN is granted subject to conditions, all such conditions having been complied with, on the assumption that the conditions are acceptable to the Company;

- (b) the Share Issue Mandate remaining in full force and effect, and not revoked, or amended or modified in any way whatsoever, and the limits stipulated therein are not breached by the issuance of the Rights Shares, duly subscribed for;
- (c) the lodgment of the Offer Information Statement, together with all associated documents with the SGX-ST, acting as agent on behalf of the MAS;
- (d) the subscription for, and the allotment and issue of, the Rights Shares, not being prohibited by any statute, order, rule or regulation promulgated by any legislative, executive or regulatory body or authority in Singapore which is applicable to the Company; and
- (e) all other necessary consents, approval and waivers from any person, financial institution or regulatory body or authority in Singapore or elsewhere under any and all agreements applicable to the Company and/or the Proposed Rights Issue and/or which are required to give effect to the Proposed Rights Issue and the transactions contemplated thereunder being obtained and not revoked or amended or modified before the completion of the Proposed Rights Issue.

4.17. **Additional Listing Application.** The Company will be making an application to the SGX-ST through its Sponsor (as defined herein) for permission to deal in, and for the listing and quotation of the Rights Shares on the Catalist Board. The Company will make an announcement on the outcome of such application in due course. In addition, the Record Date may only be fixed after the Company has obtained the LQN from the SGX-ST. In this connection, the Company will make an announcement regarding the Record Date in due course, in compliance with the Catalist Rules.

4.18. **Previous Equity Fund Raising in the Past 12 Months.** Prior to this announcement, the Company raised a total of S\$5,000,000 from the Concert Parties under the Implementation Agreement, made up of the issue by the Company of 231,194,379 Shares and 145,000,000 CRPS in consideration for the Investment Sum. Save for the above, the Company has not undertaken any other equity fundraising exercise in the past 24 months.

## 5. RATIONALE FOR THE PROPOSED RIGHTS ISSUE

5.1. With new leadership in place, the new management has mapped out a series of strategic initiatives which includes the re-branding and diversifying the Group's food and beverage business ("**Strategic Initiatives**"). These Strategic Initiatives have yet to be fully implemented as additional funding is required. As announced in a Business Update on 23 September 2024, the Group has re-branded "No-Signboard Shen Jian" to "Shang Society" which will commence operations at a new location in Erskine Road in October 2024. In the same Business Update, the Group reported that as the acquisition of Dining Haus Pte. Ltd. ("**Dining Haus**"), which is in the institutional catering business, was only completed in February 2024, the full potential of Dining Haus has not been reflected in its latest interim financial results released on 14 August 2024.

5.2. The Food & Beverage (F&B) industry remains competitive with new players continually entering the market. The surge in new F&B outlets and concepts, from regions such as China, has heightened competition, while operational costs continue to rise. The Company will continue to expand its product and service offerings under the Shang Society brand and will continue to grow its institutional catering business. The Company is also looking at overseas expansion opportunities and acquisition target. The Board is cautiously optimistic that the Group will be able to weather the challenges ahead in the dynamic F&B landscape, drive sustainable growth and enhance profitability.

5.3. In this regard, the Company is undertaking the Proposed Rights Issue to strengthen the financial position and capital base of the Group. The Net Proceeds (as defined herein) received (under the Maximum Subscription Scenario) would also be available for use for general corporate purposes, including for operating costs and strategic investments. This will enhance the Group's financial flexibility, enabling it to implement its Strategic Initiatives and capitalise on new opportunities.

5.4. **Rationale for Discount.** In light of the challenges to the Group's businesses and the new management's Strategic Initiatives which have yet to be fully implemented, the Company recognises that Shareholders and the investing public may need to adopt a longer-term view over the Group's business, and may thus be hesitant to invest further in the Company in the near term and to take up their Provisional Rights.

Taking into account, among others, the rationale for the Proposed Rights Issue, the Group's current financial circumstances, recent precedent rights issue offerings by other listed issuers on the SGX-ST, the transaction size and discussions with the Manager, the Company believes that the Proposed Rights Issue have been appropriately priced to (a) attract and encourage participation from all Entitled Shareholders and the investing public, (b) reward its supporting Shareholders who may need to adopt a longer term view over the Group's businesses, and (c) allow the Company to raise sufficient proceeds (under the Maximum Subscription Scenario) for its intended uses. The Board encourages Shareholders and investors to consider the Group's longer-term potential when deciding whether to subscribe for Rights Shares or to purchase nil-paid rights.

- 5.5. **Capitalising the Group’s Financial Position.** On 4 March 2024, the Company entered into an escrow agreement with Valiant (the “**Escrow Agreement**”). Under the terms of the Escrow Agreement, Valiant agreed to make the Advance of S\$3.50 million to the Company. On 15 April 2024, the Company drew down the Advance. The Advance is a loan for use by the Company for general working capital requirements and other purposes, as determined by the Board, from time to time. Thus, a significant portion of the Investment Sum and Advance has been utilised to make payments owed to creditors and for the repayment of bank loan.
- 5.6. Pursuant to the Irrevocable Undertaking and under the Minimum Subscription Scenario, the Proposed Rights Issue would effectively capitalise the Advance into equity, therefore improving the financial position of the Group. Further, pursuant to the Irrevocable Undertaking and under the Maximum Subscription Scenario, the Proposed Rights Issue is expected to further strengthen the financial position and capital base of the Group, which based on the illustrative pro forma financial effects analysis, would have turned the Group into a net asset position as at 30 June 2024. For illustration<sup>5</sup> purposes, the pro forma financial effects of the Proposed Rights Issue (under both the Minimum Subscription Scenario and the Maximum Subscription Scenario) on the Group’s unaudited net liability position as at 30 June 2024 are as follows:
- (a) under the Minimum Subscription Scenario, the unaudited net liability position as at 30 June 2024 of S\$3.84 million would have improved to a pro forma unaudited net liability position of S\$0.64 million; and
- (b) under the Maximum Subscription Scenario, the unaudited net liability position as at 30 June 2024 of S\$3.84 million would have improved to a pro forma unaudited net asset position of S\$2.33 million.
- 5.7. Based on the foregoing, the Board believes that the Proposed Rights Issue is in the best interests of both the Group and its Shareholders.

## 6. USE OF PROCEEDS

- 6.1. Under the Maximum Subscription Scenario, the estimated gross proceeds would be approximately S\$6.47 million. After deducting estimated expenses of approximately S\$0.3 million from the Proposed Rights Issue, the Group would have net proceeds of approximately S\$6.17 million (“**Net Proceeds**”).
- 6.2. The Company intends to use the Net Proceeds raised from the Proposed Rights Issue in the following manner:

Use of Proceeds	Allocation of Proceeds (S\$ million)	Percentage (%)
Set-off of Advance	3.50	56.7
For general corporate and working capital purposes including but not limited to (i) operating costs and (ii) making strategic investments and/or acquisitions	2.67	43.3
<b>Total</b>	<b>6.17</b>	<b>100</b>

- 6.3. Pursuant to Rule 704(30) and Rule 1204(22) of the Catalist Rules, the Company will make periodic announcements on the utilisation of the Net Proceeds as and when such proceeds are materially disbursed and whether such disbursements are in accordance with the use of proceeds as stated above and provide a status report on the use of the Net Proceeds in the Company’s results announcements and annual reports until such time the Net Proceeds have been fully utilised. Where the Net Proceeds are used for general corporate and/or working capital purposes, the Company will provide a breakdown with specific details on the use of the Net Proceeds in the announcements and the status reports. Any material deviation from the intended use of proceeds will be promptly announced by the Company with accompanying explanations for such deviation.
- 6.4. Pending deployment of the Net Proceeds for the purposes stated, the Net Proceeds will be deposited with financial institutions, invested in short-term money market or debt instruments, or use for other short-term purposes as the Directors may, in their absolute discretion, deem fit in interests of the Group.

## 7. RENOUNCEMENT OF PROVISIONAL RIGHTS AND IRREVOCABLE UNDERTAKING

- 7.1. **Renouncement of Provisional Rights.** As stated in paragraph 3.1, GV has undertaken to renounce all of its Provisional Rights to Valiant.
- 7.2. **Irrevocable Undertaking.** In turn, to demonstrate its commitment and vote of confidence in the Company and the Proposed Rights Issue, Valiant has executed the Irrevocable Undertaking addressed to the Company to subscribe and

<sup>5</sup> Shareholders should note that the pro forma financial effects of the Proposed Rights Issue are purely for illustrative purposes, and have been presented based on the unaudited consolidated financial statements of the Group as at 30 June 2024, and is based on certain key assumptions. For the avoidance of doubt, the pro forma financial effects computations have taken into account the professional fees incurred pursuant to the Proposed Rights Issue of approximately S\$0.3 million.

pay in full for 83,333,333 Rights Shares out of the total of 116,371,234 Rights Shares Valiant may subscribe for under the Provisional Rights renounced by GV.

- 7.3. **Set-Off of Advance.** The Company and Valiant have agreed that payment for the subscription of 83,333,333 Rights Shares will be made by way of the offset of the entire amount under the Advance owing and payable by the Company to Valiant. As the Advance has been drawn down by the Company, the Undertaking Shareholder will not be providing a confirmation of financial resources in connection with the Irrevocable Undertaking.
- 7.4. **Conditions of the Irrevocable Undertaking.** The Irrevocable Undertaking is subject to the condition that if Valiant and its concert parties became obliged under the Code to make a mandatory general offer for Shares not already owned or to be owned by Valiant and its concert parties, as a result of other Entitled Shareholders not taking up, whether in part or in whole their Provisional Rights, its subscription will be scaled down as shall be agreed at the discretion of the Company, in consultation with the Manager. The quantum of any such scaling down will be mutually agreed on by the Company, the Manager and Valiant.
- 7.5. **Salient Terms of the Irrevocable Undertaking.** The salient terms of the Irrevocable Undertaking are as follows:
- (a) Valiant, as shareholder of GV, shall procure that at the Record Date, the number of Shares held by GV will not be less than the number of Shares GV holds as at the date of the Irrevocable Undertaking; and
  - (b) in accordance with the terms and conditions of the Proposed Rights Issue, Valiant shall subscribe and pay for 83,333,333 Right Shares.
- 7.6. **No obligation under the Code.** As at the date of this announcement, taking into consideration the scaling down provision as described in paragraph 4.133 (*Scaling Down of Subscriptions*) and the condition of the Irrevocable Undertaking as described in paragraph 7.4, based on the number of Shares Valiant will hold under the Minimum Subscription Scenario, Valiant will not trigger an obligation under Rule 14 of the Code by reason of its subscription for 83,333,333 Rights Shares.
- 7.7. **No commission.** No commission or fee is payable or agreed to be paid to Valiant in connection with the provision or execution of the Irrevocable Undertaking.

## 8. ELIGIBILITY TO PARTICIPATE IN THE PROPOSED RIGHTS ISSUE

- 8.1. **Eligibility to Participate.** The Company will provisionally allot the Rights to all Entitled Shareholders. The term Entitled Shareholders comprise both Entitled Depositors and Entitled Scripholders (each as defined below), on the basis of their shareholdings at the Record Date. Entitled Shareholders will be entitled to participate in the Proposed Rights Shares and receive the Offer Information Statement, the application forms and other accompanying documents which will be mailed to their respective addresses within Singapore, as shown in the records of the CDP or the Company's share registrar ("**Share Registrar**").
- 8.2. **Entitled Depositors.** Entitled Depositors are Shareholders whose Shares are held in CDP Securities Accounts with: (a) Singapore addresses registered with CDP as of the Record Date, or (b) Singapore addresses provided to CDP for notices and documents by 5:00 PM (Singapore time), three (3) Market Days before the Record Date. Entitled Depositors will be provisionally allotted the Rights Shares based on the number of Shares standing to the credit of their Securities Accounts at 5.00 p.m. (Singapore time) on the Record Date.
- 8.3. **Entitled Scripholders.** Entitled Scripholders are Shareholders who have not deposited their share certificates with CDP and have submitted valid share transfers for registration by the Record Date. Additionally, they must either: (a) have Singapore addresses registered with the Company or Share Registrar as of the Record Date, or (b) provide Singapore addresses for notices and documents by 5:00 PM (Singapore time), three (3) Market Days before the Record Date.
- 8.4. **Foreign Shareholders.** For practicable reasons and to avoid violations of securities legislation applicable in countries other than Singapore, the Rights Shares are **NOT** offered to Shareholders with addresses registered with the Share Registrar or CDP that are outside Singapore as at the Record Date or who have not, by 5.00 p.m., at least three (3) Market Days prior to the Record Date, provided to the CDP or the Share Registrar addresses within Singapore for the service of notices and documents (the "**Foreign Shareholders**"). The Proposed Rights Issue is only made in Singapore and the Offer Information Statement and/or its accompanying documents will NOT be despatched or disseminated to Foreign Shareholders or to any jurisdiction outside of Singapore. As such, no provisional allotments of Rights Shares will be made to Foreign Shareholders. Accordingly, no acceptance of any Rights or application by Foreign Shareholders for the subscription of Rights Shares will be accepted.
- 8.5. **Sale of Nil-paid rights in relation to Foreign Shareholders.** If the Board considers it practicable, arrangements will be made for the provisionally allotted Rights which would otherwise have been allotted to Foreign Shareholders to be sold "nil-paid" on the SGX-ST, as soon as practicable, after the commencement of trading in the Rights Shares. Such sales, if effected, will only be made by the Company if it determines that a premium can be obtained from such sales, after taking into account all relevant expenses incurred. In addition, such provisional allotments of Rights will be sold at such price, or prices as the Company may, in its absolute discretion, decide. No Foreign Shareholder shall have any claim

whatsoever against the Company, the Directors, the Manager, the Company's Legal Advisor, the Share Registrar, or CDP and their respective officers in respect of or at all.

The net proceeds from all such sales, after deduction of all expenses therefrom, will be dealt with, at the discretion of the Company, in accordance with the terms set out in the Offer Information Statement.

If such provisional allotments of Rights under the Proposed Rights Issue cannot be sold or are not sold on the Catalist Board as aforesaid for any reason by such time as the SGX-ST shall have declared to be the last day for trading in the provisional allotments of Rights, the Rights Shares represented by such provisional allotments will be allotted and issued to satisfy applications for Excess Rights Shares or disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. No Foreign Shareholder shall have any claim whatsoever against the Company, the Directors, the Sponsor, the Manager, the Company's Legal Advisor, the Share Registrar, or CDP and their respective officers in connection in respect of or at all.

## **9. OPINION OF DIRECTORS**

For the purposes of Catalist Rule 814(1)(f), as at the date of this announcement, the Directors are of the opinion that:

- (a) after taking into consideration the Group's present bank facilities, cash position, the continued financial support of GV pursuant to a written undertaking is sufficient to meet its present requirement; and
- (b) after taking into consideration the Group's present bank facilities, cash position, the continued financial support of GV pursuant to a written undertaking along with the Net Proceeds, the working capital available to the Group is sufficient to meet its present requirements. Notwithstanding the present sufficiency of working capital, the Directors are of the opinion that the Proposed Rights Issue shall be undertaken for the reasons stated in paragraph 5 (Rationale for the Proposed Rights Issue) of this announcement.

## **10. NOTIFICATION UNDER SECTION 309B OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE**

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

## **11. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

Save as disclosed in this announcement (including in connection with the Irrevocable Undertaking) and save for interests arising from their respective shareholding interests in the Company and/or directorships in the Group, as the case may be, none of the Directors, and to the best knowledge, information and belief of the Directors, no substantial Shareholder has any interest, direct or indirect, in the Proposed Rights Issue.

## **12. DIRECTORS' RESPONSIBILITY STATEMENT**

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

## **13. CAUTIONARY STATEMENT**

Shareholders and potential investors are advised to exercise caution when dealing or trading in the Shares as there is no certainty or assurance that the Proposed Rights Issue will be completed or that no changes will be made to its terms, save that any non-completion or changes will be effected only in compliance with the Catalist Rules. Shareholders and potential investors are also advised to read this announcement and any further announcements by the Company carefully, and if they are in doubt as to the action they should take, they should consult their stockbrokers, bank managers, solicitors, accountants, tax advisers or other professional advisers immediately.

## **14. FORWARD LOOKING STATEMENTS**

Some of the statements in this announcement constitute "forward-looking statements" that do not directly or exclusively relate to historical facts. These forward-looking statements reflect the Group's current intentions, plans, expectations, assumptions and beliefs about future events, which are subject to risks, uncertainties and other factors, many of which are outside the Group's control. There are important factors that could cause actual results to differ materially from expectations expressed or implied in the forward-looking statements. These include known and unknown risks, and



factors such as general economic, geo-politics, and business conditions. Because actual results could differ materially from the Group's intentions, plans, expectations, assumptions and beliefs about the future, any negative impacts arising from any risks or uncertainties that are not currently foreseeable, or which are beyond the control of the Group could affect the performance of the Group's businesses, operations and financial condition. Therefore, Shareholders should not place undue reliance on these statements.

#### 15. FURTHER ANNOUNCEMENTS

The Company will make the necessary announcements as and when required and/or when there are material updates in relation to the Proposed Rights Issue.

#### BY ORDER OF THE BOARD

Lim Teck-Ean  
Executive Director and Chief Executive Officer  
30 September 2024

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*This announcement has been reviewed by the Company's Sponsor; SAC Capital Private Limited (the "Sponsor"). This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited ("SGX-ST") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.*

*The contact person for the Sponsor is Ms. Tay Sim Yee (Tel: (65) 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.*