

**CIRCULAR DATED 7 AUGUST 2024**

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

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

This Circular is issued by Digilife Technologies Limited (“**Company**”), and together with its subsidiaries, the “**Group**”). Unless otherwise stated, capitalised terms appearing on the cover of this Circular have the same meanings as defined herein.

If you have sold or transferred all your ordinary shares (the “**Shares**”) in the capital of the Company held through The Central Depository (Pte) Limited (“**CDP**”), you need not forward this Circular, the notice of Extraordinary General Meeting and the attached Proxy Form to the purchaser or transferee as arrangements will be made by CDP for a separate Circular to be sent to the purchaser or transferee.

If you have sold or transferred all your Shares in the Company represented by physical share certificate(s), you should immediately forward this Circular, the notice of Extraordinary General Meeting and the attached Proxy Form to the purchaser or transferee or to the bank, stockbroker or agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

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

Printed copies of this Circular will not be sent to Shareholders. Nevertheless, printed copies of the Notice of Extraordinary General Meeting, and the Proxy Form will be sent by post to Shareholders. Shareholders can access this Circular electronically via the Company’s website at the URL: <https://digilifelimited.com/> and on the website of SGX-ST at the URL: <https://www.sgx.com/securities/company-announcements>. Shareholders who require a hard copy of this Circular can request for a copy by following the instructions in the notes to the Notice of Extraordinary General Meeting.

This Circular has been reviewed by the Company’s sponsor, PrimePartners Corporate Finance Pte. Ltd. (“**Sponsor**”). It has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Circular, including the correctness of any of the statements or opinions made or reports contained in this Circular.

The contact person for the Sponsor is Mr. Shervyn Essex, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, [sponsorship@ppcf.com.sg](mailto:sponsorship@ppcf.com.sg).



**DIGILIFE TECHNOLOGIES LIMITED**

(Company Registration Number: 199304568R)  
(Incorporated in Republic of Singapore)

**CIRCULAR TO SHAREHOLDERS IN RELATION TO:**

- (1) THE PROPOSED DISPOSAL BY THE COMPANY OF ITS SHAREHOLDING INTERESTS IN PEREMEX PTE. LTD. AS AN INTERESTED PERSON TRANSACTION AND A MAJOR TRANSACTION; AND**
- (2) THE PROPOSED CAPITAL REDUCTION AND PROPOSED CASH DISTRIBUTION.**

Financial Adviser to the Company in relation to the Proposed Disposal



**PrimePartners Corporate Finance Pte. Ltd.**

(Company Registration Number: 200207389D)  
(Incorporated in the Republic of Singapore)

Independent Financial Adviser to the Independent Directors and Audit Committee  
in relation to the Proposed Disposal as an Interested Person Transaction



**Xandar Capital Pte. Ltd.**

(Company Registration Number: 200002789M)  
(Incorporated in the Republic of Singapore)

**IMPORTANT DATES AND TIMES**

Last date and time for lodgement of Proxy Form	:	27 August 2024 at 11.00 a.m.
Date and time of Extraordinary General Meeting	:	30 August 2024 at 11.00 a.m.
Place of Extraordinary General Meeting	:	The Hive, Level 9 Lounge, 1 North Bridge Rd, #08-08, Singapore 179094

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## DEFINITIONS

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In this Circular, the following definitions apply throughout unless the context otherwise requires or otherwise stated:

“ACRA”	:	Accounting and Corporate Regulatory Authority of Singapore
“Applicable Law”	:	with respect to any person, any and all applicable constitutions, treaties, statutes, laws, by-laws, regulations, ordinances, codes, rules, rulings, judgments, rules of common law, orders, decrees, awards, injunctions or any form of decisions, determinations or requirements of or made or issued by, governmental, statutory, regulatory, administrative, supervisory or judicial authorities or bodies (including without limitation, any relevant stock exchange or securities council) or any court, arbitrator or tribunal with competent jurisdiction, whether in Singapore or elsewhere, as amended or modified from time to time, and to which such party is subject
“associate(s)”	:	shall have the same meaning as ascribed to them in the Catalist Rules
“Audit Committee”	:	the audit committee of the Company, comprising Mr. Sudip Bandyopadhyay (Chairman), Mr. Rajesh Pahwa (Member) and Mr. Tay Wee Meng (Member)
“Bharat IT”	:	means Bharat IT Services Limited, more information of which is set out in Section 2.3 of this Circular
“Board” or “Board of Directors”	:	the board of Directors of the Company for the time being
“Bharat IT Group”	:	Collectively, Bharat IT and Modi Aircrete
“Business Day”	:	any day that is not a Saturday, Sunday, national holiday or other day on which commercial banks are authorised by law to close in Singapore
“Catalist”	:	the Catalist Board of the SGX-ST
“Catalist Rules”	:	Section B: Rules of Catalist of the Listing Manual of the SGX-ST as amended, supplemented or modified from time to time
“CDP”	:	the Central Depository (Pte) Limited
“Circular”	:	this circular dated 7 August 2024 issued by the Company

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## DEFINITIONS

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<i>“Companies Act”</i>	:	The Companies Act 1967, as amended or modified from time to time
<i>“Company”</i>	:	Digilife Technologies Limited
<i>“Completion”</i>	:	has the meaning ascribed to it in Section 2.4.1 of this Circular
<i>“Conditions Precedent”</i>	:	has the meaning ascribed to it in Section 2.4.3 of this Circular
<i>“Consideration”</i>	:	the sum of S\$12,240,000, being the aggregate consideration for the Sale Shares, as further described in Section 2.4.1 of this Circular
<i>“Constitution”</i>	:	the constitution of the Company, as may be amended, modified and/or supplemented from time to time
<i>“Controlling Shareholder”</i>	:	a person who:  (a) holds directly or indirectly 15% or more of the nominal amount of all voting shares in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a controlling shareholder; or  (b) in fact exercises control over the Company
<i>“Director”</i>	:	a director of the Company for the time being
<i>“Dr. Modi”</i>	:	means Dr. Bhupendra Kumar Modi who is the Controlling Shareholder of the Company
<i>“EGM”</i>	:	the extraordinary general meeting to be held on 30 August 2024 at 11.00 a.m., notice of which is set out on page N-1 of this Circular
<i>“Encumbrances”</i>	:	means a mortgage, charge, pledge, lien, option, restriction, right of first refusal, right of pre-emption, third party right or interest, other encumbrance or security interest of any kind, or another type of preferential arrangement (including, without limitation, a title transfer or retention arrangement) having similar effect
<i>“Entitled Shareholders”</i>	:	has the meaning ascribed to it in Section 3.6.1(a) of this Circular
<i>“EPS”</i>	:	earnings per share

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## DEFINITIONS

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<i>“Final Distributable Amount”</i>	:	has the meaning ascribed to it in the Section 3.1 of this Circular
<i>“FY”</i>	:	means the 12 months financial year from 1 January to 31 December
<i>“FY2023 Financial Statements”</i>	:	the audited consolidated financial statements of the Group for FY2023
<i>“Gross Proceeds”</i>	:	has the meaning ascribed to it in Section 2.6 of this Circular
<i>“Group”</i>	:	the Company and its subsidiaries, collectively, for the time being
<i>“ICT”</i>	:	has the meaning ascribed to it in Section 2.3 of this Circular
<i>“IFA”</i>	:	Xandar Capital Pte. Ltd., the independent financial adviser to the Independent Directors and Audit Committee in relation to the Proposed Disposal
<i>“IMPL”</i>	:	has the meaning ascribed to it in Section 2.2 of this Circular
<i>“Independent Directors”</i>	:	has the meaning ascribed to it in Section 2.10.1 of this Circular
<i>“Independent Valuer”</i>	:	Navi Corporate Advisory Pte. Ltd.
<i>“Latest Practicable Date”</i>	:	the latest practicable date prior to the despatch of this Circular, being 2 August 2024
<i>“Listing Manual”</i>	:	the listing manual of the SGX-ST
<i>“Modi Aircrete”</i>	:	means Modi Aircrete Private Limited, more information of which is set out in Section 2.3 of this Circular
<i>“NAV”</i>	:	net asset value
<i>“Notice of EGM”</i>	:	the notice of the EGM set out on page N-1 of this Circular
<i>“NTA”</i>	:	net tangible assets
<i>“Payment Date”</i>	:	the payment date for Shareholders’ entitlements to the Proposed Cash Distribution pursuant to the Proposed Capital Reduction, to be announced by the Company in due course
<i>“Peremex”</i>	:	Peremex Pte. Ltd., a company incorporated in the Republic of Singapore on 7 August 2003

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## DEFINITIONS

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<i>“Peremex Capital Injection”</i>	:	has the meaning ascribed to it in Section 2.3 of this Circular
<i>“Polling Agent”</i>	:	has the meaning ascribed to it in Section 10 of this Circular
<i>“PPCF” or “Financial Adviser”</i>	:	PrimePartners Corporate Finance Pte. Ltd.
<i>“Proposed Capital Reduction”</i>	:	has the meaning ascribed to it in Section 1.1 of this Circular
<i>“Proposed Cash Distribution”</i>	:	has the meaning ascribed to it in Section 1.1 of this Circular
<i>“Proposed Cash Distribution Amount”</i>	:	has the meaning ascribed to it in Section 3.1(b) of this Circular
<i>“Proposed Disposal”</i>	:	has the meaning ascribed to it in Section 1.1 of this Circular
<i>“Proposed Transactions”</i>	:	has the meaning ascribed to it in Section 1.1 of this Circular
<i>“Proxy Form”</i>	:	the proxy form in respect of the EGM as set out in this Circular
<i>“Purchaser”</i>	:	Smart Co Holding Pte. Ltd., a private company limited by shares duly incorporated under the laws of Singapore on 25 July 1996 with the registered office address at 60 Paya Lebar Road, #09-43, Paya Lebar Square, Singapore 409051
<i>“Record Date”</i>	:	such time and date as may be determined by the Directors in their absolute discretion as they deem fit and announced by the Company, at and on which the Register of Members and the share transfer books of the Company will be closed for the purpose of determining the entitlements of Shareholders to the Proposed Cash Distribution pursuant to the Proposed Capital Reduction
<i>“Register of Members”</i>	:	register of members of the Company
<i>“Regulatory Authority”</i>	:	any authority, agency, department (including any governmental department or agency) or other person having authority under, or jurisdiction in respect of, any Applicable Law
<i>“Restructuring Exercise”</i>	:	has the meaning ascribed to it in Section 2.3 of this Circular
<i>“Sale Shares”</i>	:	has the meaning ascribed to it in Section 2.1.1 of this Circular

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## DEFINITIONS

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“SBPL”	:	has the meaning ascribed to it in Section 2.2 of this Circular
“Securities Account”	:	the securities account maintained by a Depositor with CDP (but does not include a securities sub-account maintained with a Depository Agent)
“Securities and Futures Act” or “SFA”	:	the Securities and Futures Act 2001 of Singapore, as amended or modified from time to time or re-enactment thereof for the time being in force
“Set-Off Parties”	:	has the meaning ascribed to it in Section 2.4.2 of this Circular
“Set-Off Deed”	:	has the meaning ascribed to it in Section 2.4.2 of this Circular
“Set-Off Parties Entitled Distributable Amount”	:	has the meaning ascribed to it in Section 2.4.2 of this Circular
“SGIC”	:	has the meaning ascribed to it in Section 2.2 of this Circular
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“SGXNET”	:	the corporate announcement system maintained by the SGX-ST for the submission of announcements by listed companies
“Shareholders”	:	the registered holders of the Shares in the Register of Members of the Company, except where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context so admits, mean the Depositors whose Securities Accounts are credited with such Shares
“Shares”	:	ordinary shares in the issued share capital of the Company
“Singapore”	:	means the Republic of Singapore
“Solvency Statement”	:	the solvency statement(s) to be given by the Directors as required under Section 78C of the Companies Act for the purpose of the Proposed Capital Reduction
“SPA”	:	the share purchase agreement entered into on 2 August 2024 between the Company and the Purchaser in relation to the Proposed Disposal
“SPA Announcement”	:	the announcement by the Company dated 2 August 2024 that the Company and the Purchaser had entered into the SPA in respect of the Proposed Disposal on the SGXNET

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## DEFINITIONS

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“SPA Parties”	:	has the meaning ascribed to it in Section 2.4.1 of this Circular
“Substantial Shareholder(s)”	:	a person who has an interest or interests in one or more voting Shares in the Company, and the 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
“Summarised Valuation Report”	:	A summary of the Valuation Report set out in <b>Appendix A</b> to this Circular
“S\$” and “Singapore cents”	:	Singapore dollars and cents, respectively, being the lawful currency for the time being of the Republic of Singapore
“Target Group”	:	Collectively, Peremex, Bharat IT and Modi Aircrete
“Valuation Report”	:	Valuation report dated 7 August 2024 issued by the Independent Valuer in relation to the valuation of 100% equity interest in the capital of the Target Group, a summary of which is set out in <b>Appendix A</b> to this Circular
“%” or “per cent.”	:	percentage or per centum.

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

The term “**treasury share**” shall have the meaning ascribed to it in Section 4 of the Companies Act.

The terms “**subsidiary**”, “**subsidiaries**” and “**subsidiary holdings**” shall have the meanings ascribed to them under Section 5 of the Companies Act.

Other capitalised terms are defined where they appear and have the respective meanings there indicated.

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

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter gender and vice versa. References to persons shall, where applicable, include corporations.

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

Any discrepancies in tables included herein between the amounts in the columns of the tables and the totals thereof are due to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.



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## DEFINITIONS

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Any reference to a time of day in this Circular shall be a reference to Singapore time unless otherwise stated.

Shook Lin & Bok LLP has been appointed as the legal counsel to the Company in relation to Singapore law in relation to this Circular and the Proposed Transactions.

### ***Cautionary Note on Forward-Looking Statements***

All statements other than statements of historical facts included in this Circular 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 current expectations, beliefs, hopes, intentions or strategies of the party making the statements 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 and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders should not place undue reliance on such forward-looking statements, and the Company undertakes no obligation to update publicly or revise any forward-looking statements.

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## LETTER TO SHAREHOLDERS

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### DIGILIFE TECHNOLOGIES LIMITED

(Company Registration Number: 199304568R)

(Incorporated in Republic of Singapore)

**Directors:**

Ms Chada Anitha Reddy (Executive Director and Chairperson)  
Mr. Sudip Bandyopadhyay (Lead Independent Director)  
Mr. Rajesh Pahwa (Non-Executive Independent Director)  
Mr. Tay Wee Meng (Non-Executive Independent Director)  
Mr. Mukesh Khetan (Executive Director and Group CEO)

**Registered Office:**

1 North Bridge Road,  
#19-04/05 High Street Centre,  
Singapore 179094

7 August 2024

To: The Shareholders of Digilife Technologies Limited

Dear Sir/Madam

- (1) **THE PROPOSED DISPOSAL BY THE COMPANY OF ITS SHAREHOLDING INTERESTS IN PEREMEX AS AN INTERESTED PERSON TRANSACTION AND A MAJOR TRANSACTION; AND**
- (2) **THE PROPOSED CAPITAL REDUCTION AND PROPOSED CASH DISTRIBUTION.**

#### 1. INTRODUCTION

##### 1.1 Purpose of the Circular

The Directors are convening an EGM to be held on 30 August 2024 at 11.00 a.m. to seek Shareholders' approval for the following:

- (a) The ordinary resolution in relation to the proposed disposal by the Company of its entire shareholding interest in Peremex as an interested person transaction and a major transaction (the "**Proposed Disposal**") ("**Ordinary Resolution**"); and
- (b) The special resolution in relation to the proposed capital reduction (the "**Proposed Capital Reduction**") and concomitant return of capital to the Company's Shareholders (the "**Proposed Cash Distribution**") ("**Special Resolution**"),

(collectively, the "**Proposed Transactions**").

The purpose of this Circular is to provide Shareholders with relevant information relating to the Proposed Transactions and to seek Shareholders' approval in respect of the same at the EGM, the notice of which is set out on page N-1 of this Circular. This Circular has been prepared solely for the purpose set out herein and may not be relied upon by any persons (other than Shareholders) nor for any other purpose.

The SGX-ST assumes no responsibility for the contents of the Circular, including the accuracy of any statements made, reports contained or opinions expressed in this Circular.

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## LETTER TO SHAREHOLDERS

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### 1.2 Conditionality of Resolutions

Shareholders should note that the **Ordinary Resolution** and the **Special Resolution** are inter-conditional. This means that if any of the resolutions are not approved, the other resolution will not be deemed duly passed. The Ordinary Resolution and the Special Resolution are inter-conditional as the proceeds arising from the Proposed Disposal is required for the return of capital contemplated under the Proposed Capital Reduction.

### 1.3 Disclaimers

If a Shareholder is in any doubt as to the action he/she should take, he/she should consult his/her legal, financial, tax or other professional adviser(s) immediately.

## 2. THE PROPOSED DISPOSAL

### 2.1 Overview

**2.1.1** On 2 August 2024, the Board announced that the Company had on 2 August 2024 entered into the SPA with the Purchaser, for the disposal by the Company of an aggregate of 13,206,000 issued and paid-up ordinary shares in the capital of Peremex, representing the total issued and paid-up share capital of Peremex (the “**Sale Shares**”) on the terms and subject to the conditions of the SPA. Upon completion of the Proposed Disposal, the Company will be divested of its entire interest in the Peremex, and the Target Group will cease to be subsidiaries of the Company.

**2.1.2** The Proposed Disposal constitutes:

- (a) an interested person transaction under Chapter 9 of the Catalist Rules; and
- (b) a major transaction under Chapter 10 of the Catalist Rules.

Accordingly, the Proposed Disposal will be subject to, amongst others, the approval of the Shareholders for the Proposed Disposal at the EGM to be convened. Please refer to Section 2.7 of this Circular for further details on the relative figures in respect of the Proposed Disposal computed on the bases set out in Rule 1006 of the Catalist Rules. The IFA has been appointed to advise the Independent Directors and Audit Committee in relation to the Proposed Disposal, and the IFA Letter is set out in **Appendix B** to this Circular.

### 2.2 Details of the Purchaser

*Shareholders should note that information relating to the Purchaser in this paragraph and elsewhere in this Circular has been provided by the Purchaser. The Company and the Directors have not independently verified the accuracy and correctness of such information herein. The sole responsibility of the Directors and the Company for the purpose of such information has been to ensure that such information has been accurately and correctly extracted and reproduced in this Circular in its proper form and context.*

The Purchaser is a private company limited by shares duly incorporated under the laws of Singapore on 25 July 1996 and is principally engaged in the business of investment holding. The Purchaser is wholly owned by Dr. Modi, who is a Controlling Shareholder of the Company and thus an interested person as defined under Chapter 9 of the Catalist Rules.

## LETTER TO SHAREHOLDERS

As at the Latest Practicable Date, the sole shareholder of the Purchaser is Dr. Modi. Dr. Modi is the founder and chairman of Smart Group – a diversified business conglomerate with business interests in the mobility, finance, healthcare, entertainment and technology sectors in India. Dr. Modi intends to grow Bharat IT’s business in India and other markets by leveraging on his diversified businesses in the Indian market through the acquisition of Peremex. Accordingly, it is the intention of the Purchaser to induct new Directors and management into the business of the Target Group after the Proposed Disposal.

As at the Latest Practicable Date, Dr. Modi is a controlling shareholder of the Company who holds 6.01% direct interest in the existing issued and paid-up share capital of the Company (excluding treasury Shares) and holds 51.48% deemed interest in the Company through the following entities:

No.	Shareholders	No. of Shares as at the Latest Practicable Date	Percentage of the share capital of the Company as at the Latest Practicable Date (%)
1	S Global Innovation Centre Pte. Ltd. (“ <b>SGIC</b> ”) <sup>(1)</sup>	3,638,921	27.18
2	The Purchaser <sup>(2)</sup>	410,660	3.07
3	Spice Bulls Pte. Ltd. (“ <b>SBPL</b> ”) <sup>(3)</sup>	1,316,497	9.83
4	Innovative Management Pte. Ltd. (“ <b>IMPL</b> ”) <sup>(4)</sup>	43,000	0.32
5	Smart Bharat Private Limited <sup>(5)</sup>	1,482,387	11.07
	<b>Total</b>	<b>6,891,465</b>	<b>51.48</b> <sup>(6)</sup>

**Notes:**

- (1) SGIC is controlled by Dr. Modi along with Dilip Modi, the son of Dr. Modi.
- (2) The Purchaser is wholly-owned by Dr. Modi.
- (3) SBPL is wholly-owned by the Purchaser which is in turn wholly-owned by Dr. Modi.
- (4) IMPL is wholly-owned by Dr. Modi.
- (5) Approximately 99.93% interest in the capital of Smart Bharat Private Limited (formerly known as Smart Entertainment Private Limited) is beneficially owned and controlled by Dr. Modi as well as investment vehicles controlled by Dr. Modi and his family members.
- (6) Shareholding percentages are rounded to the nearest two decimal places. Any discrepancies in this announcement (including the tables) between the listed amounts and the totals thereof are due to rounding. Accordingly, any figure shown as a total may not be an arithmetic aggregation of the figures that precede it.

Save as disclosed above and section 8 of this Circular, the Purchaser and its associates do not have any shareholding interest, direct or indirect, in the Company, and the other Directors and/or substantial shareholders of the Purchaser are not related to any of the Directors, the Chief Executive Officer, or substantial shareholders of the Company, or their respective associates.

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## LETTER TO SHAREHOLDERS

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### 2.3 Information on the Target Group

Peremex is a company incorporated in the Republic of Singapore on 7 August 2003. Peremex is a wholly-owned subsidiary of the Company, and does not have any existing operations or business activities.

On 25 July 2024, the Company has transferred 7,005,000 ordinary shares representing 100% in the capital of Bharat IT to Peremex pursuant to an internal restructuring of the Group (“**Restructuring Exercise**”). The Company had completed a capital injection of S\$4.0 million into the Target Company on 26 July 2024 (“**Peremex Capital Injection**”). Following the Restructuring Exercise, Peremex owns two subsidiaries incorporated in India, namely Bharat IT and Modi Aircrete, a wholly owned subsidiary of Bharat IT. The Target Company, Bharat IT and Modi Aircrete are collectively referred to herein as the “**Target Group**”.

Currently, the Group’s information and communications technology (“**ICT**”) distribution and managed business operation in India is conducted through its indirect wholly-owned subsidiary, Bharat IT, where it provides comprehensive ICT solutions encompassing consultation, maintenance, disaster recovery services, as well as undertaking projects in networking, data hosting, and managed services. Modi Aircrete, a wholly-owned subsidiary of Bharat IT, currently does not have any existing operations or business activities.

As at the Latest Practicable Date, the Company is the legal and beneficial owner of 13,206,000 issued and paid-up ordinary shares in the capital of Peremex, representing the total issued and paid-up share capital of Peremex.

### 2.4 Salient Terms of the Proposed Disposal

A summary of the material terms and conditions of the Proposed Disposal as set out in the SPA is as follows.

#### 2.4.1 Disposal of the Sale Shares

The Company shall sell to the Purchaser, and the Purchaser shall purchase from the Company, the Sale Shares on the terms and conditions of the SPA.

The consideration for the Sale Shares shall be an aggregate of S\$12,240,000 (the “**Consideration**”) to be payable by the Purchaser to the Company upon completion of the SPA (“**Completion**”).

Unless extended by mutual consent of both parties to the SPA (the “**SPA Parties**”), the completion of the SPA shall take place on the fifth (5<sup>th</sup>) business day after the date on which all the Conditions Precedent are satisfied or waived (as the case may be).

The Purchaser shall deliver to the Company the payment of the Consideration by way of a cashier’s order or banker’s draft drawn on a bank licensed in Singapore and made out in favour of the Company, or by way of telegraphic transfer of immediately available funds made out in favour of the Company’s bank account as shall have been notified to the Purchaser by the Company, or by such other manner as may be agreed between the SPA Parties in writing. Notwithstanding anything else as set out in the SPA, the SPA Parties agree that the Purchaser may set-off (in full or in part) the Consideration which he owes to

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## LETTER TO SHAREHOLDERS

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the Company pursuant to the SPA against any sums due to him and/or any of his affiliates by the Seller, regardless of the origin or nature of such dues.

### 2.4.2 Consideration

The Consideration was arrived at after arms' length negotiations and on a willing-buyer willing-seller basis, after taking into consideration discussions between the Company and the Purchaser, and other commercial factors including, *inter alia*, the *pro forma* NTA of the Target Group as at 30 April 2024, historical performance and business prospects of the ICT segment conducted through Bharat IT, prevailing market conditions, the market value of the 100% equity interest in the capital of Target Group as at 30 April 2024 ("**Valuation Date**") based on the valuation conducted by the Independent Valuer, subject to the key assumptions set out in the Valuation Report, and the rationale for and benefits to the Group arising from the Proposed Disposal as further described in Section 2.5 of this Circular.

The Consideration payable by the Purchaser for the Sale Shares will be partially set-off against the portion of the Proposed Cash Distribution Amount entitled by certain of Dr. Modi's associates (namely, SGIC, the Purchaser, SBPL and IMPL (collectively, the "**Set-Off Parties**")) would have otherwise received in their capacity as Shareholders pursuant to the Proposed Cash Distribution. Pursuant to which, the Set-Off Parties have entered into a deed of set-off ("**Set-off Deed**") in favour of the Company and the Purchaser on 2 August 2024, whereby the Proposed Cash Distribution that the Set-Off Parties are entitled to receive amounting to an aggregate of S\$4,945,437 ("**Set-Off Parties Entitled Distributable Amount**") shall be used to offset against the Consideration as further described in Section 3.1 of this Circular. This set-off arrangement is further described in Section 3.2 of this Circular.

### 2.4.3 Conditions Precedent

Completion shall be conditional upon the following events (collectively, the "**Conditions Precedent**"):

- (a) all relevant regulatory consents or approvals being obtained by the Company in respect of the transfer of the Sale Shares, including the board of directors of the Company, in-principle approval from the SGX-ST and (if required by the SGX-ST) its shareholders, and if such approval is obtained subject to any conditions, subject to such conditions being acceptable to the Company to whom such approval relates and, if such conditions are required to be fulfilled before Completion, the fulfilment of such conditions before Completion;
- (b) all relevant consents or approvals being obtained by the Company in respect of the Proposed Capital Reduction to be conducted by the Company following Completion;
- (c) the warranties provided by the respective SPA Parties in the SPA being materially true and accurate and not misleading at Completion as if they had been repeated at Completion with references to circumstances then existing;
- (d) the due and valid implementation of the Capital Reduction, and the filing of the relevant documents with the ACRA such that the Capital Reduction is effective under section 78E(2) or 78E(4) of the Companies Act 1967; and

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- (e) no event, change or effect having occurred which has resulted or is likely to result in a material adverse change or material adverse deterioration in the position or prospects of Peremex (or no material contingent liability having arisen which if incurred would result in such a material adverse change or deterioration).

### 2.4.4 Salient Warranties and Long-stop Date

The Company has provided certain warranties in relation to Peremex's audited accounts, indebtedness and guarantees, insolvency and other legal proceedings.

Under the SPA, the "Long-Stop Date" will be the date falling on or before 120 days from the date of the SPA, or such later date as the parties may agree. In the event that any of the Conditions Precedent are not fulfilled or waived in accordance with the terms under the SPA by the Long-Stop Date, then the SPA shall automatically terminate and none of the parties shall have any further liability to the other parties except for any liability accrued as at such date.

**2.4.5** In addition to the above, the Company and the Purchaser have agreed that upon Completion, the Company shall procure the entry on the electronic register of members of Peremex as maintained by the ACRA, of the name of the Purchaser as the holder of the Sale Shares and the making of such other entries into other corporate records of Peremex as may be necessary; and deliver to the Purchaser:

- (a) the share certificate(s) in respect of the Sale Shares, together with a valid share transfer form in respect of the Sale Shares, duly executed by the Company in favour of the Purchaser;
- (b) such waivers, consents or other documents as the Purchaser may require to enable it to be registered as the holder of all the Sale Shares;
- (c) a certified true copy of the resolutions passed by Peremex's board,
  - (i) approving the transfer of the Sale Shares to the Purchaser;
  - (ii) authorising the issuance of new share certificate(s) in respect of the Sale Shares in favour of the Purchaser;
  - (iii) approving the cancellation of the current instructions to Peremex's banks and replacing them with any new instructions required by the Purchaser; and
  - (iv) approving the appointment of such directors as may be nominated by the Purchaser to Peremex's board, and accepting the resignation(s) of Peremex's existing director(s) nominated by the Company;
- (d) evidence that the instructions to Peremex's banks have been replaced with the new instructions required by the Purchaser as contemplated in the board approvals described in paragraph (c)(iii) above; and
- (e) the resignation letter(s) of the existing director(s) of Peremex nominated by the Company, to take effect on the date of Completion, with their acknowledgment that they have no claim for loss of office, professional fees or otherwise.

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Correspondingly, the Purchaser has agreed that upon Completion it shall deliver to the Company the payment of the Consideration by a cashier's order or banker's draft drawn on a bank licensed in Singapore and made out in favour of the Company, or by way of telegraphic transfer of immediately available funds made out in favour of the Company's bank account as shall have been notified to the Purchaser by the Company, or by such other manner as may be agreed between the Purchaser and the Company in writing. The Company and the Purchaser further agrees that the Purchaser may set-off (in full or in part) the Consideration which it owes to the Company hereto against any sums due to it and/or any of its affiliates by the Company, regardless of the origin or nature of such dues, including the Set-Off Parties Entitled Distributable Amount as described in paragraph 2.4.2 above.

**2.4.6** If the Company or the Purchaser fails to comply with any of their respective obligations set out in Section 2.4.5 above, the non-defaulting party may, without prejudice to its rights under the SPA and under any applicable law:

- (a) defer Completion to a date selected by the non-defaulting party being not more than three (3) business days after the initial date of Completion;
- (b) proceed to Completion as far as practicable (without limiting its rights under the SPA); or
- (c) terminate the SPA upon which neither party shall have any claim against any other for costs, damages, compensation or otherwise, save for any claim arising from antecedent breach of the terms of the SPA.

### **2.5 Rationale and Benefit to the Company**

The Board is of the view that the Group will benefit from the Proposed Disposal as it presents the Group with an opportunity to monetise and unlock the value of the existing ICT business for a reasonable consideration which the Company is of the view that it is a sunset business. The Proposed Disposal also allows the Group to undertake a strategic review of the financial position and its operational needs. Subject to approval by Shareholders on the Proposed Cash Distribution, the Company intends to distribute the Gross Proceeds arising from the Proposed Disposal to the Shareholders via the Proposed Capital Reduction in recognition of the support of the Shareholders and to enable them to enjoy the benefits from the Proposed Disposal. Accordingly, the Board is of the view that the Proposed Disposal is in the best interests of the Company and Shareholders.

Following the Proposed Disposal, the Company will reduce its exposure to liabilities. The Group is also looking to re-position itself to identify and explore new operating businesses which are well-positioned to capture future growth opportunities.

### **2.6 Use of Proceeds from the Proposed Disposal**

The gross proceeds from the Proposed Disposal will be S\$12,240,000 ("**Gross Proceeds**").

The Company intends to utilise the Gross Proceeds for the Proposed Cash Distribution (i.e. aggregate amount of S\$12,240,000 or S\$0.914285 per Share), subject to the approval of the Shareholders.



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The Final Distributable Amount of S\$7,294,563 (or S\$0.914285 per Share) is the Gross Proceeds deducted by the Set-Off Parties Entitled Distributable Amount of S\$4,945,437 pursuant to the Set-off Deed. For the avoidance of doubt, the Set-Off Parties will not receive the Final Distributable Amount. Please refer to sections 3.1 and 3.2 of this Circular for further details on the Proposed Capital Reduction and Proposed Cash Distribution.

### 2.7 The Proposed Disposal as a Major Transaction

Rule 1014(1) of the Catalist Rules states that where any of the relative figures as computed on the bases set out in Rule 1006 of the Catalist Rules exceeds 50% for a disposal, a transaction is classified as a “major transaction”. Rule 1014(2) of the Catalist Rules further states that such a “major transaction” must be made conditional upon approval by Shareholders at a general meeting to be convened.

#### 2.7.1 Relative Figures Computed on the Bases Set Out in the Rule 1006 of the Catalist Rules

Based on the latest announced unaudited consolidated financial statements of the Group for the six months ended 30 June 2024 (“1H2024”) the relative figures in relation to the Proposed Disposal computed on the applicable bases set out in Rule 1006 of the Catalist Rules are as follows:

Rule	Bases of computation	Relative figures <sup>(1)</sup>
Rule 1006(a)	NAV of the assets to be disposed of compared with the Group’s NAV <sup>(2)</sup> .	38.90
Rule 1006(b)	Net profits attributable to the Sale Shares to be disposed, compared with the Group’s net profits <sup>(3)</sup> .	91.17
Rule 1006(c)	Aggregate value of the consideration given or received, compared with the Company’s market capitalisation <sup>(4)</sup> .	72.12
Rule 1006(d)	Number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable as this transaction is not an acquisition.
Rule 1006(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group’s proved and probable reserves. This basis is applicable to a disposal of mineral, oil and gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.	Not applicable as this transaction is not a disposal of mineral, oil and gas assets.

**Notes:**

(1) The existing intercompany balances between the Company and Target Group as at 1H2024 have been disregarded as they are not material for the purposes of computing the relative figures.

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- (2) Under Rule 1002(3)(a) of the Catalist Rules, “net assets” means total assets less total liabilities. Based on the unaudited consolidated financial statement of the Group for 1H2024, the NAV of the Group was approximately S\$31,762,000. Based on the unaudited financial statements of the Target Group for the same financial period, the NAV of the Target Group was approximately S\$12,354,690 after the Restructuring Exercise and Peremex Capital Injection.
- (3) Under Rule 1002(3)(b) of the Catalist Rules, “net profits” means profit or loss including discontinued operations that have not been disposed and before income tax and non-controlling interests. Based on the unaudited consolidated financial statements of the Group for 1H2024, the net profits of the Group was approximately S\$262,000. Based on the unaudited financial statements of the Target Group for the same financial period, the net profits attributable to the Target Group was approximately S\$238,862.
- (4) This figure is computed by comparing the Consideration in relation to the Proposed Disposal against the market capitalisation of the Company of approximately S\$16,971,350. Under Rule 1002(5) of the Catalist Rules, “market capitalisation” of the Company is determined by multiplying 13,387,513 Shares in issue, excluding treasury Shares, by the volume weighted average price of such shares transacted on 1 August 2024, being the last market day immediately preceding the date of the SPA.

As the relative figures under Rules 1006(b) and 1006(c) of the Catalist Rules exceed 50%, the Proposed Disposal constitutes a “major transaction” under Rule 1014 of the Catalist Rules. Accordingly, the Proposed Disposal is classified as a “major transaction” under Rule 1014 of the Catalist Rules and is accordingly subject to the approval of the Shareholders at the EGM.

### 2.8 Valuation Report

For the purposes of the Proposed Disposal, the Company has appointed Navi Corporate Advisory Pte. Ltd. as the Independent Valuer to assess and determine the market value of the 100% equity interest in the capital of the Target Group.

A Valuation Report has been issued by the Independent Valuer in respect of the independent valuation on the market value of the Sale Shares, and the Summarised Valuation Report is appended as Appendix A of this Circular.

Based on the Valuation Report, the market value of the 100% equity interest in the capital of the Target Group as at the Valuation Date is in the region of S\$11.5 million to S\$11.8 million (rounded to the nearest (1) decimal place). The valuation of the Target Group was arrived at based on the sum-of-parts method: (i) an estimate of the market value range of the Bharat IT Group based primarily on the income approach with reference made to the market approach and cost approach; and (ii) market value of Peremex based primarily on the cost approach. The Independent Valuer has also taken into consideration the prevailing market conditions as at the Valuation Date.

**A copy of the Summarised of Valuation Report is appended as Appendix A of this Circular. Shareholders are advised to read and consider the Summarised Valuation Report carefully, in particular the terms of reference, key assumptions and critical factors.**

### 2.9 The Proposed Disposal as an Interested Person Transaction

#### 2.9.1 Details of the Interested Person

As at the Latest Practicable date, Dr. Modi is a Controlling Shareholder of the Company who holds 6.01% direct interest in the Company and 51.48% deemed interest in the Company. Accordingly, Dr. Modi is deemed to be an “interested person” under Chapter 9 of the Catalist Rules.

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As Dr. Modi is the sole shareholder of Purchaser, the Purchaser is considered as an associate of Dr. Modi. Accordingly, the Purchaser is deemed to be an “interested person” under Chapter 9 of the Catalist Rules.

### 2.9.2 Interested Person Transaction

Accordingly, the Proposed Disposal, which is a transaction between the Purchaser (an “interested person”) and the Company (being an “entity at risk”), constitutes an “interested person transaction” under Chapter 9 of the Catalist Rules.

The value of the Proposed Disposal, which is the Consideration of S\$12,240,000, represents approximately 41.90% of the Group’s latest audited NTA as at 31 December 2023 (being approximately S\$29,210,000). As the value of the Proposed Disposal exceeds 5% of the Group’s latest audited NTA, the Proposed Disposal is, pursuant to Rule 906 of the Catalist Rules, subject to the approval of the Independent Shareholders being obtained at the EGM of the Company to be convened.

### 2.9.3 Total Value of all Interested Person Transactions for the current financial year

Save for the Proposed Disposal, the Company has not entered into any Interested Person Transactions in the current financial year ending 31 December 2024.

## 2.10 Independent Financial Adviser and Audit Committee Statement

### 2.10.1 IFA

Pursuant to Rule 921(4)(a) of the Catalist Rules, the Company has appointed Xandar Capital Pte. Ltd., as the IFA to advise Directors who are independent for the purposes of the Proposed Disposal (the “Independent Directors”) and the Audit Committee on the Proposed Disposal as interested person transactions. Having regard to the considerations set out in the IFA Letter appended as **Appendix B** to this Circular and the information available to the IFA as at the Latest Practicable Date, the IFA is of the opinion that the Proposed Disposal is on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

### 2.10.2 Audit Committee

Having considered, *inter alia*, the terms, rationale and benefits of the SPA, and the opinion of the IFA as set out in the IFA Letter appended as **Appendix B**, the Audit Committee is of the view that the Proposed Disposal is on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

## 3. THE PROPOSED CAPITAL REDUCTION AND PROPOSED CASH DISTRIBUTION

### 3.1 Details of the Proposed Capital Reduction and Proposed Cash Distribution

The Company is proposing to undertake the Proposed Capital Reduction pursuant to Section 78A read with Section 78C of the Companies Act. Section 78C of the Companies Act requires that a public company proposing to undertake a capital reduction exercise should, *inter alia*, obtain the approval of its shareholders at a general meeting by way of a special resolution to be tabled at such general meeting.

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As at the Latest Practicable Date, based on records maintained by ACRA, the Company had an issued and paid-up share capital of S\$549,704,000 comprising 13,387,513 issued Shares (after excluding treasury shares). The Company has 492,871 treasury shares, and did not have any outstanding convertibles and subsidiary holdings.

The Proposed Capital Reduction and Proposed Cash Distribution will involve:

- (a) a reduction of the issued and paid-up share capital of the Company by the sum of S\$12,240,000, being the Gross Proceeds, from S\$549,704,000 to S\$537,464,000; and
- (b) a cash distribution to Shareholders of an aggregate amount of S\$12,240,000, (“**Proposed Cash Distribution Amount**”) equivalent to the Gross Proceeds, to be distributed pro-rata to all Shareholders, amounting to approximately S\$0.914285 in case for each Share held by Shareholders or on their behalf as at the Record Date to be determined by the Directors for the purpose of determining the entitlement of Shareholders to the payment of the cash distribution, based on the total number of 13,387,513 Shares in issue, excluding treasury shares. The final distributable amount shall be S\$7,294,563 or S\$0.914285 per Share to Shareholders excluding the Set-Off parties, which is the Gross Proceeds deducted by the Set-Off Parties Entitled Distributable Amount pursuant to the Set-off Deed, as set out in section 3.2 below (“**Final Distributable Amount**”). For the avoidance of doubt, the Set-Off Parties will not receive the Final Distributable Amount pursuant to the Set-off Deed.

The actual amount to be returned to Shareholders pursuant to the Proposed Cash Distribution will be based on the issued and paid-up share capital of the Company as at the Record Date. The aggregate amount of cash to be paid to each Shareholder pursuant to the Proposed Capital Reduction and Proposed Cash Distribution will be adjusted by rounding down any fractions of a cent to the nearest cent, where applicable.

In determining the Proposed Cash Distribution to Shareholders, the Board has ensured that the Company will have retained sufficient working capital to support its existing operations and pay its debts. As at the Latest Practicable Date, the Company has no outstanding debts.

In compliance with the provisions of Section 78C of the Companies Act, the Directors will each make a Solvency Statement confirming that:

- (a) as regards the Company’s situation at the date of the Solvency Statement, there is no ground on which the Company could be found to be unable to pay its debts;
- (b) 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 Solvency Statement; 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 Capital Reduction, become less than the value of its liabilities (including contingent liabilities).

Pursuant to Section 78C(4) of the Companies Act, copies of the Solvency Statements signed by the Directors are required to be made available for inspection at the EGM, as well as at the registered office of the Company for a period of six weeks beginning with the date of the EGM.

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Copies of the Solvency Statements will be made available for inspection at the EGM, as well as at the registered office of the Company at 1 North Bridge Road, #19-04/05 High Street Centre, Singapore 179094 during normal business hours for a period of six weeks beginning with the date of the EGM.

### 3.1.1 Amount to be distributed under the Proposed Capital Reduction

The Proposed Cash Distribution aggregate amount is S\$12,240,000 and will be distributed, *pro-rata*, to all the Shareholders as at the Record Date, subject to the conditions set out in Section 3.4 below having been satisfied. The respective entitlement of the Shareholders to the Proposed Cash Distribution Amount is equal to approximately S\$0.914285 per Share based on 13,387,513 issued Shares (excluding treasury shares) as at the Latest Practicable Date.

The actual amount per Share to be received by each Shareholder pursuant to the Proposed Capital Reduction will be based on the total number of Shares in existence as at the Record Date. The aggregate Proposed Cash Distribution Amount to be paid to each Shareholder pursuant to the Proposed Capital Reduction and the Proposed Cash Distribution will be adjusted by rounding down any fractions of a cent to the nearest cent, where applicable.

### 3.1.2 Illustration of Proposed Cash Distribution:

The following illustrate the position of a Shareholder who holds one, 10, 100 and 1,000 Shares as at the Record Date:

No. of Shares held	Amount payable to a Shareholder pursuant to the Proposed Cash Distribution
1	S\$0.01 (rounding down to the nearest cent)
10	S\$0.91
100	S\$9.14
1,000	S\$914.28

### 3.1.3 No cancellation of Shares or change in shareholdings

The Proposed Capital Reduction will not result in any change in the number of Shares held by any Shareholder. Each Shareholder will hold the same number of Shares before and immediately after the Proposed Capital Reduction. Accordingly, assuming the Shareholders have not dealt in the Shares, each Shareholder will hold the same number of Shares before and immediately after the Proposed Capital Reduction.

### 3.2 Distributable Amount of Set-Off Parties

In view of the relationship between Dr. Modi and the Purchaser, the Set-Off Parties intends to set-off their entitlement as Shareholders to their pro-rata share of the Proposed Cash Distribution Amount against the Consideration payable by the Purchaser. To this end, the Set-Off Parties entered into a Set-off Deed for the benefit of the Company and the Purchaser on 2 August 2024, whereby the pro-rata share the Set-Off Parties are entitled to receive amounting to an aggregate of S\$4,945,437 (i.e. the Set-Off Parties Entitled Distributable Amount) shall be used to offset against the Consideration.

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A breakdown of the Set-Off Parties and the pro-rata share of the Proposed Cash Distribution Amount they would otherwise have received are as follows:

No.	Set-Off Parties	No. of Shares held by the relevant Set-Off Party as at the Latest Practicable Date	Set-Off Parties Entitled Distributable Amount (S\$)
1	SGIC	3,638,921	3,327,010
2	The Purchaser	410,660	375,460
3	SBPL	1,316,497	1,203,653
4	IMPL	43,000	39,314
	<b>Total</b>	<b>5,409,078</b>	<b>4,945,437</b>

### 3.3 Rationale for the Proposed Capital Reduction

The Company intends to distribute the Gross Proceeds from the Proposed Disposal given that the Group currently has sufficient funds for the Group's present working capital requirements (that is, the Proposed Cash Distribution Amount), *pro-rata*, to all Shareholders as at the Record Date. As the Company does not have sufficient retained earnings to make the Proposed Cash Distribution entirely to its Shareholders by way of a declaration of a special dividend, such distribution has to be undertaken by way of the Proposed Capital Reduction.

The Proposed Disposal will enable the Company to dispose of and monetise its underperforming assets for the Consideration in cash, distribute the Gross Proceeds to Shareholders via the Proposed Capital Reduction. Considering the thin trading volume of the Company's Shares, the Proposed Capital Reduction will also allow Shareholders to realise their investment in the Company in cash upon completion of the Proposed Disposal, while retaining their Shares.

In addition, the Proposed Capital Reduction will result in the Company having a more efficient capital structure, thereby improving Shareholders' return on equity.

### 3.4 Conditions for the Proposed Capital Reduction and Proposed Cash Distribution

The Proposed Capital Reduction is subject to, *inter alia*, the following:

- (a) the completion of the Proposed Disposal;
- (b) the Directors making the Solvency Statement in relation to the Proposed Capital Reduction and compliance with other relevant solvency requirements as required by the Companies Act;
- (c) the Solvency Statements, together with a copy of the Special Resolution, being lodged with ACRA within 15 days beginning with the date of the Special Resolution;
- (d) the approval of the Shareholders by way of a special resolution for the Proposed Capital Reduction (that is, approval by a majority of not less than three-fourths of Shareholders present and voting) at the EGM, of which not less than 21 days' notice shall have been given;

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- (e) compliance with the relevant publicity requirements as prescribed in the Companies Act;
- (f) no application having been made for the cancellation of the Shareholders' resolution approving the Proposed Capital Reduction by any creditor of the Company within the timeframe prescribed in the Companies Act, or if such application was made, the withdrawal or dismissal thereof by the judicial authorities; and
- (g) the Company after the end of six weeks (but before the end of eight weeks) beginning with the date on which the Proposed Capital Reduction was approved by the Shareholders, lodging with ACRA:
  - (i) a statement made by the Directors confirming that the requirements under Section 78C(1)(c) and Section 78C(3) (if applicable) of the Companies Act have been complied with, and that no application for cancellation of the resolution has been made; and
  - (ii) a notice containing the Proposed Capital Reduction information.

The Company will make an immediate announcement on SGXNET to update Shareholders if any of the conditions for the Proposed Capital Reduction as set out in this Section 3.4 is not met.

### 3.5 Effective date of the Proposed Capital Reduction

As set out in section 3.4 above, the Proposed Capital Reduction is subject to the satisfaction of, amongst others, the conditions set out therein.

After Shareholders' approval has been obtained for the Proposed Capital Reduction and Proposed Cash Distribution at the EGM, the Company will lodge with ACRA a notice containing the text of the special resolution relating to the Proposed Capital Reduction. If no creditor of the Company objects to, and applies to the High Court for the cancellation of, the special resolution relating to the Proposed Capital Reduction, the Company will lodge further requisite documents with ACRA as provided under Section 78E(2) of the Companies Act after the end of six weeks, and before the end of eight weeks, beginning with the date of the special resolution relating to the Proposed Capital Reduction upon which the Proposed Capital Reduction will take effect.

The Company will publicly announce and notify Shareholders of the Effective Date of the Proposed Capital Reduction through an announcement on SGXNet.

### 3.6 Administrative Procedures for the Proposed Cash Distribution

#### 3.6.1 Record Date

- (a) Persons registered in the Register of Members and Depositors whose Securities Accounts are credited with Shares as at the Record Date will be considered for purposes of the Proposed Cash Distribution, on the basis of such number of Shares registered in their names or standing to the credit of their Securities Accounts as at the Record Date ("**Entitled Shareholders**"). On the Payment Date, the Entitled Shareholders will receive the Final Distributable Amount of S\$7,294,563 or S\$0.914285 for each Share held by them as at the Record Date.

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- (b) Subject to the satisfaction of the conditions set out in section 3.4 above, the Company will make further announcements in due course as soon as reasonably practicable to notify Shareholders of the Record Date, the Effective Date and the Payment Date.

### 3.6.2 Deposit of Scrip Shares with CDP

Entitled Shareholders who hold Shares registered in their own names in the Register of Members and who wish to deposit their Shares with CDP prior to the Record Date must deliver the existing share certificates in respect of their Shares, together with the duly executed instruments of transfer in favour of CDP, at least 12 Business Days prior to the Record Date, in order for their Securities Accounts to be credited with the relevant Shares by the Record Date.

### 3.6.3 Payment pursuant to the Proposed Cash Distribution

- (a) Entitled Shareholders holding Scrip Shares

Shareholders whose Shares are registered in the Register of Members as at the Record Date will have the cheques for payment of their entitlements under the Proposed Cash Distribution despatched to them by ordinary post at their own risk addressed to their respective addresses in the Register of Members on the Payment Date. The Company shall not be liable for any loss in transmission.

- (b) Entitled Shareholders who are Depositors

In the case of Shareholders who are depositors, entitlements to the Proposed Cash Distribution will be determined on the basis of the number of Shares standing to the credit of their respective Securities Accounts as at the Record Date. Shareholders who are depositors and who have Shares standing to the credit of their Securities Accounts as at the Record Date will have their respective entitlements to the Proposed Cash Distribution under the Proposed Capital Reduction:

- (i) if such depositor has applied for CDP's Direct Crediting Service, credited directly into their designated bank accounts by CDP; or
- (ii) if such depositor has not applied for CDP's Direct Crediting Service, reflected under the Cash Transaction section in the monthly statements of their Securities Account.

Alternatively, such Shareholders will have payment of their respective entitlements to the Proposed Cash Distribution under the Proposed Capital Reduction made in such other manner as they may have agreed with CDP for the payment of dividends or other distributions.

## 3.7 Taxation

**Shareholders should note that the following statements are not to be regarded as advice on the tax position of any Shareholder or any tax implication arising from the Proposed Capital Reduction and Proposed Cash Distribution. Shareholders who are in doubt as to their respective tax positions or such tax implications or who may be subject to tax in a jurisdiction outside Singapore should consult their own tax advisers or other independent advisers.**



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For Singapore income tax purposes, share capital reductions and the follow-up cash distribution payments made by a Singapore resident company to shareholders are generally classified as a return of capital, which is a capital transaction not subject to tax. As such, for Singapore income tax purposes, any gains from such transactions are generally not taxable unless the proceeds constitute taxable revenue gains or profits from a trade or business carried on by the shareholders. In relation to the Proposed Cash Distribution to be made to Shareholders pursuant to the Proposed Capital Reduction, as the amount to be paid to Shareholders pursuant to the Proposed Cash Distribution will be paid out of the reduction of the existing issued and paid-up share capital of the Company, the Proposed Cash Distribution should generally be regarded as a return of capital, and is therefore not taxable in Singapore for Shareholders, unless the proceeds constitute taxable revenue gains or profits from a trade or business carried on by Shareholders.

#### 4. PRO FORMA FINANCIAL EFFECTS OF THE PROPOSED TRANSACTIONS

##### 4.1 Bases and Assumptions

The *pro forma* financial effects of the Proposed Transactions as set out below are purely for **illustrative purposes only** and should not be taken as an indication of the actual future financial performance or position of the Company and the Group following the completion of the Proposed Transactions.

The *pro forma* financial effects of the Proposed Transactions on the share capital, NTA and earnings have been prepared based on the audited consolidated financial statements of the Group for FY2023, the latest audited financial information of the Target Group for FY2023, and on the following key bases and assumptions:

- (a) the financial effects of the Proposed Transactions on the NTA per share of the Company for FY2023 are computed assuming that the Restructuring Exercise, Peremex Capital Injection and Proposed Transactions had been completed on 31 December 2023;
- (b) the financial effects of the Proposed Transactions on the EPS of the Company for FY2023 are computed assuming that the Restructuring Exercise, Peremex Capital Injection and Proposed Transactions had been completed on 1 January 2023;
- (c) the Final Distributable Amount for the Proposed Cash Distribution shall be approximately S\$7,294,563, assuming the Gross Proceeds of S\$12,240,000 are to be partially set-off against the Set-Off Parties Entitled Distributable Amount of approximately S\$4,945,437;
- (d) the computation does not take into account any expenses that may be incurred in relation to the Proposed Disposal, the Proposed Capital Reduction and/or the Proposed Cash Distribution; and
- (e) the existing intercompany balances between the Company and the Target Group as at 31 December 2023 have been disregarded as they are not material for the purposes of computing the financial effects.

## LETTER TO SHAREHOLDERS

### 4.2 Share Capital

The financial effect of the Proposed Transactions on the share capital of the Company is as follows:

	Before the Proposed Transactions	After the Proposed Disposal but before the Proposed Capital Reduction and Proposed Cash Distribution	After the Proposed Transactions
No. of Shares ('000)	13,388	13,388	13,388 <sup>(1)</sup>
Paid-up capital (S\$'000)	549,704	549,704	537,464 <sup>(1)</sup>

**Note:**

(1) The paid-up share capital will be reduced by the Proposed Capital Reduction, and there is no change in the number of issued Shares arising from Proposed Disposal.

### 4.3 Effects on NTA per Share

	Before the Proposed Transactions	After the Proposed Disposal but before the Proposed Capital Reduction and Proposed Cash Distribution	After the Proposed Transactions
NTA (S\$'000)	29,210	29,210	29,210
Add: Effects of Proposed Disposal (S\$'000)	–	1,600 <sup>(1)</sup>	1,600 <sup>(1)</sup>
Less: Effect of Proposed Capital Reduction (S\$'000)	–	–	(12,240) <sup>(2)</sup>
<b>Resultant NTA (S\$'000)</b>	<b>29,210</b>	<b>30,810</b>	<b>18,570</b>
Number of issued ordinary shares, excluding treasury shares ('000)	13,388	13,388	13,388
NTA per Share (excluding treasury shares) (S\$)	2.18	2.30 <sup>(3)</sup>	1.39 <sup>(4)</sup>

## LETTER TO SHAREHOLDERS

**Notes:**

- (1) The effects of the Proposed Disposal on the NTA of the Group of approximately S\$1.60 million are mainly due to (i) gains of approximately S\$0.24 million arising from the Proposed Disposal as the Consideration is higher than the *pro forma* NTA of the Target Group; and (ii) reversal of translation reserves of approximately S\$2.38 million attributable to the Target Group. The increase is partially offset by the reduction of the Company's intangible assets of approximately S\$1.02 million primarily relating to the marketing rights recognised at the time of the previous acquisition of Bharat IT by the Company.
- (2) The NTA of the Group will be reduced further by the Proposed Cash Distribution Amount (equivalent to the Gross Proceeds) for the Proposed Capital Reduction.
- (3) The NTA per share after the Proposed Disposal but before the Proposed Capital Reduction and Proposed Cash Distribution has been calculated based on the number of Shares in issue, excluding treasury Shares as at the 31 December 2023.
- (4) The NTA per share after the Proposed Disposal and the Proposed Capital Reduction and Proposed Cash Distribution has been calculated based on the number of ordinary Shares in issue, excluding treasury Shares, as at the 31 December 2023.

#### 4.4 Effects on EPS

	Before the Proposed Transactions	After the Proposed Disposal but before the Proposed Capital Reduction and Proposed Cash Distribution	After the Proposed Transactions
Net profit <sup>(1)</sup> attributable to equity holders of the Company (S\$'000)	631	631	631
Add: Effects of Proposed Disposal (S\$'000)	–	1,452 <sup>(2)</sup>	1,452 <sup>(2)</sup>
Less: Effect of Proposed Capital Reduction (S\$'000)	–	–	– <sup>(3)</sup>
<b>Resultant profit attributable to Shareholders (S\$'000)</b>	<b>631</b>	<b>2,083</b>	<b>2,083</b>
<b>Weighted average number of Shares ('000)</b>	<b>13,448</b>	<b>13,448</b>	<b>13,448</b>
EPS (Singapore cents)	4.69	15.49 <sup>(4)</sup>	15.49 <sup>(5)</sup>

**Notes:**

- (1) Net profit means profit attributable to owners of the parent.
- (2) Based on the FY2023 financials, the Gross Proceeds and assumptions set out above, the net profits attributable to the Sale Shares is approximately S\$0.15 million and the Group would expect an attributable net disposal gain of S\$1.60 million over the Group's NTA. The net gain from the Proposed Disposal is mainly due to (i) gains of approximately S\$0.24 million arising from the Proposed Disposal as the Consideration is higher than the *pro forma* NTA of the Target Group; and (ii) reversal of translation reserves of approximately S\$2.38 million attributable to the Target Group. The increase is partially offset by the reduction of the Company's intangible assets of approximately S\$1.02 million primarily relating to the marketing rights recognised at the time of the previous acquisition of Bharat IT by the Company.
- (3) There is no material impact on earnings/losses arising from the Proposed Capital Reduction.

## LETTER TO SHAREHOLDERS

(4) EPS after the Proposed Disposal but before the Proposed Capital Reduction and Proposed Cash Distribution has been calculated based on the weighted average number of Shares in issue for FY2023.

(5) EPS after the Proposed Disposal and the Proposed Capital Reduction and Proposed Cash Distribution has been calculated based on the average weighted number of Shares in issue for FY2023.

### 5. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The interests of the Directors and Substantial Shareholders in the issued share capital of the Company as at the Latest Practicable Date, as recorded in the register of director's shareholdings and the register of substantial shareholders kept by the Company, were as follows:

Directors	No. of Shares			%( <sup>1</sup> )
	Direct Interest	Deemed Interest	Total Interest	
Chada Anitha Reddy	6,690	–	6,690	0.05
Sudip Bandyopadhyay	–	–	–	–
Rajesh Pahwa	–	–	–	–
Tay Wee Meng	–	–	–	–
Mukesh Khetan	13,524	–	13,524	0.10
<b>Substantial Shareholders (other than Directors)</b>				
Dr. Modi <sup>(2)</sup>	804,634	6,891,465	7,696,099	57.49
Dilip Modi <sup>(3)</sup>	–	5,121,308	5,121,308	38.25
SGIC <sup>(2)</sup>	3,638,921	–	3,638,921	27.18
The Purchaser <sup>(2)(4)</sup>	410,660	6,437,805	6,848,465	51.16
S Global Holdings Limited <sup>(5)</sup>	–	5,121,308	5,121,308	38.25
Smart Bharat Private Limited <sup>(2)(6)</sup>	1,482,387	–	1,482,387	11.07
SBPL <sup>(2)(6)</sup>	1,316,497	1,482,387	2,798,884	20.91
Global Tech Innovations Ltd. <sup>(7)</sup>	–	5,121,308	5,121,308	38.25
Smart Global Corporate Holding Private Limited <sup>(8)</sup>	–	5,121,308	5,121,308	38.25
Paramount Assets Investments Pte. Ltd. <sup>(9)(10)</sup>	1,414,492	–	1,414,492	10.57
Lee Foundation <sup>(9)</sup>	–	1,414,492	1,414,492	10.57
Lee Pineapple Company (Pte.) Limited <sup>(10)</sup>	–	1,414,492	1,414,492	10.57

#### Notes:

(1) The above percentages are calculated based on the Company's share capital comprising of 13,387,513 issued and paid-up Shares (excluding treasury Shares) as at Latest Practicable Date.

(2) Dr. Modi is deemed to be interested in 6,891,465 Shares comprising the following:

- (a) 3,638,921 Shares held directly by SGIC, as SGIC is controlled by Dr. Modi along with Dilip Modi. By virtue of Section 7 of the Companies Act, Smart Global Corporate Holding Private Limited, Global Tech Innovations Ltd., S Global Holdings Limited, Prospective Infrastructure Pvt. Ltd. and Spice Connect Private Ltd. are deemed to be interested in the 3,638,921 Shares held through SGIC;

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## LETTER TO SHAREHOLDERS

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- (b) 410,660 Shares held directly by the Purchaser as the Purchaser is wholly-owned by Dr. Modi;
  - (c) 1,316,497 Shares held directly by SBPL as SBPL is wholly-owned by the Purchaser which is in turn wholly-owned by Dr. Modi;
  - (d) 43,000 Shares held directly by IMPL as IMPL is wholly-owned by Dr. Modi; and
  - (e) 1,482,387 Shares held directly by Smart Bharat Private Limited (formerly known as Smart Entertainment Private Limited), as approximately 99.93% of the shares of Smart Bharat Private Limited are beneficially owned and controlled by Dr. Modi, investment vehicles controlled by Dr. Modi and his family members.
- (3) Dilip Modi is the son of Dr. Modi.
- Dilip Modi is a Substantial Shareholder, as he is deemed to be interested in 3,638,921 Shares through SGIC, as SGIC is controlled by Dr. Modi, Dilip Modi and 1,482,387 Shares held directly by Smart Bharat Private Limited, as Smart Bharat Private Limited is a subsidiary of Smart Global Corporate Holding Private Limited and Dilip Modi holds no less than 20% of the shares in Smart Global Corporate Holding Private Limited.
- (4) The Purchaser is deemed to be interested in 6,437,805 Shares comprising the following:
- (a) 3,638,921 Shares indirectly held through SGIC;
  - (b) 1,316,497 Shares held directly by SBPL as SBPL is wholly-owned by the Purchaser: and
  - (c) 1,482,387 Shares held directly by Smart Bharat Private Limited, as Smart Bharat Private Limited is a subsidiary of Smart Global Corporate Holding Private Limited and the Purchaser has an indirect interest of no less than 20% of the shares in Smart Global Corporate Holding Private Limited.
- (5) S Global Holdings Limited is deemed to be interested in 5,121,308 Shares comprising 3,638,921 Shares indirectly held through SGIC and 1,482,387 Shares held directly by Smart Bharat Private Limited, as the Smart Bharat Private Limited is a subsidiary of Smart Global Corporate Holding Private Limited and S Global Holdings Limited has an indirect interest of no less than 20% of the shares in Smart Global Corporate Holding Private Limited.
- (6) Pursuant to a sale and purchase agreement dated 23 November 2021 executed between Smart Bharat Private Limited and SBPL, Smart Bharat Private Limited has sold and transferred to SBPL 1,482,387 Shares in the capital of the Company owned by Smart Bharat Private Limited. Upon completion under the sales and purchase agreement, the deemed interest in 1,482,387 Shares held by SBPL will be reflected as a direct interest in 1,482,387 Shares held by SBPL.
- (7) Global Tech Innovations Ltd. is deemed to be interested in 5,121,308 Shares comprising 3,638,921 Shares indirectly held through SGIC and 1,482,387 Shares held directly by Smart Bharat Private Limited, as Smart Bharat Private Limited is a subsidiary of Smart Global Corporate Holding Private Limited and Global Tech Innovations Ltd. holds no less than 20% of the shares in Smart Global Corporate Holding Private Limited.
- (8) Smart Global Corporate Holding Private Limited is deemed to be interested in 5,121,308 Shares comprising 3,638,921 Shares indirectly held through SGIC and 1,482,387 Shares held directly by Smart Bharat Private Limited, as Smart Bharat Private Limited is a subsidiary of Smart Global Corporate Holding Private Limited.
- (9) Lee Foundation, by virtue of its interest in not less than 20% of the total issued share capital of Lee Pineapple Company (Pte.) Ltd., is deemed to be interested in 1,414,492 Shares held directly by Paramount Assets Investments Pte. Ltd., a wholly-owned subsidiary of Lee Pineapple Company (Pte.) Ltd.
- (10) Lee Pineapple Company (Pte.) Ltd. is deemed to be interested in 1,414,492 Shares held directly by Paramount Assets Investments Pte. Ltd., a wholly-owned subsidiary of Lee Pineapple Company (Pte.) Ltd.

Save as disclosed in this Circular, none of the Directors, Controlling Shareholders or Substantial Shareholders or their respective associates has any interests, direct or indirect, in the Proposed Transactions (other than in their capacity as Directors or Shareholders, where applicable).

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## LETTER TO SHAREHOLDERS

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### 6. DIRECTORS' SERVICE CONTRACTS

No person is proposed to be appointed as a Director of the Company in connection with the Proposed Transactions. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

### 7. DIRECTORS' RECOMMENDATIONS

The Independent Directors, having considered and reviewed, *inter alia*, the terms of and the rationale of the Proposed Disposal, are of the opinion that the Proposed Transactions are in the best interests of the Shareholders. Accordingly, the Independent Directors recommend that Shareholders vote in favour of the Proposed Transactions set out in the Notice of EGM.

### 8. ABSTENTION FROM VOTING

Dr. Modi and his associates will abstain from voting in respect of the resolutions relating to the Proposed Disposal, in view of his interest in the Purchaser.

Chada Anitha Reddy ("**Ms. Reddy**"), the Executive Director and Chairperson of the Company, shall voluntarily abstain and shall undertake to ensure that her associates shall voluntarily abstain from voting in respect of the resolutions, in view that Ms. Reddy is a non-executive director of the Purchaser.

### 9. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is given on page N-1 of this Circular, will be held in a physical format at The Hive, Level 9 Lounge, 1 North Bridge Rd, #08-08, Singapore 179094, on Friday, 30 August 2024 at 11.00 a.m. for the purpose of considering and, if thought fit, passing with or without any modifications, the Proposed Transactions as set out in the Notice of EGM.

### 10. ACTIONS TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and wish to appoint a proxy to attend, speak and vote on their behalf should complete, sign and return the enclosed Proxy Form in accordance with the instructions printed thereon and as soon as possible and, in any event, so as to arrive at the registered office of the appointed polling agent, Complete Corporate Services Pte. Ltd. (the "**Polling Agent**") at 10 Anson Road, #29-07 International Plaza, Singapore 079903; or via email to the Polling Agent at [digilife-egm@ryt-poll.com](mailto:digilife-egm@ryt-poll.com), in each case, by 11.00 a.m. on 27 August 2024 (not less than 72 hours before the time appointed for holding the EGM). The completion and return of a proxy form by a Shareholder does not preclude him/her from attending and voting in person at the EGM if he/she wishes to do so, in place of his/her proxy.

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## LETTER TO SHAREHOLDERS

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Details of the steps for the submission of questions and voting at the EGM by Shareholders are set out below.

A Depositor shall not be regarded as a Shareholder entitled to attend the EGM to speak and vote thereat unless he/her/its is shown to have Shares entered against his name in the Depository Register, as certified by the CDP at least 72 hours before the time appointed for the EGM.

**Shareholders and other investors are reminded to exercise caution when dealing in the Shares. In the event that Shareholders and other investors are in doubt about the actions they should take, they should consult their stockbrokers, bank managers, solicitors, accountants, financial, tax or other professional advisers.**

### 10.1 Questions

Shareholders can submit substantial and relevant questions related to the resolutions to be tabled for approval at the EGM, in advance of the EGM, in the following manner:

- (a) via email to [digilife-egm@ryt-poll.com](mailto:digilife-egm@ryt-poll.com); or
- (b) submitted by post, be deposited to the Polling Agent's registered office at 10 Anson Road, #29-07 International Plaza, Singapore 079903.

When sending in questions via email or by post, please also provide the following details for verification purposes: (i) full name; (ii) address; and (iii) manner in which the member holds shares in the Company (e.g., via CDP, CPF, SRS and/or scrip).

All questions submitted in advance of the EGM via any of the above channels must be received by 11.00 a.m. on 20 August 2024.

Shareholders and, where applicable, appointed proxies, can also ask the chairperson of the EGM substantial and relevant questions related to the resolutions to be tabled for approval at the EGM, during the EGM.

The Directors will endeavour to address all substantial and relevant questions received from Shareholders prior to the EGM by requesting the Company to publish such responses on the Company's website) after the close of market on Friday, 23 August 2024.

### 10.2 Voting

Shareholders who wish to exercise their voting rights at the EGM may:

- (a) (where such Shareholders are individuals) vote at the EGM or (where such Shareholders are individuals or corporates) appoint proxies (other than the chairman of the EGM) to vote at the EGM on their behalf; or
- (b) (where such Shareholders are individuals or corporates) appoint the chairman of the EGM as their proxy to vote on their behalf at the EGM.

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## LETTER TO SHAREHOLDERS

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Shareholders who wish to submit Proxy Forms must do so in the following manner:

- (a) by post to the office of the Polling Agent at 10 Anson Road, #29-07 International Plaza, Singapore 079903; or
- (b) via email to the Polling Agent at [digilife-egm@ryt-poll.com](mailto:digilife-egm@ryt-poll.com), in each case, by 11.00 a.m. on 27 August 2024 (not less than 72 hours before the time appointed for holding the EGM).

The instrument appointing a proxy must be signed by the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised.

A Shareholder who wishes to submit a Proxy Form appointing a proxy(ies) by post or via email can complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email in PDF format to the email address provided above.

If no specific direction as to voting is given, in respect of a resolution, the appointed proxy/proxies will vote or abstain from voting at his/her/their discretion. If the appointor is a corporate, the Proxy Form must be executed under seal or the hand of its duly authorised officer or attorney.

The Company shall be entitled to reject a Proxy Form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the Proxy Form.

### 10.3 Documents

Printed copies of this Circular will not be sent to Shareholders, the Notice of EGM and the enclosed Proxy Form will be sent by post to Shareholders. Shareholders can access this Circular electronically via the Company's website at the URL <https://digilifelimited.com/> and on the website of SGX-ST at the URL <https://www.sgx.com/securities/company-announcements>. Shareholders who require a hard copy of this Circular can request for a copy by following the instructions in the notes to the Notice of Extraordinary General Meeting.

### 11. FINANCIAL ADVISER

To the best of PPCF's knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Disposal, the Company and its subsidiaries, and PPCF, as the Financial Adviser in relation to the Proposed Disposal, is not aware of any facts the omission of which would make any statement in this Circular misleading.



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## LETTER TO SHAREHOLDERS

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### 12. CONSENTS

#### 12.1 Financial Adviser

PPCF, named as the Financial Adviser to the Company in respect of the Proposed Disposal, has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name and all references thereto, in the form and context in which it appears in this Circular, and to act in such capacity in relation to this Circular.

#### 12.2 Independent Valuer

Navi Corporate Advisory Pte. Ltd., as the Independent Valuer, has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name, the Summarised Valuation Report appended as **Appendix A** of this Circular and all references thereto, in the form and context in which it appears in this Circular, and to act in such capacity in relation to this Circular.

#### 12.3 IFA

Xander Capital Pte. Ltd., as the IFA, has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name and all references thereto and the IFA Letter reproduced in **Appendix B**, in the form and context in which it appears in this Circular and to act in such capacity in relation to this Circular.

#### 12.4 Legal adviser to the Company

Shook Lin & Bok LLP, as the legal adviser to the Company for the Circular, has given and has not withdrawn its written consent to the issue of this Circular and the inclusion of its name and to act in such capacity in relation to this Circular.

### 13. RESPONSIBILITY STATEMENT BY THE DIRECTORS

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, as at the Latest Practicable Date, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Transactions, and the Group and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading.

Where information in this Circular 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 Circular in its proper form and context.

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## LETTER TO SHAREHOLDERS

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### 14. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the Company's registered office at 1 North Bridge Road, #19-04/05, High Street Centre, Singapore 179094, for a period of three (3) months commencing from the date of this Circular up to and including the date of the EGM:

- (a) the constitution of the Company;
- (b) the Annual Report of the Company for FY2023;
- (c) the unaudited financial report of the Company for 1H2024;
- (d) the SPA;
- (e) Set-off Deed;
- (f) the Solvency Statement;
- (g) the Summarised Valuation Report;
- (h) the Valuation Report;
- (i) the IFA Letter; and
- (j) the consent letters stated in Section 12 of this Circular.

Yours faithfully

For and on behalf of the Board of Directors of  
**DIGILIFE TECHNOLOGIES LIMITED**

Sudip Bandyopadhyay  
Lead Independent Director  
Digilife Technologies Limited

7 August 2024

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**APPENDIX A: SUMMARISED VALUATION REPORT**

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Report date:  
7 August 2024



**BUSINESS VALUATION  
OF THE TARGET GROUP**

**PREPARED FOR DIGILIFE TECHNOLOGIES  
LIMITED**

**Summarised Valuation  
Report**

## APPENDIX A: SUMMARISED VALUATION REPORT



### Executive Summary

<b>Valuation of 100% equity interest in the capital of the Target Group (as defined herein)</b>	
Valuation Date	30 April 2024
Purpose of valuation	Public disclosure purpose to seek independent shareholders' approval for the proposed disposal by Digilife Technologies Limited (the " <b>Company</b> " or " <b>DTL</b> ").
Background	<p>Listed on the Catalist Board of the Singapore Exchange Securities Trading Limited ("<b>SGX-ST</b>"), the Company and its subsidiaries ("<b>Group</b>")'s business operations have been broadly classified into two operating segments as below:</p> <ul style="list-style-type: none"> <li>• Telecom (this includes the distribution of telecom operator products in Indonesia); and</li> <li>• Technology (this includes the information communications and technology ("<b>ICT</b>") distribution and managed services business in India).</li> </ul> <p>On 2 August 2024, the Group announced that the Company had on 2 August 2024 entered into a share purchase agreement (the "<b>SPA</b>") with Smart Co Holding Pte Ltd, for the disposal by the Company of an aggregate of 13,206,000 issued shares in the capital of Peremex Pte. Ltd. ("<b>Peremex</b>" or "<b>Target</b>"), representing the total issued and paid-up share capital of Target on the terms and subject to the conditions of the SPA (the "<b>Proposed Disposal</b>").</p> <p>On 25 July 2024, the Company transferred its entire shareholding in Bharat IT Services Limited ("<b>Bharat IT</b>") to Target pursuant to an internal restructuring of the Group ("<b>Restructuring Exercise</b>"). The Company had completed a capital injection of S\$4.0 million into Peremex on 26 July 2024 ("<b>Peremex Capital Injection</b>").</p> <p>Bharat IT provides ICT distribution and managed services mainly for the banking sector which includes government and public sector entities. The key products Bharat IT offers are passbook printers, barcode based self-service passbook printing solutions and image-based cheque clearing scanners. These products have been instrumental in automating the Indian banking system. Bharat IT also offers comprehensive ICT solutions encompassing consultation, maintenance, disaster recovery services, as well as undertaking projects in networking, data hosting and managed services. As at the</p>

## APPENDIX A: SUMMARISED VALUATION REPORT



<b>Valuation of 100% equity interest in the capital of the Target Group (as defined herein)</b>	
	<p>Valuation Date, Bharat IT has a 100% owned subsidiary, Modi Aircrete Pvt Ltd (“MAPL”) (collectively, “Bharat IT Group”).</p> <p>Upon completion of the Restructuring Exercise, Peremex owns a 100% equity interest in the capital of Bharat IT Group (collectively the “Target Group”).</p> <p>We further understand that Peremex and MAPL do not have any existing operations or business activities as at the Valuation Date.</p> <p>As a result of the Proposed Disposal and Restructuring Exercise, the Company would like to perform the valuation of 100% equity interest in the capital of the Target Group.</p> <p>This valuation is performed by assuming the completion of the Restructuring Exercise and Peremex Capital Injection as at the Valuation Date.</p>
Subject matter	100% equity interest in the capital of the Target Group
Basis of Valuation	Market Value
Valuation approach	<p>Target Group: Sum-of-parts method with different valuation and methods for various subsidiaries as shown below:</p> <ul style="list-style-type: none"> <li>• Bharat IT Group: Income approach as the primary approach with the Market approach and Cost approach as cross-check</li> <li>• Peremex: Cost approach as the primary approach</li> </ul>
Valuation currency	Singapore Dollar (SGD or S\$)
Other details	We wish to highlight that any discrepancies in tables included herein between the amounts and the totals thereof are due to rounding; accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.
<p>Based on the analysis outlined in the report which follows, we are of the opinion that the Market Value of 100% equity interest in the capital of the Target Group as at the Valuation Date is as follows:</p> <p style="text-align: center;"><b>SGD11.5 million to SGD11.8 million</b> <b>(rounded to the nearest one decimal place)</b></p>	

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## APPENDIX A: SUMMARISED VALUATION REPORT

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**Private and Confidential**

Our reference: D0003-BV-r001-2

7 August 2024

**Digilife Technologies Limited**

1 North Bridge Road,

#19-04/05 High Street Centre

Singapore 179094

**NAVI CORPORATE ADVISORY PTE LTD**

Company Registration No. 202224784E

6 Battery Road  
Level 42 The Executive Centre  
Singapore 049909

[www.navi.sg](http://www.navi.sg)

Dear Sirs,

**VALUATION OF 100% EQUITY INTEREST IN THE CAPITAL OF THE TARGET GROUP (AS DEFINED HEREIN) FOR THE COMPANY (AS DEFINED HEREIN)**

In accordance with your instructions, we have undertaken valuation service for Digilife Technologies Limited (the “**Company**” or “**DTL**”), together with its subsidiaries (“**Group**”) in relation to the proposed disposal by the Company by disposing of 100% equity interest in the capital of Target Group (as defined herein).

All capitalised terms used in this summarised valuation report dated 7 August 2024 (“**Summarised Valuation Report**”) shall bear the same meanings as ascribed to them in the valuation report dated 7 August 2024 (“**Full Report**”).

Listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), the Group’s business operations have been broadly classified into two operating segments as below:

- Telecom (this includes the distribution of telecom operator products in Indonesia); and
- Technology (this includes the information communications and technology (“**ICT**”) distribution and managed services business in India).

On 2 August 2024, the Group announced that the Company had on 2 August 2024 entered into a share purchase agreement (the “**SPA**”) with Smart Co Holding Pte Ltd, for the disposal by the Company of an aggregate of 13,206,000 issued shares in the capital of Peremex Pte. Ltd. (“**Peremex**” or “**Target**”), representing the total issued and paid-up share capital of Target on the terms and subject to the conditions of the SPA (the “**Proposed Disposal**”).

On 25 July 2024, the Company transferred its entire shareholding in Bharat IT Services Limited (“**Bharat IT**”) to Target pursuant to an internal restructuring of the Group (“**Restructuring Exercise**”). The Company had completed a capital injection of S\$4.0 million into Peremex on 26 July 2024 (“**Peremex Capital Injection**”).

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## APPENDIX A: SUMMARISED VALUATION REPORT

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Bharat IT provides ICT distribution and managed services mainly for the banking sector which includes government and public sector entities. The key products Bharat IT offers are passbook printers, barcode based self-service passbook printing solutions and image-based cheque clearing scanners. These products have been instrumental in automating the Indian banking system. Bharat IT also offers comprehensive ICT solutions encompassing consultation, maintenance, disaster recovery services, as well as undertaking projects in networking, data hosting and managed services. As at the Valuation Date, Bharat IT has a 100% owned subsidiary, Modi Aircrete Pvt Ltd (“**MAPL**”) (collectively, “**Bharat IT Group**”).

Upon completion of the Restructuring Exercise, Peremex owns a 100% equity interest in the capital of Bharat IT Group (collectively the “**Target Group**”).

We further understand that Peremex and MAPL do not have any existing operations or business activities as at the Valuation Date.

This valuation is performed by assuming the completion of the Restructuring Exercise and Peremex Capital Injection as at the Valuation Date.

As a result of the Proposed Disposal, Restructuring Exercise and Peremex Capital Injection, the Company instructed NAVI to perform the valuation of the 100% equity interest in the capital of the Target Group. This Summarised Valuation Report has been prepared for public disclosure purposes to seek Shareholder’s approval by the Company in relation to the Proposed Disposal and should be read in conjunction with the Full Report.

This valuation has been undertaken on a Market Value basis in accordance with the International Valuation Standards (2022) which is defined as follows:

*“The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s-length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.”*

The valuation date is 30 April 2024 (“**Valuation Date**”) and the date of the Summarised Valuation Report is 7 August 2024 (“**Report Date**”).

Based on the analysis outlined in the report which follows, we are of the opinion that the Market Value of the 100% equity interest in the capital of the Target Group as at the Valuation Date is as follows:

**SGD11.5 million to SGD11.8 million**  
**(rounded to the nearest one decimal place)**

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## APPENDIX A: SUMMARISED VALUATION REPORT

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The following pages outline the factors considered and the methodology and assumptions employed in formulating our views, opinions and conclusions. Any views, opinions and/or conclusions are subject to the assumptions and limiting conditions contained therein.

Yours Faithfully,  
For and on behalf of  
Navi Corporate Advisory Pte Ltd

Richard Yap  
CEO



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## APPENDIX A: SUMMARISED VALUATION REPORT

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### Terms of reference

Navi Corporate Advisory Pte Ltd (“**NAVI**” or “**Valuer**”) has been appointed to undertake an independent valuation of 100% equity interest in the capital of the Target Group. We were neither a party to the negotiations entered into by the Group in relation to the Proposed Disposal nor were we involved in the deliberation leading up to the decision on the part of the management of the Company, Group and/or Target Group (“**Management**”) to enter into the Proposed Disposal (as the case may be) and we do not, by the Summarised Valuation Report, Full Report or otherwise, advise or form any judgement on the merits of the Proposed Disposal. We do not warrant the merits of the Proposed Disposal or the acceptability of the risk for the Proposed Disposal.

We have confined our evaluation strictly and solely on the financials of the Target Group and have not taken into account the commercial/financial risks and/or merits (if any) of the Proposed Disposal or the strategic merits or the comparison with other deals involving shares of the Company, Group and/or Target Group. We were not required to comment on or evaluate the methods or procedures used by the Target Group to manage the change in any risk profile of the Company, Group and/or Target Group in the context of possible changes in the nature of operations. Such evaluation or comment remains the responsibility of the Management although we may draw upon their views or make such comments in respect thereof (to the extent deemed necessary or appropriate by us) in arriving at our view as set out in the Summarised Valuation Report and/or Full Report.

We were not requested or authorised to solicit, and we have not solicited, any indications of interest from any third party with respect to the Proposed Disposal. In addition, we do not express any views or opinions on the merits of the Proposed Disposal, the legality or all other matters pertaining to the Proposed Disposal, documents for the Proposed Disposal (the notice of meeting and the accompanying explanatory notes), *inter alia*, the independence of any party or mechanism or process of voting, acceptance, its eligibility or validity or the other alternatives (if any) or the sufficiency of the information.

In the course of our evaluation, we have held discussions with, *inter alia*, the Management regarding their assessment of the Proposed Disposal and have examined publicly available information collated by us as well as the financial information, both written and verbal, provided to us by the Management, including its consultants or advisers (where applicable). We have not independently verified such information but have made enquiries and used our judgement as we deemed necessary on such information and have found no reason to doubt the reliability of the information. Accordingly, we cannot and do not expressly or impliedly represent or warrant, and do not accept any responsibility for, the accuracy, completeness or adequacy of such information or the manner in which it has been classified or presented.

We do not warrant and have not commented on the acceptability of the risk that the Company, Group and/or Target Group may be subject to for the Proposed Disposal.

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## APPENDIX A: SUMMARISED VALUATION REPORT

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The scope of our appointment does not require us to perform an independent evaluation or appraisal of the individual assets, liabilities and/or profitability of the Group and/or the Target Group and we do not express a view on the financial position, future growth prospects and earnings potential of the Company or Group after the completion of the Proposed Disposal in accordance with the terms of the SPA. As such, we have relied on the disclosures and representations made by the Company on the value of the assets and liabilities and profitability of the Group and/or the Target Group.

Our opinion in this Summarised Valuation Report and/or Full Report is based on economic conditions, market, industry, monetary and other conditions (if applicable) in effect on, and the information provided to us, as at the Valuation Date. Accordingly, the bases or assumptions and likewise our views or opinions may change in light of developments which *inter alia*, include general as well as company-specific or industry-specific conditions or sentiments or factors.

Shareholders should note that the evaluation is based solely on publicly available information and other information provided by the Management as well as the economic and market conditions prevailing as at the Valuation Date, and therefore does not reflect unexpected financial performance and financial condition after the Valuation Date or developments both macro and company-specific and that these factors do and will necessarily affect the valuation of the interests in the capital of the Target Group. Likewise, this Summarised Valuation Report outlines some of the matters or bases or factors or assumptions which we have used in our valuation and is a summary. They are by no means exhaustive or a reproduction of all the matters or bases or factors or assumptions etc. which we have used in the valuation.

In rendering the opinion, we have made no regard for the general or specific investment objectives, financial situation, tax position, risk profiles or unique needs and constraints of any individual shareholder of the Company, Group and/or Target Group (the “**Shareholder**”). As such, any individual Shareholder who may require advice in the context of his or her specific investment portfolio, including his or her investment in the Company, Group and/or Target Group, should consult his or her stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

Accordingly, any factor or assumption or basis as well as the relative emphasis on any matter set out in this Summarised Valuation Report and provided by the Company, Group and/or Target Group which we used or may have used may differ from the relative emphasis accorded by any individual Shareholder and that any reliance on our opinion or view or assessment, is subject to the contents of the Summarised Valuation Report and Full Report in its entirety.

Accordingly, our Summarised Valuation Report, Full Report, opinion or views or recommendation should not be used or relied on by anyone for any other purposes and should only be used by the Company, subject to the terms of reference and the contents of the Summarised Valuation Report and Full Report as one of the basis for their opinion or views or recommendation. In addition, any references

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## APPENDIX A: SUMMARISED VALUATION REPORT

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to our Summarised Valuation Report, Full Report, opinion or views, should not be made except with our prior consent in writing and even if made with our prior consent in writing, shall be subject to the contents of the Summarised Valuation Report and/or Full Report in its entirety *inter alia* the matters, conditions, assumptions, factors and bases as well as our terms of reference for the Summarised Valuation Report and/or the Full Report.

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## APPENDIX A: SUMMARISED VALUATION REPORT

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### **Credentials**

NAVI is a boutique corporate advisory firm founded by the CEO Richard Yap in 2022. He has more than 15 years of dedicated corporate advisory and valuation experience in Singapore and Asia. Throughout his career, Richard achieved various certifications such as Chartered Financial Analyst, Chartered Valuer and Appraiser and Chartered Accountant (Singapore). Besides that, Richard performed numerous business valuation services for both private companies and publicly listed companies.

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## APPENDIX A: SUMMARISED VALUATION REPORT

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### 1.0 Background

#### 1.1 Introduction

Listed on the Catalist Board of the SGX-ST, the Group's business operations have been broadly classified into two operating segments as below:

- Telecom (this includes the distribution of telecom operator products in Indonesia); and
- Technology (this includes the ICT distribution and managed services business in India).

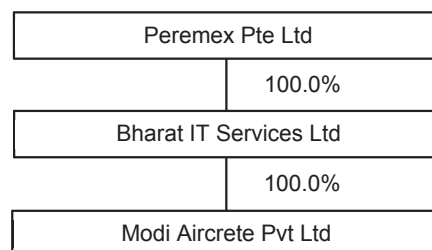
On 2 August 2024, the Group announced that the Company had on 2 August 2024 entered into a SPA with Smart Co Holding Pte Ltd, for the disposal by the Company of an aggregate of 13,206,000 issued shares in the capital of Target, representing the total issued and paid-up share capital of Target on the terms and subject to the conditions of the SPA.

On 25 July 2024, the Company transferred its entire shareholding in Bharat IT to Target pursuant to an internal restructuring of the Group ("**Restructuring Exercise**"). The Company had completed a capital injection of S\$4.0 million into Peremex on 26 July 2024 ("**Peremex Capital Injection**").

Bharat IT provides ICT distribution and managed services mainly for the banking sector which includes government and public sector entities. The key products Bharat IT offers are passbook printers, barcode based self-service passbook printing solutions and image-based cheque clearing scanners. These products have been instrumental in automating the Indian banking system. Bharat IT also offers comprehensive ICT solutions encompassing consultation, maintenance, disaster recovery services, as well as undertaking projects in networking, data hosting and managed services.

Upon completion of the Restructuring Exercise, Peremex owns a 100% equity interest in the capital of Bharat IT Group.

As at the Valuation Date, the corporate structure of the Target Group (assuming the completion of the Restructuring Exercise as at the Valuation Date) is as follows:



We further understand that Peremex and MAPL do not have any existing operations or business activities as at the Valuation Date.

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## APPENDIX A: SUMMARISED VALUATION REPORT

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### 1.2 Instruction

The Company has instructed NAVI to perform the valuation of the 100% equity interest in the capital of the Target Group.

The Valuation Date is 30 April 2024 and the Report Date is 7 August 2024.

### 1.3 Purpose of Valuation

The purpose of the valuation is to ascertain the Market Value of the 100% equity interest in the capital of the Target Group for public disclosure purposes to seek independent Shareholders' approval by the Company.

### 1.4 Basis of Valuation

This valuation has been undertaken on a Market Value basis in accordance with the International Valuation Standards (2022) which is defined as follows:

*"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."*

### 1.5 Statement of Independence

We confirm that we have no present or contemplated interest in the Target Group which is the subject of this valuation and are acting independently of all parties. We are not involved in the discussion leading up to the decision on the part of the Management to enter into the Proposed Disposal, the Restructuring Exercise and/or Peremex Capital Injection. Our fees are agreed on a lump sum basis and are not contingent on the outcome. As such, we are in a position to provide an objective and unbiased valuation.

### 1.6 Limitation of Circulation

This report has been prepared solely for public disclosure purposes to seek independent Shareholders' approval by the Company and is not intended for any legal or court proceedings, general circulation, publication or reproduction in any form without our prior written consent. We will assume no responsibility or liability for any losses incurred by you or any third party as a result of unauthorized circulation, publication or reproduction of this report in any form and/or if used contrary to the purpose stated therein.

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## APPENDIX A: SUMMARISED VALUATION REPORT

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### 2.0 Valuation Approach and Methodology

#### 2.1 Valuation Approaches

We have considered the 3 valuation approaches namely Income Approach, Market Approach and Cost Approach. The details of the various valuation approaches are described as follows:

##### 2.1.1 Income Approach

Income Approach provides an indication of value by converting future cash flow to a single current value. Under the Income Approach, the value of an asset is determined by reference to the value of income, cash flow or cost savings generated by the asset.

##### 2.1.2 Market Approach

Market Approach provides an indication of value by comparing the asset with identical or comparable (that is similar) assets for which price information is available. The Market Approach often uses market multiples derived from a set of comparable companies, each with different multiples. The selection of the appropriate multiple within the range requires judgement, considering qualitative and quantitative factors.

##### 2.1.3 Cost Approach

Cost Approach provides an indication of value using the economic principle that a buyer will pay no more for an asset than the cost to obtain an asset of equal utility, whether by purchase or by construction, unless undue time, inconvenience, risk or other factors are involved. The approach provides an indication of value by calculating the current replacement or reproduction cost of an asset and making deductions for physical deterioration and all other relevant forms of obsolescence.

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## APPENDIX A: SUMMARISED VALUATION REPORT

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### 2.2 Valuation Methodology

#### *2.2.1 Target Group*

Based on the discussion with Management and review of the information, we have adopted the sum-of-parts method. The valuation of the Target Group is based mainly on the following:

- 100% equity interest in the capital of Bharat IT Group;
- 100% equity interest in the capital of Peremex before Restructuring Exercise and Peremex Capital Injection, and
- Peremex Capital Injection.

#### *2.2.2 Bharat IT Group*

Based on the discussion with Management and review of the information, we have adopted Income Approach as our primary approach and Market Approach and Cost Approach as reference.

The rationale for adopting Income Approach lies in the present value rule, i.e. the value of any asset or enterprise value is the present value of expected future cash flows, discounted at a rate appropriate to the risk of the cash flows not being realised. We considered the use of Income Approach as the primary approach to be appropriate as Bharat IT had ongoing business and operation with the ability to generate probable future cash flows.

Under Market Approach, we have considered the enterprise value to earnings before interest, tax, depreciation and amortisation (“**EV/EBITDA**”) and enterprise value to earnings before interest and tax (“**EV/EBIT**”) multiples in the valuation. Based on the analysis, the volatilities from the multiples of Comparable Companies make it difficult to conclude a reliable amount for the valuation by adopting the result from a single market multiple approach and no single company was comparable in size, capital nature of business and operations. Further, the current earnings of Bharat IT are not at their normalised stage. Thus, the Market Approach is used as a reference only.

Under the Cost Approach, revalued net asset value (“**RNAV**”) is used as a reference only as it does not directly incorporate information about the future economic benefits expected to be derived by the Bharat IT Group.

Accordingly, we have relied solely on Income Approach in assessing the equity value of the Bharat IT Group and the Market Approach and Cost Approach as reference.

#### *2.2.3 Peremex*

Based on the discussion with Management and review of the information, we have adopted the Cost Approach as our primary approach.

The rationale for adopting the Cost Approach is that Peremex does not have any operations and business activities as at the Valuation Date. As such, the valuation is based solely on the Cost Approach.



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### 2.3 Valuation of 100% equity interest in the capital of Bharat IT Group

#### 2.3.1 Income Approach – Discounted Cash Flow (“DCF”) Method

We have used the DCF method which is one application of the Income Approach to assess the overall enterprise value of the companies by calculating the free cash flow to the firm (“FCFF”) of Bharat IT. FCFF represents the cash flows left over after covering capital expenditure and working capital needs. The present value of FCFF is a measure of enterprise value and the equity value is subsequently derived after taking into consideration debt, excess cash and cash equivalents as well as non-operating assets/liabilities. FCFF is defined as follows:

FCFF = EBIT (1 – Tax rate) + Depreciation and Amortisation – Capital Spending – Change in Working Capital

In applying the DCF method there are three critical inputs:

- A supportable cash flow forecast;
- An estimate of the terminal value at the end of the forecast period; and
- An appropriate discount rate to discount the future cash flows to its present value.

The assumptions used in the DCF analysis are set out in the following sections.

#### 2.3.1 (a) FCFF

The FCFF is based on the financial projections from the financial period from 1 May 2024 to 31 December 2024 (“FPDec2024”) to the financial year ended 31 December (“FY”) 2029 provided by the Management which is shown as follows:

INR million		FPDec2024	FY2025	Forecast				Normalised
				FY2026	FY2027	FY2028	FY2029	
EBIT	(a)	11.3	11.6	12.4	13.3	23.6	34.1	34.1
Less: Tax expenses	(b)	(2.9)	(3.0)	(3.2)	(3.5)	(6.1)	(8.9)	(8.9)
Add: Depreciation and amortisation	(c)	2.8	4.3	4.3	4.4	1.0	0.3	0.3
Less: Capital expenditure	(d)	(0.2)	(0.4)	(0.4)	(0.4)	(0.4)	(0.5)	(0.3)
Less: Net working capital changes	(e)	40.3	(2.1)	(3.7)	(3.8)	(6.9)	(7.8)	(7.8)
<b>FCFF</b>		<b>51.3</b>	<b>10.4</b>	<b>9.5</b>	<b>10.0</b>	<b>11.2</b>	<b>17.2</b>	<b>17.4</b>

#### Notes:

- (a) Forecasted EBIT from FPDec2024 to FY2029 is projected based on Management’s expectation of future business plan as at the Valuation Date. Please refer to Section “4.0 Financial Analysis” of the Full Report for further details;
- (b) Corporate tax rate of 26% has been applied with reference to the statutory tax rate of India;
- (c) Forecasted depreciation and amortisation for FPDec2024 to FY2029 are projected based on the existing depreciation schedule for the existing assets as well as the projected capital expenditure according to their respective useful lives;
- (d) The projected capital expenditure expected to be incurred during the projected period are mainly replacement for computers, furniture and fixtures and office equipment; and
- (e) Forecasted working capital is projected based on estimated turnover days for inventories, trade & other receivables and trade & other payables for the forecast period which are expected to change in line with the cost of sales, revenue and operating expense (as the case may be). The turnover days of the forecasted net working capital are shown as follows:
  - Inventories: 24 to 28 days.
  - Trade & other receivables: 96 to 97 days.

## APPENDIX A: SUMMARISED VALUATION REPORT



- Trade & other payables: 75 to 78 days.

### 2.3.1 (b) Terminal Value

We have applied the Gordon Growth Model in estimating the terminal value at the end of the forecast period. Based on the Gordon Growth Model, the terminal value is computed as below:

$$\text{Terminal value} = \frac{\text{FCFF}_{n+1} \times (1+g)}{(\text{WACC} - g)}$$

**Notes:**

- FCFF<sub>n+1</sub>: refers to expected normalised FCFF one year from n-th year.
- WACC: refers to weighted average cost of capital. Please refer to Section “2.3.1 (c) Discount Rate” of this Summarised Valuation Report for the discount rate applied for the valuation of the Bharat IT.
- g: refers to the growth rate in perpetuity. We have assumed that the earnings of the Bharat IT would reach a stable perpetual growth rate of 3.0% after FY2029 with reference to the expected long-term global GDP growth rate.

### 2.3.1 (c) Discount Rate

We have adopted Weighted Average Cost of Capital (“**WACC**”) ranging from 18% to 20% for Bharat IT, as a discount rate used to discount the forecasted FCFF to its present value which is used as a measure of enterprise value. Please refer to Appendix 2 of the Full Report for the details about the computation of WACC for Bharat IT.

### 2.3.1 (d) Debt & non-operating payables and excess cash and cash equivalents

The equity value is derived by subtracting debt & non-operating payables, adding any excess cash and cash equivalents, investment in MAPL and Investment Property. The table shows the amount of the respective items for Bharat IT as at the Valuation Date.

Items	INR' million
Debt & non-operating payables	11.8
Excess cash and cash equivalents	332.3
Investment in MAPL <sup>(a)</sup>	45.4
Investment Property <sup>(b)</sup>	56.3

**Notes:**

- The 100% equity interest in the capital of MAPL is valued using the Cost Approach. Please refer to Section 2.3.1 (d.1) of this Summarised Valuation Report or Section 5.3.1 (d.1) of the Full Report for more details.
- The value of the Investment Property is derived based on the Property Valuation Report.

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### 2.3.1 (d.1) Cost Approach – RNAV - MAPL

We have used the RNAV method which is one application of the Cost Approach to assess the overall equity of MAPL based on the underlying value of its net asset. The equity value is estimated to its Market Value based on the following formula:

$$\text{RNAV} = (\text{Market Value of total assets}) - (\text{Market Value of total liabilities})$$

Based on the analysis and discussion with Management, the Market Value of the net assets of MAPL is approximately INR45.4 million. As such, based on the Cost Approach, the Market Value of 100% equity interest in the capital of MAPL as at the Valuation Date is approximately **INR45.4 million (rounded to the nearest one decimal place)**.

### 2.3.1 (e) Adjustments

We applied a discount for lack of marketability (“**DLOM**”) of approximately 15.0% for Bharat IT Group. After taking into consideration that Bharat IT Group is not publicly traded on any stock exchange where shares can be traded in a centralised market. DLOM is based on reference made to historical empirical studies including *inter alia*, to Maher Study, Trout Study, Management Planning, Inc. Study and Columbia Financial Study.

### 2.3.1 (f) Market Value of 100% equity interest in the capital of the Bharat IT Group

Based on the DCF Method, the Market Value of 100% equity interest in the capital of Bharat IT Group is as follows:

		INR million	
		Low	High
(A)	Present value of FCFF	80.6	82.5
(B)	Add: Present value of terminal value	41.1	50.8
(C) = (A) + (B)	Present value of enterprise value	121.7	133.3
(D)	Less: Debt & non-operating payables	11.8	11.8
(E)	Add: Excess cash & other surplus	332.3	332.3
(F)	Add: Investment in MAPL	45.4	45.4
(G)	Add: Investment Property	56.3	56.3
(H) = (C) - (D) + (E) + (F) + (G)	Equity value before DLOM	543.9	555.6
(I)	Less: DLOM	15%	15%
(J) = (H) x (1-I)	Equity value after DLOM (100%)	<b>462.3</b>	<b>472.3</b>

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## APPENDIX A: SUMMARISED VALUATION REPORT

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### 2.3.2 Market Approach – as a reference

We performed an estimation of the equity value of the Bharat IT Group using the Market Approach for reference purposes based on the selected market multiple, EV/EBITDA multiple and EV/EBIT multiple.

The result of the 100% equity value of the Bharat IT Group based on the Market Approach which is purely for reference purposes only and does not reflect the Market Value of 100% equity interest in the capital of Bharat IT Group as at the Valuation Date is as follows:

	INR million	
	Low	High
EV/EBITDA	443.6	454.3
EV/EBIT	431.4	433.3

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## APPENDIX A: SUMMARISED VALUATION REPORT

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### 2.3.3 Cost Approach - RNAV – as reference

We have used the RNAV method which is one application of the Cost Approach to assess the overall equity of Bharat IT Group based on the underlying value of its net asset as reference. The equity value is estimated to its Market Value based on the following formula:

$$RNAV = (\text{Market Value of total assets}) - (\text{Market Value of total liabilities})$$

Based on the analysis and discussion with Management, the Market Value of the net assets of Bharat IT Group is approximately INR512.3 million, and we have applied a DLOM of 15% based on the historical empirical research on the Market Value of the net assets of Bharat IT Group to derive the lower range. As such, based on Cost Approach, the Market Value of 100% equity interest in the capital of Bharat IT Group as at the Valuation Date is as follows:

	<b>Equity value of the 100% equity interest</b> <i>(for reference only)</i>
<b>Bharat IT Group</b>	<b>INR435.5 million to INR512.3 million</b> <b>(rounded to the nearest one decimal place)</b>

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### 2.4 Valuation of Peremex before Restructuring Exercise and Peremex Capital Injection

#### 2.4.1 Cost Approach – RNAV

We have used the RNAV method which is one application of the Cost Approach to assess the overall equity of Peremex based on the underlying value of its net asset. The equity value is estimated to its Market Value based on the following formula:

$$RNAV = (\text{Market Value of total assets}) - (\text{Market Value of total liabilities})$$

Based on the analysis above and discussion with Management, the Market Value of the net assets of Peremex is approximately SGD0.03 million. As such, based on the Cost Approach, the Market Value of 100% equity interest in the capital of Peremex as at the Valuation Date is approximately **SGD0.03 million (rounded to the nearest one decimal place)**.

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### 2.5 Market Value of 100% equity interest of the Target Group

Based on the sum-of-parts method, the Market Value of 100% equity interest in the capital of Target Group is as follows:

<b>S\$ million unless otherwise specified (rounded)</b>	<b>Low</b>	<b>High</b>
Net asset of Target (100%)	0.03	0.03
Market Value of Bharat IT Group (100%)*	7.54	7.70
Peremex Capital Injection	4.00	4.00
<b>Market Value of the Target Group</b>	<b>11.5</b>	<b>11.8</b>

\* Converted based on the exchange rate of 1 INR to 0.0163 SGD extracted from the Monetary Authority of Singapore.

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## APPENDIX A: SUMMARISED VALUATION REPORT

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### 3.0 Key Assumptions

We have made the following key assumptions in this valuation exercise. Any deviation from the following key assumptions may significantly vary the valuation of the Target Group (where applicable):

- The financial information provided accurately reflects the Target Group's financial position, operation and performance.
- The financial statements were prepared in accordance with accounting principles generally accepted internationally on a true and fair basis.
- The Management has provided us the financial projection of the Bharat IT from FPDDec2024 to FY2029. To its best knowledge, the Management is solely responsible for the contents, estimation and assumptions used in the projections.
- The business and operation of the Target Group shall continue to operate as a going concern.
- The Target Group has sufficient liquidity to continue its business and operation.
- There will not be any material changes in the political, legal, regulatory, market and/or economic conditions in the country(ies) where the Target Group operates which may adversely affect the future prospects of the Target Group.
- There will be no material change in inflation, interest rates, exchange rates and/or rates of taxation from those prevailing as at the Valuation Date.
- There are no contingent liabilities, unusual contractual obligations or substantial commitments which would have a material effect on the value of the Target Group.
- The property valuation performed by the Property Valuer accurately reflects the Market Value of the Investment Property of Bharat IT as at the Valuation Date.
- The current owners of the Target Group have clear and unencumbered title of ownership over all assets included in this assessment assuming the completion of the Restructuring Exercise and Peremex Capital Injection.
- The Target Group's operations and business will not be severely interrupted by any force majeure event or unforeseeable factors or any unforeseeable reasons that are beyond the control of the Management, including but not limited to the occurrence of natural disasters or catastrophes, epidemics or serious accidents.

Other assumptions specific to a particular valuation approach or certain observations and conclusions are outlined in the ensuing sections of the report.

It should be noted that the valuation of the Target Group is critical upon the following key drivers, where applicable:

- Bharat IT continue to operate as a going concern and is able to meet all its financial obligations.
- Bharat IT's sales, costs, and net profit continue to grow according to the forecast. Their capital expenditure and working capital requirements are estimated accurately in the projections.
- Bharat IT has sufficient operational resources to support the projected turnover and profitability.



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## APPENDIX A: SUMMARISED VALUATION REPORT

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The valuation is largely based on information provided to us by the Management who is solely responsible for their contents/accuracy. We have not performed any work in the nature of an audit or due diligence or investigation of the information provided to us and accordingly have not expressed any such opinion in this report. Further, we have not carried out any work in the nature of a feasibility study, nor have we expressed a viability opinion on the Proposed Disposal, the Restructuring Exercise and/or Peremex Capital Injection. We have also not verified or confirmed the information provided to us and have assumed that all such information is accurate and is not subject to material error or omission.

For this exercise, we have considered published market data and other public information relating to comparable companies on international stock exchanges. We are not responsible for their content and accuracy in deriving parameters such as country risk rate for purposes of valuation. Such information was obtained from Bloomberg and other sources, where applicable.

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## APPENDIX A: SUMMARISED VALUATION REPORT

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### 4.0 Statement of Value

Based on the sum-of-parts method, we are of the opinion that the Market Value of 100% equity interest in the capital of the Target Group as at the Valuation Date is as follows:

**Sum-of-parts Method:**

**SGD11.5 million to SGD11.8 million**  
**(rounded to the nearest one decimal place)**

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## APPENDIX A: SUMMARISED VALUATION REPORT

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### 5.0 Exclusions and Limitations of Liability

Our work has been performed in accordance with and subject to our Standard Conditions of Engagement, a copy of which has been previously provided. For your reference, we highlight some of the more pertinent points:

- We have used due skill and care in the provision of the services set out in this report;
- We shall not under any circumstances be liable for damages, or for losses, that are not a direct result of breach of contract, or negligence, on our part in respect of services provided in connection with, or arising out of, the engagement set out in this letter (or any variation or addition thereto), or for any consequential losses or loss of profits of whatsoever nature. In any event, the liability of NAVI, its related companies, partners, directors and staff (whether in contract, negligence or otherwise) shall in no circumstances exceed the fees paid specifically for the work in question which allegedly entailed a breach of contract or negligence on our part;
- In no event shall NAVI, its related companies, partners, directors and staff be liable for any loss, damage, cost or expense arising in any form or in connection with the fraudulent acts or omissions, or any misrepresentations or any default on the part of the directors, employees or agents of the management of the Company and its subsidiaries;
- Without derogating from the aforesaid provisions, we shall not under any circumstances whatsoever, be liable to any third party, whether or not they are shown a copy of any work that we have done pursuant to the terms of our engagement, and whether or not we have consented to such work being shown to them, save and except where we specifically agreed in writing to accept such liability;
- Except as a result of our own negligence or wilful default, in the event that we find ourselves subject to a claim or incur legal costs from another party as a result of false or misrepresented information provided by Management in connection with this engagement, any claim established against us and the cost we necessarily incur in defending it would form part of the expenses we would look to recover from the management of the Company.

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## APPENDIX B: IFA LETTER

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7 August 2024

**DIGILIFE TECHNOLOGIES LIMITED**

1 North Bridge Road  
#19-04/05 High Street Centre  
Singapore 179094

Attention: The Independent Directors (as defined herein) and the Audit Committee

Dear Independent Directors

**LETTER FROM XANDAR CAPITAL PTE. LTD. TO THE INDEPENDENT DIRECTORS (AS DEFINED HEREIN) AND THE AUDIT COMMITTEE OF DIGILIFE TECHNOLOGIES LIMITED (THE “COMPANY”) IN RELATION TO THE PROPOSED DISPOSAL OF ITS SHAREHOLDINGS INTERESTS IN PEREMEX PTE. LTD. (THE “TARGET COMPANY”, TOGETHER WITH ITS SUBSIDIARIES, THE “TARGET GROUP”), AS AN ‘INTERESTED PERSON TRANSACTION’**

*Unless otherwise defined or the context otherwise requires, all capitalised terms used in this letter (this “IFA Letter”) shall have the same meaning ascribed to them in the circular to shareholders of the Company dated 7 August 2024 (the “Circular”).*

*Unless otherwise stated, the Singapore dollars (“S\$”) equivalent for all Indian Rupees (“INR”) amounts stated in this IFA Letter have been converted based on the midday average interbank exchange rate of S\$1.00 to INR 62.6566 (the “Exchange Rate”) as at 2 August 2024 (the “Latest Practicable Date”) extracted from the website of the Monetary Authority of Singapore (the “Authority”). The Authority has not consented to the inclusion of the exchange rates applied in this IFA Letter and is thereby not liable for such information under Sections 253 and 254 of the Securities and Futures Act of Singapore.*

### 1. INTRODUCTION

On 2 August 2024, the Board of Directors of the Company (the “Board” or the “Directors”) announced that the Company had on 2 August 2024 entered into a share purchase agreement (“SPA”) with Smart Co Holding Pte. Ltd. (the “Purchaser”), a private company which is wholly-owned by Dr. Bhupendra Kumar Modi (“Dr. Modi”), pursuant to which the Company has agreed to sell and the Purchaser has agreed to purchase an aggregate of 13,206,000 issued and paid-up ordinary shares representing the total issued and paid-up share capital of the Target Company (the “Sale Shares”) for an aggregate consideration of S\$12,240,000 (the “Consideration”) to be satisfied in accordance with the terms and conditions of the SPA (the “Proposed Disposal”).

Dr. Modi is a ‘controlling shareholder’ of the Company as defined under the Listing Manual Section B: Rules of Catalyst (the “Catalist Rules”) of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) as Dr. Modi holds more than 15% interest (direct and indirect)

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Xandar Capital Pte. Ltd. 威豪金融 (私人) 有限公司 (Registration No. 200002789M)  
Address 地址 3 Shenton Way #24-02 Shenton House Singapore 068805 珊顿道 3 号, 珊顿大厦 24-02, 新加坡邮区 068805  
Tel 电话 (65) 6319 4950 Fax 传真 (65) 6227 3936 Website 网址 <http://www.xandarcapital.com>

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of the total issued and paid-up share capital of the Company. As the Purchaser is wholly-owned by Dr. Modi, the Purchaser is an 'associate' of Dr. Modi as defined under the Catalyst Rules and is deemed as an 'interested person' under Rule 904 of the Catalyst Rules. Accordingly, the Proposed Disposal constitutes an 'interested person transaction ("IPT")' under Chapter 9 of the Catalyst Rules.

The Consideration of S\$12,240,000 represents approximately 41.90% of the latest audited net tangible assets of the Company and its subsidiaries (the "**Group**") of approximately S\$29.21 million as at 31 December 2023. Accordingly, under Rule 906(1) of the Catalyst Rules, the Company must obtain the approval of the Company's shareholders (the "**Shareholders**") who have no interest, direct or indirect, in the Proposed Disposal (the "**Independent Shareholders**") for the Proposed Disposal which is an IPT.

Rule 921(4)(a) of the Catalyst Rules provides that if shareholders' approval is required for an IPT, the circular to shareholders must include an opinion in a separate letter from an independent financial adviser ("**IFA**") stating whether the relevant transaction (and all other transactions which are the subject of aggregation pursuant to Rule 906 of the Catalyst Rules) is on normal commercial terms and is prejudicial to the interests of the issuer and its minority shareholders.

In connection thereof, the Company has appointed Xandar Capital Pte. Ltd. as the IFA pursuant to Rule 921(4)(a) of the Catalyst Rules as well as to opine on and advise the Directors who are independent for the purposes of the Proposed Disposal (the "**Independent Directors**") and the audit committee of the Company (the "**Audit Committee**") as to whether the Proposed Disposal and all other transactions which are the subject of aggregation with the Proposed Disposal pursuant to Rule 906 of the Catalyst Rules, are on normal commercial terms and prejudicial to the interests of the Company and its minority Shareholders.

## 2. TERMS OF REFERENCE

Xandar Capital has been appointed pursuant to Rule 921(4)(a) of the Catalyst Rules as well as to advise the Independent Directors and the Audit Committee as to whether the Proposed Disposal (and all other transactions which are the subject to aggregation pursuant to Rule 906 of the Catalyst Rules) are on normal commercial terms and prejudicial to the interests of the Company and its minority Shareholders.

We are not and were not involved in any aspect of the negotiations pertaining to the Proposed Disposal, nor were we involved in the deliberations leading up to the decisions on the part of the Directors to undertake the Proposed Disposal. Accordingly, we do not, by this IFA Letter, warrant the merits of the Proposed Disposal other than to express an opinion on whether the Proposed Disposal (and all other transactions which are the subject to aggregation pursuant to Rule 906 of the Catalyst Rules) is on normal commercial terms and prejudicial to the interests of the Company and its minority Shareholders.

Our terms of reference do not require us to express, evaluate or comment on the rationale for, strategic or commercial merits and/or risks of the Proposed Disposal, or the future performance or prospects of the Group. We are, therefore, not expressing any opinion herein

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as to the future financial or other performance (including share price performance) of the Company or the Group, whether with or without the Proposed Disposal.

As with other business transactions of the Company, the merit and/or associated risk, whether commercial, financial or otherwise, of the Proposed Disposal, are solely the responsibility of the Directors. We are also not addressing the relative merits of the Proposed Disposal, as compared to any alternative transaction of the Group or that otherwise may become available to the Group in the future. Such evaluations or comments remain the responsibility of the Directors and the management of the Company.

In the course of our evaluation and for the purpose of providing our opinion in respect of the Proposed Disposal, we have held discussions with certain Directors and the management of the Group and have examined information provided by the Directors and the management of the Group and other publicly available information collated by us, upon which our view is based. We have not independently verified such information, whether written or verbal, and accordingly cannot and do not make any representation or warranty in respect of, and do not accept any responsibility for, the accuracy, completeness or adequacy of such information. We have nevertheless made reasonable enquiries and exercised our judgment as we deemed necessary or appropriate on the reasonable use of such information and found no reason to doubt the accuracy or reliability of such information.

We have not made any independent evaluation and appraisal on the assets and liabilities of the Target Group, the Company and/or the Group. In connection with the Proposed Disposal, the Company has appointed Navi Corporate Advisory Pte. Ltd. as the independent valuer (the "**Independent Valuer**") to perform a valuation of 100% equity interest in the capital of the Target Company and its subsidiaries (the "**Target Group**", comprising the Target Company, Bharat IT Services Limited ("**Bharat IT**") and its wholly-owned subsidiary, Modi Aircrete Private Limited ("**Modi Aircrete**"). Bharat IT and Modi Aircrete shall collectively be referred to as the "**Bharat IT Group**") as at 30 April 2024. The full valuation report dated 7 August 2024 (the "**Valuation Report**") issued by the Independent Valuer is a document available for inspection at the Company's registered office for a period of three (3) months commencing from the date of the Circular up to and including the date of the extraordinary general meeting ("**EGM**") while a summary of the Valuation Report dated 7 August 2024 (the "**Summarised Valuation Report**") is reproduced as Appendix A to the Circular. Save for the Valuation Report and the Summarised Valuation Report, we have not been furnished with any other evaluation or appraisal of the assets and/or liabilities of the Target Group. With respect to the Valuation Report and the Summarised Valuation Report, we are not experts in the evaluation or appraisal of the subject concerned and we have placed sole reliance on the Valuation Report and the Summarised Valuation Report for such appraisal.

We have relied upon the assurance of the Directors that the Directors collectively and individually accept full responsibility for the accuracy of the information given in the Circular and confirm after making all reasonable enquiries that, as at the Latest Practicable Date, to the best of their knowledge and belief, the Circular constitutes full and true disclosure of all material facts about the Proposed Disposal and the Group, and the Directors are not aware of any facts the omission of which would make any statement in the Circular misleading. Where information in the Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors

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has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Circular in its proper form and context. In relation to this IFA Letter, the Directors have confirmed that the facts stated, with respect to the Group, the Target Group and the Proposed Disposal, are to the best of their knowledge and belief, fair and accurate in all material aspects.

Our opinion is based upon prevailing market, economic, industry, monetary and other conditions (where applicable) and the information made available to us contained in the Circular as at the Latest Practicable Date. We assume no responsibility to update, revise or reaffirm our view in light of any subsequent development after the Latest Practicable Date that may affect our opinion contained herein. Shareholders should take note of any announcements relevant to their consideration of the Proposed Disposal, which may be released by the Company after the Latest Practicable Date.

**In arriving at our opinion, we did not consider the specific investment objectives, financial situation, tax consequences, risk profile or unique needs and constraints of any Shareholder or any specific group of Shareholders. We recommend that any individual Shareholder or group of Shareholders who may require specific advice in relation to his or their investment objectives or portfolios should consult his or their legal, financial, tax or other professional advisors immediately.**

**Our opinion is for the use and benefit of the Independent Directors and the Audit Committee in their deliberation of the Proposed Disposal, and the recommendation made by the Independent Directors and the Audit Committee shall remain the responsibility of the Independent Directors and the Audit Committee.**

**The Company has been separately advised by its own advisors in the preparation of the Circular (other than this IFA Letter). We have no role or involvement and have not provided any advice, financial or otherwise, whatsoever in the preparation, review and verification of the Circular (other than this IFA Letter). Accordingly, we take no responsibility for and express no views, express or implied, on the contents of the Circular (other than this IFA Letter).**

**Our opinion, in relation to the Proposed Disposal, should be considered in the context of the entirety of this IFA Letter and the Circular.**

Whilst a copy of this IFA Letter may be reproduced in the Circular, neither the Company nor the Directors may reproduce, disseminate or quote this IFA Letter (or any part thereof) for any other purposes other than for the Proposed Disposal at any time and in any manner without our prior written consent.

We recommend that the Independent Directors and the Audit Committee advise the Independent Shareholders to read these pages carefully.

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### 3. INFORMATION ON THE PROPOSED DISPOSAL

#### 3.1 Information on the Target Group

Incorporated in Singapore on 7 August 2003, the Target Company is a wholly-owned subsidiary of the Company and does not have any existing operations or business activities. As at the Latest Practicable Date, the Target Company has an issued and paid-up share capital of S\$13,206,000 consisting of 13,206,000 Sale Shares. The Target Company is the holding company of Bharat IT. The Group's information and communications technology ("ICT") distribution and managed services business operation in India is conducted through Bharat IT which provides comprehensive ICT solutions encompassing consultation, maintenance, disaster recovery services, as well as undertaking projects in networking, data hosting, and managed services. Modi Aircrete, a wholly-owned subsidiary of Bharat IT, currently does not have any existing operations or business activities.

Further information on the Target Group can be found in Section 2.3 of the Circular.

#### 3.1.1 Historical financial performance of the Target Group

As mentioned above and set out in Section 2.3 of the Circular, the Target Company is incorporated in the Republic of Singapore on 7 August 2003 and is a wholly-owned subsidiary of the Company, and both the Target Company and Modi Aircrete do not have any existing operations or business activities. Accordingly, the historical financials of Bharat IT mainly constitute the entire financials of the Target Group. We extract the key income statement information of Bharat IT as provided by the management of the Group below:

	15 months ended 31 March 2022 ("15M2022") <sup>(1)</sup>		Nine (9) months ended 31 December 2022 ("9M2022") <sup>(1)</sup>		Financial year ("FY") ended 31 December 2023 <sup>(1)</sup>	
	INR Lakhs <sup>(2)</sup>	S\$'000 <sup>(3)</sup>	INR Lakhs <sup>(2)</sup>	S\$'000 <sup>(4)</sup>	INR Lakhs <sup>(2)</sup>	S\$'000 <sup>(5)</sup>
Revenue	11,384	20,644	6,085	10,587	7,785	12,659
Profit before tax	421	763	229	398	134	217
Net profit after tax for the financial period/year	306	555	153	266	99	161

**Notes:**

- (1) Bharat IT has changed its financial year end to align with the Company.
- (2) One INR Lakhs is INR 100,000.
- (3) Based on S\$1 to INR 55.1445, being the average of the month-end exchange rates of S\$1 to INR for 15M2022 as extracted from the website of the Authority.

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- (4) Based on S\$1 to INR 57.4785, being the average of the month-end exchange rates of S\$1 to INR for 9M2022 as extracted from the website of the Authority.
- (5) Based on S\$1 to INR 61.4928, being the average of the month-end exchange rates of S\$1 to INR for FY2023 as extracted from the website of the Authority.

As disclosed above in paragraph 3.1 of this IFA Letter, Bharat IT operates in the ICT distribution and managed services sector in India. We understand that Bharat IT provides ICT distribution and managed services mainly for the banking sector which includes government and public sector entities. We note that Bharat IT has three revenue segments, namely, annual maintenance services of office and information technology (“IT”) equipment, sale of traded goods and warranty income. Majority of the revenue was derived from annual maintenance services and sale of traded goods as follows:

- (a) annual maintenance services of office and IT equipment accounted for approximately 55.79% of its revenue in FY2023, approximately 46.66% of its revenue in 9M2022 and approximately 43.80% of its revenue in 15M2022; and
- (b) sale of traded goods accounted for approximately 40.93% of its revenue in FY2023, approximately 50.18% of its revenue in 9M2022 and approximately 53.34% of its revenue in 15M2022.

Regardless of the change in contribution of the two (2) revenue streams, Bharat IT continued to report low net profit for the above-mentioned financial periods.

### 3.1.2 Latest available audited financial position of the Target Group

Similarly, as the Target Company is a holding company and does not have any existing operations or business activities, the financial position of the Target Group comprised mainly the assets and liabilities of Bharat IT Group. We extract and set out the financial position of Bharat IT Group as at 31 December 2023 from the latest audited financial statements of Bharat IT as follows:

As at 31 December 2023	INR Lakhs	S\$'000 <sup>(1)</sup>
Current assets	5,439	8,625
Current liabilities	(1,408)	(2,232)
Net working capital	4,031	6,393
Non-current assets	1,265	2,006
Non-current liabilities	(338)	(536)
Net asset value (“NAV”)	4,958	7,863

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**Note:**

- (1) Based on S\$1 to INR 63.0557, being the mid-day average interbank exchange rate of S\$ to INR as at 31 December 2023 as extracted from the website of the Authority.

We note that the Bharat IT Group had intangible assets amounting to INR 26,000 (equivalent to approximately S\$412) as at 31 December 2023. As intangible assets represented less than 0.01% of the NAV of the Bharat IT Group, there was no material difference between the NAV and the net tangible assets (“NTA”) of the Bharat IT Group as at 31 December 2023.

As at 31 December 2023:

- (a) the current assets of the Bharat IT Group consisted mainly cash and cash equivalents and other bank balances which collectively represented approximately 49.01% of the current assets of the Bharat IT Group as at 31 December 2023. Trade receivables represented approximately 29.28% of the current assets of the Bharat IT Group as at 31 December 2023. We calculate and note that the average trade receivables’ turnover days of the Target Group amounted to approximately 88 days, 94 days and 80 days respectively for 15M2022, 9M2022 and FY2023 which were within the credit terms of between zero and 120 days generally granted to its customers. In addition, we also note that, based on ageing profile, more than 90% of the trade receivables as at 31 December 2023 was within the credit terms granted. The remaining current assets (namely other financial assets, other current assets, inventories and current tax assets) each accounted for less than 10% of the current assets of the Bharat IT Group as at 31 December 2023;
- (b) the non-current assets of the Bharat IT Group consisted mainly its leasehold investment property (a shop lot) in India, other financial assets, property, plant and equipment, capital work in progress and deferred tax assets which represented approximately 40.55%, 22.58%, 13.48%, 11.69% and 10.00% of the non-current assets of the Bharat IT Group as at 31 December 2023. We note that the Company has commissioned an independent property valuer to perform a valuation on the investment property as at 26 December 2023 and the Independent Valuer has taken into consideration the fair market value of the investment property in its valuation of 100% equity interest in the capital of the Target Group;
- (c) the current liabilities of the Bharat IT Group consisted mainly trade payables, other current liabilities (mainly employee emoluments and goods and services tax payable) and contract liabilities which accounted for approximately 37.25%, 36.93% and 22.26% respectively of the current liabilities of the Bharat IT Group as at 31 December 2023. We note that trade payables of the Bharat IT Group were normally on zero to 60 days’ credit terms. We understand that contract liabilities consisted mainly warranty obligations as the Bharat IT Group extends warranty of between one and five years for some of its goods sold in accordance with the specifications of its customers; and
- (d) the non-current liabilities of the Bharat IT Group consisted mainly contract liabilities, borrowings and provision for employee benefits which accounted for approximately 64.58%, 17.81% and 14.01% respectively of the non-current liabilities of the Bharat

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IT Group as at 31 December 2023. We note that the Bharat IT Group had low borrowings and lease liabilities. Aggregate borrowings and lease liabilities (current and non-current) of the Bharat IT Group only amounted to 0.02 times of the NAV of the Bharat IT Group.

### 3.2 Principal terms of the SPA

The salient terms of SPA are set out in Section 2.4 of the Circular. We extract certain details in *italics* as follows:

#### 3.2.1 Consideration

The Consideration was arrived at after arms' length negotiations and on a willing-buyer willing-seller basis, after taking into consideration of discussions between the Company and the Purchaser, and other commercial factors including, *inter alia*, the *pro forma* NTA of the Target Group as at 30 April 2024, historical performance and business prospects of the ICT segment conducted through Bharat IT, prevailing market conditions, the market value of the 100% equity interest in the capital of the Target Group as at 30 April 2024 (the "**Valuation Date**") based on the valuation conducted by the Independent Valuer, subject to the key assumptions set out in the Valuation Report, and the rationale for and benefits to the Group arising from the Proposed Disposal.

As set out in Section 3.1 of the Circular, the Board has proposed that, subject to completion of the Proposed Disposal ("**Completion**"), a capital reduction exercise (the "**Proposed Capital Reduction**") shall be carried out by the Company pursuant to Section 78A read with Section 78C of the Companies Act 1967 of Singapore (the "**Companies Act**") and the gross proceeds of the Proposed Disposal shall be distributed to all Shareholders by way of a cash distribution (the "**Proposed Cash Distribution**"). Based on the existing share capital of the Company comprising 13,387,513 ordinary shares (the "**Shares**") as at the Latest Practicable Date<sup>(1)</sup>, the cash distribution for each Share under the Proposed Cash Distribution amounted to approximately S\$0.914285.

**Note:**

(1) Excluding 492,871 treasury Shares as at the Latest Practicable Date.

As Dr. Modi holds in aggregate 7,696,099 Shares directly and indirectly, the SPA provides that the Consideration payable by the Purchaser for the Sale Shares will be partially set-off against the cash distribution due to the Purchaser as well as certain of Dr Modi's associates, namely S Global Innovation Centre Pte. Ltd., Spice Bulls Pte. Ltd., and Innovative Management Pte. Ltd (individually, a "**Set-Off Party**" and collectively, the "**Set-Off Parties**") pursuant to Proposed Cash Distribution as follows:

<b>Set-Off Party</b>	<b>No. of Shares held by the Set-Off Party</b>	<b>Amount entitled under the Proposed Cash Distribution <sup>(1)</sup></b>
S Global Innovation Centre Pte. Ltd.	3,638,921	3,327,010

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Set-Off Party	No. of Shares held by the Set-Off Party	Amount entitled under the Proposed Cash Distribution <sup>(1)</sup>
The Purchaser	410,660	375,460
Spice Bulls Pte. Ltd.	1,316,497	1,203,653
Innovative Management Pte. Ltd.	43,000	39,314
Total	<u>5,409,078</u>	<u>4,945,437</u>

**Note:**

(1) Rounded to the nearest dollar.

### 3.2.2 Conditions precedent to the Proposed Disposal

The conditions precedent to the Proposed Disposal are set out in Section 2.4.3 of the Circular. We extract certain details in *italics* as follows:

- (a) *all relevant regulatory consents or approvals being obtained by the Company in respect of the transfer of the Sale Shares, including the board of directors of the Company, in-principle approval from the SGX-ST and (if required by the SGX-ST) its shareholders, and if such approval is obtained subject to any conditions, subject to such conditions being acceptable to the Company to whom such approval relates and, if such conditions are required to be fulfilled before Completion, the fulfilment of such conditions before Completion;*
- (b) *all relevant consents or approvals being obtained by the Company in respect of the Proposed Capital Reduction to be conducted by the Company following Completion;*
- (c) *the warranties provided by the respective SPA Parties in the SPA being materially true and accurate and not misleading at Completion as if they had been repeated at Completion with references to circumstances then existing;*
- (d) *the due and valid implementation of the Capital Reduction, and the filling of the relevant documents with the ACRA such that the Capital Reduction is effective under section 78E(2) or 78E(4) of the Companies Act 1967; and*
- (e) *no event, change or effect having occurred which has resulted or is likely to result in a material adverse change or material adverse deterioration in the position or prospects of Peremex (or no material contingent liability having arisen which if incurred would result in such a material adverse change or deterioration).*

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### 3.2.3 Salient Warranties and the Long-stop Date

The salient warranties and long-stop date to the Proposed Disposal are set out in Section 2.4.4 of the Circular. We extract certain details in *italics* as follows:

*The Company has provided certain warranties in relation to Peremex's audited accounts, indebtedness and guarantees, insolvency and other legal proceedings.*

*Under the SPA, the "Long-Stop Date" will be the date falling on or before 120 days from the date of the SPA, or such later date as the parties may agree. In the event that any of the Conditions Precedent are not fulfilled or waived in accordance with the terms under the SPA by the Long-Stop Date, then the SPA shall automatically terminate and none of the parties shall have any further liability to the other parties except for any liability accrued as at such date.*

### 3.3 Information on the Purchaser

The Purchaser is a private limited company duly incorporated under the laws of Singapore on 25 July 1996 and is principally engaged in the business of investment holding. The Purchaser is wholly-owned by Dr. Modi, who is a controlling shareholder of the Company and thus an interested person as defined under Chapter 9 of the Catalyst Rules.

More information on the Purchaser is set out in Section 2.2 of the Circular.

### 3.4 Use of proceeds from the Proposed Disposal

The Company intends to utilise the gross proceeds from the Proposed Disposal for the Proposed Cash Distribution, subject to the approval of the Shareholders.

More information on the use of proceeds is set out in Section 2.6 of the Circular.

## 4. INFORMATION ON IPTs WHICH ARE SUBJECT OF AGGREGATION WITH THE PROPOSED DISPOSAL

Pursuant to Chapter 9 of the Catalyst Rules, the IFA needs to opine on whether the Proposed Disposal as well as all other transactions which are the subject of aggregation pursuant to Chapter 9 of the Catalyst Rules are on normal commercial terms, and are not prejudicial to the interest of the Company and its minority shareholders.

We understand that the Group does not have any other IPTs which are the subject of aggregation pursuant to Chapter 9 of the Catalyst Rules.

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### 5. EVALUATION OF THE PROPOSED DISPOSAL

The following are factors which we consider to be pertinent and to have a significant bearing on our evaluation of the Proposed Disposal:

- (a) the valuation conducted by the Independent Valuer;
- (b) the *pro forma* NAV of the Target Group;
- (c) comparison of the valuation ratios of the Target Group implied by the Consideration with comparable companies listed in India;
- (d) rationale for the Proposed Disposal;
- (e) the financial effects of the Proposed Disposal; and
- (f) other considerations.

These factors are discussed in greater detail in the ensuing paragraphs.

#### 5.1 The valuation conducted by the Independent Valuer

The Company has appointed the Independent Valuer to perform a valuation of 100% equity interest in the capital of the Target Group as at 30 April 2024.

We summarise certain information in the Valuation Report and set out as follows (Note: text set out in *italics* below are extracted from the Valuation Report):

Date of valuation	30 April 2024
Basis of valuation	<i>This valuation has been undertaken on a Market Value basis in accordance with the International Valuation Standards (2022)...</i>
Definition of market value	<i>The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion</i>
Valuation approaches	<u>For the Target Group</u> <i>Based on the discussion with Management and review of the information, we have adopted the sum-of-parts method. The valuation of the Target Group is based mainly on the following:</i> <ul style="list-style-type: none"><li>• 100% equity interest in the capital of Bharat IT Group;</li><li>• 100% equity interest in the capital of Peremex before Restructuring Exercise and Peremex Capital Injection; and</li><li>• Peremex Capital Injection.</li></ul>

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	<p><u>For the Target Company</u></p> <ul style="list-style-type: none"> <li>• Cost approach – Revalued net asset value (“<b>RNAV</b>”)</li> </ul> <p><u>For the Bharat IT Group</u></p> <ul style="list-style-type: none"> <li>• Income approach – Discounted cash flow method</li> <li>• Market approach as reference – using market multiples, namely enterprise value (“<b>EV</b>”) to earnings before interest, tax, depreciation and amortisation (“<b>EBITDA</b>”) ratio (“<b>EV/EBITDA Ratio</b>”) and EV to earnings before interest and tax (“<b>EBIT</b>”) ratio (“<b>EV/EBIT Ratio</b>”) of listed companies comparable to the Bharat IT Group</li> <li>• Cost approach as reference – RNAV</li> </ul>
<p>Key assumptions applied for the valuation</p>	<p><u>For the Target Group</u></p> <ul style="list-style-type: none"> <li>• <i>This valuation is performed by assuming the completion of the Restructuring Exercise and Peremex Capital Injection as at the Valuation Date.</i></li> <li>• <i>The Management has provided us the financial projection of the Bharat IT from FPDec2024 to FY2029. To its best knowledge, the Management is solely responsible for the contents, estimation and assumptions used in the projections.</i></li> <li>• <i>The property valuation performed by the Property Valuer accurately reflects the Market Value of the Investment Property of Bharat IT as at the Valuation Date.</i></li> </ul> <p>Other specific assumptions as follows:</p> <p><u>For the Bharat IT Group</u></p> <p>In respect of the income approach – discounted cash flow method</p> <ul style="list-style-type: none"> <li>• <i>We have assumed that the earnings of Bharat IT would reach a stable perpetual growth rate of 3.0% after FY2029 with reference to the expected long-term global GDP growth rate.</i></li> <li>• <i>We have adopted WACC ranging from 18% to 20% for Bharat IT, as a discount rate used to discount the forecasted FCFF to its present value which is used as a measure of enterprise value.</i></li> <li>• <i>Cost of debt is based on the prime lending rate of India as at the Valuation Date.</i></li> <li>• <i>The risk-free rate of 7.19% is based on the yield of India's 10-year government bond as at the Valuation Date.</i></li> <li>• <i>Levered beta of 1.11 is derived by taking the unlevered betas of the Comparable Companies and re-levering by the</i></li> </ul>

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	<p><i>expected debt-equity ratio and the tax rate of Bharat IT with reference to the Comparable Companies.</i></p> <ul style="list-style-type: none"> <li>• <i>The equity market risk premium for India is 7.81% based on Damodaran research.</i></li> <li>• <i>Additional risk premium of 5.0% have been applied to take into consideration factors including but not limited to size premium, forecast risk, business and operation risk, country risk and other company-specific risks.</i></li> <li>• <i>We applied a DLOM of approximately 15.0% for the Bharat IT Group. After taking into consideration that Bharat IT Group is not publicly traded on any stock exchange where shares can be traded in a centralised market. DLOM is based on reference made to historical empirical studies including inter alia, to Maher Study, Trout Study, Management Planning, Inc. Study and Columbia Financial Study.</i></li> </ul>
Market value of the Target Group	The Independent Valuer arrives at a market value of S\$11.5 million to S\$11.8 million for 100% equity interest in the capital of the Target Group based on the exchange rate of INR 1 to S\$0.0163 as at the Valuation Date.

Based on the market value of S\$11.5 million to S\$11.8 million for the Sale Shares (representing 100% equity interest in the capital of the Target Group) as opined by the Independent Valuer, the Consideration of S\$12,240,000 represents premia of approximately S\$740,000 (or approximately 6.43%) and S\$440,000 (or approximately 3.73%) to the market value of the Sale Shares as opined by the Independent Valuer. The Consideration represents a price-to-valuation ratio of approximately 1.04 to 1.06 times.

The Valuation Report is available for inspection at the Company's registered office for the period from the date of the Circular up to the date of the EGM and the Summarised Valuation Report is appended as Appendix A to the Circular. Shareholders are advised to read the Summarised Valuation Report in its entirety carefully.

### 5.2 The *pro forma* NAV of the Target Group

As set out in paragraph 3.1.2 of this IFA Letter, the audited NAV of the Bharat IT Group as at 31 December 2023 was S\$7,863,000.

We note from Section 2.7.1 of the Circular that the unaudited *pro forma* NAV of the Target Group as at 30 June 2024 was S\$12,354,690. We understand that the increase in the NAV of the Bharat IT Group from 31 December 2023 to 30 June 2024 was attributed to (a) profit generated by the Bharat IT Group of approximately S\$0.26 million for the six (6) months ended 30 June 2024; (b) translation reserve gain of approximately S\$0.22 million arising from the strengthening of INR against Singapore dollars between the two balance sheet dates. As a reference, S\$1.00 was equivalent to approximately INR 63.0557 as at 31 December 2023 and approximately INR 61.3987 as at 30 June 2024; (c) the paid-up



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## APPENDIX B: IFA LETTER

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capital of the Target Company; and (d) an additional capital injection of approximately S\$4 million to the Target Company completed on 26 July 2024.

The Consideration of S\$12,240,000 represents a slight discount of approximately S\$115,000 (or approximately 0.93%) to the unaudited *pro forma* NAV of the Target Group as at 30 June 2024, indicating a price to *pro forma* NAV ("**P/NAV**") ratio of 0.99 time.

As mentioned in paragraph 3.1.2 of this IFA Letter, the Bharat IT Group's intangible assets as at 31 December 2023 were immaterial as compared to its NAV. We also note that the intangible assets of Bharat IT Group as at 30 June 2024 were lower due to amortisation for the six (6) months ended 30 June 2024. Accordingly, the price to *pro forma* NTA ("**P/NTA**") ratio of the Target Group will be the same as its P/NAV ratio.

### 5.3 Comparison of the valuation ratios of Bharat IT implied by the Consideration with comparable companies listed in India

For the purposes of assessing the Consideration, we have considered the valuation ratios of listed companies whose business are broadly comparable with the Bharat IT Group (the "**Comparable Companies**") and compare such valuation ratios with those of the Target Group. For a more meaningful comparison, we have focused on companies listed in India, generating more than 75% of its revenue from India, registered revenue of between INR 500 million and INR 2,500 million for its latest 12 months financial period and reported a profit for the same financial period.

A brief description of the Comparable Companies is set out below:

Name	Brief business description
Accel Limited	Accel Limited currently offers turnkey IT services enabling customers to embark on their digital transformation journey with confidence. Accel Limited offers a wide range of services that includes IT infrastructure management services, warranty and logistics management services, managed print services, systems integration and enterprise IT solutions, cyber security managed services and software services, with strong presence in the domestic and international markets.
Dev Information Technology Limited	Dev Information Technology Limited is engaged in the business of providing IT enabled services in the domestic as well as the international market. Its service offerings comprise cloud services, digital transformation, enterprise applications, managed IT services and application development.
ROX Hi-Tech Limited	ROX Hi-Tech Limited is a system integrator, offering a comprehensive range of distributed IT solutions, including consulting, enterprise and end-user computing, managed print, and network services.

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Name	Brief business description
XTGlobal Infotech Limited	XTGlobal Infotech Limited has been operating in the spheres of software product development, training and software services since its inception. It supports its customers to meet today's challenges through its suite of in-demand technology solutions, including cloud migration, low-code app development, robotic process automation, and advanced data analytics.

Source: The annual reports or prospectus of the Comparable Companies.

We had discussions with management about the suitability and reasonableness of the Comparable Companies. We wish to highlight that the Comparable Companies are not exhaustive and it should be noted that these Comparable Companies **are not directly comparable** to the Target Group in terms of customer base, size of operations, asset base, revenue segments, track record, financial performance, operating and financial leverage, future prospects, liquidity, quality of earnings, accounting policies, risk profile and other relevant criteria. As such, any comparison made here is necessarily limited and it may be difficult to place reliance on the comparison of valuation for the Comparable Companies. Therefore, any comparison made serves only as an illustrative guide.

Valuation ratio	General description
EV/EBITDA Ratio	<p>EV is defined as the sum of a company's market capitalisation, preferred equity, minority interests, short term and long term debts less its cash and cash equivalents.</p> <p>The EV/EBITDA Ratio is an earnings-based valuation methodology that does not take into account the capital structure of a company as well as its interest, taxation, depreciation and amortisation charges. Therefore, it serves as an illustrative indicator of the current market valuation of the business of a company relative to its pre-tax operating cash flow and performance.</p>
Price-to-earnings ("P/E") ratio	<p>The P/E ratio illustrates the ratio of the market price of a company's share relative to its historical consolidated earnings per share. The P/E ratio is affected by, <i>inter alia</i>, the capital structure of a company, its tax position as well as its accounting policies relating to among others, depreciation and amortisation.</p>
P/NAV ratio	<p>P/NAV ratio illustrates the ratio of the market price of a company's share relative to its asset backing as measured in terms of its NAV per share as stated in its financial statements. The NAV figure provides an estimate of the value of a company assuming the sale of all its tangible and intangible assets, the proceeds which are first used to settle its liabilities and obligations with the balance available for distribution to its shareholders. Comparisons of companies using their book NAVs are affected by differences in their respective accounting policies, in particular their depreciation and asset valuation policies.</p>

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Xandar Capital Pte. Ltd. 威豪金融 (私人) 有限公司 (Registration No. 200002789M)  
Address 地址 3 Shenton Way #24-02 Shenton House Singapore 068805 珊顿道 3 号, 珊顿大厦 24-02, 新加坡邮区 068805  
Tel 电话 (65) 6319 4950 Fax 传真 (65) 6227 3936 Website 网址 <http://www.xandarcapital.com>

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Valuation ratio	General description
P/NTA ratio	P/NTA ratio illustrates the ratio of the market price of a company's share relative to its NTA per share as recorded in its financial statements. The NTA figure provides an estimate of the value of a company assuming the sale of all its tangible assets, the proceeds which are first used to settle its liabilities and obligations with the balance available for distribution to its shareholders. Comparisons of companies using their NTAs are affected by differences in their respective accounting policies, in particular, their depreciation and asset valuation policies.

We set out in the table below the financial ratios of the Comparable Companies as at the Latest Practicable Date:

Comparable Companies	Revenue (INR'm)	Net profit (1) (INR'm)	EV / EBITDA Ratio (1)(2) (times)	P/E ratio (1) (times)	P/NAV ratio (1) (times)	P/NTA ratio (1) (times)
Accel Limited	1,671	35	10.9	38.4	2.1	2.2
Dev Information Technology Limited	1,636	93	21.3	32.5	5.5	7.0
ROX Hi-Tech Limited	1,761	212	9.7	13.6	3.1	3.1
XTGlobal Infotech Limited	2,171	114	21.8	46.5	3.2	3.7
Maximum			21.8	46.5	5.5	7.0
Minimum			9.7	13.6	2.1	2.2
Mean			15.9	32.7	3.5	4.0
Median			16.1	35.5	3.1	3.4
<b>The Target Group</b> (Based on the Consideration)	778	10	23.2	76.0	1.0	1.0

Source: Bloomberg Finance L.P., annual reports and/or announcements of the respective companies, and other publicly available information.

**Notes:**

- (1) The ratios are calculated based on the latest available last 12 months ("LTM") results of the Comparable Companies as announced by the respective companies on or prior to the Latest Practicable Date.

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Numbers from the income statements are translated based upon the average exchange rates prevailing during the corresponding LTM periods while numbers from the balance sheets are translated based upon the closing exchange rates as at the end of the financial periods for each respective company.

- (2) For comparison purposes, the EBITDA adopted for the calculation of EV/EBITDA ratio are adjusted to exclude dividend income, share of profits/(loss) of associates, as well as fair value gains or losses.

Based on the above table, we note that while the assets ratios (namely P/NAV ratio and P/NTA ratios) of the Target Group implied by the Consideration are lower than the corresponding ratios of the Comparable Companies, the earnings ratios (namely the EV/EBITDA Ratio and the P/E ratio) of the Target Group implied by the Consideration are all higher than the corresponding ratios of the Comparable Companies.

In our review of the information relating to the Comparable Companies, we note that ROX Hi-Tech Limited was listed on the Emerge Platform of the National Stock Exchange of India Limited on 16 November 2023. Based on its initial public offer (“IPO”) price of INR 83 for each Share and its financial statements for the financial year ended 31 March 2023 (then available full year results for the purposes of its listing), we calculate the IPO EV/EBITDA Ratio and the IPO P/E ratio of ROX Hi-Tech Limited to be 7.1 times and 12.4 times respectively. The EV/EBITDA Ratio and the P/E ratio of the Target Group implied by the Consideration are also higher than the corresponding IPO ratios of ROX Hi-Tech Limited.

### 5.4 Rationale for the Proposed Disposal

While it is not within our terms of reference to express, evaluate or comment on the rationale for the Proposed Disposal, we have reviewed the rationale for the Proposed Disposal set out in Section 2.5 of the Circular and extract in *italics* as follows:

*The Board is of the view that the Group will benefit from the Proposed Disposal as it presents the Group with an opportunity to monetise and unlock the value of the existing ICT business for a reasonable consideration which the Company is of the view that it is a sunset business. The Proposed Disposal also allows the Group to undertake a strategic review of the financial position and its operational needs. Subject to approval by Shareholders on the Proposed Cash Distribution, the Company intends to distribute the Gross Proceeds arising from the Proposed Disposal to the Shareholders via the Proposed Capital Reduction in recognition of the support of the Shareholders and to enable them to enjoy the benefits from the Proposed Disposal. Accordingly, the Board is of the view that the Proposed Disposal is in the best interests of the Company and Shareholders.*

*Following the Proposed Disposal, the Company will reduce its exposure to liabilities. The Group is also looking to re-position itself to identify and explore new operating businesses which are well-positioned to capture future growth opportunities.*

We note from the annual reports of the Company that the Group’s ICT business (which is conducted solely through the Bharat IT Group) accounted for less than 10% of the Group’s revenue for 15M2022, 9M2022 and FY2023 respectively. The profit after tax contribution from the Group’s ICT business (before allocation of unallocated holding company expenses) had also reported a declining trend from approximately S\$791,000 for 15M2022 to S\$171,000 for 9M2022 and S\$79,000 for FY2023. We note that the Company disclosed in

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its annual report for FY2023 that the decline in profit can be attributed to the diminishing profit margin arising from intense competition as well as the Indian Government's effort to bolster small and medium-sized enterprises resulting in some business redirection towards emerging competitors. With the diminishing profit margin and decreased contribution from ICT business, the Proposed Disposal presents the Group with an opportunity to monetise and unlock the value of the existing ICT business for a reasonable consideration which the Company is of the view that it is a sunset business.

We also note that the total asset of Bharat IT Group accounted for approximately 29.10% of the Group's total asset while the total liabilities of Bharat IT Group accounted to approximately 43.64% of the Group's total liabilities as at 31 December 2023. The Proposed Disposal would reduce the liabilities of the Group and improve the Group's gearing.

### 5.5 The Financial Effects of the Proposed Disposal

The financial effects of the Proposed Disposal are set out in Section 4 of the Circular.

In summary, we note the following:

- (a) the NTA per Share as at 31 December 2023 will increase by approximately S\$0.12 (or approximately 5.50%) from S\$2.18 to S\$2.30 mainly due to the reversal of translation reserves of approximately S\$2.38 million attributable to the Target Group which will be partially offset by the reduction of the Company's intangible assets of approximately S\$1.02 million primarily relating to the marketing rights recognised at the time of the previous acquisition of Bharat IT by the Company; and
- (b) the earnings per Share for FY2023 will increase by approximately 10.80 Singapore cents from 4.69 Singapore cents per Share to 15.49 Singapore cents per Share despite excluding the profit contribution of approximately S\$150,000 from the Target Group for FY2023. This is also mainly due to the reversal of translation reserves which will be partially offset by the reduction of the Company's intangible assets as mentioned in paragraph (a) above.

### 5.6 Other Considerations

#### (a) Abstention from voting

Dr. Modi and his associates will abstain from voting in respect of the resolutions relating to the Proposed Disposal, in view of his interest in the Purchaser.

Ms Chada Anitha Reddy ("**Ms. Reddy**"), the Executive Director and Chairperson of the Company, shall voluntarily abstain and shall undertake to ensure that her associates shall voluntarily abstain from voting in respect of the resolutions, in view that Ms. Reddy is a non-executive director of the Purchaser.

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**(b) Abstention from recommendation**

Ms. Reddy, the Executive Director and Chairperson of the Company, has also voluntarily abstained from making any recommendations in respect of the resolutions.

**(c) Inter-conditionality of resolutions**

Shareholders should note that the ordinary resolution relating to the Proposed Disposal and the special resolution relating to the Proposed Capital Reduction and the Proposed Cash Distribution are inter-conditional.

Accordingly, in the event that any of these resolutions is not approved, the other resolution will not be duly passed and the Proposed Disposal will not proceed.

### 6. OUR OPINION

Having regard to our terms of reference, in arriving at our opinion, we have taken into account a range of factors which we consider to be pertinent and have a significant bearing on our assessment of the Proposed Disposal. We have carefully considered as many factors as we deem essential and balanced them before reaching our opinion. Accordingly, it is important that our IFA Letter, in particular, all the considerations and information we have taken into account, be read in its entirety.

We set out below a summary of the key factors we have taken into our consideration:

- (a) the Consideration of S\$12,240,000 represents premia of approximately S\$740,000 (or approximately 6.43%) and S\$440,000 (or approximately 3.73%) to the market value of the Sale Shares as opined by the Independent Valuer;
- (b) the Consideration represents a slight discount of approximately S\$115,000 (or approximately 0.93%) to the *pro forma* NAV of the Target Group as at 30 June 2024, indicating a P/NAV ratio of 0.99 time. We note that the discount was due mainly to translation reserve gain as INR strengthened against Singapore dollars from approximately INR 63.0557 for S\$1.00 as at 31 December 2023 to INR 61.3987 for S\$1.00 as at 30 June 2024;
- (c) while the assets ratios (namely P/NAV ratio and P/NTA ratios) of the Target Group implied by the Consideration are lower than the corresponding ratios of the Comparable Companies, the earnings ratios (namely the EV/EBITDA Ratio and the P/E ratio) of the Target Group implied by the Consideration are all higher than the corresponding ratios of the Comparable Companies;
- (d) given the diminishing profit margin and decreased contribution from ICT business to the Group, the Proposed Disposal presents the Group with an opportunity to monetise and unlock the value of the existing ICT business for a reasonable consideration which the Company is of the view that it is a sunset business;

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- (e) both NTA per Share as at 31 December 2023 and earnings per Share for FY2023 will improve with the Proposed Disposal; and
- (f) other considerations set out in paragraph 5.6 of this IFA Letter.

**Accordingly, after taking into account the above factors and the information made available to us at the Latest Practicable Date, we are of the opinion that, the Proposed Disposal is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders.**

This IFA Letter is addressed to the Independent Directors and the Audit Committee for their benefit, in connection with and for the purpose of their consideration of the Proposed Disposal, and the recommendation made by them to the Independent Shareholders shall remain the responsibility of Independent Directors and the Audit Committee. Neither the Company nor the Directors may reproduce, disseminate or quote this IFA Letter (or any part thereof) for any other purpose, except for the Proposed Disposal, at any time and in any manner without the prior written consent of Xandar Capital in each specific case.

This opinion is governed by, and construed in accordance with, the laws of Singapore, and is strictly limited to the matters stated herein and does not apply by implication to any other matter.

Yours truly  
For and on behalf of  
**XANDAR CAPITAL PTE. LTD.**

LOO CHIN KEONG  
EXECUTIVE DIRECTOR

PAULINE SIM POI LIN  
HEAD OF CORPORATE FINANCE

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### DIGILIFE TECHNOLOGIES LIMITED

(Company Registration Number: 199304568R)  
(Incorporated in Republic of Singapore)

**NOTICE IS HEREBY GIVEN** that an Extraordinary General Meeting of the Company will be held at The Hive, Level 9 Lounge, 1 North Bridge Rd, #08-08, Singapore 179094, on Friday, 30 August 2024 at 11.00 a.m. for the purpose of considering and, if thought fit, passing (with or without modifications) the following resolutions:

*(All capitalised terms used in this Notice of EGM which are not defined herein shall, unless the context otherwise requires, have the same meanings ascribed to them in the Circular to shareholders of the Company dated 7 August 2024 (“Circular”).)*

**(1) THE PROPOSED DISPOSAL BY THE COMPANY OF ITS SHAREHOLDING INTERESTS IN PEREMEX PTE. LTD. AS AN INTERESTED PERSON TRANSACTION AND A MAJOR TRANSACTION; AND**

**(2) THE PROPOSED CAPITAL REDUCTION AND PROPOSED CASH DISTRIBUTION**

IT IS RESOLVED:

**ORDINARY RESOLUTION: THE PROPOSED DISPOSAL BY THE COMPANY OF ITS SHAREHOLDING INTERESTS IN PEREMEX PTE. LTD. AS AN INTERESTED PERSON TRANSACTION AND A MAJOR TRANSACTION**

THAT, contingent upon the passing of the Special Resolution:

- (a) approval be and is hereby given, for purposes of Chapter 9 and Chapter 10 of the Catalist Rules, for the Proposed Disposal of the Sale Shares by the Company to Smart Co Holding Pte. Ltd., on the terms and subject to the conditions of the SPA, the principal terms of which are set out in the Circular; and
- (b) the Directors or any of them be authorised to exercise such discretion to complete and do all such acts and things, including without limitation, to sign, seal, execute and deliver all such documents and deeds as may be required, and to approve any amendment, alteration or modification to any document, as they or he may consider necessary, desirable or expedient or in the interests of the Company to give effect to the Proposed Disposal and matters contemplated by this Ordinary Resolution.

**SPECIAL RESOLUTION: THE PROPOSED CAPITAL REDUCTION AND PROPOSED CASH DISTRIBUTION**

THAT, contingent upon passing the Ordinary Resolution and subject to the completion of the Proposed Disposal, pursuant to Section 78A read with Section 78C of the Companies Act and Regulation 11(A) of the Constitution of the Company:

- (a) the issued and paid-up share capital of the Company be reduced by the sum of S\$12,240,000 and such reduction be effected by returning the sum of S\$12,240,000 from the issued and paid-up share capital of the Company to the Entitled Shareholders on the basis of S\$0.914285 for each Share held by an Entitled Shareholder or on his behalf as at the Record Date to be determined by the Directors of the Company; and



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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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- (b) each of the Directors of the Company be and is hereby authorised to do all such acts and things (including, without limitation, entering into all such transactions, arrangements and agreements and executing all such documents) as they may consider necessary or expedient for the purposes of giving effect to this Special Resolution.

By Order of the Board

Sudip Bandyopadhyay  
Lead Independent Director  
Digilife Technologies Limited

7 August 2024

**Notes:**

1. The EGM will be held, in a wholly physical format, at the venue, date and time stated above. Members, including CPF/SRS investors, and (where applicable) duly appointed proxies and representatives will be able to ask questions and vote at the EGM in person. There will be no option for members to participate virtually.
2. Printed copies of this Notice of EGM and Proxy Form will be sent to members by post. These documents will also be made available on the Company's website at the URL <https://digilifelimited.com/investors.html#news>, and SGX website at the URL <https://www.sgx.com/securities/company-announcements>.
3. The Circular will be published on the Company's website at the URL <https://digilifelimited.com/investors.html#news> and SGX website at the URL <https://www.sgx.com/securities/company-announcements> in due timelines. Printed copies of the Circular will not be sent to the Members.
4. Any member who wishes to receive a printed copy of the Circular should submit a written request via email at [investor-relations@digilifelimited.com](mailto:investor-relations@digilifelimited.com) by no later than 11.00 a.m. on 21 August 2024 with the following information:
  - (i) your CDP Securities Account Number. If your shares are under/through your CPF Investment Scheme Account or physical scrip(s), please indicate as such;
  - (ii) your full name; and
  - (iii) your mailing address.
5. (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the EGM. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.  
  
(b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

**"Relevant intermediary"** has the meaning ascribed to it in Section 181 of the Companies Act 1967.

A member who wishes to appoint a proxy(ies) must complete the instrument appointing a proxy(ies), before submitting it in the manner set out below.

6. A proxy need not be a member of the Company. A member may choose to appoint the Chairman of the Meeting as his/her/its proxy.
7. The instrument appointing a proxy(ies) must be submitted in the following manner:
  - (a) if electronically, be submitted via email at [digilife-egm@ryt-poll.com](mailto:digilife-egm@ryt-poll.com); or
  - (b) if by post, be deposited at the office of Company's EGM service provider, Complete Corporate Services Pte Ltd, at 10 Anson Road, #29-07 International Plaza, Singapore 079903,

and in either case, must be lodged or received (as the case may be) by 11.00 a.m. on 27 August 2024, being not less than 72 hours before the time appointed for the holding of the EGM.

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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8. CPF/SRS investors:
- (a) may vote at the EGM if they are appointed as proxies by their respective CPF Agent Banks/SRS Operators, and should contact their respective CPF Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies; or
  - (b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the EGM, in which case they should approach their respective CPF Agent Banks/SRS Operators by 11.00 a.m. on 21 August 2024 to submit their votes.
9. Members, including CPF/SRS investors, may submit substantial and relevant questions related to the resolutions to be tabled for approval at the EGM in advance of the EGM. Such questions must be received by 11.00 a.m. on 20 August 2024, and be submitted in the following manner:
- (a) via email to [digilife-egm@ryt-poll.com](mailto:digilife-egm@ryt-poll.com); or
  - (b) submitted by post, be deposited at the office of Company's EGM service provider, Complete Corporate Services Pte Ltd, at 10 Anson Road, #29-07 International Plaza, Singapore 079903.
- When submitting questions by post or via email, members should also provide their following information for verification purposes: (i) full name; (ii) address; and (iii) manner in which the member holds shares in the Company (e.g., via CDP, CPF, SRS and/or scrip).
10. The Company will address all substantial and relevant questions received from members by 20 August 2024 deadline by publishing the responses to such questions on the Company's website at the URL <https://digilifelimited.com/investors.html#news>, and SGX website at the URL <https://www.sgx.com/securities/company-announcements> after the close of market on Friday, 23 August 2024, being at least 72 hours prior to the closing date and time for the lodgement of the Proxy Form. If questions or follow-up questions are submitted after the 20 August 2024 deadline, the Company will endeavour to address these questions at the EGM itself. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.
11. Members, including CPF/SRS investors, and (where applicable) duly appointed proxies and representatives can also ask the Chairman of the Meeting substantial and relevant questions related to the resolutions to be tabled for approval at the EGM, at the EGM itself.

### Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (a) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the "**Purposes**"); (b) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (c) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

# PROXY FORM

**DIGILIFE TECHNOLOGIES LIMITED**  
(Company Registration Number: 199304568R)  
(Incorporated in Republic of Singapore)

*(Please see notes overleaf before completing this Form)*

**IMPORTANT**

1. The Extraordinary General Meeting (“Meeting” or “EGM”) is being convened in physical format. A member (including Relevant Intermediary\*) who does not wish to attend and vote may appoint the Chairman of the Meeting as proxy to vote on his/her/it behalf at the Meeting if such member wishes to exercise his/her/its voting rights at the Meeting.
2. Alternative arrangements relating to the attendance of the Meeting, as well as conduct of the Meeting and relevant guidance with full details are set out in the accompanying Company’s Circular dated 7 August 2024, which can be accessed via the SGX website at: <https://www.sgx.com/securities/company-announcements>.
3. For investors who have used their Central Provident Fund (“CPF”) monies to buy shares in the capital of Digilife Technologies Limited, this Circular is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
4. This Proxy Form is not valid for use by CPF/SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
5. CPF/SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days before the EGM (i.e. by 11.00 a.m. on 21 August 2024).

\*I/We \_\_\_\_\_ (name)  
of \_\_\_\_\_ (address)  
being a member/members of Digilife Technologies Limited (the “Company”), hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Shareholding	
			No. of Shares	%
*and/or (delete as appropriate)				

or failing him/her, Chairman of the Meeting as my/our proxy/proxies to attend and vote for me/us on my/our behalf, at the EGM of the Company to be held at The Hive, Level 9 Lounge, 1 North Bridge Rd, #08-08, Singapore 179094, on Friday, 30 August 2024 at 11.00 a.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against, or abstain from voting on the resolutions to be proposed at the EGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/her discretion.

Resolutions relating to:	Number of votes For*	Number of votes Against*	Number of votes Abstaining*
<b>Ordinary Resolution</b>			
To approve the Proposed Disposal by the Company of its shareholding interests in Peremex Pte. Ltd. as an interested person transaction and a major transaction			
<b>Special Resolution</b>			
To approve the Proposed Capital Reduction and Proposed Cash Distribution			

\*Voting will be conducted by poll. If you wish your proxy to cast all your votes “For” or “Against” a resolution, please indicate with an “X” in the “For” or “Against” box provided in respect of that resolution. Alternatively, please indicate the number of votes “For” or “Against” in the “For” or “Against” box provided in respect of that resolution. If you wish your proxy to abstain from voting on a resolution, please indicate with an “X” in the “Abstain” box provided in respect of that resolution. Alternatively, please indicate the number of ordinary shares that your proxy is directed to abstain from voting in the “Abstain” box provided in respect of that resolution. If no specific direction as to voting is given, the Chairman of the Company as your proxy will vote or abstain from voting at his/her discretion.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2024

Total number of Shares held in:	No. of Shares
(a) Depository Register	
(b) Register of Members	

\_\_\_\_\_  
Signature(s) of Member(s)  
or Common Seal of Corporate Member

\* Delete where applicable

**IMPORTANT: PLEASE READ NOTES OVERLEAF**



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# PROXY FORM

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## Notes:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.

2. A member (whether individual or corporate) who does not wish to attend and vote at the EGM must submit this Proxy Form to appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM if such member wishes to exercise his/her/its voting rights at the EGM. This Proxy Form may be accessed at the Company's website at the URL <https://digilifelimited.com/investors.html> and will also be made available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>. Where a member (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the Proxy Form. If no specific direction as to voting is given, the Chairman of the Meeting as your proxy will vote or abstain from voting at his/her discretion

CPF/SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days before the EGM (i.e. by 11.00 a.m. on 21 August 2024) in order to allow sufficient time for their respective relevant intermediaries to in turn submit a Proxy Form to appoint the Chairman of the Meeting to vote (in real time) on their behalf by the cut-off date.

3. The Chairman of the Meeting, as proxy, need not be a member of the Company.

4. The instrument appointing the Chairman as proxy, which can be assessed at the SGX website at the link: <https://www.sgx.com/securities/company-announcements> or the Company's website at the link: <https://digilifelimited.com/investors.html>, must be submitted to the Company in the following manner:

- a. If electronically, be submitted via email at [digilife-egm@ryt-poll.com](mailto:digilife-egm@ryt-poll.com); or
- b. if submitted by post, be deposited at the office of Company's EGM service provider, Complete Corporate Services Pte Ltd, at 10 Anson Road, #29-07 International Plaza, Singapore 079903

in either case, by no later than 11.00 a.m. on 27 August 2024, being 72 hours before the time fixed for the holding of the EGM and in default the instrument of proxy shall be treated as invalid.

A member who wishes to submit an instrument of proxy must first download, complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

5. Where an instrument appointing the Chairman of the Meeting as proxy submitted by email, it must be authorised in the following manner, failing which the instrument may be treated as invalid:

- a. by way of the affixation of an electronic signature by the appointor or his/her duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation; or
- b. by way of the appointor or his/her duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation signing the instrument under hand and submitting a scanned copy of the signed instrument by email.

A corporation which is a member may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at the EGM and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.

6. The Company shall be entitled to reject the instrument appointing the Chairman of the Meeting as proxy if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the Meeting as proxy (including any related attachment). In addition, in the case of a member whose Shares are entered in the Depository Register, the Company may reject any instrument appointing the Chairman of the Meeting as proxy if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.

7. Completion and return of the instrument appointing the Chairman of the EGM will not prevent a member from attending and voting at the EGM if he/she/it subsequently wishes to do so, provided that in the event of such attendance by the member, the relevant instrument submitted by the member shall be deemed to be revoked.

\*A "relevant intermediary" means:

- (a) a banking corporation licensed under the Banking Act 1970 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
- (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

## 8. Personal data privacy:

By submitting an instrument appointing the Chairman of the Meeting as proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 7 August 2024.