

APPENDIX DATED 11 APRIL 2024

THIS APPENDIX TO SHAREHOLDERS (“APPENDIX”) IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the contents of this Appendix or the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or any other professional adviser immediately.

This Appendix is circulated to the Shareholders (as defined in this Appendix) of GSH Corporation Limited (the “**Company**”) together with the Company’s annual report for the financial year ended 31 December 2023 (“**Annual Report**”). Its purpose is to explain to the Shareholders the rationale and provide information to the Shareholders for the Proposed Renewal of the Share Buy-back Mandate (as defined in this Appendix) to be tabled at the annual general meeting of the Company (“**AGM**”) to be held at 20 Cecil Street, #28-01 PLUS, Singapore 049705 on 26 April 2024 at 10.30 a.m.

The notice of the AGM and the proxy form are enclosed with the Annual Report. This Appendix has been appended to the Annual Report, which has been made available on SGXNet and the Company’s website. A printed copy of this Appendix will not be despatched to the Shareholders.

If you have sold or transferred all your shares in the capital of the Company, you should immediately inform the purchaser, the transferee or the bank, stockbroker or agent through whom the sale was effected for onward notification to the purchaser or the transferee, that this Appendix (together with the Annual Report for FY2023, the Notice of AGM and the Proxy Form) may be accessed on the SGXNET and the Company’s website.

The Singapore Exchange Securities Trading Limited (“**SGX-ST**”) assumes no responsibility for the correctness of any of the statements made, reports contained or opinion expressed in this Appendix.



GSH CORPORATION LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 200106139K)

**APPENDIX TO THE NOTICE OF ANNUAL GENERAL MEETING OF THE COMPANY
IN RELATION TO THE PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE**

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DEFINITIONS

In this Appendix, the following definitions shall apply throughout unless the context otherwise required or otherwise stated:-

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|--------------------------------------|---|--|
| “2023 Share Buy-back Mandate” | : | Has the meaning ascribed to it in Section 2.1 of this Appendix |
| “AGM” | : | The annual general meeting of the Company to be held at 20 Cecil Street, #28-01 PLUS, Singapore 049705 on 26 April 2024 at 10.30 a.m., notice of which is enclosed in the 2023 Annual Report |
| “Annual Report” | : | The annual report of the Company for the financial year ended 31 December 2023 |
| “Audit and Risk Committee” | : | The Audit and Risk Committee of the Company comprising Messrs Ng Hin Lee, Michael Grenville Gray, and Tan Min-Li |
| “Board” | : | The board of directors of the Company as at the date of this Appendix |
| “CDP” | : | The Central Depository (Pte) Limited |
| “Appendix” | : | This Appendix dated 11 April 2024 |
| “Companies Act” | : | The Companies Act 1967 of Singapore, or any statutory modification or re-enactment thereof for the time being in force |
| “Company” | : | GSH Corporation Limited |
| “Directors” | : | The directors of the Company as at the date of this Appendix |
| “EPS” | : | Earnings per Share |
| “FY” | : | The financial year commenced or, as the case may be, commencing, on 1 January and ended, or as the case may be, ending 31 December |
| “Group” | : | The Company and its subsidiaries |
| “Latest Practicable Date” | : | 1 April 2024, being the latest practicable date prior to the finalisation of this Appendix |
| “Listing Manual” | : | The Listing Manual of the SGX-ST, as amended, modified or supplemented from time to time |
| “Market Day” | : | A day on which the SGX-ST is open for trading in securities |
| “Market Purchase” | : | Has the meaning ascribed to it in Section 2.3.3(a) of this Appendix |
| “Maximum Price” | : | Has the meaning ascribed to it in Section 2.3.4 of this Appendix |

| | | |
|--|---|---|
| “NAV” | : | Net asset value |
| “Notice of AGM” | : | The notice of the AGM of the Company dated 11 April 2024 |
| “NTA” | : | Net tangible assets |
| “Off-Market Purchase” | : | Has the meaning ascribed to it in Section 2.3.3(b) of this Appendix |
| “Proposed Renewal” | : | Has the meaning ascribed to it in Section 1.1 of this Appendix |
| “Securities Account” | : | A securities account maintained by a Depositor with CDP but does not include securities sub-account maintained with a Depository Agent |
| “Securities and Futures Act” or “SFA” | : | The Securities and Futures Act 2001 of Singapore, as amended, modified or supplemented from time to time |
| “SGX-ST” | : | Singapore Exchange Securities Trading Limited. |
| “Share Buy-back” | : | The purchase or acquisition of Shares by the Company pursuant to the Share Buy-back Mandate |
| “Share Buy-back Mandate” | : | Has the meaning ascribed to it in Section 2.1 of this Appendix |
| “Shareholders” | : | Registered holders of Shares except that where CDP is the registered holder, the term “Shareholders” shall, in relation to such Shares, mean the persons to whose Securities Accounts maintained with CDP are credited with the Shares |
| “Shares” | : | Ordinary shares in the capital of the Company. |
| “SIC” | : | Securities Industry Council |
| “Singapore” | : | The Republic of Singapore |
| “Substantial Shareholder” | : | A person who has an interest or interests in one (1) or more voting Shares in the Company, and the total votes attached to that Share, or those Shares, is not less than 5% of the total votes attached to all the voting Shares in the Company |
| “Take-over Code” | : | The Singapore Code on Take-overs and Mergers, as amended, modified or supplemented from time to time |
| “Treasury Share” | : | A share of the Company that was or is treated as having been acquired and held by the Company and has been held continuously by the Company since it was so acquired and has not been cancelled |
| “S\$” and “cents” | : | Singapore dollars and cents, respectively |
| “%” or “per cent” | : | Percentage or per centum |

In this Appendix:

- (a) The terms “**Depositor**”, “**Depository Register**”, and “**Depository Agent**” shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act.
- (b) The terms “**subsidiary**” and “**related company**” shall have the meanings ascribed to them respectively in the Companies Act.
- (c) The term “**subsidiary holdings**” shall have the meaning ascribed to it in the Listing Manual.
- (d) Words importing the singular shall, where applicable, include the plural and vice versa. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders.
- (e) References to persons shall include corporations.
- (f) Unless otherwise provided, references to Sections are to sections of this Appendix.
- (g) The headings in this Appendix are inserted for convenience only and shall be ignored in construing this Appendix.
- (h) Any reference in this Appendix to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, Securities and Futures Act, Listing Manual, or any statutory modification thereof and used in this Appendix shall, unless otherwise defined in this Appendix, have the same meaning assigned to it under the Companies Act, Securities and Futures Act, Listing Manual, or any statutory modification thereof, as the case may be.
- (i) Any reference to a time of a day or date in this Appendix shall be a reference to Singapore time and dates unless otherwise stated.
- (j) Any discrepancies in the tables in this Appendix between the listed amounts and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Appendix may not be an arithmetic aggregation of the figures that precede them.

Cautionary Note on Forward-looking Statements

All statements other than statements of historical facts included in this Appendix are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “seek”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect the Company’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks, uncertainties and other factors that may cause the Group’s actual results, performance and achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and the Company disclaims any responsibility and does not undertake any obligation to update publicly or revise any forward-looking statements contained in this Appendix to reflect any change in the Group’s expectations with respect to such statements after the date of this Appendix or to reflect any change in events, conditions or circumstances on which the Company based any such statements subject to compliance with all applicable laws and regulations and/or the rules of the SGX-ST and/or any regulatory or supervisory body or agency.

LETTER TO SHAREHOLDERS

GSH CORPORATION LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 200106139K)

Directors:

Dr. Sam Goi Seng Hui (*Executive Chairman*)
Mr. Michael Grenville Gray (*Lead Independent Director*)
Mr. Gilbert Ee Guan Hui (*Chief Executive Officer and Executive Director*)
Mr. Goi Kok Ming (Wei Guoming) (*Chief Operating Officer and Executive Director*)
Mr. Wendell Wong Hin Pkin (*Independent Director*)
Mr. Ng Hin Lee (*Independent Director*)
Ms. Tan Min-Li (*Independent Director*)

Registered Office:

20 Cecil Street
#28-01 PLUS
Singapore 049705

11 April 2024

To: The Shareholders of GSH Corporation Limited

Dear Sir / Madam,

THE PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE

1. INTRODUCTION

- 1.1. The Board refers to the Notice of AGM of the Company dated 11 April 2024 to Shareholders accompanying the Annual Report, in respect of the forthcoming AGM to be held at 20 Cecil Street, #28-01 PLUS, Singapore 049705 on 26 April 2024 at 10.30 a.m.. The Directors are seeking Shareholders' approval for the proposed renewal of the Company's Share Buy-back Mandate (the "**Proposed Renewal**").
- 1.2. The purpose of this Appendix is to provide Shareholders with information relating to, and to explain the rationale for the Proposed Renewal.
- 1.3. The SGX-ST assumes no responsibility for the correctness or accuracy of any of the statements made, reports contained, or opinions expressed in the Appendix.
- 1.4. RHTLaw Asia LLP has been appointed as the legal adviser to the Company as to Singapore law in respect of the Proposed Renewal.

2. THE PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE

2.1. Information on the Proposed Renewal

On 28 April 2023, Shareholders had approved the grant of a general and unconditional mandate to the Directors to exercise all powers of the Company to purchase or otherwise acquire its issued Shares ("**2023 Share Buy-back Mandate**"), subject to the terms of the 2023 Share Buy-back Mandate. The 2023 Share Buy-back Mandate will expire on 26 April 2024, being the date of the forthcoming AGM. It is proposed that such authority be renewed.

Any purchase or acquisition of Shares by the Company would have to be made in accordance with, and in the manner prescribed by, the Constitution, the Companies Act, the Securities and Futures Act, the Listing Manual, and such other laws and regulations as may, for the time being, be applicable.

Rule 881 of the Listing Manual provides that a company may purchase its own shares if it has obtained the prior specific approval of its shareholders in a general meeting. Accordingly, approval is being sought from the Shareholders at the AGM for a renewed general mandate to be given to the Directors to exercise all powers of the Company to purchase or otherwise acquire its issued Shares ("**Share Buy-back Mandate**"), on the terms of such Share Buy-back Mandate and details of which are set out in this Appendix.

If approved by the Shareholders at the AGM, the authority conferred by the Share Buy-back Mandate will take effect from the date of the AGM and continue in force until the date on which the next AGM is held or required by law to be held, unless prior thereto, purchases or acquisitions of Shares by the Company pursuant to the Share Buy-back Mandate have been carried out to the full extent mandated, or the authority conferred by the Share Buy-back Mandate is revoked or varied by Shareholders in a general meeting.

2.2. **Rationale for the Share Buy-back Mandate**

The rationale for the Company to undertake the purchase or acquisition of its Shares is as follows:

- (a) the Share Buy-back Mandate will provide the Company with greater flexibility in managing its capital and maximising returns to its Shareholders. To the extent that the Company has capital and surplus funds which are in excess of the Group's financial needs, taking into account its growth and expansion plans, the Share Buy-back Mandate will facilitate the return to Shareholders of surplus funds in an expedient, effective and cost-efficient manner;
- (b) share buy-backs are one of the ways in which the return on equity of the Company may be improved, thereby increasing shareholder value;
- (c) share buy-backs allow the Board to exercise control over the Company's Share structure with a view to enhancing the EPS and/or NTA value per Share;
- (d) share buy-backs may help mitigate short-term market volatility in the price of the Shares, offset the effects of short-term speculation and bolster Shareholders' confidence; and
- (e) the Share Buy-back Mandate will enable the Directors to utilise the Shares which are purchased or acquired thereunder and held as treasury shares to be sold for cash, transferred as consideration for the acquisition of shares in or assets of another company or assets of a person, or issued to employees as a form of compensation, which may be less dilutive than if new Shares were issued for this purpose.

The Company will only purchase or acquire Shares pursuant to the Share Buy-back Mandate if it can benefit the Company and the Shareholders. Shareholders should note that purchases or acquisitions of Shares pursuant to the Share Buy-back Mandate may not be carried out to the full limit as authorised. No purchase or acquisition of Shares will be made in circumstances which would (i) have or may have a material adverse effect on the liquidity and capital adequacy position of the Group as a whole; (ii) affect the listing status of the Company on the SGX-ST; and/or (iii) result in a breach of any contractual obligation to which the Company and/or the Group is bound.

Nonetheless, Shareholders should note that there is no assurance that the proposed Share Buy-back will achieve the desired effect, nor is there assurance that such effect (if achieved) can be sustained in the longer term.

2.3. Authority and limitations of the Share Buy-back Mandate

The authority and limitations placed on purchases or acquisitions of Shares by the Company pursuant to the Share Buy-back Mandate, if approved at the AGM, are summarised below:

2.3.1. Maximum number of Shares

(a) Share buy-back limit

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company. Pursuant to Rule 882 of the Listing Manual, the total number of Shares which may be purchased or acquired by the Company pursuant to the Share Buy-back Mandate is limited to that number of Shares representing not more than 10% of the total number of Shares of the Company (excluding Treasury Shares) as at the date of the AGM at which the Share Buy-back Mandate is approved. Treasury Shares will be disregarded for the purposes of computing this 10% limit. As at the Latest Practicable Date, the Company has 20,102,500 Treasury Shares.

For illustrative purposes only, on the basis that there are 1,987,541,973 issued Shares as at the Latest Practicable Date, and assuming that (i) no further Shares are issued between the Latest Practicable Date and the date of the AGM; and (ii) 20,102,500 Shares are held as Treasury Shares, the Company can purchase or acquire up to a maximum of 196,743,947 Shares (representing 10% of the total number of Shares (excluding Treasury Shares) of the Company as at that date) pursuant to the Share Buy-back Mandate during the period referred to in Section 2.3.2 below.

However, purchases or acquisitions pursuant to the Share Buy-back Mandate need not be carried out to the full extent mandated, and in any case, will not be carried out to such an extent that would result in the Company losing the minimum public float required to maintain the listing status of the Company's Shares on the SGX-ST.

As the Company holds 20,102,500 Shares as Treasury Shares as at the Latest Practicable Date, pursuant to the Companies Act, the Company may only retain a further 178,651,697 Shares as Treasury Shares as it is only allowed to hold a maximum of 198,754,197 Treasury Shares (being 10% of the total number of issued Shares of 1,987,541,973 Shares).

(b) Listing status on the SGX-ST

The Listing Manual provides that an issuer must ensure that at least 10% of a class of the total number of issued shares in a class that is listed (excluding Treasury Shares, preference Shares and convertible equity securities) is at all times held by the public.

In order to maintain the listing status of the Shares on the SGX-ST and pursuant to Rule 723 of the Listing Manual, the Company must ensure that there is at all times a public float of not less than 10% of the issued Shares (excluding Treasury Shares). The Company will not carry out any Share Buy-back to such extent that it would result in the number of Shares remaining in the hands of the public to fall below the minimum level required under the Listing Manual without adversely affecting the listing status of the Company.

As at the Latest Practicable Date, 355,668,520 Shares (or approximately 18.06% of the total number of issued Shares (excluding Treasury Shares)) are held in the hands of the public. In the event that the Company purchases the maximum of 10% of its issued ordinary share capital from such public Shareholders, the resultant percentage of the issued Shares (excluding Treasury Shares) held by the public Shareholders would be reduced to approximately 8.97%.

Accordingly, the Company will not undertake Share Buy-backs up to the full 10.0% limit pursuant to the Share Buy-back Mandate as it will result in the public float falling below 10.0% of the issued Shares (excluding Treasury Shares) and will ensure that the 10.0% public float requirement is maintained at all times if any Share Buy-back is undertaken. The Directors will ensure that any Share Buy-back, if undertaken by the Company pursuant to the Share Buy-back Mandate, will not affect orderly trading of the Company's Shares and its listing status.

Therefore, although the Share Buy-back Mandate would authorise the Company to purchase up to 10.0% of the total number of issued Shares of the Company as at the date the Share Buy-back Mandate is approved, the Company may not necessarily buy back or be able to buy back 10.0% of the total number of issued Shares in full (as set out above).

Before deciding to effect a Share Buy-back, the Directors will ensure that, notwithstanding such purchase, a sufficient float in the hands of the public will be maintained to comply with Listing Manual requirements.

2.3.2. Duration of authority

Purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the date of the AGM at which the Share Buy-back Mandate is approved, up to the earliest of:

- (a) the date on which the next AGM is held or is required by law to be held;
- (b) the date on which the purchases or acquisitions of Shares pursuant to the Share Buy-back Mandate are carried out to the full extent mandated; or
- (c) the date on which the authority conferred by the Share Buy-back Mandate is revoked or varied by Shareholders in a general meeting.

The authority conferred on the Directors to purchase Shares pursuant to the Share Buy-back Mandate may be renewed by the Shareholders at each subsequent AGM or other general meeting of the Company.

2.3.3. Manner of purchases or acquisitions of Shares

Pursuant to Rule 882 of the Listing Manual, purchases or acquisitions of Shares may be made by way of:

- (a) on-market purchases transacted through the SGX-ST's trading system ("**Market Purchase**"); and/or
- (b) off-market purchases in accordance with an equal access scheme as defined in Section 76C of the Companies Act ("**Off-Market Purchase**").

The Directors may impose such terms and conditions which are not inconsistent with the Share Buy-back Mandate, the Listing Manual, the Securities and Futures Act, the Companies Act, and all applicable laws and regulations as they consider fit in the interests of the Company, in connection with or in relation to any equal access scheme(s).

An Off-Market Purchase must satisfy all of the following conditions:

- (i) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (ii) all of those persons have a reasonable opportunity to accept the offers made to them; and

- (iii) the terms of all the offers shall be the same except that there shall be disregarded:
 - (1) differences in consideration attributable to the fact that the offers relate to Shares with different accrued dividend entitlements;
 - (2) differences in consideration attributable to the fact that the offers relate to Shares with different amounts remaining unpaid; and
 - (3) differences in the offers introduced solely to ensure that each Shareholder is left with a whole number of Shares.

If the Company wishes to make an Off-Market Purchase, the Company must issue an offer document to all Shareholders containing at least the following information:

- (A) the terms and conditions of the offer;
- (B) the period and procedures for acceptances;
- (C) the reasons for the proposed Share Buy-back by the Company;
- (D) the consequences, if any, of Share purchases by the Company that will arise under the Take-over Code and/or other applicable take-over rules;
- (E) whether the proposed purchase or acquisition of Shares by the Company, if made, could affect the listing of the Company's equity securities on the SGX-ST;
- (F) details of any Share Buy-back made by the Company in the previous 12 months (whether Market Purchases or Off-Market Purchases), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases; and
- (G) whether the Shares purchased by the Company will be cancelled or kept as Treasury Shares.

2.3.4. Purchase Price

The purchase price (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) to be paid for the Shares will be determined by the Directors. The purchase price to be paid for the Shares as determined by the Directors must not exceed:

- (a) in the case of a Market Purchase, 105% of the Average Closing Price of the Shares; and
- (b) in the case of an Off-Market Purchase, 120% of the Average Closing Price of the Shares,

in each case, excluding related expenses of the purchase or acquisition (the "**Maximum Price**").

For the purposes of determining the Maximum Price:

- (i) "**Average Closing Price**" means the average of the closing market prices of the Shares over the last five (5) Market Days on which transactions in the Shares were recorded, before the day on which the purchases are made, or as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and is deemed to be adjusted for any corporate action that occurs during the relevant five (5)-day period and the day on which the purchases are made, or as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase; and

- (ii) **“date of the making of the offer”** means the date on which the Company announces its intention to make an offer for the Off-Market Purchase from the holder of Shares, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

The Listing Manual restricts a listed company from purchasing Shares by way of Market Purchases at a price per Share which is more than 5% above the Average Closing Price.

Although the Listing Manual does not prescribe a maximum price in relation to purchases of Shares by way of Off-Market Purchases, the Company has set a cap of 20% above the Average Closing Price of a Share as the maximum price for a Share to be purchased or acquired by way of Off-Market Purchases.

2.4. **Status of the purchased or acquired Shares**

The Shares purchased or acquired by the Company pursuant to the Share Buy-back Mandate shall be deemed to be cancelled immediately on purchase or acquisition (and all rights and privileges attached to the Share will expire on such cancellation) unless held by the Company as Treasury Shares in accordance with Section 76H of the Companies Act. At the time of each such Share Buy-back by the Company, the Directors shall decide whether the Shares purchased will be cancelled or kept as Treasury Shares, or partly cancelled and partly kept as Treasury Shares, depending on the needs of the Company at that time.

Where Shares purchased or acquired by the Company pursuant to the Share Buy-back Mandate are cancelled, such Shares will be automatically de-listed by the SGX-ST and certificates (if any) in respect thereof will be cancelled and destroyed by the Company as soon as is reasonably practicable following settlement of any such purchase or acquisition, and the total number of issued Shares will be diminished by such number of Shares that are cancelled.

2.5. **Treasury Shares**

Under the Companies Act, Shares purchased or acquired by the Company under the Share Buy-back may be held or dealt with as Treasury Shares. Some of the provisions on Treasury Shares under the Companies Act are summarised as follows:

2.5.1. **Maximum holdings**

The number of Shares held as Treasury Shares cannot at any time exceed 10% of the total number of issued Shares of the Company. Any Shares in excess of this limit shall be disposed of or cancelled in accordance with Section 76K of the Companies Act.

2.5.2. **Voting and other rights**

The Company shall not exercise any right in respect of the Treasury Shares. In particular, the Company cannot exercise any right to attend or vote at meetings and, for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the Treasury Shares shall be treated as having no voting rights.

In addition, no dividends may be paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to Shareholders on a winding up) may be made, to the Company in respect of Treasury Shares.

However, the Company may allot fully paid bonus Shares in respect of the Treasury Shares and the Treasury Shares may be subdivided or consolidated so long as the total value of the Treasury Shares after the subdivision or consolidation is the same as before the subdivision or consolidation, as the case may be. Any Shares allotted as fully paid bonus Shares in respect of the Treasury Shares shall be treated for the purposes of the Companies Act as if they were purchased by the Company at the time they were allotted, in circumstances in which Section 76H of the Companies Act applied.

2.5.3. Disposal and cancellation

When Shares purchased or acquired are held as Treasury Shares, the Company may at any time but subject always to the Take-over Code:

- (a) sell the Treasury Shares (or any of them) for cash;
- (b) transfer the Treasury Shares (or any of them) for the purposes of or pursuant to a share scheme whether for its employees, directors or any other persons;
- (c) transfer the Treasury Shares (or any of them) as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (d) cancel the Treasury Shares (or any of them); or
- (e) sell, transfer or otherwise use the Treasury Shares for such other purposes as may be prescribed by the Minister of Finance.

In addition, under Rule 704(28) of the Listing Manual, the Company must immediately announce any sale, transfer, cancellation and/or use of Treasury Shares held by it, stating the following:

- (i) date of the sale, transfer, cancellation and/or use;
- (ii) purpose of such sale, transfer, cancellation and/or use;
- (iii) number of Treasury Shares sold, transferred, cancelled and/or used;
- (iv) number of Treasury Shares before and after such sale, transfer, cancellation and/or use;
- (v) percentage of the number of Treasury Shares against the total number of Shares outstanding in a class that is listed before and after such sale, transfer, cancellation and/or use; and
- (vi) value of the Treasury Shares if they are used for a sale or transfer, or cancelled.

2.6. Source of funds

Any purchase or acquisition of Shares (including any expenses such as brokerage or commission incurred directly in the purchase or acquisition of such Shares) may be made out of the Company's capital or profits so long as the Company is solvent. Under the Companies Act, it is an offence for a Director or chief executive officer of the Company to approve or authorise the purchase or acquisition of Shares, knowing that the Company is not solvent. For this purpose, pursuant to the Companies Act, a company is solvent if at the date of the payment the following conditions are satisfied:

- (a) there is no ground on which the company could be found to be unable to pay its debts;
- (b) if –
 - (i) it is intended to commence winding up of the company within the period of 12 months immediately after the date of the payment, the company will be able to pay its debts in full within the period of 12 months after the date of commencement of the winding up; or
 - (ii) it is not intended to commence winding up, the company will be able to pay its debts as they fall due during the period of 12 months immediately after the date of the payment; and

- (c) the value of the company's assets is not less than the value of its liabilities (including contingent liabilities) and will not, after the proposed purchase or acquisition, become less than the value of its liabilities (including contingent liabilities).

The Company intends to use internal resources of funds and/or external borrowings to finance the purchase or acquisition of Shares pursuant to the Share Buy-back Mandate. The Board will principally consider the availability of internal resources, and the availability of external financing. However, in considering the option of external financing, the Board will particularly consider the prevailing gearing level of the Group. The Board will only make purchases or acquisitions of Shares pursuant to the Share Buy-back Mandate in circumstances which they believe will not result in any material adverse effect on the financial condition of the Company or the Group. The purchase or acquisition of Shares will only be effected after considering relevant factors such as the working capital requirement, availability of financial resources, the expansion and investment plans of the Group and the prevailing market conditions.

2.7. Financial effects of the Share Buy-back Mandate

The financial effects arising from a purchase or acquisition of Shares pursuant to the Share Buy-back Mandate on the Company and the Group will depend on, inter alia, whether the Shares are purchased or acquired out of profits and/or capital of the Company, the number of Shares purchased or acquired, the consideration paid for such Shares and whether the Shares purchased or acquired are held in treasury or cancelled. The financial effect on the audited financial statements of the Group and the Company will depend, inter alia, on the factors set out below.

2.7.1. Purchase or acquisition out of profits and/or capital

Under the Companies Act, purchases or acquisitions of Shares by the Company may be made out of the Company's capital or profits so long as the Company is solvent.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration (including brokerage, commission, applicable goods and services tax, and other related expenses) will correspondingly reduce the amount available for the distribution of cash dividends by the Company.

Where the consideration is paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

2.7.2. Number of Shares acquired or purchased

Based on 1,967,439,473 issued Shares (excluding Treasury Shares) as at the Latest Practicable Date, the purchase or acquisition of Shares by the Company up to the maximum limit of 10% of its issued Shares (excluding Treasury Shares) will result in the purchase or acquisition of 196,743,947 Shares.

2.7.3. Maximum price paid for Shares acquired or purchased

In the case of a Market Purchase by the Company and assuming that the Company purchases or acquires 196,743,947 Shares at the Maximum Price of S\$0.179 per Share (being the price equivalent to 5% above the Average Closing Price of the Shares for the five (5) consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 196,743,947 Shares is approximately S\$35,217,167 (excluding brokerage, commission, applicable goods and services tax, and other related expenses).

In the case of an Off-Market Purchase by the Company and assuming that the Company purchases or acquires 196,743,947 Shares at the Maximum Price of S\$0.204 per Share (being the price equivalent to 20% above the Average Closing Price of the Shares for the five (5) consecutive Market Days on which the Shares were traded on the SGX-ST immediately

preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 196,743,947 Shares is approximately S\$40,135,765 (excluding brokerage, commission, applicable goods and services tax, and other related expenses).

2.7.4. Illustrative financial effects

Shareholders should note that the financial effects set out above, based on the respective aforementioned assumptions, are for illustration purposes only. In particular, it is important to note that the above analysis is based on the audited financial statements of the Company and the Group for FY 2023 and is not necessarily representative of the future financial performance of the Company and the Group. Although the Share Buy-back Mandate would authorise the Company to purchase up to 10.0% of the total number of issued Shares of the Company as at the date the Share Buy-back Mandate is obtained, the Company may not necessarily buy back or be able to buy back 10.0% of the total number of issued Shares in full (as further detailed under Section 2.3.1(b) of this Appendix).

For illustrative purposes only, based on the assumptions set out in Section 2.7.3 and assuming that (i) the purchase or acquisition of Shares are made to the extent aforesaid; (ii) such Shares are funded wholly by internal resources within the Group; and (iii) the Company had purchased 196,743,947 Shares (representing 10% of the issued Shares (excluding Treasury Shares) as at the Latest Practicable Date) on 1 January 2023, the financial effects of the purchase of 196,743,947 Shares by way of:

- (a) purchases made entirely out of capital and held as treasury shares;
- (b) purchases made entirely out of capital and cancelled;
- (c) purchases made entirely out of profits and held as treasury shares; and
- (d) purchases made entirely out of profits and cancelled,

on the audited financial statements of the Group for FY2023 pursuant to the Share Buy-back Mandate are as follows:

(a) Purchases made entirely out of capital and held as Treasury Shares

| As at 31 December 2023 | Group | | | Company | | |
|---------------------------------------|--|---|---|--|---|---|
| | Before Share Buy-back (S\$'000) | After Share Buy-back by way of Market Purchase (S\$'000)⁽⁶⁾ | After Share Buy-back by way of Off-Market Purchase (S\$'000)⁽⁷⁾ | Before Share Buy-back (S\$'000) | After Share Buy-back by way of Market Purchase (S\$'000)⁽⁶⁾ | After Share Buy-back by way of Off-Market Purchase (S\$'000)⁽⁷⁾ |
| Share capital | 345,244 | 345,244 | 345,244 | 345,244 | 345,244 | 345,244 |
| Retained earnings | 15,772 | 15,772 | 15,772 | (60,611) | (60,611) | (60,611) |
| Other reserves | (20,406) | (20,406) | (20,406) | 9,408 | 9,408 | 9,408 |
| Treasury Shares | (5,580) | (40,797) | (45,716) | (5,580) | (40,797) | (45,716) |
| Total Shareholders' funds | 335,030 | 299,813 | 294,894 | 288,461 | 253,244 | 248,325 |
| Non-controlling interests | 142,606 | 142,606 | 142,606 | - | - | - |
| Total equity NTA⁽¹⁾ | 477,636 | 442,419 | 437,500 | 288,461 | 253,244 | 248,325 |
| | 335,030 | 299,813 | 294,894 | 288,461 | 253,244 | 248,325 |

| | | | | | | |
|--|-----------|-----------|-----------|-----------|-----------|-----------|
| Current assets | 648,465 | 613,248 | 608,329 | 593,471 | 558,254 | 553,335 |
| Current liabilities | 461,701 | 461,701 | 461,701 | 260,726 | 260,726 | 260,726 |
| Working capital | 186,764 | 151,547 | 146,628 | 332,745 | 297,528 | 292,609 |
| Total borrowings | 513,958 | 513,958 | 513,958 | 362,069 | 362,069 | 362,069 |
| Cash and cash equivalents | 51,905 | 16,688 | 11,769 | 2,881 | (32,336) | (37,255) |
| Net loss after tax attributable to Shareholders | (11,186) | (11,186) | (11,186) | (20,428) | (20,428) | (20,428) |
| Number of Shares (excluding Treasury Shares) (in '000) | 1,967,439 | 1,770,696 | 1,770,696 | 1,967,439 | 1,770,696 | 1,770,696 |
| Financial Ratios | | | | | | |
| NTA per Share ⁽²⁾ (cents) | 17.03 | 16.93 | 16.65 | 14.66 | 14.30 | 14.02 |
| Net gearing ratio ⁽³⁾ (times) | 0.97 | 1.12 | 1.15 | 1.25 | 1.56 | 1.61 |
| Current ratio ⁽⁴⁾ (times) | 1.40 | 1.33 | 1.32 | 2.28 | 2.14 | 2.12 |
| ELS ⁽⁵⁾ (cents) | (0.569) | (0.632) | (0.632) | (1.038) | (1.154) | (1.154) |

Notes:

- (1) NTA refers to Shareholders' funds less intangible assets.
- (2) NTA per Share is computed based on the NTA divided by the number of issued Shares (excluding Treasury Shares).
- (3) Net gearing ratio equals to total borrowings less cash and cash equivalents divided by Shareholders' funds.
- (4) Current ratio equals to current assets divided by current liabilities.
- (5) ELS equals net loss after tax attributable to Shareholders divided by the total number of issued Shares (excluding Treasury Shares) as at 31 December 2023.
- (6) Assumes that the Company undertakes a Market Purchase of 196,743,947 Shares at the Maximum Price of approximately S\$0.179 for one (1) Share which is 5% above the average of the closing market prices of the Shares over the last five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date, and accordingly, the aggregate purchase price to be paid for the Shares is approximately S\$35,217,167. However, the Company will not be making any purchases of Shares which results in the number of Shares held by the Company as Treasury Shares exceeding 10% of the total number of issued Shares.

- (7) Assumes that the Company undertakes an Off-Market Purchase of 196,743,947 Shares at the Maximum Price of approximately S\$0.204 for one (1) Share which is 20% above the average of the closing market prices of the Shares over the last five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date, and accordingly, the aggregate purchase price to be paid for the Shares is approximately S\$40,135,765. However, the Company will not be making any purchases of Shares which results in the number of Shares held by the Company as Treasury Shares exceeding 10% of the total number of issued Shares.

(b) Purchases made entirely out of capital and cancelled

| As at 31 December 2023 | <u>Before Share Buy-back (S\$'000)</u> | <u>Group After Share Buy-back by way of Market Purchase (S\$'000)⁽⁶⁾</u> | <u>After Share Buy-back by way of Off-Market Purchase (S\$'000)⁽⁷⁾</u> | <u>Before Share Buy-back (S\$'000)</u> | <u>Company After Share Buy-back by way of Market Purchase (S\$'000)⁽⁶⁾</u> | <u>After Share Buy-back by way of Off-Market Purchase (S\$'000)⁽⁷⁾</u> |
|--|---|--|--|---|--|--|
| Share capital | 345,244 | 310,027 | 305,108 | 345,244 | 310,027 | 305,108 |
| Retained earnings | 15,772 | 15,772 | 15,772 | (60,611) | (60,611) | (60,611) |
| Other reserves | (20,406) | (20,406) | (20,406) | 9,408 | 9,408 | 9,408 |
| Treasury Shares | (5,580) | (5,580) | (5,580) | (5,580) | (5,580) | (5,580) |
| Total Shareholders' funds | 335,030 | 299,813 | 294,894 | 288,461 | 253,244 | 248,325 |
| Non-controlling interests | 142,606 | 142,606 | 142,606 | - | - | - |
| Total equity | 477,636 | 442,419 | 437,500 | 288,461 | 253,244 | 248,325 |
| NTA ⁽¹⁾ | 335,030 | 299,813 | 294,894 | 288,461 | 253,244 | 248,325 |
| Current assets | 648,465 | 613,248 | 608,329 | 593,471 | 558,254 | 553,335 |
| Current liabilities | 461,701 | 461,701 | 461,701 | 260,726 | 260,726 | 260,726 |
| Working capital | 186,764 | 151,547 | 146,628 | 332,745 | 297,528 | 292,609 |
| Total borrowings | 513,958 | 513,958 | 513,958 | 362,069 | 362,069 | 362,069 |
| Cash and cash equivalents | 51,905 | 16,688 | 11,769 | 2,881 | (32,336) | (37,255) |
| Net loss after tax attributable to Shareholders | (11,186) | (11,186) | (11,186) | (20,428) | (20,428) | (20,428) |
| Number of Shares (excluding Treasury Shares) (in '000) | 1,967,439 | 1,770,696 | 1,770,696 | 1,967,439 | 1,770,696 | 1,770,696 |
| Financial Ratios | | | | | | |
| NTA per Share ⁽²⁾ (cents) | 17.03 | 16.93 | 16.65 | 14.66 | 14.30 | 14.02 |

| | | | | | | |
|--|---------|---------|---------|---------|---------|---------|
| Net gearing ratio ⁽³⁾ (times) | 0.97 | 1.12 | 1.15 | 1.25 | 1.56 | 1.61 |
| Current ratio ⁽⁴⁾ (times) | 1.40 | 1.33 | 1.32 | 2.28 | 2.14 | 2.12 |
| ELS ⁽⁵⁾ (cents) | (0.569) | (0.632) | (0.632) | (1.038) | (1.154) | (1.154) |

Notes:

- (1) NTA refers to Shareholders' funds less intangible assets.
 - (2) NTA per Share is computed based on the NTA divided by the number of issued Shares (excluding Treasury Shares).
 - (3) Net gearing ratio equals to total borrowings less cash and cash equivalents divided by Shareholders' funds.
 - (4) Current ratio equals to current assets divided by current liabilities.
 - (5) ELS equals net loss after tax attributable to Shareholders divided by the total number of issued Shares (excluding Treasury Shares) as at 31 December 2023.
 - (6) Assumes that the Company undertakes a Market Purchase of 196,743,947 Shares at the Maximum Price of approximately S\$0.179 for one (1) Share which is 5% above the average of the closing market prices of the Shares over the last five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date, and accordingly, the aggregate purchase price to be paid for the Shares is approximately S\$35,217,167.
 - (7) Assumes that the Company undertakes an Off-Market Purchase of 196,743,947 Shares at the Maximum Price of approximately S\$0.204 for one (1) Share which is 20% above the average of the closing market prices of the Shares over the last five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date, and accordingly, the aggregate purchase price to be paid for the Shares is approximately S\$40,135,765.
- (c) Purchases made entirely out of profits and held as Treasury Shares

| As at 31 December 2023 | Group | | | Company | | |
|----------------------------------|------------------------------|---|---|------------------------------|---|---|
| | Before Share Buy-back | After Share Buy-back by way of Market Purchase | After Share Buy-back by way of Off-Market Purchase | Before Share Buy-back | After Share Buy-back by way of Market Purchase | After Share Buy-back by way of Off-Market Purchase |
| | (S\$'000) | (S\$'000)⁽⁶⁾ | (S\$'000)⁽⁷⁾ | (S\$'000) | (S\$'000)⁽⁶⁾ | (S\$'000)⁽⁷⁾ |
| Share capital | 345,244 | 345,244 | 345,244 | 345,244 | 345,244 | 345,244 |
| Retained earnings | 15,772 | 15,772 | 15,772 | (60,611) | (60,611) | (60,611) |
| Other reserves | (20,406) | (20,406) | (20,406) | 9,408 | 9,408 | 9,408 |
| Treasury Shares | (5,580) | (40,797) | (45,716) | (5,580) | (40,797) | (45,716) |
| Total Shareholders' funds | 335,030 | 299,813 | 294,894 | 288,461 | 253,244 | 248,325 |
| Non-controlling interests | 142,606 | 142,606 | 142,606 | - | - | - |
| Total equity | 477,636 | 442,419 | 437,500 | 288,461 | 253,244 | 248,325 |

| | | | | | | |
|--|-----------|-----------|-----------|-----------|-----------|-----------|
| NTA ⁽¹⁾ | 335,030 | 299,813 | 294,894 | 288,461 | 253,244 | 248,325 |
| Current assets | 648,465 | 613,248 | 608,329 | 593,471 | 558,254 | 553,335 |
| Current liabilities | 461,701 | 461,701 | 461,701 | 260,726 | 260,726 | 260,726 |
| Working capital | 186,764 | 151,547 | 146,628 | 332,745 | 297,528 | 292,609 |
| Total borrowings | 513,958 | 513,958 | 513,958 | 362,069 | 362,069 | 362,069 |
| Cash and cash equivalents | 51,905 | 16,688 | 11,769 | 2,881 | (32,336) | (37,255) |
| Net loss after tax attributable to Shareholders | (11,186) | (11,186) | (11,186) | (20,428) | (20,428) | (20,428) |
| Number of Shares (excluding Treasury Shares) (in '000) | 1,967,439 | 1,770,696 | 1,770,696 | 1,967,439 | 1,770,696 | 1,770,696 |
| Financial Ratios | | | | | | |
| NTA per Share ⁽²⁾ (cents) | 17.03 | 16.93 | 16.65 | 14.66 | 14.30 | 14.02 |
| Net gearing ratio ⁽³⁾ (times) | 0.97 | 1.12 | 1.15 | 1.25 | 1.56 | 1.61 |
| Current ratio ⁽⁴⁾ (times) | 1.40 | 1.33 | 1.32 | 2.28 | 2.14 | 2.12 |
| ELS ⁽⁵⁾ (cents) | (0.569) | (0.632) | (0.632) | (1.038) | (1.154) | (1.154) |

Notes:

- (1) NTA refers to Shareholders' funds less intangible assets.
- (2) NTA per Share is computed based on the NTA divided by the number of issued Shares (excluding Treasury Shares).
- (3) Net gearing ratio equals to total borrowings less cash and cash equivalents divided by Shareholders' funds.
- (4) Current ratio equals to current assets divided by current liabilities.
- (5) ELS equals net loss after tax attributable to Shareholders divided by the total number of issued Shares (excluding Treasury Shares) as at 31 December 2023.
- (6) Assumes that the Company undertakes a Market Purchase of 196,743,947 Shares at the Maximum Price of approximately S\$0.179 for one (1) Share which is 5% above the average of the closing market prices of the Shares over the last five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date, and accordingly, the aggregate purchase price to be paid for the Shares is approximately S\$35,217,167. However, the Company will not be making any purchases of Shares which results in the number of Shares held by the Company as Treasury Shares exceeding 10% of the total number of issued Shares.

(7) Assumes that the Company undertakes an Off-Market Purchase of 196,743,947 Shares at the Maximum Price of approximately S\$0.204 for one (1) Share which is 20% above the average of the closing market prices of the Shares over the last five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date, and accordingly, the aggregate purchase price to be paid for the Shares is approximately S\$40,135,765. However, the Company will not be making any purchases of Shares which results in the number of Shares held by the Company as Treasury Shares exceeding 10% of the total number of issued Shares.

(d) Purchases made entirely out of profits and cancelled

| As at 31 December 2023 | <u>Before Share Buy- back (S\$'000)</u> | <u>Group After Share Buy- back by way of Market Purchase (S\$'000)⁽⁶⁾</u> | <u>After Share Buy- back by way of Off- Market Purchase (S\$'000)⁽⁷⁾</u> | <u>Before Share Buy-back (S\$'000)</u> | <u>Company After Share Buy- back by way of Market Purchase (S\$'000)⁽⁶⁾</u> | <u>After Share Buy- back by way of Off- Market Purchase (S\$'000)⁽⁷⁾</u> |
|--|--|---|--|---|---|--|
| Share capital | 345,244 | 345,244 | 345,244 | 345,244 | 345,244 | 345,244 |
| Retained earnings | 15,772 | (19,445) | (24,364) | (60,611) | (95,828) | (100,747) |
| Other reserves | (20,406) | (20,406) | (20,406) | 9,408 | 9,408 | 9,408 |
| Treasury Shares | (5,580) | (5,580) | (5,580) | (5,580) | (5,580) | (5,580) |
| Total Shareholders' funds | 335,030 | 299,813 | 294,894 | 288,461 | 253,244 | 248,325 |
| Non-controlling interests | 142,606 | 142,606 | 142,606 | - | - | - |
| Total equity | 477,636 | 442,419 | 437,500 | 288,461 | 253,244 | 248,325 |
| NTA ⁽¹⁾ | 335,030 | 299,813 | 294,894 | 288,461 | 253,244 | 248,325 |
| Current assets | 648,465 | 613,248 | 608,329 | 593,471 | 558,254 | 553,335 |
| Current liabilities | 461,701 | 461,701 | 461,701 | 260,726 | 260,726 | 260,726 |
| Working capital | 186,764 | 151,547 | 146,628 | 332,745 | 297,528 | 292,609 |
| Total borrowings | 513,958 | 513,958 | 513,958 | 362,069 | 362,069 | 362,069 |
| Cash and cash equivalents | 51,905 | 16,688 | 11,769 | 2,881 | (32,336) | (37,255) |
| Net loss after tax attributable to Shareholders | (11,186) | (11,186) | (11,186) | (20,428) | (20,428) | (20,428) |
| Number of Shares (excluding Treasury Shares) (in '000) | 1,967,439 | 1,770,696 | 1,770,696 | 1,967,439 | 1,770,696 | 1,770,696 |
| Financial Ratios | | | | | | |
| NTA per Share ⁽²⁾ (cents) | 17.03 | 16.93 | 16.65 | 14.66 | 14.30 | 14.02 |

| | | | | | | |
|--|---------|---------|---------|---------|---------|---------|
| Net gearing ratio ⁽³⁾ (times) | 0.97 | 1.12 | 1.15 | 1.25 | 1.56 | 1.61 |
| Current ratio ⁽⁴⁾ (times) | 1.40 | 1.33 | 1.32 | 2.28 | 2.14 | 2.12 |
| ELS ⁽⁵⁾ (cents) | (0.569) | (0.632) | (0.632) | (1.038) | (1.154) | (1.154) |

Notes:

- (1) NTA refers to Shareholders' funds less intangible assets.
- (2) NTA per Share is computed based on the NTA divided by the number of issued Shares (excluding Treasury Shares).
- (3) Net gearing ratio equals to total borrowings less cash and cash equivalents divided by Shareholders' funds.
- (4) Current ratio equals to current assets divided by current liabilities.
- (5) ELS equals net loss after tax attributable to Shareholders divided by the total number of issued Shares (excluding Treasury Shares) as at 31 December 2023.
- (6) Assumes that the Company undertakes a Market Purchase of 196,743,947 Shares at the Maximum Price of approximately S\$0.179 for one (1) Share which is 5% above the average of the closing market prices of the Shares over the last five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date, and accordingly, the aggregate purchase price to be paid for the Shares is approximately S\$35,217,167.
- (7) Assumes that the Company undertakes an Off-Market Purchase of 196,743,947 Shares at the Maximum Price of approximately S\$0.204 for one (1) Share which is 20% above the average of the closing market prices of the Shares over the last five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date, and accordingly, the aggregate purchase price to be paid for the Shares is approximately S\$40,135,765.

Shareholders should note that the financial effects, based on the respective aforementioned assumptions, are for illustrative purposes only. In particular, it is important to note that it is not possible for the Company to realistically calculate or quantify the impact of the purchase or acquisition of Shares that may be made pursuant to the Share Buy-back Mandate on the NTA per Share and EPS as the resultant effect would depend on factors such as the aggregate number of Shares purchased, the purchase price paid at the relevant time and the amount (if any) borrowed by the Company to fund the purchase or acquisition of Shares. The above analysis is based on historical numbers as at 31 December 2023, and is not necessarily representative of future financial performance.

It should also be noted that the purchase or acquisition of Shares by the Company pursuant to the Share Buy-back Mandate would only be made in circumstances where it is considered to be in the best interests of the Company. Although the Share Buy-back Mandate would authorise the Company to purchase or acquire up to 10% of the issued Shares, the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10% of the issued Shares. In addition, the Directors would emphasise that they do not propose to purchase or acquire Shares pursuant to the Share Buy-back Mandate to such an extent that would, or in circumstances that might, materially and adversely affect the financial condition of the Company or the Group, result in the Company being delisted from the SGX-ST, or result in a breach of any contractual obligation to which the Company and/or the Group is bound. The Company will take into account both financial and non-financial factors (for example, share market conditions and the performance of the Shares) in assessing the relative impact of a purchase or acquisition of Shares before execution.

2.8. Listing Rules

Rule 886 of the Listing Manual requires the Company to notify SGX-ST of all purchases or acquisitions of its Shares as follows:

- (a) in the case of a Market Purchase, by 9.00 a.m. on the Market Day following the day of the Share Buy-back; and
- (b) in the case of an Off-Market Purchase, by 9.00 a.m. on the second Market Day after the close of acceptances of the offer.

Such notification (which must be in the form of Appendix 8.3.1 of the Listing Manual) must include the maximum number of Shares authorised for purchase, the date of the purchase, the total number of Shares purchased, the number of Shares cancelled, the number of Shares held as Treasury Shares, the purchase price per Share or the highest and lowest prices paid per Share, as applicable, and the total consideration (including stamp duties, clearing charges, et cetera.) paid or payable for the Shares, the number of Shares purchased as at the date of notification from the date the Share Buy-back Mandate is obtained (on a cumulative basis), the number of issued Shares excluding Treasury Shares and the number of Treasury Shares held after the Share Buy-back.

The Listing Manual does not expressly prohibit a listed company from purchasing or acquiring its own Shares during any particular time or times. However, as the Company would be regarded as an “insider” in relation to any proposed purchase or acquisition of Shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the Share Buy-back Mandate in any of the following circumstances:

- (i) at any time after any matter or development of a price-sensitive nature has occurred or has been the subject of consideration and/or decision of the Board until the price-sensitive information has been publicly announced or disseminated in accordance with the requirements of the Listing Manual; and
- (ii) one (1) month before the announcement of each of the Company’s half year and full year financial statements.

Rule 723 of the Listing Manual requires a listed company to ensure that at least 10.0% of any class of its listed securities must be held by public Shareholders. As at the Latest Practicable Date, approximately 18.06% of the issued share capital of the Company is held in the hands of the public. Assuming that the Company re-purchases the maximum of 10.0% of the total number of issued Shares of the Company as at the Latest Practicable Date from public Shareholders, the percentage of Shares held by the public would fall below the required 10.0%. As indicated in Section 2.3.1(b) of this Appendix above, the Company will accordingly not undertake Share Buy-backs up to the full 10.0% limit pursuant to the Share Buy-back Mandate and ensure that the 10.0% public float requirement is maintained at all times if any Share Buy-back is undertaken.

The Directors will ensure that any Share Buy-back, if undertaken by the Company pursuant to the Share Buy-back Mandate, will not affect orderly trading of the Company’s Shares and its listing status.

Shareholders are advised to consult their professional advisers and/or the relevant authorities at the earliest opportunity as to whether they would incur any obligation to make a take-over offer as a result of any purchase or acquisition of Shares by the Company pursuant to the Share Buy-back Mandate. Although the Share Buy-back Mandate would authorise the Company to purchase up to 10.0% of the total number of issued Shares of the Company as at the date the Share Buy-back Mandate is obtained, the Company may not necessarily buy back or be able to buy back 10.0% of the total number of issued Shares in full (as further detailed under Section 2.3.1(b) of this Appendix).

2.9. Take-over implications

Appendix 2 of the Take-over Code contains the Share Buy-back Guidance Note. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below.

2.9.1. Obligation to make a take-over offer

If, as a result of any purchase or acquisition by the Company of its Shares, the percentage of voting rights held by a Shareholder and persons acting in concert with him increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. Consequently, a Shareholder or group of Shareholders acting in concert could obtain or consolidate effective control of the Company and become obliged to make an offer under Rule 14 of the Take-over Code.

2.9.2. Persons acting in concert

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), cooperate, through the acquisition by any of them of shares in a company, to obtain or consolidate effective control of that company.

Unless the contrary is established, the following persons and companies will be presumed to be acting in concert:

- (a) the following companies: (i) a company; (ii) the parent company of (i); (iii) the subsidiaries of (i); (iv) the fellow subsidiaries of (i); (v) the associated companies of any of (i), (ii), (iii) or (iv); (vi) companies whose associated companies include any of (i), (ii), (iii), (iv) or (v); and (vii) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights. For this purpose, a company is an associated company of another company if the second company owns or controls at least 20% but not more than 50% of the voting rights of the first-mentioned company;
- (b) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts);
- (c) a company with any of its pension funds and employee share schemes;
- (d) a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;
- (e) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of the adviser and the persons controlling, controlled by or under the same control as the adviser;
- (f) directors of a company (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts) which is subject to an offer or where the directors have reason to believe a bona fide offer for their company may be imminent;
- (g) partners; and
- (h) an individual, his close relatives, his related trusts, and any person who is accustomed to act according to his instructions, companies controlled by any of the above persons, and any person who has provided financial assistance (other than a bank in its ordinary course of business) to any of the above for the purchase of voting rights.

The circumstances under which Shareholders, including Directors and persons acting in concert with them respectively, will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code after a purchase or acquisition of Shares by the Company are set out in Appendix 2 of the Take-over Code.

2.9.3. Effect of Rule 14 and Appendix 2 of the Take-over Code

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that:

- (a) unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or if the voting rights of such Directors and their concert parties fall between 30% and 50% of the Company's voting rights, the voting rights of such Directors and their concert parties would increase by more than 1% in any period of six (6) months; and
- (b) a Shareholder who is not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring Shares, the voting rights of such Shareholder in the Company would increase to 30% or more, or, if such Shareholders holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholders would increase by more than 1% in any period of six (6) months. Such a Shareholder need not abstain from voting in respect of the resolution authorising the Share Buy-back Mandate unless so required under the Companies Act.

2.9.4. Exemption under Appendix 2 of the Take-over Code

Section 3(a) of the Appendix 2 of the Take-over Code provides, *inter alia*, that for a Market Purchase under Section 76E of the Companies Act or an Off-Market Purchase under Section 76C of the Companies Act by a listed company, Directors and persons acting in concert with them will be exempted from the requirement to make a general offer for the Company under Rule 14.1 of the Take-over Code, subject to the following conditions:

- (a) the Appendix to Shareholders on the resolution to authorise a share buy-back to contain advice to the effect that by voting for the buy-back resolution, Shareholders are waiving their right to a general offer at the required price from Directors and parties acting in concert with them who, as a result of the Company buying back its Shares, would increase their voting rights to 30% or more, or, if they together hold between 30% and 50% of the Company's voting rights, would increase their voting rights by more than 1% in any period of six (6) months; and the names of such Directors and persons acting in concert with them, their voting rights at the time of the resolution and after the proposed buy-back to be disclosed in the same Appendix;
- (b) the resolution to authorise a share buy-back to be approved by a majority of those Shareholders present and voting at the meeting on a poll who could not become obliged to make an offer as a result of the share buy-back;
- (c) the Directors and/or persons acting in concert with them to abstain from voting for and/or recommending Shareholders to vote in favour of the resolution to authorise the share buy-back;
- (d) within seven (7) days after the passing of the resolution to authorise a share buy-back, each of the Directors to submit to the SIC a duly signed form as prescribed by the SIC;

- (e) Directors and/or persons acting in concert with them not to have acquired and not to acquire any Shares between the date on which they know that the announcement of the share buy-back proposal is imminent and the earlier of:
- (i) the date on which the authority of the share buy-back expires; and
 - (ii) the date on which the Company announces it has bought back such number of Shares as authorised by Shareholders at the latest general meeting or it has decided to cease buying its Shares, as the case may be,
- if such acquisitions, taken together with the share buy-back, would cause their aggregate voting rights to increase to 30% or more; and
- (f) Directors and/or persons acting in concert with them, together holding between 30% and 50% of the Company's voting rights, not to have acquired and not to acquire any Shares between the date on which they know that the announcement of the share buy-back proposal is imminent and the earlier of:
- (i) the date on which the authority of the share buy-back expires; and
 - (ii) the date on which the Company announces it has bought back such number of Shares as authorised by Shareholders at the latest general meeting or it has decided to cease buying its Shares, as the case may be,
- if such acquisitions, taken together with the share buy-back, would cause their aggregate voting rights to increase by more than 1% in the preceding six (6) months.

It follows that where aggregate voting rights held by a Director and persons acting in concert with him increase by more than 1% solely as a result of the share buy-back and none of them has acquired any Shares during the relevant period defined above, then such Director and/or persons acting in concert with him would be eligible for SIC's exemption from the requirement to make a general offer under Rule 14 of the Take-over Code, or where such exemption had been granted, would continue to enjoy the exemption.

2.9.5. **Take-over obligations of Directors and Substantial Shareholders of the Company**

Based on the interests of the Directors and Substantial Shareholders as at the Latest Practicable Date as recorded in the Register of Directors' and Substantial Shareholders' Shareholdings, none of the Directors or Substantial Shareholders would become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code as a result of the purchase or acquisition by the Company of the maximum limit of 10% of its issued Shares (excluding Treasury Shares) as at the Latest Practicable Date.

The statements in this Appendix do not purport to be a comprehensive or exhaustive description of all implications that may arise under the Take-over Code. Shareholders who are in doubt as to their obligations, if any, to make a mandatory takeover offer under the Take-over Code as a result of any purchase or acquisition of Shares by the Company should consult the SIC and/or their professional advisers at the earliest opportunity.

2.9.6. **Shares purchased by the Company**

The Company has not made any share buy-backs during the 12-month period preceding the Latest Practicable Date.

2.10. Tax Implications

Shareholders who are in doubt as to their respective tax positions or the tax implications of the proposed Share Buy-back by the Company, or who may be subject to tax whether in or outside Singapore, should consult their own professional advisors.

3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

3.1. Interests of the Directors and Substantial Shareholders in the Shares

Based on the Company's register of interests of Directors and register of Substantial Shareholders respectively, as at the date of the Appendix, the interests of the Directors and Substantial Shareholders in the Shares of the Company are as follows:

| | Direct Interest | | Deemed Interest | | Total | |
|--|-----------------|-------|-----------------|------|---------------|-------|
| | No. of Shares | (%) | No. of Shares | (%) | No. of Shares | (%) |
| Directors | | | | | | |
| Dr Sam Goi Seng Hui | 1,253,094,208 | 63.69 | - | - | 1,253,094,208 | 63.69 |
| Gilbert Ee Guan Hui ⁽¹⁾ | 629,478 | 0.03 | 157,913,600 | 8.03 | 158,543,078 | 8.06 |
| Goi Kok Ming (Wei Guoming) | - | - | - | - | - | - |
| Michael Grenville Gray | - | - | - | - | - | - |
| Tan Min-Li | - | - | - | - | - | - |
| Wendell Wong Hin Pkin | - | - | - | - | - | - |
| Ng Hin Lee | - | - | - | - | - | - |
| Substantial Shareholders (other than Directors) | | | | | | |
| Goodview Properties Pte Ltd ⁽²⁾ | 100,000,000 | 5.10 | - | - | 100,000,000 | 5.10 |
| Far East Organization Centre Pte Ltd | - | - | 100,000,000 | 5.10 | 100,000,000 | 5.10 |
| Lippo Capital Limited ⁽³⁾ | - | - | 99,021,467 | 5.03 | 99,021,467 | 5.03 |
| Lippo Capital Holdings Company Limited ⁽⁴⁾ | - | - | 99,021,467 | 5.03 | 99,021,467 | 5.03 |
| Lippo Capital Group Limited ⁽⁵⁾ | - | - | 99,021,467 | 5.03 | 99,021,467 | 5.03 |
| PT Trijaya Utama Mandiri ⁽⁶⁾ | - | - | 99,021,467 | 5.03 | 99,021,467 | 5.03 |
| Stephen Riady ⁽⁷⁾ | - | - | 99,021,467 | 5.03 | 99,021,467 | 5.03 |
| James Tjahaja Riady ⁽⁸⁾ | - | - | 99,021,467 | 5.03 | 99,021,467 | 5.03 |
| Ng Chee Siong | - | - | 101,112,200 | 5.16 | 101,112,200 | 5.16 |
| Ng Chee Tat Philip | - | - | 101,112,200 | 5.16 | 101,112,200 | 5.16 |

Notes:

- (1) Gilbert Ee Guan Hui is treated as having an interest in 112,913,600 Shares held through nominees and 45,000,000 Shares held through Florence Ee Gek Noi (his spouse). The percentage shown is to the nearest 2 decimal places.
- (2) The percentage shown, to the nearest 2 decimal places, was based on form 3 received from Goodview Properties Pte Ltd as at 13 August 2013.
- (3) The percentage shown, to the nearest 2 decimal places, was based on form 3 received from Lippo Capital Limited as at 30 October 2023.
- (4) The percentage shown, to the nearest 2 decimal places, was based on form 3 received from Lippo Capital Holdings Company Limited as at 30 October 2023.

- (5) The percentage shown, to the nearest 2 decimal places, was based on form 3 received from Lippo Capital Group Limited as at 30 October 2023.
- (6) The percentage shown, to the nearest 2 decimal places, was based on form 3 received from PT Trijaya Utama Mandiri ("**PT TUM**") as at 30 October 2023.
- (7) The percentage shown, to the nearest 2 decimal places, was based on form 3 received from Dr. Stephen Riady as at 30 October 2023.
- (8) The percentage shown, to the nearest 2 decimal places, was based on form 3 received from Mr. James Tjahaja Riady as at 30 October 2023.
- (9) Based on form 3 received on 13 August 2013, Far East Organization Centre Pte Ltd has a controlling interest in Goodview Properties Pte Ltd and is therefore treated to be having an interest in the 100,000,000 Shares held by Goodview Properties Pte Ltd in the Company.
- (10) Based on form 3 received on 30 October 2023, Lippo Capital Limited ("**LCL**") has a deemed interest in (i) 19,260,000 shares in the issued share capital of GSH ("**Shares**") held by OUE Limited ("**OUE**"), (ii) 77,761,467 Shares held by Golden Super Holdings Limited ("**GSHL**"), a subsidiary of LCL; and (iii) 2,000,000 Shares held by Lippo Assets (International) Limited ("**LAIL**"), a wholly-owned subsidiary of LCL. Accordingly, LCL has a deemed interest in a total of 99,021,467 Shares.
- (11) Based on form 3 received on 30 October 2023, Lippo Capital Holdings Company Limited ("**LCH**") is the holding company of LCL. LCL is the holding company of an entity which has joint control of Lippo ASM Asia Property Limited ("**LAAPL**"), which is a holding company of OUE. In addition, LCL is the holding company of each of GSHL and LAIL.
- (12) Based on form 3 received on 30 October 2023, Lippo Capital Group Limited ("**LCG**") is the holding company of LCH. Accordingly, LCG has a deemed interest in the Shares in which LCL has an interest.
- (13) Based on form 3 received on 30 October 2023, PT TUM holds more than 20% of the shares in LCL. LCL is the holding company of an entity which has joint control of LAAPL, which is a holding company of OUE. In addition, LCL is the holding company of each of GSHL and LAIL.
- (14) Based on form 3 received on 30 October 2023, Dr. Stephen Riady effectively holds all the shares in LCG. LCG is the holding company of LCH which in turn is the holding company of LCL. LCL is the holding company of an entity which has joint control of LAAPL, which is a holding company of OUE. In addition, LCL is the holding company of each of GSHL and LAIL.
- (15) Based on form 3 received on 30 October 2023, Mr. James Tjahaja Riady effectively holds all the shares of PT TUM. PT TUM holds more than 20% of the shares in LCL. LCL is the holding company of an entity which has joint control of LAAPL, which is a holding company of OUE. In addition, LCL is the holding company of each of GSHL and LAIL.
- (16) Based on form 3 received on 1 June 2017, vesting of the assets of the Estate of Ng Teng Fong (the "**Estate**") in Ng Chee Siong ("**RN**") in his capacity as a beneficiary of the Estate, pending final distribution. Goodview Properties Pte Ltd has a direct interest in 101,112,200 Shares. The Estate has a controlling interest in Far East Organization Centre Pte. Ltd., which in turn has a controlling interest in Goodview Properties Pte Ltd.. RN is a beneficiary of the Estate and is therefore treated to be having an interest in the 101,112,200 Shares in which Goodview Properties Pte Ltd has an interest.

- (17) Based on form 3 received on 1 June 2017, vesting of the assets of the Estate of Ng Teng Fong (the “Estate”) in Ng Chee Tat Philip (“PN”) in his capacity as a beneficiary of the Estate, pending final distribution. Goodview Properties Pte Ltd has a direct interest in 101,112,200 Shares. The Estate has a controlling interest in Far East Organization Centre Pte. Ltd., which in turn has a controlling interest in Goodview Properties Pte Ltd.. PN is a beneficiary of the Estate and is therefore treated to be having an interest in the 101,112,200 Shares in which Goodview Properties Pte Ltd has an interest.

3.2. **Interests of the Directors and Substantial Shareholders in the Proposed Renewal**

None of the Directors or the Substantial Shareholders, has any other interest, direct or indirect, in the Proposed Renewal other than through their respective directorships in the Group and/or shareholdings in the Company.

4. **DIRECTORS’ RECOMMENDATION**

The Board, having fully considered, *inter alia*, the terms, the rationale, the benefits, and the financial effects of the Proposed Renewal is of the view that the Proposed Renewal is in the interests of the Company and the Shareholders. Accordingly, they recommend that the Shareholders vote in favour of Resolution 7 in relation to the Proposed Renewal to be proposed at the AGM.

Shareholders are advised to read this Appendix in its entirety, in particular the rationales for the Proposed Renewal and for those who may require advice in the context of his specific investment, to consult his stockbroker, bank manager, solicitor or other professional adviser.

5. **ANNUAL GENERAL MEETING**

The AGM, notice of which is enclosed in the Annual Report, will be held at 20 Cecil Street, #28-01 PLUS, Singapore 049705 on Friday, 26 April 2024 at 10.30 a.m. for the purpose of considering and, if thought fit, passing with or without modifications the resolution set out in the notice of the AGM. Printed copies of this Appendix will not be sent to Shareholders. Instead, this Appendix may be accessed at the Company’s website at http://www.gshcorporation.com/ir_shareholder_meetings.html and SGX’s website at <https://www.sgx.com/securities/company-announcements>.

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

Shareholders who are unable to attend the AGM and wish to appoint a proxy or proxies to attend and vote on their behalf, will find enclosed with this Appendix, the Proxy Form which they are requested to complete, sign and return, in accordance with the instructions printed thereon, as soon as possible and, in any event, so as to arrive at the registered office of the Company at 20 Cecil Street, #28-01 PLUS, Singapore 049705, not less than 72 hours before the time appointed for the holding of the AGM. The completion and return of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the AGM in place of his proxy or proxies if he finds that he is able to do so. In such event, the relevant Proxy Form will be deemed to be revoked.

A Depositor shall not be regarded as a Shareholder entitled to attend the AGM and to speak and vote thereat unless his name appears on the Depository Register at least 72 hours before the time appointed for the holding of the AGM.

7. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the Proposed Renewal, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading. Where information in the Appendix 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 the Appendix in its proper form and context.

8. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are available for inspection at the registered office of the Company at 20 Cecil Street, #28-01 PLUS, Singapore 049705 during normal business hours on any weekday (public holidays excepted) from the date of this Appendix up to and including the date of the AGM:

- (a) the Constitution of the Company;
- (b) the Annual Report of the Company.

Any person wishing to inspect any of the documents as provided above should contact the Company to make an appointment sufficiently in advance prior to inspection.

Yours faithfully

For and on behalf of the Board of Directors of
GSH Corporation Limited

Gilbert Ee Guan Hui
CEO/Executive Director