



Company Registration No. 199806046G)
(Incorporated in the Republic of Singapore)

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PROPOSED SUBSCRIPTION OF NEW ORDINARY SHARES IN THE CAPITAL OF GASHUBUNITED UTILITY PRIVATE LIMITED

1. INTRODUCTION

The Board of Directors ("**Board**") of H2G Green Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that Gashubunited Utility Private Limited ("**GU**"), a 51%-owned subsidiary of the Company, is undertaking a new share issue exercise and has offered to its existing shareholders ("**Offer**") the issue of an aggregate of 2,278,588 new ordinary shares in the capital of GU ("**GU Shares**") at the issue price of S\$3.270 per GU Share, on a *pro rata* basis according to their respective shareholding interest. GU is an unlisted private subsidiary of the Company.

In respect of the Offer:

- (i) the Company, a 51.0%-shareholder of GU, has accepted the Offer to subscribe for its full *pro rata* portion under the Offer of 1,162,080 new GU Shares ("**H2G Subscription Shares**"), amounting to an aggregate subscription consideration of S\$3,800,000 ("**Proposed H2G Subscription**") (rounded down to the nearest S\$10);
- (ii) Gashubunited Holding Private Limited ("**GHPL**"), a 40.84%-shareholder of GU and a controlling shareholder of the Company, has accepted the Offer to subscribe for 611,621 new GU Shares ("**GHPL Subscription Shares**") of its full *pro rata* portion of 930,575 new GU Shares under the Offer, amounting to an aggregate subscription consideration of S\$2,000,000 (rounded down to the nearest S\$10) ("**Proposed GHPL Subscription**"); and
- (iii) Direct Union Limited ("**DUL**"), a 8.16%-shareholder of GU, has declined to subscribe for its full *pro rata* portion of 185,933 new GU Shares under the Offer.

2. INFORMATION ON GU, GHPL AND THE INTERESTED PERSONS GROUP

2.1 GU

On 31 December 2021, the Company entered into a sale and purchase agreement with GHPL in relation to the acquisition of 3,852,511 GU Shares (representing approximately 51% of the total enlarged number of the GU Shares at completion) by the Company from GHPL. Upon the completion of the aforementioned acquisition on 28 June 2022, GU became a 51%-owned subsidiary of the Company. Mr Koh Beng Leong and Ms Leow Sau Wan, being the Executive Director – Finance and the Executive Director respectively of the Company, have been appointed to the board of directors of GU. In conjunction with the above, the Company also entered into a shareholders' agreement with the other shareholders (being GHPL and



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DUL, holding 40.84% and 8.16% shareholding interest respectively) and GU, to regulate the affairs of GU and the respective rights and obligations of the shareholders of GU.

GU is a private company incorporated in Singapore on 1 April 2017, and is principally engaged in the distribution of liquefied natural gas through a virtual pipeline approach, being the transportation of liquefied natural gas via ISO tanks and cylinders. GU intends to focus on an initial roll-out of liquefied natural gas distribution system in Singapore, while poising itself to capture other liquefied natural gas distribution opportunities across Asia in the long term.

As at the date of this announcement, GU has an issued and paid-up share capital of S\$8,937,294 divided into 7,553,942 GU Shares. The shareholding interest in GU is held in the following proportions:

GU Shareholders	No. of GU Shares	Shareholding Interest
The Company	3,852,511	51.0%
GHPL	3,084,783	40.84%
DUL	616,648	8.16%
Total	7,553,942	100%

As GU is deemed to be an associate of GHPL (being a controlling shareholder of the Company), GU is regarded as an “interested person” within the meaning defined in Chapter 9 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) (“**Catalist Rules**”) and the Proposed H2G Subscription is an interested person transaction under Chapter 9 of the Catalist Rules.

2.2 GHPL

GHPL is a private company incorporated in Singapore on 3 March 2016. GHPL is principally engaged in the business of providing a full range of smart energy efficient solutions and utility with natural gas at its core for sustainable future energy. GHPL’s focus is in providing energy accessibility, energy security and efficiency, and cleaner energy and gas related services solutions which include gas piping installation and cleaner energy and co-generation solutions.

As at the date of this announcement, GHPL is a controlling shareholder of the Company holding approximately 37.27% of the total issued shares in the capital of the Company (“**Shares**”). As GHPL holds 40.84% shareholding interest in GU, GU is deemed to be an associate of GHPL.

2.3 Interested Persons Group

Mr Lim Shao-Lin (“**Mr Lim**”), the Chief Executive Officer and Executive Director of the Company, as well as a controlling shareholder of the Company holding an aggregate of 52.16% shareholding interest (comprising 14.89% direct interest and 37.27% deemed interest) in the Company, is also a director and shareholder of GHPL holding approximately 60.25% shareholding interest in GHPL. Of the remaining shares in GHPL, approximately 0.79% of the total shares in the capital of GHPL is held by Mr Lim’s brother, Mr Lim Wen Jie. Ms Leow Sau Wan (“**Ms Leow**”), an Executive Director and a shareholder of the Company (holding 0.29% shareholding interest in the Company as at the date of this announcement), is the spouse of Mr Lim. Ms Leow does not hold any shares in the capital of GHPL. Accordingly, both GHPL and GU are deemed to be associates of Mr Lim.



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GHPL (being a controlling shareholder of the Company and an associate of Mr Lim) is an “interested person” within the meaning defined in Chapter 9 of the Catalist Rules, while GU (being a 51%-owned subsidiary of the Company) is an “entity at risk” vis-à-vis GHPL within the meaning defined in Chapter 9 of the Catalist Rules. The Proposed GHPL Subscription is thus an interested person transaction under Chapter 9 of the Catalist Rules.

Save as disclosed herein, the Company and its Directors and controlling shareholders are not related to Mr Lim and his associates (including GU, GHPL and Ms Leow) (collectively, the “**Interested Persons Group**”).

3. Details of the Proposed Subscription

3.1 Subscription Details

(i) Proposed H2G Subscription

Under the Proposed H2G Subscription, the Company intends to subscribe for the H2G Subscription Shares, being 1,162,080 new GU Shares at an issue price of S\$3.270 per GU Share, amounting to an aggregate subscription consideration of S\$3,800,000 (rounded down to the nearest S\$10).

The H2G Subscription Shares represent approximately 15.38% of the total number of existing GU Shares of 7,553,942 GU Shares immediately prior to the Proposed Subscription, and approximately 12.46% of the total enlarged number of GU Shares of 9,327,643 GU Shares immediately after the Proposed H2G Subscription and the Proposed GHPL Subscription (collectively, the “**Proposed Subscription**”).

(ii) Proposed GHPL Subscription

Under the Proposed GHPL Subscription, GHPL intends to subscribe for the GHPL Subscription Shares, being 611,621 new GU Shares at an issue price of S\$3.270 per GU Share, amounting to an aggregate subscription consideration of S\$2,000,000 (rounded down to the nearest S\$10).

The GHPL Subscription Shares represent approximately 8.10% of the total number of existing GU Shares of 7,553,942 GU Shares immediately prior to the Proposed Subscription, and approximately 6.56% of the total enlarged number of GU Shares of 9,327,643 GU Shares immediately after the Proposed Subscription.

The H2G Subscription Shares and the GHPL Subscription Shares, amounting to an aggregate of 1,773,701 new GU Shares, represent approximately 23.48% of the total number of existing GU Shares of 7,553,942 GU Shares immediately prior to the Proposed Subscription, and approximately 19.02% of the total enlarged number of GU Shares of 9,327,643 GU Shares immediately after the Proposed Subscription.

3.2 Issue Price

The issue price of S\$3.270 per GU Share for the H2G Subscription Shares and the GHPL Subscription Shares is determined based on the valuation on 100% of the issued GU Shares performed by the independent professional valuer appointed by the Company, Chay Corporate Advisory Pte. Ltd. (the “**Valuer**”), as at 31 December 2022 (the “**Valuation**”).

Please refer to Section 4 of this announcement for further details in relation to the Valuation.



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3.3 Conditions Precedent for the Proposed Subscription

Each of the Proposed H2G Subscription and the Proposed GHPL Subscription is conditional upon:

- (a) the approval of the shareholders of the Company in a general meeting being obtained in relation to the Proposed H2G Subscription or the Proposed GHPL Subscription (as may be applicable), and the approval and such other compliance requirements of any regulatory authority in Singapore (if applicable);
- (b) the completion of the proposed placement of 142,180,095 new Shares by the Company to Hongkong China Treasury Limited ("**Proposed HCT Placement**") and the proposed placement of an aggregate of 47,400,000 new Shares by the Company to Chua Weijie and Teo Tat Beng ("**Proposed Individual Placements**"), as set out in the Company's announcements dated 14 and 15 December 2022 respectively;
- (c) the allotment and issue of and subscription for the H2G Subscription Shares (in the case of the Proposed H2G Subscription) and the GHPL Subscription Shares (in the case of the Proposed GHPL Subscription) not being prohibited by any statute, order, rule or regulation promulgated by any applicable legislative, executive or regulatory body or authority of Singapore or other applicable jurisdiction(s); and
- (d) the issue of the opinion of the audit committee of the Company ("**Audit Committee**") and the opinion of the independent financial adviser ("**IFA**") that the Proposed H2G Subscription or the Proposed GHPL Subscription (as may be applicable), being deemed as an interested person transaction under Chapter 9 of the Catalist Rules, is on normal commercial terms and is not prejudicial to the interests of the Company and its minority shareholders.

3.4 Financing for the Proposed Subscription

(i) Proposed H2G Subscription

The subscription consideration for the Proposed H2G Subscription of S\$3,800,000 will be fully funded by the disbursement of the aggregate estimated net proceeds of approximately S\$3,955,000 from the Proposed HCT Placement and the Proposed Individual Placements less S\$155,000 (being the estimated fees and expenses to be incurred in relation to the Proposed H2G Subscription), by the Company to GU.

(a) Proposed HCT Placement

The Company has on 14 December 2022 entered into a subscription agreement ("**HCT Subscription Agreement**") with Hongkong China Treasury Limited in relation to the Proposed HCT Placement at an issue price of S\$0.0211 per Share, amounting to an aggregate consideration of S\$3,000,000, on the terms and conditions of such Subscription Agreement. Pursuant to the HCT Subscription Agreement, the estimated net proceeds from the Proposed HCT Placement of approximately S\$2,965,000 will be used to finance the capital expenditure of GU.

(b) Proposed Individual Placements

The Company has on 15 December 2022 entered into respective subscription agreements with two individual subscribers ("**Individual Subscription Agreements**"), namely Chua Weijie and Teo Tat Beng, in relation to the Proposed Individual Placements at an issue price of S\$0.0211 per Share, amounting to an aggregate consideration of approximately S\$1,000,140, on the terms and conditions of the respective Individual Subscription Agreements.



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As set out in the Company's announcement dated 15 December 2022 in relation to the Proposed Individual Placements, the Company intends to utilise the estimated net proceeds of approximately S\$990,000 from the Proposed Individual Placements to fund the general working capital of GU (including meeting general overheads, financing requirements and other operating expenses of GU).

Further details in relation to the HCT Placement and the Proposed Individual Placements are set out in the Company's announcements dated 14 December 2022 and 15 December 2022 respectively.

Assuming the completion of both the Proposed HCT Placement and the Proposed Individual Placements, the Placement Proceeds of approximately S\$3,955,000 (less S\$155,000 (being the estimated fees and expenses to be incurred in relation to the Proposed H2G Subscription) will be applied by the Company towards the Proposed H2G Subscription.

(ii) Proposed GHPL Subscription

The subscription consideration for the Proposed GHPL Subscription of S\$2,000,000 will be fully funded by the capitalisation of outstanding shareholders' loans owing by GU to GHPL.

As at the date of this announcement, the total shareholders' loans owing by GU to GHPL amounts to an aggregate of S\$2,000,000 (the "GHPL Loan"). The GHPL Loan is comprised of outstanding amounts owing to (a) Gashubin Engineering Private Limited (S\$1,257,495), (b) Gashubunited (SEA) LNG Pte. Ltd. (S\$619,338) and (c) Lim Shao-Lin (S\$123,167), which have been novated to GHPL via novation agreements respectively. The abovementioned outstanding amounts were extended by the relevant parties to GU to fund working capital and capital expenditure and are interest-free, unsecured and repayable on demand.

3.5 Resultant Shareholding Interests in GU following the Proposed Subscription

The resultant shareholding interest in GU immediately following the Proposed Subscription (assuming the simultaneous completion of both the Proposed H2G Subscription and the Proposed GHPL Subscription) will be as follows:

GU Shareholders	Before Proposed Subscription		After Proposed Subscription	
	No. of GU Shares	Shareholding Interest	No. of GU Shares	Shareholding Interest
The Company	3,852,511	51.0%	5,014,591	53.76%
GHPL	3,084,783	40.84%	3,969,404	39.63%
DUL	616,648	8.16%	616,648	6.61%
Total	7,553,942	100%	9,327,643	100%

4. VALUE OF THE SUBSCRIPTION SHARES AND GU

Based on the latest announced unaudited consolidated financial statements of the Group for the half year ended 30 September 2022 ("HY2023"):

- (i) NTA of GU amounted to approximately S\$1,346,171 as at 30 September 2022; and
- (ii) the net assets of GU amounted to approximately S\$1,346,171 as at 30 September 2022.

The Company had appointed the Valuer as an independent professional valuer to carry out the Valuation on 100% of the issued GU Shares as at 31 December 2022, in accordance with the International Valuation Standards as published by the International Valuation Standard Committee, for the purposes of the Proposed Subscription. Based on the Valuation, the indicative market value of the 100% equity interest in GU is approximately between S\$24.3 million and S\$25.2 million, with a base value of S\$24.7



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million as at 31 December 2022. The valuation is based on discounted cash flow approach.

Details of the independent valuation report dated 17 February 2023 issued by the Valuer in respect of the Valuation will be set out in the circular ("**Circular**") to be made available to Shareholders in connection with the EGM to seek Shareholders' approval in connection with the Proposed Subscription.

5. RATIONALE OF THE PROPOSED SUBSCRIPTION

The rationale for and benefits of the Proposed Subscription are, *inter alia*, as follows:

- (i) The Proposed Subscription is beneficial for the Group as it will (a) strengthen the financial position of GU, being a 51%-owned subsidiary of the Company, (b) fund the capital expenditure necessary to continue GU's growth, and (c) improve GU's cash flow to meet anticipated general working capital requirements (including meeting general overheads, financing requirements and other operating expenses);
- (ii) The Proposed GHPL Subscription will also improve GU's working capital position and reduce its indebtedness, gearing and loss per share, as well as eliminate the need for any cash repayment for the portion of the GHPL Loan amounting to S\$2,000,000;
- (iii) Pursuant to the Proposed H2G Subscription, the Placement Proceeds from the Proposed HCT Placement and the Proposed Individual Placements will be applied to finance the capital expenditure and general working capital to GU, thus increasing resources available to GU to further grow and enhance its business; and
- (iv) The increased financial resources to GU presents an opportunity for the Group to further grow and venture into the energy and natural gas related business on a domestic and international scale, thereby allowing the Company to enhance Shareholders' value.

As such, the Company is of the view that the Proposed Subscription will enhance Shareholders' value for the Company.



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6. RELATIVE FIGURES COMPUTED BASED ON RULE 1006 OF THE CATALIST RULES

Based on the latest announced unaudited consolidated financial statements of the Group for the half year ended 30 September 2022 (“HY2023”), the relative figures of the Proposed H2G Subscription as computed on the relevant bases set out in Rule 1006 of the Catalist Rules are as follows:

Rule	Bases	Relative Figures (%)
1006 (a)	Net asset value of the assets to be disposed of, compared with the group’s net asset value	Not applicable
1006 (b)	Net loss attributable to the assets acquired or disposed of, compared with the group’s net loss	3.30 ⁽¹⁾
1006 (c)	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	17.29 ⁽²⁾
1006 (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	Not applicable
1006 (e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group’s proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.	Not applicable

Notes:

- (1) Based on the unaudited loss before income tax and non-controlling interests of the assets to be disposed of, being 3.30%, which amounted to approximately S\$36,862, and the Group’s unaudited loss before income tax and non-controlling interests of S\$1,117,000, for HY2023.
- (2) Based on the aggregate subscription consideration of S\$3,800,000 for the H2G Subscription Shares, and the Company’s market capitalisation of S\$21,983,931 (based on the Company’s issued ordinary share capital (excluding treasury shares and subsidiary holdings) of 1,099,196,574 Shares and weighted average price of the Shares of S\$0.020 on 17 February 2023, being the last full market day on which the Shares were traded prior to the date of the Company’s acceptance of the Offer to subscribe for the H2G Subscription Shares.



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As the relative figure calculated under Rule 1006(c) of the Catalist Rules exceeds 5% but does not exceed 75%, the Proposed H2G Subscription constitutes a “discloseable transaction” within the meaning of Chapter 10 of the Catalist Rules, and is not subject to the approval of the Company’s shareholders at a general meeting.

However, the components of the relative figure computed on the bases set out in Rule 1006(b) of the Catalist Rules is negative, and the Proposed H2G Subscription does not fall within the relevant scenarios provided for in paragraphs 4.3 and 4.4 of Practice Note 10A of the Catalist Rules. Accordingly, pursuant to paragraph 4.6 of Practice Note 10A of the Catalist Rules, the Company will be seeking the approval of Shareholders for the Proposed H2G Subscription as a “major transaction” under Chapter 10 of the Catalist Rules.

7. FINANCIAL EFFECTS OF THE PROPOSED H2G SUBSCRIPTION

The tables illustrating the financial effects of the Proposed H2G Subscription on (i) the net tangible assets (“NTA”) per share of the Group (assuming that the Proposed HCT Placement, the Proposed Individual Placements and the Proposed H2G Subscription had been completed at the end of that financial year); and (ii) the loss per share (“LPS”) of the Group (assuming that the Proposed HCT Placement, the Proposed Individual Placements and the Proposed H2G Subscription had been completed at the beginning of that financial year), based on the latest audited consolidated financial statements of the Group for the financial year ended 31 March 2022 (“FY2022”), are set out below.

For the avoidance of doubt, the financial effects of the Proposed H2G Subscription on the Group are for illustrative purposes only and are, therefore, not indicative of the actual financial performance or position of the Group after the completion of the Proposed H2G Subscription. These financial effects do not take into account (i) any other corporate actions announced and undertaken by the Group; and (ii) any issuance of new Shares by the Company, on or after 1 April 2022. The financial effects also do not take into account any fees and expenses to be incurred in relation to the Proposed H2G Subscription.

7.1 NTA per Share of the Group

Assuming that the Proposed HCT Placement, the Proposed Individual Placements and the Proposed H2G Subscription had been completed on 31 March 2022, the financial effect on the NTA per share of the Group as at 31 March 2022 is as follows:

	Before the Proposed H2G Subscription	After the Proposed H2G Subscription
NTA attributable to equity holders of the Company (S\$'000)	10,059	14,059
Number of Shares ⁽¹⁾	689,524,443	879,104,538
NTA per share (S\$ cents) ⁽²⁾	1.46	1.60

Notes:

- (1) Based on the Company’s issued ordinary share capital (excluding treasury shares and subsidiary holdings) as at 31 March 2022 of 689,524,443 Shares.
- (2) NTA refers to net assets value of the Group less intangible assets and goodwill.



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7.2 LPS of the Group

Assuming that the Proposed HCT Placement, the Proposed Individual Placements and the Proposed H2G Subscription had been completed on 1 April 2021, the financial effect on the LPS of the Group for FY2022 is as follows:

	Before the Proposed H2G Subscription	After the Proposed H2G Subscription
Net loss attributable to equity holders of the Company (S\$'000)	2,765	2,765
Weighted average number of Shares ⁽¹⁾	689,524,443	879,104,538
LPS (S\$ cents)	0.40	0.31

Note:

(1) Based on the Company's issued ordinary share capital (excluding treasury shares and subsidiary holdings) as at 1 April 2021 of 689,524,443 Shares.

8. FINANCIAL EFFECTS OF THE PROPOSED GHPL SUBSCRIPTION

The tables illustrating the financial effects of the Proposed GHPL Subscription on (i) the NTA per share of the Group (assuming that the Proposed HCT Placement, the Proposed Individual Placements, the Proposed H2G Subscription and the Proposed GHPL Subscription had been completed at the end of that financial year); and (ii) the LPS of the Group (assuming that the Proposed HCT Placement, the Proposed Individual Placements, the Proposed H2G Subscription and the Proposed GHPL Subscription had been completed at the beginning of that financial year), based on the latest audited consolidated financial statements of the Group for FY2022, are set out below.

For the avoidance of doubt, the financial effects of the Proposed GHPL Subscription on the Group are for illustrative purposes only and are, therefore, not indicative of the actual financial performance or position of the Group after the completion of the Proposed GHPL Subscription. These financial effects do not take into account (i) any other corporate actions announced and undertaken by the Group; and (ii) any issuance of new Shares by the Company, on or after 1 April 2022. The financial effects also do not take into account any fees and expenses to be incurred in relation to the Proposed GHPL Subscription.



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8.1 NTA per Share of the Group

Assuming that the Proposed HCT Placement, the Proposed Individual Placements, the Proposed H2G Subscription and the Proposed GHPL Subscription had been completed on 31 March 2022, the financial effect on the NTA per share of the Group as at 31 March 2022 is as follows:

	Before the Proposed GHPL Subscription	After the Proposed GHPL Subscription
NTA attributable to equity holders of the Company (S\$'000)	10,059	15,134
Number of Shares ⁽¹⁾	689,524,443	879,104,538
NTA per share (S\$ cents) ⁽²⁾	1.46	1.72

Notes:

- (1) Based on the Company's issued ordinary share capital (excluding treasury shares and subsidiary holdings) as at 31 March 2022 of 689,524,443 Shares.
- (2) NTA refers to net assets value of the Group less intangible assets and goodwill.

8.2 LPS of the Group

Assuming that the Proposed HCT Placement, the Proposed Individual Placements, the Proposed H2G Subscription and the Proposed GHPL Subscription had been completed on 1 April 2021, the financial effect on the LPS of the Group for FY2022 is as follows:

	Before the Proposed GHPL Subscription	After the Proposed GHPL Subscription
Net loss attributable to equity holders of the Company (S\$'000)	2,765	2,765
Weighted average number of Shares ⁽¹⁾	689,524,443	879,104,538
LPS (S\$ cents)	0.40	0.31

Note:

- (1) Based on the Company's issued ordinary share capital (excluding treasury shares and subsidiary holdings) as at 1 April 2021 of 689,524,443 Shares.



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9. CHAPTER 9 OF THE CATALIST RULES

9.1 Proposed H2G Subscription as an Interested Person Transaction

As GU is deemed to be an associate of GHPL (being a controlling shareholder of the Company), it is regarded as an “interested person” within the meaning defined in Chapter 9 of the Catalist Rules. Accordingly, notwithstanding that GU is a subsidiary of the Company, the Proposed H2G Subscription is an interested person transaction under Chapter 9 of the Catalist Rules. Please refer to Section 2 of this announcement for further details in relation to GU and the Interested Persons Group.

Based on the audited consolidated financial statements of the Group for FY2022, the Group’s consolidated NTA as at 31 March 2022 was approximately S\$10,059,000.

The value-at-risk of the Proposed H2G Subscription would amount to S\$3,800,000, representing approximately 37.78% of the Group’s latest audited NTA as at 31 March 2022. Pursuant to Rule 906 of the Catalist Rules, the Company is seeking Shareholders’ approval at the EGM for the Proposed H2G Subscription as an interested person transaction under Chapter 9 of the Catalist Rules.

Pursuant to Rule 919 of the Catalist Rules, the Interested Persons Group and their respective associates shall abstain from exercising their voting rights in respect of all existing Shares held by them, and shall not accept appointments as proxies unless specific instructions as to voting are given, in respect of the resolutions to approve the Proposed H2G Subscription.

9.2 Proposed GHPL Subscription as an Interested Person Transaction

GHPL (being a controlling shareholder of the Company and an associate of Mr Lim) is an “interested person” within the meaning defined in Chapter 9 of the Catalist Rules, while GU (being a 51%-owned subsidiary of the Company) is an “entity at risk” vis-à-vis GHPL within the meaning defined in Chapter 9 of the Catalist Rules. The Proposed GHPL Subscription is thus an interested person transaction under Chapter 9 of the Catalist Rules. Please refer to Section 2 of this announcement for further details in relation to GHPL and the Interested Persons Group.

Based on the audited consolidated financial statements of the Group for FY2022, the Group’s consolidated NTA as at 31 March 2022 was approximately S\$10,059,000.

The value-at-risk of the Proposed GHPL Subscription would amount to S\$2,000,000, representing approximately 19.88% of the Group’s latest audited NTA as at 31 March 2022. Pursuant to Rule 906 of the Catalist Rules, the Company is seeking the Shareholders’ approval at the EGM for the Proposed GHPL Subscription as an interested person transaction under Chapter 9 of the Catalist Rules.

Pursuant to Rule 919 of the Catalist Rules, the Interested Persons Group and their respective associates shall abstain from exercising their voting rights in respect of all existing Shares held by them, and shall not accept appointments as proxies unless specific instructions as to voting are given, in respect of the resolution to approve the Proposed GHPL Subscription.

9.3 Total Amount of Interested Person Transactions

Pursuant to Catalist Rule 905(2), the aggregate value of all interested person transactions with the Interested Persons Group for the current FY2023 (including transactions which are less than \$100,000) is S\$480,637, representing approximately 4.78% of the Group’s latest audited NTA as at 31 March 2022.



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For completeness, the aggregate value of all interested person transactions of S\$6,280,637 with the Interested Persons Group for the current FY2023 consists of (a) S\$3,800,000, being the subscription consideration for the Proposed H2G Subscription, (b) S\$2,000,000, being the subscription consideration for the Proposed GHPL Subscription, and (c) S\$480,637, being the total value of all other interested person transactions (including transactions less than S\$100,000) with the Interested Persons Group for FY2023. For FY2023, the value of interested person transactions (excluding transactions less than S\$100,000 and the Proposed Subscription) with the Interested Persons Group is S\$212,154, representing approximately 2.11% of the Group's latest audited NTA as at 31 March 2022.

The details in relation to the interested person transactions (excluding transactions less than S\$100,000 and the Proposed Subscription) with the Interested Persons Group are set out below:

Name of Interested Person	Particulars of IPT	Amount at Risk	% of Group's latest audited NTA as at 31 March 2022
GHPL	Management fees charged to GHPL for project management during FY2023 ⁽¹⁾	S\$212,154	2.11%
Total		S\$212,154	2.11%

Note:

- (1) As disclosed in the Company's announcement dated 15 December 2020, the Company had entered into a project investment agreement with GU and GHPL in relation to the proposed investment of S\$500,000 by the Company in a project undertaken by GU. The interested person transaction value of S\$212,154 pertains to management fees which have been charged to GHPL for project management relating to the aforementioned project during FY2023.

Save as disclosed herein, there were no other interested person transactions (excluding transactions less than S\$100,000) entered into by the Group with the Interested Persons Group for the current FY2023.

Save as disclosed, as at the date of this announcement, there were no other interested person transactions entered into by the Group for the current FY2023.

10. STATEMENT OF THE AUDIT COMMITTEE

Pursuant to Rule 917(4)(a) of the Catalist Rules, a statement (i) whether or not the audit committee of the issuer is of the view that the transaction is on normal commercial terms, and is not prejudicial to the interests of the issuer and its minority shareholders; or (ii) that the audit committee is obtaining an opinion from an IFA before forming its view, which will be announced subsequently, is required to be disclosed in this announcement.

The Audit Committee has appointed Asian Corporate Advisors Pte. Ltd. as the IFA, and the Audit Committee will form and announce its view as to whether each of the Proposed H2G Subscription and the Proposed GHPL Subscription, being deemed as an interested person transaction under Chapter 9 of the Catalist Rules, is on normal commercial terms and is not prejudicial to the interests of the Company and its minority shareholders, after considering the IFA's opinion to be obtained in due course.

The Audit Committee's view on the Proposed H2G Subscription and the Proposed GHPL Subscription respectively will be set out in the Circular to be made available to the shareholders of the Company in due course.



Company Registration No. 199806046G)
(Incorporated in the Republic of Singapore)

11. EXTRAORDINARY GENERAL MEETING

The Company will be convening an EGM to seek the approval of its shareholders for (i) the Proposed H2G Subscription as a major transaction under Chapter 10 of the Catalist Rules, (ii) the Proposed H2G Subscription as an interested person transaction under Chapter 9 of the Catalist Rules, and (iii) the Proposed GHPL Subscription as an interested person transaction under Chapter 9 of the Catalist Rules.

The Circular containing, amongst others, the notice of EGM and details of the Proposed Subscription and the abovementioned resolutions will be made available to the shareholders of the Company in due course.

12. SERVICE CONTRACT

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

13. DOCUMENTS FOR INSPECTION

The following documents are available for inspection by Shareholders at the registered office of the Company at 39 Kaki Bukit Place, Eunos Techpark, Singapore 416217 for a period of (3) three months from the date of this announcement during normal business hours:

- (i) the constitution of the Company;
- (ii) the annual report of the Company for FY2022;
- (iii) the Valuation Report;
- (iv) the Valuation Summary Letter

Shareholders who wish to inspect the above documents shall make an appointment via the following email address ir@h2g.green, so that the relevant arrangements can be made in compliance with the Singapore Government's directives in relation to the ongoing COVID-19 outbreak.

14. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Mr Lim, who is the Executive Director and Chief Executive Officer and a controlling shareholder of the Company, is also a director of and shareholder of GHPL holding 60.25% shareholding interest in GHPL. Of the remaining shares in GHPL, 0.79% of the total shares in the capital of GHPL is held by Mr Lim's associate. Ms Leow, an Executive Director of the Company, is the spouse of Mr Lim.

Save as disclosed herein, none of the Directors or controlling shareholders of the Company and their respective associates has any interest, direct or indirect, in the Proposed Subscription, other than through their respective shareholdings (if any), employment and/or directorship (as applicable) in the Company.

Mr Lim and Ms Leow have abstained from the deliberation, decision and voting on any resolution in respect of the Proposed Subscription.

By Order of the Board

Lau Ping Sum Pearce
Non-Executive Chairman and Independent Director
18 February 2023