

APPENDIX DATED 10 OCTOBER 2023

THIS APPENDIX IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

IF YOU ARE IN DOUBT AS TO THE CONTENTS HEREIN OR AS TO ANY ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT, FINANCIAL, TAX OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

If you have sold or transferred all your shares in the issued share capital of ST Group Food Industries Holdings Limited (the “**Company**”), you should immediately forward this Appendix together with the Annual Report, the Notice of Annual General Meeting and the accompanying Proxy Form immediately to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or the transferee.

This Appendix has been prepared by the Company and its contents have been reviewed by the Company’s Sponsor, Hong Leong Finance Limited. It has not been examined or approved by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) and the SGX-ST assumes no responsibility for the contents of this Appendix, including the correctness of any of the statements or opinions made, or reports contained in this Appendix.

The contact person for the Sponsor is Ms Vera Leong, Vice President, Hong Leong Finance Limited, at 16 Raffles Quay, #01-05 Hong Leong Building, Singapore 048581, Telephone (65) 6415 9881.

The legal advisers to the Company in relation to Singapore law for the purpose of the corporate action set out in this Appendix is Aquinas Law Alliance LLP.



S T G R O U P

ST GROUP FOOD INDUSTRIES HOLDINGS LIMITED

(Company Registration No.: 201801590R)

(Incorporated in the Republic of Singapore on 11 January 2018)

APPENDIX TO SHAREHOLDERS

IN RELATION TO

THE PROPOSED RENEWAL OF THE SHARE BUYBACK MANDATE

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DEFINITIONS

In this Appendix, the following definitions apply throughout unless otherwise stated.

“ 2022 AGM ”	: The annual general meeting of the Company held on 31 October 2022
“ ACRA ”	: Accounting and Corporate Regulatory Authority of Singapore
“ AGM ”	: The annual general meeting of the Company to be held on 25 October 2023, 10.00 a.m. at 600 North Bridge Road, #05-01 Parkview Square, Singapore 188778, notice of which is attached to the Annual Report
“ Annual Report ”	: The annual report of the Company for FY2023 dated 10 October 2023
“ Appendix ”	: This appendix to the Annual Report dated 10 October 2023 issued by the Company to the Shareholders in relation to the proposed renewal of the Share Buyback Mandate
“ Catalist ”	: The sponsor-supervised listing platform of the SGX-ST
“ Catalist Rules ”	: The SGX-ST Listing Manual Section B: Rules of Catalist, as amended or modified from time to time
“ CDP ”	: The Central Depository (Pte) Limited
“ Companies Act ”	: The Companies Act 1967 of Singapore, as amended or modified from time to time
“ Company ”	: ST Group Food Industries Holdings Limited
“ Constitution ”	: The constitution of the Company, as may be amended or modified from time to time
“ Directors ”	: The directors of the Company for the time being (collectively, the “ Board of Directors ”)
“ FY ”	: Financial year ended or, as the case may be, ending 30 June
“ FY2023 ”	: The financial year ended 30 June 2023
“ Group ”	: The Company and its subsidiaries
“ Latest Practicable Date ”	: 3 October 2023, being the latest practicable date prior to the date of this Appendix
“ Market Day ”	: A day on which the SGX-ST is open for securities trading
“ NTA ”	: Net tangible assets
“ Register of Members ”	: The Register of Members of the Company

DEFINITIONS

“Securities Accounts”	: Securities accounts maintained by Depositors with CDP, but not including securities sub-accounts maintained with a Depository Agent
“SFA”	: The Securities and Futures Act 2001 of Singapore, as amended or modified from time to time
“SGX-ST”	: Singapore Exchange Securities Trading Limited
“Share Buyback”	: The purchase or acquisition of issued Share(s) by the Company pursuant to the terms of the Share Buyback Mandate
“Share Buyback Mandate”	: The general and unconditional mandate given by the Shareholders to authorise the Directors to purchase or otherwise acquire, on behalf of the Company, Shares in accordance with the terms set out in this Appendix as well as the rules and regulations set forth in the Companies Act and the Catalist Rules
“Shareholders”	: Registered holders of Shares in the Register of Members, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context admits, mean the persons named as Depositors in the Depository Register maintained by the CDP and whose Securities Accounts maintained with CDP are credited with those Shares
“Shares”	: Ordinary shares in the capital of the Company
“SIC”	: The Securities Industry Council of Singapore
“Sponsor”	: Hong Leong Finance Limited
“Take-Over Code”	: The Singapore Code on Take-overs and Mergers
“Treasury Shares”	: Issued Shares which were (or are treated as having been) purchased by the Company in circumstances in which Section 76H of the Companies Act applies, and have been held by the Company continuously since purchased
“A\$”	: Australian dollars, the lawful currency of Australia
“S\$” and “cents”	: Singapore dollars and cents respectively, the lawful currency of the Republic of Singapore
“%” or “per cent”	: Per centum or percentage

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

The expressions **“associate”**, **“associated company”**, **“subsidiary”**, **“controlling shareholder”** and **“substantial shareholder”** shall have the meaning ascribed to them respectively in the Companies Act and the Catalist Rules.

DEFINITIONS

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 and vice versa. References to persons, where applicable, shall include corporations.

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

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

Any reference to a date and/or time of day in this Appendix shall be a reference to Singapore time unless otherwise stated.

All discrepancies in the figures included herein between the listed amounts and 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.

LETTER TO SHAREHOLDERS

ST GROUP FOOD INDUSTRIES HOLDINGS LIMITED

(Company Registration Number 201801590R)

(Incorporated in the Republic of Singapore on 11 January 2018)

Board of Directors

Mr. Saw Tatt Ghee (Executive Chairman and Chief Executive Officer)
Ms. Saw Lee Ping (Executive Director and Chief Administrative Officer)
Mr. Chan Wee Kiang (Lead Independent Director)
Mr. Peter Sim Swee Yam (Independent Director)
Mr. Yap Zhi Chau (Independent Director)

Registered Office

16 Raffles Quay
#17-03 Hong Leong Building
Singapore 048581

10 October 2023

To: The Shareholders of ST Group Food Industries Holdings Limited

Dear Sir / Madam

1. INTRODUCTION

- 1.1 **AGM.** The Company has on 10 October 2023 issued the Notice of AGM convening the AGM to be held on 25 October 2023 at 10.00 a.m. at 600 North Bridge Road, #05-01 Parkview Square, Singapore 188778 to seek Shareholders' approval for the proposed renewal of the Share Buyback Mandate.
- 1.2 **Appendix.** The purpose of this Appendix is to provide Shareholders with information relating to the proposed renewal of the Share Buyback Mandate.

2. THE PROPOSED RENEWAL OF THE SHARE BUYBACK MANDATE

- 2.1 **Introduction.** Any purchase or acquisition of Shares by the Company would have to be made in accordance with, and in the manner prescribed by, the Companies Act, the Catalist Rules and such other laws and regulations as may, for the time being, be applicable. Regulation 72(2) of the Constitution expressly permits the Company to authorise the Directors, in a general meeting, to purchase or otherwise acquire its issued Shares on such terms as the Company may think fit and in the manner prescribed by the Companies Act. The Company is also required to obtain approval of its Shareholders at a general meeting if it wishes to purchase or acquire its own Shares.

The Share Buyback Mandate was renewed by the Shareholders at the 2022 AGM to enable the Company to purchase or otherwise acquire its Shares. The authority conferred by the Share Buyback Mandate adopted at the 2022 AGM was expressed to continue in force until (i) the date on which the next annual general meeting of the Company is held or required to be held (whereupon it will lapse, unless renewed at such meeting), or (ii) the date on which the authority conferred by the Share Buyback Mandate is revoked or varied by the Company at a general meeting (if so varied or revoked prior to the next annual general meeting), or (iii) the date on which purchases and acquisitions of Shares pursuant to the Share Buyback Mandate are carried out to the full extent mandated, whichever is the earliest.

Accordingly, approval is being sought from Shareholders at the upcoming AGM for the proposed renewal of the Share Buyback Mandate. An ordinary resolution will be proposed, pursuant to which the Share Buyback Mandate will be given to the Directors to exercise all powers of the Company to purchase or otherwise acquire Shares according to the terms of the Share Buyback Mandate, as well as the rules and regulations set forth in the Companies Act and the Listing Manual.

LETTER TO SHAREHOLDERS

If approved by Shareholders at the AGM, the authority conferred by the Share Buyback Mandate will continue in force until the date on which the next AGM of the Company is held or is required to be held, whichever is earlier, unless prior thereto, the Share Buyback Mandate has been carried out to the full extent mandated, or the authority conferred by the Share Buyback Mandate is revoked or varied by Shareholders in a general meeting.

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

- (a) in managing the business of the Group, the management will strive to increase Shareholders' value by improving, *inter alia*, the return on equity of the Group. In addition to growth and expansion of the business, share buybacks may be considered as one of the ways through which the return on equity of the Group may be enhanced;
- (b) Shares which are purchased or acquired by the Company pursuant to the Share Buyback Mandate and held as Treasury Shares may, *inter alia*, to the extent permitted by applicable law, be transferred for the purposes of or pursuant to share incentive schemes implemented by the Company, including the ST Group Performance Share Plan. The use of Treasury Shares in lieu of issuing new Shares would also mitigate the dilution impact on existing Shareholders;
- (c) the Share Buyback 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 its financial needs, taking into account its growth and expansion plans, the Share Buyback Mandate will facilitate the return of excess cash and surplus funds to Shareholders in an expedient, effective and cost-efficient manner; and
- (d) the Share Buyback Mandate will provide the Company with the flexibility to undertake share buybacks at any time, subject to market conditions, during the period when the Share Buyback Mandate is in force.

The purchase or acquisition of Shares will only be undertaken if the Directors believe it can benefit the Company and its Shareholders. No purchase or acquisition of Shares will be made in circumstances which would have or may have a material adverse effect on the liquidity and capital adequacy position of the Group as a whole and/or affect the listing status of the Company on Catalist. Shareholders should note that purchases or acquisitions of Shares pursuant to the Share Buyback Mandate may not be carried out to the full limit as authorised.

2.3 **Authority and Limits of the Share Buyback Mandate.** The authority and limitations placed on the Share Buyback Mandate, if renewed at the AGM, are summarised below:

2.3.1 **Maximum Number of Shares**

The total number of Shares which may be purchased or acquired by the Company is limited to that number of Shares representing not more than 10.0% of the issued Shares at the date of the AGM at which the Share Buyback Mandate is renewed, unless the Company has reduced its share capital by a special resolution under Section 78C of the Companies Act, in which event the total number of Shares shall be taken to be the total number of Shares as altered by the special resolution. Any Shares which are held as Treasury Shares and subsidiary holdings will be disregarded for purposes of computing the 10.0% limit.

Purely for illustrative purposes, on the basis of 245,602,800 Shares in issue (excluding Treasury Shares) as at the Latest Practicable Date and 397,200 Treasury Shares held as at the Latest Practicable Date and assuming that (i) no further Shares are issued on or prior to the AGM and (ii) no further Shares are purchased and held as Treasury Shares, the purchase or acquisition by the Company of up to the maximum limit of 10.0% of its issued Shares will result in the purchase or acquisition of 24,560,280 Shares.

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However, as stated in paragraph 2.2 above and paragraph 2.7.3 below, purchases or acquisitions of Shares pursuant to the Share Buyback Mandate need not be carried out to the full extent mandated, and, in any case, would not be carried out to such an extent that affect the listing status of the Company on the SGX-ST. The public float in the issued Shares as at the Latest Practicable Date is disclosed in paragraph 2.9 below.

2.3.2 *Duration of Authority*

Purchases or acquisition of Shares may be made, at any time and from time to time, on and from the date of the AGM at which the renewal of the Share Buyback Mandate is approved, up to:

- (a) the date on which the next annual general meeting of the Company is held or required by law to be held (whereupon it will lapse, unless renewed at such meeting);
- (b) the date on which the authority conferred by the Share Buyback Mandate is revoked or varied by the Company at a general meeting (if so varied or revoked prior to the next annual general meeting); or
- (c) the date on which purchases and acquisitions of Shares pursuant to the Share Buyback Mandate are carried out to the full extent mandated,

whichever is the earliest.

The authority conferred on the Directors by the Share Buyback Mandate to purchase or acquire Shares may be renewed by the Shareholders in a general meeting of the Company, such as at the next annual general meeting or at an extraordinary general meeting. When seeking the approval of the Shareholders for the renewal of the Share Buyback Mandate, the Company is required to disclose details pertaining to purchases or acquisitions of Shares pursuant to the Share Buyback Mandate made during the previous 12 months, including the total number of Shares purchased or acquired, the purchase price per Share or the highest and lowest prices paid for such purchases or acquisitions of Shares, where relevant, and the total consideration paid for such purchases or acquisitions.

2.3.3 *Manner of Purchases or Acquisitions of Shares*

Purchases or acquisitions of Shares may be made by way of:

- (a) on-market purchases, transacted through the SGX-ST's trading system or on any other securities exchange on which the Shares may for the time being be listed and quoted, through one or more duly licensed dealers appointed by the Company for the purpose of the Share Buyback ("**Market Purchases**"); and/or
- (b) off-market purchases made in accordance with an equal access scheme as defined in Section 76C of the Companies Act ("**Off-Market Purchases**"), which shall satisfy all the conditions prescribed by the Companies Act and the Catalyst Rules, as may be determined or formulated by the Directors as they deem fit.

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The Directors may impose such terms and conditions, which are not inconsistent with the Share Buyback Mandate, the Catalist Rules, the Companies Act and the Constitution, as they consider fit in the interests of the Company in connection with or in relation to an equal access scheme or schemes. Under the Companies Act, an equal access scheme must satisfy all the following conditions:

- (a) 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;
- (b) all of those persons shall be given a reasonable opportunity to accept the offers made; and
- (c) the terms of all the offers are the same, except that there shall be disregarded (i) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements; (ii) differences in consideration attributable to the fact that the offers may relate to Shares with different amounts remaining unpaid; and (iii) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

If the Company wishes to make an Off-Market Purchase in accordance with an equal access scheme, the Company must, as required by the Catalist Rules, 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 purchase or acquisition of Shares;
- (d) the consequences, if any, of the purchases or acquisitions of Shares by the Company that will arise under the Take-Over Code or other applicable take-over rules;
- (e) whether the purchases or acquisitions of Shares, if made, would have any effect on the listing of the Shares on Catalist;
- (f) details of any purchases or acquisitions of Shares made by the Company in the previous 12 months (whether by way of Market Purchases or Off-Market Purchases), giving the total number of Shares purchased or acquired, the purchase price per Share or the highest and lowest prices paid for the purchases or acquisitions, where relevant, and the total consideration paid for the purchases or acquisitions of Shares; 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 related brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) to be paid for a Share will be determined by the Directors. The purchase price to be paid for the Shares as determined by the Directors pursuant to the Share Buyback Mandate (both Market Purchases and Off-Market Purchases) must not exceed 105.0% of the Average Closing Price of the Shares, excluding related expenses of the purchase or acquisition (the “**Maximum Price**”).

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For the above purposes:

“Average Closing Price” means the average of the closing market prices of a Share over the last five (5) Market Days on which the Shares are transacted on the SGX-ST or, as the case may be, such securities exchange on which the Shares are listed or quoted, immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the Catalist Rules, for any corporate action that occurs during the relevant five (5) Market Day period and the day on which the purchases are made; and

“date of the making of the offer” means the date on which the Company announces its intention to make an offer for the purchase or acquisition of Shares from holders of Shares, stating therein the purchase price (which shall not be more than the Maximum Price for an Off-Market Purchase calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

- 2.4 **Status of Purchased Shares.** A Share purchased or acquired by the Company is deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to the Share will expire on such cancellation), unless such Share is held by the Company as a Treasury Share. Accordingly, the total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company, which are cancelled and are not held as Treasury Shares.

At the time of each Share Buyback, the Directors will decide whether the Shares purchased or acquired will be cancelled or kept as Treasury Shares, or partly cancelled and partly kept as Treasury Shares, taking into consideration the then prevailing circumstances and requirements of the Company at the relevant time.

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

2.5.1 **Maximum Holdings**

The aggregate number of Shares held as Treasury Shares cannot at any time exceed 10.0% of the total number of issued Shares. Any Shares held as Treasury Shares in excess of this limit shall be disposed of or cancelled by the Company in accordance with Section 76K of the Companies Act within six (6) months from the date such limit is exceeded, or such further period as may be allowed by ACRA.

2.5.2 **Voting and Other Rights**

The Company cannot exercise any right in respect of 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 dividend may be paid, and no other distribution of the Company's assets may be made, to the Company in respect of Treasury Shares. However, the allotment of shares as fully paid bonus shares in respect of Treasury Shares is allowed. Also, a subdivision or consolidation of any Treasury Share is allowed so long as the total value of the Treasury Shares after the subdivision or consolidation is the same as before.

LETTER TO SHAREHOLDERS

2.5.3 *Disposal and Cancellation*

Where Shares are held as Treasury Shares, the Company may at any time (but subject always to the Take-Over Code):

- (a) sell the Treasury Shares for cash;
- (b) transfer the Treasury Shares for the purposes of or pursuant to share schemes implemented by the Company, including the ST Group Performance Share Plan;
- (c) transfer the Treasury Shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (d) cancel the Treasury Shares; or
- (e) sell, transfer or otherwise use the Treasury Shares for such other purposes as may be prescribed by the Minister for Finance.

Under Rule 704(31) of the Catalist Rules, an immediate announcement must be made of any sale, transfer, cancellation and/or use of Treasury Shares (in each case, the “usage”). Such announcement must include details such as the date of the usage, the purpose of the usage, the number of Treasury Shares comprised in the usage, the number of Treasury Shares before and after the usage and the percentage of the number of Treasury Shares comprised in the usage against the total number of issued shares (of the same class as the Treasury Shares) which are listed on the Catalist before and after the usage and the value of the Treasury Shares comprised in the usage.

- 2.6. **Source of Funds.** The Companies Act permits the Company to purchase or acquire its own Shares out of capital or profits so long as the Company is solvent. Under Section 76F(4) of the Companies Act, the Company is solvent if at the date of payment for the purchase or acquisition of its Shares, (i) there is no ground on which the Company could be found to be unable to pay its debts; (ii) if it is intended to commence winding up within the period of 12 months immediately after the date of payment, the Company will be able to pay its debts in full within such period; or (iii) if it is not intended so 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 payment; and (iv) 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 of Shares become less than the value of its liabilities (including contingent liabilities).

The Company intends to use internal resources, to finance its purchase or acquisition of Shares pursuant to the Share Buyback Mandate. In purchasing or acquiring Shares pursuant to the Share Buyback Mandate, the Directors will, firstly, consider the availability of internal resources. In addition, the Directors will also thereafter consider the availability of external financing.

The Directors do not propose to exercise the Share Buyback Mandate in a manner and to such extent that the liquidity, capital adequacy and financial position of the Group would be materially adversely affected. The purchase of the 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.

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- 2.7 **Financial Effects.** It is not possible for the Company to realistically calculate or quantify the impact of purchases that may be made pursuant to the Share Buyback Mandate on the financial effects as the resultant effect would depend on, *inter alia*, whether the Shares are purchased or acquired out of profits and/or capital of the Company, the amount (if any) borrowed by the Company to fund the purchases or acquisitions, the number of Shares purchased or acquired, the price paid for such Shares and whether the Shares purchased or acquired are held in treasury or cancelled.

Under the Companies Act, purchases or acquisitions of Shares by the Company may be made out of the Company's profits and/or capital 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 any expenses incurred directly in the purchase or acquisition of Shares) will correspondingly reduce the amount available for the distribution of cash dividends by the Company. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of dividends by the Company will not be reduced.

The financial effects on the Company and the Group, based on the audited financial statements of the Company and the Group for FY2023, are based on the assumptions set out below.

2.7.1 **Number of Shares Acquired or Purchased**

As at the Latest Practicable Date, the Company has 245,602,800 Shares in issue (excluding Treasury Shares) and 397,200 Treasury Shares held by the Company. The Company does not have any subsidiary holdings.

Purely for illustrative purposes, on the basis of 245,602,800 Shares in issue (excluding Treasury Shares) as at the Latest Practicable Date and 397,200 Treasury Shares held by the Company as at the Latest Practicable Date, assuming that (i) no further Shares are issued on or prior to the AGM and (ii) no further Shares are purchased and held as Treasury Shares, not more than 24,560,280 Shares may be purchased or acquired by the Company pursuant to the Share Buyback Mandate.

2.7.2 **Maximum Price Paid for Shares Acquired or Purchased**

Assuming that the Company purchases or acquires 24,560,280 Shares at the Maximum Price of S\$0.184 (being the price equivalent to 105.0% of the Average Closing Price of the Shares for the five (5) consecutive Market Days on which the Shares were actively traded on Catalist immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 24,560,280 Shares is approximately S\$4,519,092 or A\$5,202,730¹.

2.7.3 **Illustrative Financial Effects**

For illustrative purposes only and on the basis of the assumptions set out in paragraphs 2.7.1 and 2.7.2 above as well as the following:

- (a) such purchase or acquisition of Shares is financed by the internal resources of the Company available as at 30 June 2023;
- (b) the transaction costs incurred for the purchase or acquisition of Shares pursuant to the Share Buyback Mandate are assumed to be insignificant and have been ignored for the purpose of computing the financial effects;
- (c) there were no issuances of Shares after the Latest Practicable Date; and
- (d) no Shares were purchased by the Company after the Latest Practicable Date

¹ Based on the exchange rate of A\$1.00: S\$0.8686 as at the Latest Practicable Date.

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the financial effects of the purchase or acquisition of 24,560,280 Shares pursuant to the Share Buyback Mandate:

- (a) by way of purchases made entirely out of capital and held as Treasury Shares; and
- (b) by way of purchases made entirely out of capital and cancelled,

on the audited financial statements of the Group and the Company for FY2023 are set out below:

- (a) *Purchase or acquisition of 24,560,280 Shares made entirely out of capital and held as Treasury Shares*

	Group		Company	
	Before Share Buyback	After Share Buyback	Before Share Buyback	After Share Buyback
	A\$	A\$	A\$	A\$
<u>As at 30 June 2023</u>				
Share Capital	57,200,620	57,200,620	57,200,620	57,200,620
Treasury Shares	(48,253)	(5,250,983)	(48,253)	(5,250,983)
Other Reserves	(40,741,550)	(40,741,550)	(479,202)	(479,202)
Retained Earnings	4,608,892	4,608,892	(23,020,615)	(23,020,615)
Shareholders' Equity	21,019,709	15,816,979	33,652,550	28,449,820
Non-controlling Interests	(350,574)	(350,574)	-	-
Total Equity	20,669,135	15,466,405	33,652,550	28,449,820
NTA ⁽¹⁾	18,079,386	12,876,656	33,652,550	28,449,820
Current Assets	17,084,991	11,882,261	12,889,228	7,686,498
Current Liabilities	16,610,356	16,610,356	358,489	358,489
Total borrowings and equipment finance leases	1,640,937	1,640,937	-	-
Cash and cash equivalents	7,326,436	2,123,706	829,718	309,445
Profit/(Loss) attributable to the owners of the Company	1,963,746	1,963,746	1,526,616	1,526,616
Number of Shares excluding Treasury Shares	245,602,800	221,042,520	245,602,800	221,042,520
Number of Treasury Shares	397,200	24,957,480	397,200	24,957,480
Financial Ratios				
NTA per Share ⁽²⁾ (A\$ cents)	7.36	5.83	13.70	12.87
NTA per Share ⁽²⁾⁽⁷⁾ (S\$ cents)	6.61	5.23	12.31	11.57
Basic EPS ⁽³⁾⁽⁶⁾ (A\$ cents)	0.80	0.89	0.62	0.69
Basic EPS ⁽³⁾⁽⁶⁾⁽⁷⁾ (S\$ cents)	0.72	0.80	0.56	0.62
Gearing Ratio ⁽⁴⁾ (times)	0.08	0.11	-	-
Current Ratio ⁽⁵⁾ (times)	1.03	0.72	35.95	21.44

LETTER TO SHAREHOLDERS

(b) *Purchase or acquisition of 24,560,280 Shares made entirely out of capital and cancelled*

	Group		Company	
	Before Share Buyback	After Share Buyback	Before Share Buyback	After Share Buyback
	A\$	A\$	A\$	A\$
As at 30 June 2023				
Share Capital	57,200,620	51,997,890	57,200,620	51,997,890
Treasury Shares	(48,253)	(48,253)	(48,253)	(48,253)
Other Reserves	(40,741,550)	(40,741,550)	(479,202)	(479,202)
Retained Earnings	4,608,892	4,608,892	(23,020,615)	(23,020,615)
Shareholders' Equity	21,019,709	15,816,979	33,652,550	28,449,820
Non-controlling Interests	(350,574)	(350,574)	-	-
Total Equity	20,669,135	15,466,405	33,652,550	28,449,820
NTA ⁽¹⁾	18,079,386	12,876,656	33,652,550	28,449,820
Current Assets	17,084,991	11,882,261	12,889,228	7,686,498
Current Liabilities	16,610,356	16,610,356	358,489	358,489
Total borrowings and equipment finance leases	1,640,937	1,640,937	-	-
Cash and cash equivalents	7,326,436	2,123,706	829,718	309,445
Profit/(Loss) attributable to the owners of the Company	1,963,746	1,963,746	1,526,616	1,526,616
Number of Shares excluding Treasury Shares	245,602,800	221,042,520	245,602,800	221,042,520
Number of Treasury Shares	397,200	397,200	397,200	397,200
Financial Ratios				
NTA per Share ⁽²⁾ (A\$ cents)	7.36	5.83	13.70	12.87
NTA per Share ⁽²⁾⁽⁷⁾ (S\$ cents)	6.61	5.23	12.31	11.57
Basic EPS ⁽³⁾⁽⁶⁾ (A\$ cents)	0.80	0.89	0.62	0.69
Basic EPS ⁽³⁾⁽⁶⁾⁽⁷⁾ (S\$ cents)	0.72	0.80	0.56	0.62
Gearing Ratio ⁽⁴⁾ (times)	0.08	0.11	-	-
Current Ratio ⁽⁵⁾ (times)	1.03	0.72	35.95	21.44

Notes:

- (1) NTA refers to net assets less intangible assets.
- (2) NTA per Share equals to NTA divided by the number of issued Shares (excluding Treasury Shares) outstanding as at 30 June 2023.
- (3) Basic Earnings Per Share (EPS) equals to net profit attributable to owners of the Company divided by number of Shares (excluding Treasury Shares) in issue.
- (4) Gearing Ratio equals to total borrowings and equipment finance leases divided by total shareholders' equity.
- (5) Current Ratio equals current assets divided by current liabilities.
- (6) Based on the number of Shares excluding Treasury Shares before and after Share Buyback respectively.
- (7) Translated into S\$ and S\$ cents equivalent at the Group's exchange rate of A\$1.00: S\$0.8986 as at 30 June 2023.

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Shareholders should note that the financial effects set out above are based on the abovementioned assumptions and are for illustration purposes only. The analysis above is based on the results of the Group and the Company for FY2023 and is not necessarily representative of future performance.

It should be noted that although the Share Buyback Mandate would authorise the Company to purchase or acquire up to 10.0% of the issued Shares, the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10.0% of the issued Shares as mandated. In addition, the Company may cancel or hold in treasury all or part of the Shares purchased or acquired. The Company will take into account both financial and non-financial factors (for example, the public float of the Company, stock market conditions and the performance of the Shares) in assessing the relative impact of a share purchase or acquisition before execution.

2.8 **Tax Implications.** Shareholders who are in doubt as to their respective tax positions or any tax implications, or who may be subject to tax in a jurisdiction outside Singapore, should consult their own professional advisers.

2.9 **Listing Status of the Shares.** The Catalist Rules requires a listed company to ensure that at least 10.0% of the total number of its issued Shares (excluding preference shares, convertible equity securities and Treasury Shares) in a class that is listed on the Catalist, is held by public shareholders at all times. "Public" as defined under the Catalist Rules, are persons other than the directors, chief executive officer, substantial shareholders or controlling shareholders of the company or its subsidiaries, and the associates of such persons. As at the Latest Practicable Date, approximately 27.28% of the issued Shares (excluding Treasury Shares) are held by public Shareholders. For illustrative purposes only, assuming the Company undertakes purchases or acquisitions of its Shares up to the full 10.0% limit pursuant to the Share Buyback Mandate, the number of issued Shares held by the public would be reduced to 42,437,720 Shares, representing approximately 19.20% of the total number of issued Shares (excluding Treasury Shares).

Accordingly, the Company is of the view that there is a sufficient number of issued Shares held by public shareholders which would permit the Company to undertake purchases or acquisitions of its issued Shares up to the full 10.0% limit pursuant to the Share Buyback Mandate without affecting the listing status of the Shares on Catalist, and that the remaining number of Shares held by public shareholders will not fall to such a level as to cause market illiquidity or adversely affect the orderly trading of the Shares.

The Board of Directors, when purchasing the Shares, will ensure (i) that there is a sufficient float for an orderly market in the Company's securities, and (ii) that the listing status of the Shares on Catalist is not affected by such purchase.

2.10 **Previous Share Buybacks.** The Company has not purchased any Shares within the past 12 months preceding the Latest Practicable Date.

2.11 **Listing Rules.** The Catalist Rules restrict a listed company from purchasing its shares by way of market purchases at a price per share which is more than 5.0% above the "average closing price", being 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 were made, as deemed to be adjusted for any corporate action that occurs during the relevant five (5) Market Day period and the day on which the purchases are made. The Maximum Price for a Share in relation to Market Purchases referred to in paragraph 2.3.4 above complies with this requirement.

Although the Catalist Rules do not prescribe a maximum price in relation to purchases of shares by way of off-market purchases, the Company has set a cap of 5.0% above the Average Closing Price of a Share as the Maximum Price for a Share to be purchased or acquired by way of an Off-Market Purchase.

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While the Catalist Rules does not expressly prohibit any purchase of shares by a listed company during any particular time, because the listed company would be regarded as an “insider” in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the Share Buyback Mandate at any time after a price sensitive development has occurred or has been the subject of a decision until the price sensitive information has been publicly announced. In particular, in line with the best practices guide on securities dealings issued by the SGX-ST, the Company would not purchase or acquire any Shares pursuant to the Share Buyback Mandate during the period of one (1) month immediately preceding the announcement of the Company’s half-year and full-year results.

2.12 **Reporting Requirements.** The Catalist Rules specifies that a listed company shall report all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 a.m.:

- (a) in the case of a Market Purchase, on the Market Day following the day of purchase or acquisition of any of its shares; and
- (b) in the case of an Off-Market Purchase on an equal access scheme, on the second Market Day after the close of acceptances of the offer.

Such announcement (which must be in the form of Appendix 8D to the Catalist Rules) must include, *inter alia*, details of 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 price paid per share or the highest and lowest prices paid for such shares, as applicable, the total consideration (including stamp duties and clearing charges) paid or payable for the shares, the number of shares purchased as at the date of announcement (on a cumulative basis), the number of issued shares excluding Treasury Shares and the number of Treasury Shares held after the purchase.

The Company is required under the Companies Act to lodge a copy of the Shareholders’ resolution approving the proposed renewal of the Share Buy-Back Mandate with the ACRA within 30 days of the passing of such resolution and notifying ACRA within 30 days of the purchase or acquisition of Shares on the Catalist the notice of purchase or acquisition of the Shares in the prescribed form and providing certain particulars including the date of the purchase or acquisition, the number of Shares purchased or acquired, the number of Shares cancelled, the number of Shares held as Treasury Shares, the issued share capital of the Company before and after the purchase or acquisition, the amount of consideration paid by the Company for the purchase or acquisition of the Shares, and whether the Shares were purchased or acquired out of the profits or the capital of the Company.

2.13 **Take-over Implications.** Appendix 2 of the Take-Over Code (“Appendix 2”) 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:

2.13.1 **Obligation to make a Take-Over Offer**

If, as a result of any purchase or acquisition by the Company of its Shares, a Shareholder’s proportionate interest in the voting capital of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-Over Code. If such increase results in a change of effective control, or, as a result of such increase, a Shareholder or group of Shareholders acting in concert obtains or consolidates effective control of the Company, such Shareholder or group of Shareholders acting in concert could become obliged to make a take-over offer for the Company under Rule 14 of the Take-Over Code.

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Rule 14.1 of the Take-Over Code requires, *inter alia*, that, except with the consent of the SIC, where:

- (a) any person acquires, whether by a series of transactions over a period of time or not, shares which (taken together with shares held or acquired by persons acting in concert with him) carry 30.0% or more of the voting rights of a company; or
- (b) any person who, together with persons acting in concert with him, holds not less than 30.0% but not more than 50.0% of the voting rights and such person, or any person acting in concert with him, acquires in any period of six (6) months additional shares carrying more than 1.0% of the voting rights,

such person shall extend immediately an offer on the basis set out below to the holders of any class of shares in the capital which carries votes and in which such person or persons acting in concert with him hold shares. In addition to such person, each of the principal members of the group of persons acting in concert with him may, according to the circumstances of the case, have the obligation to extend an offer.

The offer required to be made under the provisions of Rule 14.1 of the Take-Over Code shall, in respect of each class of shares in the capital involved, be in cash or be accompanied by a cash alternative at the Required Price.

For the above purposes, “**Required Price**” means in relation to the offer required to be made under the provisions of Rule 14.1 of the Take-Over Code, the offer shall be in cash or be accompanied by a cash alternative at a price in accordance with Rule 14.3 of the Take-Over Code which is the highest price paid by the offerors and/ or person(s) acting in concert with them for the Shares (i) during the offer period and within the preceding six (6) months, (ii) acquired through the exercise of instruments convertible into securities which carry voting rights within six (6) months of the offer and during the offer period, or (iii) acquired through the exercise of rights to subscribe for, and options in respect of, securities which carry voting rights within six (6) months of the offer or during the offer period; or at such price as determined by the SIC under Rule 14.3 of the Take-Over Code.

2.13.2 *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), co-operate, 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 Take-Over Code presumes, *inter alia*, the following individuals and companies to be persons 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);

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- (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;
- (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 persons controlling, controlled by or under the same control as the adviser;
- (f) directors of a company (together with their close relatives, related trusts and companies controlled by any of such 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) the following persons and entities:
 - (i) an individual;
 - (ii) the close relatives of (i);
 - (iii) the related trusts of (i);
 - (iv) any person who is accustomed to act in accordance with the instructions of (i);
 - (v) companies controlled by any of (i), (ii), (iii) or (iv); and
 - (vi) 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.

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.

2.13.3 ***Effect of Rule 14 and Appendix 2 of the Take-Over Code***

In general terms, the effect of Rule 14 and Appendix 2 is that, unless exempted, Directors of the Company and persons acting in concert with them will incur an obligation to make a take-over offer for the Company under Rule 14 if, as a result of the Company purchasing or acquiring its Shares:

- (a) the voting rights of such Directors and their concert parties would increase to 30.0% or more; or
- (b) if the voting rights of such Directors and their concert parties fall between 30.0% and 50.0% of the Company's voting rights, the voting rights of such Directors and their concert parties would increase by more than 1.0% in any period of six (6) months.

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In calculating the percentages of voting rights of such Directors and their concert parties, Treasury Shares shall be excluded.

Under Appendix 2, a Shareholder not acting in concert with the Directors of the Company will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder in the Company would increase to 30.0% or more, or, if such Shareholder holds between 30.0% and 50.0% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1.0% in any period of six (6) months. Such Shareholder need not abstain from voting in respect of the resolution authorising the renewal of the Share Buyback Mandate.

Shareholders who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Take-Over Code as a result of any purchase or acquisition of Shares by the Company should consult their professional advisers and/or the SIC and/or other relevant authorities at the earliest opportunity.

2.13.4 *Exemption under Appendix 2 of the Take-Over Code*

Pursuant to Section 3(a) of Appendix 2, for a market acquisition under Section 76E of the Companies Act or an off-market acquisition on an equal access scheme 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 under Rule 14 of the Take-Over Code, subject to the following conditions:

- (a) the circular to Shareholders seeking their approval for the Share Buyback Mandate contains:
 - (i) advice to the effect that by voting in favour of the resolution to approve the Share Buyback Mandate, Shareholders are waiving their rights 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 30.0% or more; or if the directors and parties acting in concert with them together already hold between 30.0% and 50.0% of the Company's voting rights, and the Share Buyback would cause an increase in their voting rights by more than 1.0% in any period of six (6) months (the "Relevant Parties");
 - (ii) the names and voting rights of the Relevant Parties as at the date of the resolution and after the Company exercises the power under the Share Buyback Mandate in full and purchases 10.0% of the issued Shares;
- (b) the resolution to authorise the Share Buyback Mandate is approved by a majority of Shareholders who are present and voting at the AGM on a poll who could not become obliged to make an offer as a result of the Share Buyback by the Company pursuant to the Share Buyback Mandate;
- (c) the Relevant Parties abstain from voting for and/or recommending Shareholders to vote in favour of the resolution to approve the Share Buyback Mandate;
- (d) within seven (7) days after the passing of the resolution to approve the Share Buyback Mandate, each of the directors submits to the SIC a duly signed form as prescribed by the SIC;

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(e) the Relevant Parties not to have acquired and will not acquire any Shares between the date on which they know that the announcement of the Share Buyback Mandate is imminent and the earlier of:

- (i) the date on which the authority of the Share Buyback Mandate expires; and
- (ii) the date on which the Company announces that it has bought back such number of Shares as authorised by the Share Buyback Mandate or it has decided to cease buying back its Shares, as the case may be,

if such acquisitions, taken together with the Share Buyback, would cause their aggregate voting rights to increase to 30.0% or more; and

(f) the Relevant Parties together holding between 30.0% and 50.0% of the Company's voting rights, not to have acquired and will not acquire any Shares between the date on which they know that the announcement of the Share Buyback Mandate is imminent and the earlier of:

- (i) the date on which the authority of the Share Buyback Mandate expires; and
- (ii) the date on which the Company announces that it has bought back such number of Shares as authorised by the Share Buyback Mandate or it has decided to cease buying back its Shares, as the case may be,

if such acquisitions, taken together with the Share Buyback, would cause their aggregate voting rights to increase by more than 1.0% in the preceding six (6) months.

It follows that where aggregate voting rights held by the Relevant Parties increase by more than 1.0% solely as a result of the Company's buyback of Shares under the Share Buyback Mandate, and none of them has acquired any Shares during the relevant period defined above, then the Relevant Parties would be eligible for the 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.

2.14 ***Application of the Take-Over Code***

The details of the shareholders of the Directors and Substantial Shareholders of the Company as at the Latest Practicable Date are set out in Section 3 below.

As at the Latest Practicable Date, in respect of Mr. Saw Tatt Ghee, the Executive Chairman and Chief Executive Officer of the Company and Ms. Saw Lee Ping, the Executive Director and Chief Administrative Officer of the Company, the following parties are presumed to be acting in concert with them:

- (a) Mr. Saw Tatt Jin, the sibling of Mr. Saw Tatt Ghee and Ms. Saw Lee Ping;
- (b) Mr. Tan Tee Ooi, the spouse of Ms. Saw Lee Ping;
- (c) STG Investments Pty Ltd, which Mr. Saw Tatt Ghee is the sole shareholder and director of;
- (d) Centurion Equity Pty Limited, which Mr. Saw Tatt Ghee is the sole director and holds the entire issued and paid-up share capital of;
- (e) Tan & Saw Investments Pty Ltd, which Ms. Saw Lee Ping is the director and holds 50% of the issued and paid-up share capital of. The remainder of the issued and paid-up share capital of Tan & Saw Investments Pty Ltd is held by her spouse, Mr. Tan Tee Ooi;

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- (f) Huizhet Investment Pty Ltd, which Mr. Saw Tatt Jin is a director and holds 25% of the entire issued and paid-up share capital of. The remaining shares are held by his spouse, Ms. Lim Sze Nam, who is also a director of Huizhet Investment Pty Ltd, and his children, Mr. Saw Ken Hui and Mr. Saw Ken Zhet in equal proportions; and
- (g) Alpine Investments Pty Ltd, which Ms. Chua Seok Cheow, the mother of Mr. Saw Tatt Ghee, Ms. Saw Lee Ping and Mr. Saw Tatt Jin, is a director and holds all the issued and paid-up share capital of,

(together with Mr. Saw Tatt Ghee and Ms. Saw Lee Ping, collectively, the “**Relevant Shareholders**”).

As at the Latest Practicable Date, the Relevant Shareholders in aggregate hold 109,096,800 Shares in the Company, representing 44.42% of the total number of issued Shares (excluding Treasury Shares and subsidiary holdings) of the Company.

Save as disclosed, the Directors are not aware of any facts or factors which suggest or imply that any particular person(s) and/or Shareholder(s) are, or may be regarded as, parties acting in concert such that their respective interests in voting shares in the capital of the Company should or ought to be consolidated, and consequences under the Take-Over Code would ensue as a result of a purchase of Shares by the Company pursuant to the Share Buyback Mandate.

2.14.1 **Consequence of Share Buybacks**

On the basis of 245,602,800 Shares in issue (excluding Treasury Shares) as at the Latest Practicable Date and 397,200 Treasury Shares held as at the Latest Practicable Date and assuming that (i) no further Shares are issued on or prior to the AGM and (ii) no further Shares are purchased and held as Treasury Shares, the purchase or acquisition by the Company of up to the maximum limit of 10.0% of its issued Shares will result in the purchase or acquisition of 24,560,280 Shares.

If the exercise in full of the Share Buyback Mandate by the Company (the “Full Share Buyback”), together with any acquisition(s) of Shares by any Relevant Shareholder(s), causes the aggregate voting rights of the Relevant Shareholders to increase by more than 1% (assuming such increases occur within six (6) months), the Relevant Shareholders would thereby incur an obligation to make a general offer under Rule 14 of the Take-over Code.

Based on the shareholdings of the Relevant Shareholders as at the Latest Practicable Date and assuming that:

- i. the Company undertakes the Full Share Buyback as permitted by the Share Buyback Mandate;
- ii. there is no change in the Relevant Shareholders’ direct holdings of Shares between the Latest Practicable Date and the date of the AGM; and
- iii. there is no change in the Relevant Shareholders’ direct holdings of Shares between the date of the AGM and the date of the Full Share Buyback,

the aggregate voting rights of the Relevant Shareholders will increase from approximately 44.42% to approximately 49.36%. In such event, the Relevant Shareholders will, unless exempted, thereby incur an obligation to make a general offer under Rule 14 of the Take-Over Code.

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2.14.2 *Exemption under Section 3(a) of Appendix 2 of the Take-over Code*

Pursuant to Section 3(a) of Appendix 2 of the Take-over Code, the Relevant Shareholders would be eligible to be exempted from the obligation to make a general offer for the Company under Rule 14 of the Take-over Code as a result of the Company buying back its Shares pursuant to the renewed Share Buyback Mandate, subject to the conditions listed in paragraph 2.13.4:

Shareholders should note that by voting in favour of the resolution to approve the Share Buyback Mandate at the forthcoming AGM, Shareholders are waiving their rights to a general offer at the required price from the Relevant Shareholders in the event of a purchase or acquisition of Shares by the Company pursuant to the Share Buyback Mandate.

One of the conditions for exemption from the obligation to make a general offer under Rule 14 of the Take-over Code is the submission by each of the Relevant Shareholders to the SIC of a duly signed form as prescribed by the SIC ("Form 2"). As at the Latest Practicable Date, the Relevant Shareholders have informed the Company that they will be submitting a Form 2 to the SIC within seven (7) days after the passing of the resolution to approve the Share Buyback Mandate.

The Company understands that the Relevant Shareholders have not acquired and will not acquire any Shares between the date on which they know that the announcement of the renewal of the Share Buyback Mandate is imminent and the earlier of:

- (a) the date on which authority for the renewed Share Buyback Mandate expires; and
- (b) the date on which the Company announces it has (i) bought back such number of Shares as authorised by Shareholders at the AGM, or (ii) decided to cease buying back its Shares,

as the case may be, if such acquisitions, taken together with the Share Buybacks under the renewed Share Buyback Mandate, would cause the aggregate voting rights held by the Relevant Shareholders in the Company to increase by more than 1% in the preceding six (6) months.

Save as disclosed above, the Directors are not aware of any fact(s) or factor(s) which suggest or imply that any particular person(s) and/or Shareholder(s) are, or may be regarded as, parties acting in concert such that their respective interests in voting Shares should or ought to be consolidated, and consequences under the Take-over Code would ensue as a result of a purchase or acquisition of Shares by the Company pursuant to the renewed Share Buyback Mandate.

Appendix 2 of the Take-over Code requires that the resolution to authorise the renewal of the Share Buyback Mandate be approved by a majority of those Shareholders present and voting at the meeting on a poll who could not become obliged to make a general offer under the Take-over Code as a result of the Share Buyback. Accordingly, the resolution to approve the Share Buyback Mandate is proposed to be taken on a poll, and the Relevant Shareholders will abstain, and will procure their/ his concert parties (if any) to abstain, from voting on the resolution to approve the Share Buyback Mandate.

Shareholders who are in any doubt as to whether they would incur any obligation to make a take-over offer as a result of any Share Buyback pursuant to the Share Buyback Mandate are advised to consult their professional advisers and/or SIC and/or the relevant authorities at the earliest opportunity before they acquire any Shares during the period when the Share Buyback Mandate is in force.

2.15 Interested Persons

The Company is prohibited from knowingly buying Shares on the SGX-ST from an interested person, that is, a Director, the chief executive officer of the Company or controlling shareholder of the Company or any of their associates, and an interested person is prohibited from knowingly selling his Shares to the Company.

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3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

- 3.1 Directors' Interests. As at the Latest Practicable Date, the interests of the Directors in the Shares before and after the Share Buyback pursuant to the Share Buyback Mandate, assuming (i) the Company purchases 24,560,280 Shares and (ii) there is no change in the number of Shares (whether direct or deemed) held by the Directors, are set out below:

Directors	Before the Share Buyback						After the Share Buyback
	Direct Interest		Deemed Interest ⁽²⁾		Total Interest		Total Interest
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	% ⁽³⁾
Saw Tatt Ghee ⁽⁴⁾⁽⁶⁾	3,253,300	1.32%	61,768,400	25.15	65,021,700	26.47	29.42
Saw Lee Ping ⁽⁵⁾⁽⁶⁾	7,175,200	2.92	19,941,800	8.12	27,117,000	11.04	12.27
Chan Wee Kiang	-	-	-	-	-	-	-
Peter Sim Swee Yam	-	-	-	-	-	-	-
Yap Zhi Chau	760,000	0.31	-	-	760,000	0.31	0.34

Notes:

- (1) Based on the total number of 245,602,800 issued Shares (excluding Treasury Shares) and 397,200 Treasury Shares held by the Company as at the Latest Practicable Date.
- (2) Deemed interests refer to interests determined pursuant to Section 4 of the SFA.
- (3) Assuming the Company purchases or acquires 24,560,280 Shares pursuant to the Share Buyback Mandate and there is no change to the number of Shares held by each respective Director, the percentage after the Share Buyback is calculated based on 221,042,520 Shares.
- (4) Mr. Saw Tatt Ghee is treated as having an interest in 3,994,800 Shares held by Centurion Equity Pty Limited (please see note 6) and 57,773,600 Shares held by STG Investments Pty Ltd.

Mr. Saw Tatt Ghee is the sole shareholder and director of STG Investments Pty Ltd. STG Investments Pty Ltd holds the Shares as trustee of the Tatt Ghee Saw Family Trust, of which the beneficiaries include Mr. Saw Tatt Ghee. By virtue of Section 4 of the SFA, the beneficiaries of the Tatt Ghee Saw Family Trust are treated as having an interest in the Shares held by STG Investments Pty Ltd.

- (5) Ms. Saw Lee Ping is treated as having an interest in 3,994,800 Shares held by Centurion Equity Pty Limited (please see note 6), 10,583,000 Shares held by Tan & Saw Investments Pty Ltd and 5,364,000 Shares held by Mr. Tan Tee Ooi.

Ms. Saw Lee Ping is the director and holds 50% of the issued and paid-up share capital of Tan & Saw Investments Pty Ltd. Tan & Saw Investments Pty Ltd holds the Shares as trustee of the Tan & Saw Family Trust, of which the named beneficiaries include Ms. Saw Lee Ping. By virtue of Section 4 of the SFA, the beneficiaries of the Tan & Saw Family Trust are treated as having an interest in the Shares held by Tan & Saw Investments Pty Ltd.

By virtue of Section 133(1) read with Section 133(4)(a) of the SFA, Ms. Saw Lee Ping is deemed to have an interest in the Shares held by her spouse, Mr. Tan Tee Ooi.

- (6) Mr. Saw Tatt Ghee is the sole director and holds the entire issued and paid-up capital of Centurion Equity Pty Limited. Centurion Equity Pty Limited holds the Shares as trustee of the Centurion Equity Trust, which is a fixed unit trust, and holds the Shares on trust for the unitholders, which include, *inter alia*, (a) STG Investments Pty Ltd (as trustee for the Tatt Ghee Saw Family Trust); and (b) Ms. Saw Lee Ping (as trustee for the Tian & Young Family Trust). By virtue of Section 4 of the SFA, the unitholders of the Centurion Equity Trust are treated as having an interest in the Shares held by Centurion Equity Pty Limited.

Ms. Saw Lee Ping holds the units in Centurion Equity Trust as trustee for the Tian & Young Family Trust, of which the beneficiaries include Ms. Saw Lee Ping. By virtue of Section 4 of the SFA, the beneficiaries of the Tian & Young Family Trust are treated as having an interest in the units of Centurion Equity Trust held by Ms. Saw Lee Ping.

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- 3.2 **Substantial Shareholders' Interests.** As at the Latest Practicable Date, the interests of the Substantial Shareholders in the Shares before and after the Share Buyback pursuant to the Share Buyback Mandate, assuming (i) the Company purchases 24,560,280 Shares and (ii) there is no change in the number of Shares (whether direct or deemed) held by the Substantial Shareholders, are set out below:

Directors	Before the Share Buyback						After the Share Buyback
	Direct Interest		Deemed Interest⁽²⁾		Total Interest		Total Interest
	No. of Shares	%⁽¹⁾	No. of Shares	%⁽¹⁾	No. of Shares	%⁽¹⁾	%⁽³⁾
STG Investments Pty Ltd ⁽⁴⁾	57,773,600	23.52	3,994,800	1.63	61,768,400	25.15	27.94
Leong Weng Yu ⁽⁵⁾	5,290,400	2.15	7,022,900	2.86	12,313,300	5.01	5.57
Ng Yee Siang ⁽⁶⁾	5,859,100	2.39	7,617,800	3.10	13,476,900	5.49	6.10
Pang Kher Chink ⁽⁷⁾	5,290,400	2.15	7,178,400	2.92	12,468,800	5.08	5.64
Tan Tee Ooi ⁽⁴⁾⁽⁸⁾	5,364,000	2.18	14,577,800	5.94	19,941,800	8.12	9.02
Saw Tatt Jin ⁽⁹⁾	12,859,800	5.24	3,499,000	1.42	16,358,800	6.66	7.40
Caprice Development (S) Pte. Ltd. ⁽¹⁰⁾	15,756,000	6.42	-	-	15,756,000	6.42	7.13
Chou Geok Lin ⁽¹⁰⁾	-	-	15,756,000	6.42	15,756,000	6.42	7.13
Chen Khai Voon	18,532,400	7.55	-	-	18,532,400	7.55	8.38

Notes:

(1) Based on the total number of 245,602,800 issued Shares (excluding Treasury Shares) and 397,200 Treasury Shares held by the Company as at the Latest Practicable Date.

(2) Deemed interests refer to interests determined pursuant to Section 4 of the SFA.

(3) Assuming the Company purchases or acquires 24,560,280 Shares pursuant to the Share Buyback Mandate and there is no change to the number of Shares held by each Substantial Shareholder, the percentage after the Share Buyback is calculated based on 221,042,520 Shares.

(4) Centurion Equity Pty Limited holds the Shares as trustee of the Centurion Equity Trust. The unitholders of the Centurion Equity Trust are (a) STG Investments Pty Ltd, (b) Ms. Saw Lee Ping, (c) Ricgo Pty Ltd, (d) JL Lee Investments Pty Ltd, (e) KCPLP Investments Pty Ltd, (f) Lemy Pty Ltd, (g) YSN Investments Pty Ltd, and (h) Alpine Investments Pty Ltd. By virtue of Section 4 of the SFA, the unitholders of the Centurion Equity Trust are treated as having an interest in the Shares held by Centurion Equity Pty Limited.

Ms. Saw Lee Ping holds the units in Centurion Equity Trust as trustee for the Tian & Young Family Trust, of which the beneficiaries include Mr. Tan Tee Ooi. By virtue of Section 4 of the SFA, the beneficiaries of the Tian & Young Family Trust are treated as having an interest in the units of Centurion Equity Trust held by Ms. Saw Lee Ping.

(5) Mr. Leong Weng Yu is treated as having an interest in 3,994,800 Shares held by Centurion Equity Pty Limited and 3,028,100 Shares held by Lemy Pty Ltd.

Mr. Leong Weng Yu is the sole shareholder and director of Lemy Pty Ltd. Lemy Pty Ltd holds the Shares as trustee of the Gnoel Trust, under which Mr. Leong Weng Yu is the sole named beneficiary. By virtue of Section 4 of the SFA, the beneficiaries of the Gnoel Trust are deemed to have an interest in the Shares held by Lemy Pty Ltd, as well as the Shares in which Lemy Pty Ltd has an interest (please see note 4).

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- (6) Mr. Ng Yee Siang is treated as having an interest in 3,994,800 Shares held by Centurion Equity Pty Limited and 3,623,000 Shares held by YSN Investments Pty Ltd.

Mr. Ng Yee Siang is the sole shareholder and director of YSN Investments Pty Ltd. YSN Investments Pty Ltd holds the Shares as trustee of the Ng Family Trust, of which the primary beneficiaries include Mr. Ng Yee Siang. By virtue of Section 4 of the SFA, the beneficiaries of the Ng Family Trust are deemed to have an interest in the Shares held by YSN Investments Pty Ltd, as well as the Shares in which YSN Investments Pty Ltd has an interest (please see note 4).

- (7) Mr. Pang Kher Chink is treated as having an interest in 3,994,800 Shares held by Centurion Equity Pty Limited and 3,183,600 Shares held by KCPLP Investments Pty Ltd.

Mr. Pang Kher Chink is the sole shareholder and director of KCPLP Investments Pty Ltd. KCPLP Investments Pty Ltd holds the Shares as trustee of the KCPLP Family Trust, of which the beneficiaries include Mr. Pang Kher Chink. By virtue of Section 4 of the SFA, the beneficiaries of the KCPLP Family Trust are treated as having an interest in the Shares held by KCPLP Investments Pty Ltd, as well as the Shares in which KCPLP Investments Pty Ltd has an interest (please see note 4).

- (8) Mr. Tan Tee Ooi is treated as having an interest in 3,994,800 Shares held by Centurion Equity Pty Limited (please see note 4) and 10,583,000 Shares held by Tan & Saw Investments Pty Ltd.

Mr. Tan Tee Ooi holds 50% of the issued and paid-up share capital of Tan & Saw Investments Pty Ltd. Tan & Saw Investments Pty Ltd holds the Shares as trustee of the Tan & Saw Family Trust, of which the named beneficiaries include Mr. Tan Tee Ooi. By virtue of Section 4 of the SFA, the beneficiaries of the Tan & Saw Family Trust are treated as having an interest in the Shares held by Tan & Saw Investments Pty Ltd.

- (9) Mr. Saw Tatt Jin is treated as having an interest in 3,499,000 Shares held by Huizhet Investment Pty Ltd. Mr. Saw Tatt Jin is a director and holds 25% of the entire issued and paid-up share capital of Huizhet Investment Pty Ltd. Huizhet Investment Pty Ltd holds the Shares as trustee of the HZ Family Trust, of which the named beneficiaries include Mr. Saw Tatt Jin. By virtue of Section 4 of the SFA, the beneficiaries of the HZ Family Trust are treated as having an interest in the Shares held by Huizhet Investment Pty Ltd.

- (10) Ms. Chou Geok Lin is the director and sole shareholder of Caprice Development (S) Pte. Ltd.. By virtue of Section 4 of the SFA, Ms. Chou Geok Lin is treated as having an interest in the Shares held by Caprice Development (S) Pte. Ltd..

4. DIRECTORS' RECOMMENDATIONS

The Directors (other than Mr. Saw Tatt Ghee and Ms. Saw Lee Ping, who are required to abstain from making any recommendations to Shareholders to vote in favour of the resolution to authorise the Share Buyback) having considered, *inter alia*, the rationale for the proposed renewal of the Share Buyback Mandate, are of the opinion that the proposed renewal of the Share Buyback Mandate is in the best interests of the Company and its Shareholders.

Accordingly, the Directors (other than Mr. Saw Tatt Ghee and Ms. Saw Lee Ping) recommend that the Shareholders **VOTE IN FAVOUR** of the ordinary resolution in relation to the proposed renewal of the Share Buyback Mandate.

The Chairman of the AGM will accept appointment as proxy for any Shareholder to vote in respect of the ordinary resolution relating to the proposed renewal of the Share Buyback Mandate to be proposed at the AGM where such Shareholder has given specific instructions in a validly completed and submitted Proxy Form as to voting, or abstentions from voting, in respect of such ordinary resolution.

5. ANNUAL GENERAL MEETING

- 5.1 **Date and Time of AGM.** The AGM will be held at 600 North Bridge Road, #05-01 Parkview Square, Singapore 188778 on Wednesday, 25 October 2023 at 10.00 a.m. for the purpose of considering and, if thought fit, passing with or without modifications the ordinary resolution set out in the Notice of AGM which is attached to the Annual Report and despatched to Shareholders on 10 October 2022.

LETTER TO SHAREHOLDERS

- 5.2 **No Despatch of Printed Copies of Appendix.** The Company will be implementing the use of electronic communications in accordance with the Companies Act and Constitution for the purposes of serving notices and documents such as annual reports, appendices and circulars to Shareholders. This Appendix, together with the Annual Report, will be uploaded on SGXNET at the following URL: <https://www.sgx.com/securities/company-announcements> and is also available on the Company's website at the following URL: www.stgroup.net.au. Printed copies of this Appendix will not be sent to members. Shareholders who wish to receive a printed copy will need to complete and send a Request Form (which can be found in the Letter to Shareholders dated 10 October 2023) to the Company by 16 October 2023. The Annual Report and Appendix will be mailed to the relevant shareholders within 5 working days upon receiving the shareholder's request.

Printed copies of the Letter to Shareholders dated 10 October 2023 will be sent to Shareholders, together with the Notice of AGM and Proxy Form.

- 5.3 **When Depositor regarded as Shareholder.** A Depositor shall not be regarded as a Shareholder of the Company 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 fixed for the AGM.
- 5.4 Shareholders who are unable to attend the AGM and wish to appoint a proxy / proxies to attend and vote at the AGM on their behalf may use the Proxy Form sent to Shareholders to complete, sign and return in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive (by depositing a hard copy) at the registered office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, at 1 Harbourfront Avenue, #14-07, Keppel Bay Tower, Singapore 098632 or (by sending a scanned PDF copy) by email to AGM.TeamE@Boardroomlimited.com no later than 10:00 a.m. (Singapore time) on 22 October 2023, being not less than 72 hours before the time fixed for the AGM. The completion and sending 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 / proxies if he finds that he is able to do so, although the appointment of the proxy / proxies shall be deemed to be revoked by such attendance.

6. ABSTENTION FROM VOTING

Each of Mr. Saw Tatt Ghee and Ms. Saw Lee Ping will abstain, and will procure for the other Relevant Shareholders their respective concert parties to abstain, from voting in respect of their holdings of Shares on the ordinary resolution relating to the renewal of the Share Buyback Mandate, pursuant to the conditions under Appendix 2 of the Take-Over Code as set out in paragraph 2.13.4 above. The Company will disregard any votes cast on the resolution by the persons required to abstain from voting.

The Chairman of the AGM will accept appointment as proxy for any Shareholder to vote in respect of the ordinary resolution relating to the proposed renewal of the Share Buyback Mandate to be proposed at the AGM where such Shareholder has given specific instructions in a validly completed and submitted Proxy Form as to voting, or abstentions from voting, in respect of such ordinary resolution.

7. COMPLIANCE WITH GOVERNING LAWS, REGULATIONS AND CONSTITUTION

The Company confirms that the terms of the Appendix do not contravene any laws and regulations governing the Company and the Constitution.

LETTER TO SHAREHOLDERS

8. 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 of the Share Buyback Mandate, 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 this 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 this Appendix in its proper form and context.

9. INSPECTION OF DOCUMENTS

Copies of the following documents are available for inspection at 16 Raffles Quay #17-03 Hong Leong Building Singapore 048581 during normal business hours from the date of this Appendix up to and including the date of the AGM:

- (a) the Annual Report and Appendix; and
- (b) the Constitution.

The Annual Report and Appendix may also be accessed on SGXNET at the following URL: <https://www.sgx.com/securities/company-announcements> and is also available on the Company's website at the following URL: www.stgroup.net.au.

Yours faithfully

For and on behalf of the Board of Directors of
ST GROUP FOOD INDUSTRIES HOLDINGS LIMITED

Saw Tatt Ghee
Executive Chairman and Chief Executive Officer
10 October 2023

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