

MIYOSHI LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 198703979K)

**PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO
497,353,940 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY**

1. INTRODUCTION

- 1.1. The board of directors ("**Board**" or "**Directors**") of Miyoshi Limited (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 497,353,940 new ordinary shares in the capital of the Company (the "**Rights Shares**"), at an issue price of S\$0.004 for each Rights Share (the "**Issue Price**"), on the basis of three (3) Rights Shares for every four (4) existing ordinary shares in the capital of the Company (the "**Shares**") held by Entitled Shareholders (as defined herein) 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. The principal terms of the Proposed Rights Issue are summarised below:

Issue Price	S\$0.004 per Rights Share
Discount (specifying benchmarks and periods)	<p>The Issue Price represents a discount of approximately:</p> <p>(i) 69.2% to the volume weighted average price ("VWAP") of S\$0.0130 and 69.2% to the closing price of S\$0.0130 per Share on the Catalist Board of the Singapore Exchange Securities Trading Limited ("SGX-ST") ("Catalist") on 20 November 2023, being the last full market day on which the Shares were traded on the Catalist immediately prior to the date of this announcement ("Last Trading Day"); and</p> <p>(ii) 56.3% to the theoretical ex-rights price ("TERP") of S\$0.0091 per Share.¹</p> <p>The Issue Price and the discount have been determined taking into account, <i>inter alia</i>, the prevailing market conditions (being general economics, interest rate, market conditions, sentiments and uncertainties), the issue price, market price and also the discounts from the relevant market prices and theoretical ex-rights prices for such past rights issue transactions on the Catalist for the past three (3) years, and the rationale for the Proposed Rights Issue as stated in paragraph 7 of this announcement.</p>
Allotment Ratio	Three (3) Rights Shares for every four (4) existing Shares held by Entitled Shareholders as at the Record Date.
Use of Proceeds	Please refer to paragraph 8 of this announcement for details on the use of proceeds arising from the Proposed Rights Issue.

Purpose of Issue	Please refer to paragraph 7 of this announcement for details on the rationale for the Proposed Rights Issue.
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Note:

(1) The TERP is the theoretical market price of each Share assuming the completion of the Proposed Rights Issue, and is calculated based on the Closing Price, and the number of Shares following completion of the Proposed Rights Issue.

- 1.3. The terms and conditions of the Proposed Rights Issue are subject to such changes and such other terms and conditions as the Directors, after consultation with the Manager (as defined herein), may deem fit. The Proposed Rights Issue is subject to, *inter alia*, the approval of the Company's shareholders ("**Shareholders**") at an extraordinary general meeting ("**EGM**") to be convened by the Company. A circular to Shareholders setting out, amongst other things, the details of, and other relevant information pertaining to the Proposed Rights Issue (the "**Circular**"), together with the notice of EGM, will be despatched or disseminated to the Shareholders in due course.
- 1.4. In connection with the Proposed Rights Issue, Sin Kwong Wah, Andrew (the "**Undertaking Shareholder**") has provided the Irrevocable Undertaking (as defined herein) in order to demonstrate his confidence in the Proposed Rights Issue. Please refer to paragraph 3 of the announcement for further information on the Irrevocable Undertaking.
- 1.5. The Company has appointed Asian Corporate Advisors Pte. Ltd. as the manager for the Proposed Rights Issue (the "**Manager**").

2. TERMS OF THE PROPOSED RIGHTS ISSUE

2.1. Issue Size

Based on the Company's issued and paid-up share capital comprising 663,138,587 Shares (excluding 16,358,600 treasury shares) as at the date of this announcement ("**Existing Issued Share Capital**") and assuming no new Shares are issued on or prior to the Record Date and all Entitled Shareholders subscribe in full and pay for their *pro rata* entitlements of Rights Shares, the Company will allot and issue up to 497,353,940 Rights Shares under the Proposed Rights Issue ("**Maximum Scenario**"). In the Maximum Scenario, the Rights Shares will represent approximately 75.0% of the Existing Issued Share Capital and 42.9% of the enlarged issued share capital of the Company comprising 1,160,492,527 Shares. Please refer to Appendix A of this announcement for further information.

Assuming that:

- (a) there is no change in the Existing Issued Share Capital on or prior to the Record Date; and
- (b) none of the Entitled Shareholders subscribe for their *pro rata* entitlements of the Rights Shares other than the Undertaking Shareholder who subscribes and pays for (or procures the subscription and payment for) the Rights Shares in accordance with his Irrevocable Undertaking as described in paragraph 3.1 of this announcement,

200,000,000 Rights Shares will be issued, and the enlarged issued share capital of the Company will increase to 863,138,587 Shares upon the allotment and issuance of such number of Rights Shares at completion of the Proposed Rights Issue ("**Minimum Scenario**"). In the Minimum Scenario, the Rights Shares will represent approximately 30.2% and 23.2% of the Existing Issued Share Capital and the enlarged issued Share capital of the Company, respectively. Shareholders (other than the Undertaking Shareholder, Associates (as defined herein), Directors and substantial Shareholders) should note that in the Minimum Scenario, their aggregate shareholding interest in the Company after completion of the Proposed Rights Issue, will be reduced from their existing interest of approximately 64.8% to approximately 49.8%. Please refer to Appendix A of this announcement for further information.

As at the date of this announcement, the Company holds 16,358,600 treasury shares and has no existing subsidiary holdings, warrants or other convertibles.

2.2. Ranking of the Rights Shares

The Rights Shares will be payable in full upon acceptance and/or application. The Rights Shares, when issued and allotted, will rank *pari passu* in all respects with the then existing Shares, except that they will not rank for any dividends, rights, allotments or other distributions that may be declared or paid, the record date for which falls before the date of issue of the Rights Shares.

2.3. Non-underwritten

The Proposed Rights Issue will not be underwritten. The Directors are of the opinion after taking into account the Irrevocable Undertaking provided by the Undertaking Shareholder, credit facilities available to the Group, and the Undertaking Shareholder's commitment to continue providing financial support as and when required for a period of up to 18 months from completion of the Proposed Rights Issue, there is no minimum amount which must be raised from the Proposed Rights Issue. Accordingly, the Company has decided to undertake the Proposed Rights Issue on a non-underwritten basis in view of the savings in costs enjoyed by the Company as a result of not having to bear any underwriting fees and commission. The Proposed Rights Issue will not be withdrawn after commencement of the ex-rights trading of the Shares pursuant to Rule 820(1) of the Catalist Rules.

The estimated fees and expenses for the Proposed Rights Issue of approximately S\$250,000 is approximately 12.6% and 31.3% of the gross proceeds from the Proposed Rights Issue under the Maximum and Minimum Scenario of approximately S\$2.0 million and S\$0.8 million respectively.

2.4. Option to Scale Down Subscription

Depending on the level of subscription for the Rights Shares, the Company will, if necessary, scale down the subscription for the Rights Shares and/or excess applications for the excess Rights Shares by any Shareholder (if such Shareholder chooses to subscribe for its *pro rata* Rights Shares entitlement and/or apply for excess Rights Shares) to avoid placing the relevant Shareholder and parties acting in concert with him in the position of incurring a mandatory general offer obligation under the Singapore Code on Take-overs and Mergers ("**Code**") as a result of other Shareholders not taking up their Rights Shares entitlement fully; or to avoid the transfer of a controlling interest in the Company, which is prohibited under Rule 803 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the "**Catalist Rules**"), unless prior approval of Shareholders is obtained in a general meeting.

2.5. Offer Information Statement

The terms and conditions of the Proposed Rights Issue are subject to such changes as the Directors, after consultation with the Manager, may deem fit. The final terms and conditions of the Proposed Rights Issue, including the procedures for acceptances and applications for the Rights Shares, will be contained in the offer information statement ("**Offer Information Statement**") and its accompanying documents to be lodged with the SGX-ST, acting as agent on behalf of the Monetary Authority of Singapore ("**MAS**"), and to be despatched or disseminated by the Company to the Entitled Shareholders in due course.

3. IRREVOCABLE UNDERTAKING

3.1. Undertaking Shareholder

As at the date of this announcement, Sin Kwong Wah, Andrew (the "**Undertaking Shareholder**") holds directly 117,624,800 Shares representing approximately 17.7% of the Existing Issued Share Capital. In addition, he is deemed to have an interest in 46,444,000 Shares held by his spouse, Mdm. Pek Yee Chew, 1,500,000 Shares held by his daughter, Ms. Sin Shi Min, Andrea and 782,500 Shares held by his son, Mr. Sin Shi Han, Kenneth. For the avoidance of doubt, the Undertaking Shareholder is not interested in the shares held by his brother, Mr. Sin Kwong Chong, Augustine.

Mdm. Pek Yee Chew, Ms. Sin Shi Min, Andrea, and Mr. Sin Shi Han, Kenneth shall be collectively referred to as the "**Associates**".

To demonstrate his support for the Proposed Rights Issue, the Undertaking Shareholder has executed an irrevocable deed of undertaking dated 28 November 2023 ("**Irrevocable Undertaking**"), pursuant to which, among others:

- (a) the Undertaking Shareholder has undertaken to ensure that the aggregate registered shareholding of the Undertaking Shareholder and the Associates shall not be less than 166,351,300 Shares from the date of the Irrevocable Undertaking until the close of the Proposed Rights Issue;
- (b) the Undertaking Shareholder will vote and/or procure the voting of, all his and the Associates' shareholding, whether held directly or indirectly, in favour of the resolutions relating to the Proposed Rights Issue at the EGM except the Whitewash Resolution (as defined herein);
- (c) the Undertaking Shareholder will subscribe and pay for (and/or procure the subscription and payment for) his *pro rata* entitlement of 88,218,600 Rights Shares and the Associates' *pro rata* entitlement of 36,544,875 Rights Shares pursuant to the Proposed Rights Issue for the subscription amount of S\$499,053.90;
- (d) the Undertaking Shareholder shall subscribe and pay for (and/or procure the subscription and payment for) up to 75,236,525 Excess Rights Shares (as defined herein) in excess of his provisional allotments under the Proposed Rights Issue which remain unsubscribed for by other Entitled Shareholders or their renounees at the closing date of the Proposed Rights Issue after satisfying all applications and excess applications (if any) for the Rights Shares, on the basis that he will rank last in priority in the rounding of odd lots and allotment of Excess Rights Shares which are not taken up by other Entitled Shareholders ("**Undertaken Excess Rights Shares**"); and
- (e) the Undertaking Shareholder shall provide an advance deposit of S\$800,000 to the Company (the "**Advance Deposit**") no later than the date of ALA (as defined herein) or the latest practicable date of the Circular (whichever is earlier). This Advance Deposit shall be used towards the satisfaction of his and his Associates' subscription amounts pursuant to the Irrevocable Undertaking under the Proposed Rights Issue.

Based on the foregoing, the Undertaking Shareholder has undertaken to subscribe for (or procure the subscription for) an aggregate of up to 200,000,000 Rights Shares for an aggregate subscription amount of up to S\$800,000 (the "**Aggregate Subscription Amount**"), with the number of undertaken Shares representing approximately 40.2% of all available Rights Shares.

The Undertaking Shareholder has not been offered additional terms or benefits in connection with the giving of the Irrevocable Undertaking set out above.

In light of the Advance Deposit, the Undertaking Shareholder will not be providing a confirmation of financial resources in connection with his Irrevocable Undertaking to the Company.

3.2. Approvals and conditions

The Irrevocable Undertaking is subject to the same conditions as that for the Proposed Rights Issue as described in paragraph 5.1 below.

4. **WHITEWASH WAIVER AND WHITEWASH RESOLUTION**

4.1. As at the date of this announcement, the existing shareholding of the Undertaking Shareholder and his concert parties (collectively, the "**Sin Family**"), are as follows:

Name	Number of Shares	% of Existing Issued Share Capital	% of the enlarged share capital (assuming the Minimum Scenario)
Sin Kwong Wah, Andrew ^{(2) & (3)}	117,624,800	17.7	32.6
Pek Yee Chew	46,444,000	7.0	9.4
Sin Shi Min, Andrea	1,500,000	0.2	0.3
Sin Shi Han, Kenneth	782,500	0.1	0.2
Sin Kwong Chong, Augustine	136,900	0.02	0.02
Total	166,488,200	25.1	42.5

Notes:

- (1) Mr. Tan Tek Wee, Biondi (who holds 2,684,000 Shares constituting approximately 0.4% of the Existing Issued Share Capital) and Mr. Pek Ee Perh, Thomas (who is the Non-Independent Non-Executive Director of the Company and holds 16,454,500 Shares constituting approximately 2.5% of the Existing Issued Share Capital) are the son-in-law and brother-in-law respectively of the Undertaking Shareholder. They are not deemed to be parties acting in concert with the Undertaking Shareholder.
 - (2) Mr. Sin Kwong Chong, Augustine, is the brother of the Undertaking Shareholder. He is thus deemed to be acting in concert with the Undertaking Shareholder.
 - (3) The Undertaking Shareholder is no longer a director of Miyoshi Industry Co. Ltd. ("**MIC**") (who holds 50,901,890 Shares constituting approximately 7.7% of the Existing Issued Share Capital). As such, MIC is not deemed to be a party acting in concert with the Undertaking Shareholder.
- 4.2. Under Rule 14.1 of the Code, where (a) any person acquires whether by a series of transactions over a period of time or not, Shares which (taken together with Shares held or acquired by persons acting in concert with him) carry 30% or more of the voting rights in the Company; or (b) any person who together with persons acting in concert with him, holds not less than 30% but not more than 50% of the voting rights in the Company and such person, or any person acting in concert with him, acquires in any period of six (6) months additional Shares carrying more than 1% of the voting rights, he is required to make a mandatory general offer for all the Shares in the Company which he does not already own or control ("**Mandatory Offer**").
- 4.3. Assuming the Minimum Scenario, the aggregate shareholding of the Sin Family will increase from approximately 25.1% of the Existing Issued Share Capital (based on 663,138,587 Shares) to approximately 42.5% of the enlarged share capital of the Company (based on 863,138,587 Shares) following the completion of the Proposed Rights Issue.
- 4.4. Accordingly, the fulfilment of the obligations under the Irrevocable Undertaking by the Undertaking Shareholder may result in the Sin Family obtaining a shareholding interest in the Company of more than 30%. In such an event, the Sin Family would incur an obligation to make a Mandatory Offer for the Company pursuant to Rule 14 of the Code unless such obligation is waived by the Securities Industry Council ("**SIC**") on such terms and conditions as it may impose, and a resolution is approved by independent Shareholders (being Shareholders other than the Sin Family, parties acting in concert with them and parties not independent of them) ("**Independent Shareholders**") for waiver of the rights of the Independent Shareholders to receive a Mandatory Offer from the Sin Family for all the Shares not already owned or controlled by them as a result of the Proposed Rights Issue ("**Whitewash Resolution**").

- 4.5. In view of the above, an application will be made, on behalf of the Sin Family, to the SIC for, *inter alia*, a waiver of the obligations of the Sin Family to make a Mandatory Offer as a result of the subscription of the Rights Shares pursuant to the Proposed Rights Issue and the Irrevocable Undertaking (the "**Whitewash Waiver**"). Upon receipt of the SIC's ruling on the Whitewash Waiver, the Company will update the Shareholders through an announcement. If the SIC grants the Whitewash Waiver, the Sin Family, their concert parties, as well as any parties not independent of them will abstain from voting at the EGM on the Whitewash Resolution.
- 4.6. The Company has appointed Hong Leong Finance Limited as the independent financial adviser ("**IFA**") to advise the Directors who are considered to be independent for the purpose of making a recommendation to the Independent Shareholders in respect of the Whitewash Resolution. Further details of the Whitewash Waiver being sought, and the advice of the IFA, will be set out in the Circular to be despatched to Shareholders in due course.

5. **CONDITIONS OF THE PROPOSED RIGHTS ISSUE**

- 5.1. The Proposed Rights Issue is subject to and conditional upon, *inter alia*:
- (a) the Whitewash Waiver having been granted by the SIC of the requirement on the part of the Sin Family to make a mandatory general offer for all the Shares not already owned or controlled by them as result of (i) the Undertaking Shareholder subscribing for his *pro rata* entitlement of the Rights Shares, the Associates' *pro rata* entitlement of Rights Shares and applying for Excess Rights Shares pursuant to the Irrevocable Undertaking; and (ii) the Whitewash Waiver not having been withdrawn or revoked on or prior to the completion of the Proposed Rights Issue;
 - (b) approval having been obtained from the Shareholders at the EGM for the Proposed Rights Issue, including, *inter alia*, the allotment and issue of the Rights Shares;
 - (c) approval having been obtained from Independent Shareholders at the EGM for the Whitewash Resolution;
 - (d) the receipt of LQN (defined herein) from the SGX-ST (and such notice not having been withdrawn or revoked on or prior to the completion of the Proposed Rights Issue) for the dealing in, listing of and quotation for the Rights Shares on the Catalist and, where the LQN is subject to conditions, such conditions being acceptable to the Company;
 - (e) all conditions of the Whitewash Waiver and the LQN having been complied with;
 - (f) the lodgement of the Offer Information Statement, together with all other necessary accompanying documents, in connection with the Proposed Rights Issue with the SGX-ST, acting as an agent on behalf of the MAS; and
 - (g) all other necessary approvals, consents and/or waivers required from any person, financial institution or regulatory body or authority of Singapore or elsewhere under any and all agreements applicable to the Company and/or applicable laws for the Proposed Rights Issue and to give effect to the Proposed Rights Issue, being obtained and not having been withdrawn or revoked before the completion of the Proposed Rights Issue.
- 5.2. An application will be made by the Company, through its Sponsor (as defined herein), to the SGX-ST for the listing and quotation for the Rights Shares on the Catalist ("**ALA**"). An appropriate announcement will be made in due course when the Company receives the listing and quotation notice for the dealing in, listing of and quotation for the Rights Shares on the Catalist ("**LQN**") from the SGX-ST.

- 5.3. The Company intends to convene the EGM to seek Shareholders' approval for, *inter alia*, the Proposed Rights Issue and the Whitewash Resolution. The circular to Shareholders ("**Circular**") containing, *inter alia*, the notice of the EGM and information relating to the Proposed Rights Issue and the Whitewash Resolution will be despatched or disseminated to Shareholders in due course. Thereafter, the Offer Information Statement will be lodged with the SGX-ST acting as agent on behalf of the MAS and despatched or disseminated by the Company to the Entitled Shareholders in due course following the EGM, if the Proposed Rights Issue is approved at the EGM.

6. ELIGIBILITY TO PARTICIPATE IN THE PROPOSED RIGHTS ISSUE

The Company proposes to provisionally allot the Rights Shares to the entitled shareholders ("**Entitled Shareholders**"), comprising the Entitled Depositors and the Entitled Scripholders (both as defined herein). Entitled Shareholders will be entitled to participate in the Proposed Rights Issue and receive the Offer Information Statement together with the appropriate application forms and accompanying documents at their respective Singapore addresses as maintained with the records of The Central Depository (Pte) Limited ("**CDP**") or the Share Registrar (as defined herein), as the case may be.

6.1. Entitled Depositors

"**Entitled Depositors**" are Shareholders with Shares standing to the credit of their securities accounts ("**Securities Accounts**") and whose registered addresses with CDP are in Singapore as at the Record Date or who have, at least three (3) market days ("**Market Day**" being a day on which the SGX-ST is open for securities trading) prior to the Record Date provided CDP with addresses in Singapore for the service of notices and documents.

Entitled Depositors will be provisionally allotted the Rights Shares on the basis of the number of Shares standing to the credit of their securities accounts with CDP as at 5.00 p.m. (Singapore time) on the Record Date.

6.2. Entitled Scripholders

"**Entitled Scripholders**" are Shareholders whose share certificates are not deposited with CDP and who have tendered to the Company's share registrar, M & C Services Private Limited ("**Share Registrar**") valid transfers of their Shares and the share certificates relating thereto for registration up to 5.00 p.m. (Singapore time) on the Record Date and whose registered addresses with the Company are in Singapore as at the Record Date or who have, at least three (3) Market Days prior to the Record Date provided the Share Registrar with addresses in Singapore for the service of notices and documents.

Entitled Scripholders will have to submit duly completed and stamped transfers in respect of Shares not registered in the name of CDP, together with all relevant documents of title, so as to be received up to 5.00 p.m. (Singapore time) on the Record Date by the Share Registrar, in order to be registered to determine the transferee's provisional allotments of Rights Shares entitlements.

6.3. Foreign Shareholders

The distribution of the Offer Information Statement and its accompanying documents may be prohibited or restricted (either absolutely or subject to various securities laws requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. For practical reasons and in order to avoid any violation of the securities legislation applicable in jurisdictions other than Singapore, the Offer Information Statement and its accompanying documents will NOT be despatched to Shareholders with registered addresses outside Singapore and who have not, at least three (3) Market Days prior to the Record Date, provided CDP or the Share Registrar, as the case may be, with addresses in Singapore for the service of notices and documents ("**Foreign Shareholders**") and accordingly, the Rights Shares will NOT be offered to Foreign Shareholders.

The Offer Information Statement and its accompanying documents will not be despatched, lodged, registered or filed in any jurisdiction other than Singapore. Accordingly, Foreign Shareholders will not be entitled to participate in the Proposed Rights Issue and no provisional allotment of Rights Shares will be made to Foreign Shareholders. No purported acceptance thereof or application for any excess Rights Shares therefor by any Foreign Shareholder will be valid. The Offer Information Statement and its accompanying documents will also NOT be despatched to persons purchasing entitlements to Rights Shares with Warrant through the book-entry (scripless) settlement system if their registered addresses with CDP are outside Singapore ("**Foreign Purchasers**"). Foreign Purchasers may not accept any "nil-paid" rights credited to their Securities Account unless the Company and its counsel are satisfied that such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.

Entitlements to Rights Shares which would otherwise have been provisionally allotted to Foreign Shareholders will, if practicable to do so and at the absolute discretion of the Company, be sold "nil-paid" on the SGX-ST, as soon as practicable, after dealings in the provisional allotments of Rights Shares commence. Such sales may, however, only be effected if the Company, in its absolute discretion, determines that a premium can be obtained from such sales, after taking into account expenses to be incurred in relation thereto. The net proceeds from all such sales, after deduction of all expenses therefrom, will be pooled and thereafter distributed to Foreign Shareholders in proportion to their respective shareholdings or, as the case may be, the number of Shares entered against their names in the depository register maintained by CDP as at the Record Date and sent to them at their own risk by ordinary post. If the amount of net proceeds to be distributed to any single Foreign Shareholder is less than S\$10.00, such amount shall be dealt with as the Directors may, in their absolute discretion, deem fit in the interests of the Company and no Foreign Shareholder shall have any claim whatsoever against the Company, the Directors, the Sponsor, the Manager, the Share Registrar, or CDP and their respective officers in connection therewith.

Where the provisional allotments of Rights Shares are sold "nil-paid" on the Catalist, they will be sold at such price or prices as the Company may, in its absolute discretion, decide and no Foreign Shareholder shall have any claim whatsoever against the Company, the Directors, the Sponsor, the Manager, the Share Registrar, or CDP and their respective officers in connection therewith. If such provisional allotments of Rights Shares cannot be sold or are not sold on the Catalist 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 Shares, the new 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 and no Foreign Shareholder shall have any claim whatsoever against the Company, the Directors, the Sponsor, the Manager, the Share Registrar, or CDP and their respective officers in connection therewith.

SHAREHOLDERS WITH REGISTERED ADDRESSES OUTSIDE SINGAPORE WHO WISH TO PARTICIPATE IN THE PROPOSED RIGHTS ISSUE MAY PROVIDE AN ADDRESS IN SINGAPORE FOR THE SERVICE OF NOTICES AND DOCUMENTS BY NOTIFYING IN WRITING, AS THE CASE MAY BE, TO (I) CDP AT 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS TOWER 2, SINGAPORE 138588 OR (II) MIYOSHI LIMITED C/O M & C SERVICES PRIVATE LIMITED 112 ROBINSON ROAD #05-01 SINGAPORE 068902, AT LEAST THREE (3) MARKET DAYS PRIOR TO THE RECORD DATE.

6.4. Provisional Allotments and Excess Applications

Entitled Shareholders will be at liberty to accept in full or in part, decline or otherwise renounce or, in the case of Entitled Depositors only, trade (during the "nil-paid" rights trading period prescribed by the SGX-ST) their provisional allotments of the Rights Shares and will also be eligible to apply for Rights Shares in excess of their provisional allotments under the Proposed Rights Issue ("**Excess Rights Shares**").

Entitlements which are not allotted or taken up for any reason will be aggregated and issued to satisfy applications, if any, for Excess Rights Shares or otherwise disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company, subject to applicable laws and the Catalist Rules.

In the allotment of Excess Rights Shares, preference will be given to the rounding of odd lots, and Directors and substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the 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 not make any issuance and allotment of any Excess Rights Shares that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in a general meeting.

The procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sales of the provisional allotments of the Rights Shares and for the applications for Excess Rights Shares, including each different mode of acceptance or application and payment, will be contained in the Offer Information Statement and the relevant application forms.

6.5. Trading of odd lots

Shareholders who hold odd lots of the Rights Shares, and who wish to trade in odd lots on the Catalist should note that they will be able to do so on the Unit Share Market.

7. **RATIONALE FOR THE PROPOSED RIGHTS ISSUE**

7.1. The Proposed Rights Issue is a means of fundraising to (i) settle partially certain bank borrowings of the Group; and (ii) improve the Group's working capital position and strengthen the Group's financial position (being the enhancement of the Company's capital base and reduction in reliance on bank borrowings). This would in turn supplement the financial resources (including cash) available to the Group, thereby providing the financial flexibility for the Group's existing and future operations and allow the Group to seize any opportunities for business growth and expansion into other business areas in a timely manner as and when opportunities arise. A stronger financial position will also enhance the Group's ability to formulate, strategize and execute business plans given the need to improve the Group's financial performance. The Group has certain credit facilities available as at the date of this announcement, however the Board notes the current high interest rates for the said credit facilities.

7.2. In addition, the Proposed Rights Issue is priced to encourage participation of all Shareholders in the Company's capital and would also provide current Shareholders who are confident of the prospects of the Company with the opportunity to further participate in the equity of the Company and maintain their equity stake in the Company at a discounted price. The Issue Price and discount were arrived at after taking into consideration factors stated in paragraph 1.2 above.

7.3. For the foregoing reasons, the Board is of the view that the Proposed Rights Issue would be in the interests of the Group and the Shareholders.

8. **USE OF PROCEEDS**

8.1. In the Maximum Scenario, the estimated net proceeds from the Proposed Rights Issue ("**Net Proceeds**") (after deducting estimated expenses of approximately S\$0.25 million) will be approximately S\$1.7 million. Estimated fee and expenses of S\$0.25 million constitutes approximately 12.6% of the gross proceeds in the Maximum Scenario.

8.2. In the Minimum Scenario, the Net Proceeds will be approximately S\$0.55 million (after deducting estimated expenses of approximately S\$0.25 million). Estimated fee and expenses of S\$0.25 million constitutes approximately 31.3% of the gross proceeds in the Minimum Scenario.

- 8.3. The Company intends to use the Net Proceeds raised from the Proposed Rights Issue in the following manner:

Maximum Scenario

Use of Net Proceeds	Approximate Allocation of the Net Proceeds	Approximate Percentage Allocation of the Net Proceeds
Bank borrowings of the Group	Up to S\$550,000	Up to 31.6%
General working capital requirements	Up to S\$1,189,416	Up to 68.4%
Total	S\$1,739,416	100.0%

Minimum Scenario

Use of Net Proceeds	Approximate Allocation of the Net Proceeds	Approximate Percentage Allocation of the Net Proceeds
Bank borrowings of the Group	Up to S\$550,000	Up to 100.0%
Total	S\$550,000	100.0%

- 8.4. Based on the unaudited financial statements of the Group for the financial year ended 31 August 2023 as announced on 30 October 2023, the Group and the Company have positive working capital of S\$7.6 million and negative working capital of S\$4.2 million as at 31 August 2023 respectively. In relation to the Net Proceeds to be utilised for general working capital purposes, it includes but is not limited to, payments of operating expenses and costs, continuing listing expenses, staff salaries and other administrative expenses.
- 8.5. Pending deployment of the Net Proceeds for the purposes stated, the Net Proceeds will be deposited with banks and/or financial institutions, invested in short-term money markets or marketable securities or used for other purposes on a short-term basis as the Directors may, in their absolute discretion, deem fit in the interests of the Group.
- 8.6. The Company will make periodic announcements on the utilisation of Net Proceeds as and when such proceeds are materially disbursed and whether such disbursements are in accordance with the use of proceeds as stated in the Offer Information Statement and provide a status report on the use of the Net Proceeds in the Company's annual reports until such time the Net Proceeds have been fully utilised. Where the proceeds have been used for general corporate and/or working capital purposes, the Company will also provide a breakdown with specific details on the use of the Net Proceeds in the announcements and status reports. Where there is a material deviation in the use of the Net Proceeds, the Company will announce the reasons for such deviation.

9. WORKING CAPITAL CONFIRMATIONS

As at the date of this announcement, and barring unforeseen circumstances, the Directors are of the opinion that:

- (a) subject to market and economic conditions and barring unforeseen circumstances, the current working capital available to the Group is sufficient for its present requirements after taking into account, *inter alia*, the operating cash flows of the Group, financial resources, credit facilities and borrowings available to the Group, non-operating assets, and the Undertaking Shareholder's commitment to continue providing financial support as and when required; and

- (b) after taking into consideration the operating cash flows of the Group, financial resources, credit facilities and borrowings available to the Group, non-operating assets, potential Net Proceeds from the Proposed Rights Issue (where all Entitled Shareholders subscribe for their respective *pro rata* entitlement of Rights Shares), and the Undertaking Shareholder's commitment to continue providing financial support as and when required, subject to market and economic conditions and barring unforeseen circumstances, the working capital available to the Group will be sufficient to meet its present requirements for the next twelve (12) months. As mentioned in paragraph 7 above, proceeds from the Proposed Rights Issue will provide the Group with financial flexibility and augment its cash buffer for existing and future operations.

10. PREVIOUS EQUITY FUND RAISING

The Company has not undertaken any equity fundraising exercise in the past twelve (12) months.

11. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS OF THE COMPANY

- 11.1. Save as disclosed in this announcement (including but not limited to the Irrevocable Undertaking), none of the Directors or substantial Shareholders of the Company have any interests, direct or indirect, in the Proposed Rights Issue (other than through their respective shareholdings in the Company).
- 11.2. The interests of the Directors and the substantial Shareholders of the Company as at the date of this announcement and the effect of the Proposed Rights Issue on the Company's shareholding under different scenarios are set out in Appendix A of this announcement.

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 transactions above, 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. CAUTION IN TRADING AND FURTHER ANNOUNCEMENTS

Shareholders are advised to exercise caution in trading their Shares as there is no certainty or assurance as at the date of this announcement that the transactions announced herein will proceed to completion. Shareholders and potential investors are also advised to read this announcement and any further announcements by the Company carefully, and where in doubt as to the action that they should take, they should consult their financial, tax, legal or other professional adviser(s) immediately.

14. DOCUMENTS FOR INSPECTION

Copies of the Irrevocable Undertaking will be available for inspection by the Shareholders at the registered office of the Company at 26 Boon Lay Way, #01-80, Tradehub 21, Singapore 609970 during normal business hours for three (3) months from the date of this announcement.

BY ORDER OF THE BOARD

Sin Kwong Wah, Andrew
Executive Director and CEO
28 November 2023

*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 (the "**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 Lee Khai Yinn (Tel: (65) 6232 3210), at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.

APPENDIX A

Interests of Directors and Substantial Shareholders as at 28 November 2023

	Number of Shares			Total Percentage Interest (%) ⁽¹⁾
	Direct	Deemed	Total	
Directors				
Mr. Sin Kwong Wah, Andrew ⁽²⁾	117,624,800	48,726,500	166,351,300	25.1
Mr. Pek Ee Perh, Thomas ⁽³⁾	16,454,500	-	16,454,500	2.5
Mr. Low See Lien	-	-	-	-
Mr. Lo Kim Seng	-	-	-	-
Substantial Shareholders (other than Directors)				
Miyoshi Industry Co Ltd	50,901,890	-	50,901,890	7.7
Mdm. Pek Yee Chew ⁽⁴⁾	46,444,000	119,907,300	166,351,300	25.1
Other Shareholders⁽⁵⁾⁽⁶⁾⁽⁷⁾			429,430,897	64.8

Notes:

- (1) The percentage of shareholdings is computed based on the Existing Issued Share Capital comprising 663,138,587 Shares.
- (2) Mr. Sin Kwong Wah, Andrew is deemed to have an interest in the 46,444,000 Shares held by his spouse, Mdm. Pek Yee Chew, 1,500,000 Shares held by his daughter, Ms. Sin Shi Min, Andrea and 782,500 Shares held by his son, Mr. Sin Shi Han, Kenneth.
- (3) Mr. Pek Ee Perh, Thomas (who is the Non-Independent Non-Executive Director of the Company and holds 16,454,500 Shares constituting approximately 2.5% of the Existing Issued Share Capital) is the brother-in-law of the Undertaking Shareholder. He is not deemed to be a party acting in concert with the Undertaking Shareholder.
- (4) Mdm. Pek Yee Chew is deemed to have an interest in the 117,624,800 Shares held by her spouse, Mr. Sin Kwong Wah, Andrew, 1,500,000 Shares held by her daughter, Ms. Sin Shi Min, Andrea and 782,500 Shares held by her son, Mr. Sin Shi Han, Kenneth.
- (5) Shareholders other than Undertaking Shareholder, Associates, Directors and substantial Shareholders have an aggregate interest of 429,430,897 Shares.
- (6) Mr. Tan Tek Wee, Biondi (who holds 2,684,000 Shares constituting approximately 0.4% of the Existing Issued Share Capital) is the son-in-law of the Undertaking Shareholder. He is not deemed to be a party acting in concert with the Undertaking Shareholder. His interest is included under "Other Shareholders" in the table above.
- (7) Mr. Sin Kwong Chong, Augustine (who holds 136,900 Shares constituting approximately 0.02% of the Existing Issued Share Capital) is the brother of the Undertaking Shareholder. He is thus deemed to be a party acting in concert with the Undertaking Shareholder. His interest is included under "Other Shareholders" in the table above.

Interests of Directors and Substantial Shareholders under the Maximum Scenario

	Number of Shares			Total Percentage Interest (%) ⁽¹⁾
	Direct	Deemed	Total	
Directors				
Mr. Sin Kwong Wah, Andrew ⁽²⁾	205,843,400	85,271,375	291,114,775	25.1
Mr. Pek Ee Perh, Thomas ⁽³⁾	28,795,375	-	28,795,375	2.5
Mr. Low See Lien	-	-	-	-
Mr. Lo Kim Seng	-	-	-	-
Substantial Shareholders (other than Directors)				
Miyoshi Industry Co Ltd	89,078,307	-	89,078,307	7.7
Mdm. Pek Yee Chew ⁽⁴⁾	81,277,000	209,837,775	291,114,775	25.1
Other Shareholders⁽⁵⁾⁽⁶⁾⁽⁷⁾			751,504,070	64.8

Notes:

- (1) The percentage of shareholdings is computed based on the enlarged issued Share capital comprising 1,160,492,527 Shares.
- (2) Based on the Maximum Scenario, Mr. Sin Kwong Wah, Andrew will be deemed to have an interest in the 81,277,000 Shares held by his spouse, Mdm. Pek Yee Chew, 2,625,000 Shares held by his daughter, Ms. Sin Shi Min, Andrea and 1,369,375 Shares held by his son, Mr. Sin Shi Han, Kenneth.
- (3) Mr. Pek Ee Perh, Thomas (who is the Non-Independent Non-Executive Director of the Company and will hold 28,795,375 Shares under the Maximum Scenario constituting approximately 2.5% of the enlarged issued share capital) is the brother-in-law of the Undertaking Shareholder. He is not deemed to be a party acting in concert with the Undertaking Shareholder.
- (4) Based on the Maximum Scenario, Mdm. Pek Yee Chew will be deemed to have an interest in the 205,843,400 Shares held by her spouse, Mr. Sin Kwong Wah, Andrew, 2,625,000 Shares held by her daughter, Ms. Sin Shi Min, Andrea and 1,369,375 Shares held by her son, Mr. Sin Shi Han, Kenneth.
- (5) Based on the Maximum Scenario, Shareholders other than the Undertaking Shareholder, Associates, Directors and substantial Shareholders will have an aggregate interest of 751,504,070 Shares.
- (6) Mr. Tan Tek Wee, Biondi (who will hold 4,697,000 Shares under the Maximum Scenario constituting approximately 0.4% of the enlarged issued share capital) is the son-in-law of the Undertaking Shareholder. He is not deemed to be a party acting in concert with the Undertaking Shareholder. His interest is included under "Other Shareholders" in the table above.
- (7) Mr. Sin Kwong Chong, Augustine (who holds 136,900 Shares constituting approximately 0.02% of the Existing Issued Share Capital) is the brother of the Undertaking Shareholder. He is thus deemed to be a party acting in concert with the Undertaking Shareholder. His interest is included under "Other Shareholders" in the table above.

Interests of Directors and Substantial Shareholders under the Minimum Scenario

	Number of Shares			Total Percentage Interest (%) ⁽¹⁾
	Direct	Deemed	Total	
Directors				
Mr. Sin Kwong Wah, Andrew ⁽²⁾	281,079,925	85,271,375	366,351,300	42.4
Mr. Pek Ee Perh, Thomas ⁽³⁾	16,454,500	-	16,454,500	1.9
Mr. Low See Lien	-	-	-	-
Mr. Lo Kim Seng	-	-	-	-
Substantial Shareholders (other than Directors)				
Miyoshi Industry Co Ltd	50,901,890	-	50,901,890	5.9
Mdm. Pek Yee Chew ⁽⁴⁾	81,277,000	285,074,300	366,351,300	42.4
Other Shareholders⁽⁵⁾⁽⁶⁾⁽⁷⁾			429,430,897	49.8

Notes:

- (1) The percentage of shareholdings is computed based on the enlarged issued Share capital comprising 863,138,587 Shares. It includes Shares to be subscribed for pursuant to the Irrevocable Undertaking.
- (2) Based on the Minimum Scenario, Mr. Sin Kwong Wah, Andrew will be deemed to have an interest in the 81,277,000 Shares held by his spouse, Mdm. Pek Yee Chew, 2,625,000 Shares held by his daughter, Ms. Sin Shi Min, Andrea and 1,369,375 Shares held by his son, Mr. Sin Shi Han, Kenneth.
- (3) Mr. Pek Ee Perh, Thomas (who is the Non-Independent Non-Executive Director of the Company and will hold 16,454,500 Shares under the Minimum Scenario constituting approximately 1.9% of the enlarged issued share capital) is the brother-in-law of the Undertaking Shareholder. He is not deemed to be a party acting in concert with the Undertaking Shareholder.
- (4) Based on the Minimum Scenario, Mdm. Pek Yee Chew will be deemed to have an interest in the 281,079,925 Shares held by her spouse, Mr. Sin Kwong Wah, Andrew, 2,625,000 Shares held by her daughter, Ms. Sin Shi Min, Andrea and 1,369,375 Shares held by her son, Mr. Sin Shi Han, Kenneth.
- (5) Based on the Minimum Scenario, Shareholders other than the Undertaking Shareholder, Associates, Directors and substantial Shareholders will have an aggregate interest of 429,430,897 Shares.
- (6) Mr. Tan Tek Wee, Biondi (who will hold 2,684,000 Shares under the Minimum Scenario constituting approximately 0.3% of the enlarged issued share capital) is the son-in-law of the Undertaking Shareholder. He is not deemed to be a party acting in concert with the Undertaking Shareholder. His interest is included under "Other Shareholders" in the table above. Under this Minimum Scenario, it is assumed that Mr. Tan Tek Wee, Biondi will not be subscribing for his pro-rata entitlement of the Rights Shares.
- (7) Mr. Sin Kwong Chong, Augustine (who holds 136,900 Shares under the Minimum Scenario constituting approximately 0.02% of the enlarged issued share capital) is the brother of the Undertaking Shareholder. He is thus deemed to be a party acting in concert with the Undertaking Shareholder. His interest is included under "Other Shareholders" in the table above. Under this Minimum Scenario, it is assumed that Mr. Sin Kwong Chong, Augustine will not be subscribing for his pro-rata entitlement of the Rights Shares.