LETTER TO SHAREHOLDERS DATED 10 MARCH 2022

THIS LETTER 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, accountant, solicitor or other professional adviser immediately.

Unless otherwise stated, capitalised terms on this cover are defined in this Letter under the Section entitled Definitions.

This Letter is circulated to Shareholders with TrickleStar's 2021 Annual Report. Its purpose is to explain to Shareholders the rationale, and to provide information, for the proposals for renewal of Share Buy-Back Mandate and participation and Award under the TrickleStar Performance Share Plan to Bernard Christopher Emby, to be tabled at the annual general meeting ("**AGM**") (to be held on 25 March 2022 by electronic means at 10.30 a.m.).

The Notice of AGM and proxy form are enclosed with the 2021 Annual Report. A printed copy of this Letter will not be sent to members. The 2021 Annual Report and this Letter have been made available on SGXNET and the Company's website.

If you have sold or transferred all your Shares, you should immediately send this Letter, the Notice of AGM and the accompanying 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.

This Letter has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited, which assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

The contact person for the Sponsor is Mr. Shervyn Essex, 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, sponsorship@ppcf.com.sg.

TRICKLESTAR LIMITED

(Company Registration No.: 201837106C)
(Incorporated in the Republic of Singapore)

LETTER TO SHAREHOLDERS

in relation to proposals for

1. RENEWAL OF SHARE BUY-BACK MANDATE

2. PARTICIPATION AND AWARD TO MR. BERNARD CHRISTOPHER EMBY UNDER PSP

IMPORTANT DATES AND TIMES:

Last date and time for lodgement of Proxy Form	:	22 March 2022 at 10.30 a.m.
Date and time of Annual General Meeting	:	25 March 2022 at 10.30 a.m. (to be held by electronic means)

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"ACRA"	:	Accounting and Corporate Regulatory Authority of Singapore;
"Act" or **"Companies Act"**	:	The Companies Act 1967;
"AGM"	:	The annual general meeting of TrickleStar; and AGM for 2021 means the meeting to be held on 25 March 2022, notice of which is set out in TrickleStar's 2021 Annual Report;
"Associate"	:	(a) In relation to any Director, Chief Executive Officer, Substantial Shareholder or Controlling Shareholder (being an individual) means: (i) his immediate family; (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more, and (b) in relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such company or companies taken together (directly or indirectly) have an interest of 30% or more;
"2021 Annual Report"	:	TrickleStar's annual report for the financial year ended 31 December 2021;
"Audit Committee"	:	The audit committee of TrickleStar;
"Auditors"	:	The auditors of TrickleStar as appointed from time to time;
"Award"	:	An award of Shares under the PSP;
"Award Date"	:	The date on which an Award is made pursuant to the rules of the PSP;
"Award Rights"	:	The right to Shares awarded pursuant to the rules of the PSP;
"Board"	:	The board of Directors of TrickleStar;

"Catalist"	:	The sponsor-supervised listing platform of the SGX-ST;
"Catalist Rules"	:	The SGX-ST Listing Manual Section B: Rules of Catalist, as amended, supplemented or modified;
"CDP"	:	The Central Depository (Pte) Limited;
"CEO"	:	Chief Executive Officer;
"CircleBright"	:	CircleBright Limited
"CPF"	:	Central Provident Fund;
"Company" or **"TrickleStar"**	:	TrickleStar Limited;
"Constitution"	:	The constitution of TrickleStar;
"Control"	:	The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of TrickleStar;
"Controlling Shareholder"	:	A person who: (a) holds directly or indirectly 15% or more of the nominal amount of all voting shares in TrickleStar. The SGX-ST may determine that a person who satisfies this paragraph is not a Controlling Shareholder; or (b) in fact exercises Control over TrickleStar;
"CPF"	:	Central Provident Fund;
"Date of Award"	:	The date on which Shares are Awarded to a Participant pursuant to the PSP;
"Depositor", **"Depository Agent"** and **"Depository Register"**	:	Have the meanings ascribed to them, respectively, in Section 81SF of the Securities and Futures Act 2001;
"Director(s)"	:	Director(s) of TrickleStar;
"Mr. Emby"	:	Bernard Christopher Emby;
"Employee"	:	A confirmed full-time employee of TrickleStar (including an Executive Director) who is selected by the Committee to participate in the PSP;
"EPS"	:	Earnings per Share;
"Executive Director"	:	A Director of TrickleStar and/or its subsidiaries, as the case may be, who performs an executive function;

"FY"	:	Financial year ended or ending 31 December, as the case may be;
"Group"	:	TrickleStar and its subsidiaries;
"Latest Practicable Date"	:	28 February 2022, being the latest practicable date prior to the printing of this Letter;
"Letter"	:	This letter to Shareholders;
"Market Day"	:	A day on which the SGX-ST is open for trading of securities;
"Market Price"	:	The average of the last dealt prices for a Share, as determined by reference to the daily Official List (as defined in the Catalist Rules) published by the SGX-ST for a period of five (5) consecutive trading days immediately preceding the Offering Date of that Option, provided always that in the case of a Market Day on which the Shares of TrickleStar are not traded on the SGX-ST, the last dealt price for Shares on such Market Day shall be deemed to be the last dealt price of the Shares on the immediate preceding Market Day on which the Shares were traded, rounded up to the nearest whole cent in the event of factional prices;
"Non-Executive Director"	:	A director of TrickleStar and/or its subsidiaries, as the case may be, other than an Executive Director;
"Notice of AGM"	:	The notice of AGM as set out in TrickleStar's 2021 Annual Report;
"NTA"	:	Net tangible assets;
"PSP"	:	The TrickleStar Performance Share Plan;
"PWCO"	:	Messrs Paul Wan & Co;
"Resolution for the Renewal of the Buy-Back Mandate"	:	The resolution to renew the authority to repurchase Shares under the Share Buy-Back Mandate to be proposed at the AGM for 2021;
"Resolutions for Participation and Award"	:	The resolutions to allow Mr. Emby, to participate in the PSP and to receive an Award, to be proposed at the AGM for 2021;
"Securities Account"	:	A securities account maintained by a Depositor with CDP, but does not include a securities account maintained with a Depository Agent;
"SFA"	:	The Securities and Futures Act 2001;

"SGX-ST"	:	Singapore Exchange Securities Trading Limited;
"Share(s)"	:	Ordinary share(s) in the capital of TrickleStar;
"Shareholders"	:	Registered holders of Shares, except that where the registered holder is CDP, the term "Shareholders" shall, in relation to such Shares and where the context admits, mean the persons named as Depositors in the Depository Register maintained by CDP whose Securities Accounts are credited with those Shares;
"Share Buy-Back"	:	The purchase or acquisition by TrickleStar of its own Shares pursuant to the Share Buy-Back Mandate;
"Share Buy-Back Mandate"	:	The general mandate given by Shareholders to authorise the Directors to purchase, on behalf of TrickleStar, Shares in accordance with the terms set out in this Letter and the rules and regulations of the Companies Act and the Catalist Rules;
"Sponsor"	:	PrimePartners Corporate Finance Pte. Ltd.;
"Subsidiary" and "**substantial shareholder**"	**:**	Have the meanings ascribed to them respectively in the Companies Act and the Catalist Rules;
"Take-over Code"	:	The Singapore Code on Take-overs and Mergers;
"S$"** and **"S$ cents"	**:**	Dollars and cents respectively of the currency of Singapore;
"US$"** and **"US$ cents"	**:**	Dollars and cents respectively of the currency of United States of America;

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 genders and *vice versa*.

Words importing persons shall, where applicable, include corporations and unincorporated associations.

Any reference to a time of day in this Letter shall be a reference to Singapore time unless otherwise stated. Any reference to any enactment is a reference to that enactment as for the time being amended or re-enacted.

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

Any term defined under the Act or the Catalist Rules, or any statutory modification thereof and used in this Letter shall, where applicable, have the meaning ascribed to it under the Act or the Catalist Rules, or such modification thereof, as the case may be, unless otherwise provided.

LETTER TO THE SHAREHOLDERS OF TRICKLESTAR LIMITED

TRICKLESTAR LIMITED

(Company Registration No.: 201837106C)
(Incorporated in the Republic of Singapore)

Directors:
Bernard Christopher Emby (*Executive Chairman and Chief Executive Officer*)
Gunananthan Nithyanantham (*Executive Director and Chief Operating Officer*)
Jeremy John Figgins (*Lead Non-Executive Independent Director*)
Chuah Jern Ern (Non-Executive *Independent Director*)
Ling Hee Keat (Non-Executive *Independent Director*)

Registered Office:
80 Robinson Road
#02-00
Singapore 068898

10 March 2022

Dear Shareholders

Proposed Renewal of Share Buy-Back Mandate
Proposed Participation and Award to Mr. Bernard Christopher Emby under the PSP

INTRODUCTION

The Directors are seeking the approval of Shareholders for the following ordinary resolutions at the AGM for 2021:

(i) the proposed renewal of the Share Buy-Back Mandate (Resolution 8);

(ii) the proposed participation of Mr. Bernard Christopher Emby who is the Executive Chairman, Chief Executive Officer and a Controlling Shareholder of TrickleStar, in the PSP (Resolution 9); and

(iii) the proposed Award to Mr. Bernard Christopher Emby under the PSP (Resolution 10);

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

The purpose of this Letter is to provide you with information relating to the Proposed Resolutions, and to seek approval from Shareholders in respect of the same at the upcoming AGM for 2021, to be held on 25 March 2022 by electronic means at 10:30 a.m., notice of which is set out in TrickleStar's 2021 Annual Report.

THE PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE

1. Background

1.1. The Companies Act allows TrickleStar to purchase or otherwise acquire its Shares if the purchase or acquisition is permitted under its Constitution. Any purchase or acquisition of Shares by TrickleStar has to be made in accordance with the Companies Act and such other laws and regulations as may, for the time being, be applicable. As TrickleStar is listed on the Catalist, it is, therefore, required to comply with Part XI of Chapter 8 of the Catalist Rules, which relates to the purchase or acquisition by an issuer of its own shares.

1.2. It is a requirement under the Companies Act and the Catalist Rules that a company that wishes to purchase or otherwise acquire its own shares should obtain approval of its shareholders to do so at a general meeting. In this regard, the Shareholders last approved the Share Buy-Back Mandate at TrickleStar's AGM held on 26 March 2021. The Share Buy-Back Mandate, unless renewed, is expiring on the date of the AGM for 2021.

1.3. Accordingly, TrickleStar is seeking approval from Shareholders for the renewal of the Share Buy-Back Mandate at the AGM for 2021. If approved by Shareholders, the authority conferred by the Share Buy-Back Mandate will continue to be in force until TrickleStar's subsequent AGM (expected in 2023), when it will lapse, unless renewed at such meeting or varied or revoked by a general meeting of Shareholders prior to the subsequent AGM.

1.4. As at the Latest Practicable Date, TrickleStar had not bought back any of its Shares.

2. Rationale for the Share Buy-Back Mandate

2.1. The proposed renewal of the Share Buy-Back Mandate would give TrickleStar flexibility to undertake buy-backs of Shares as and when circumstances permit, for so long as the Share Buy-Back Mandate is in force.

2.2. A Share Buy-Back at the appropriate price level is one of the ways through which the return on equity of TrickleStar may be enhanced. Further, amongst other things, Share Buy-Backs provide TrickleStar with a mechanism to facilitate the return of surplus cash over and above its ordinary capital requirements in an expedient and cost-efficient manner. The Directors also believe that, in certain circumstances, Share Buy-Backs may help mitigate against short term volatility in TrickleStar's Share price and offset the effects of short-term speculation. Share Buy-Backs will also allow Directors greater control over TrickleStar's Share capital structure, dividend payout and cash reserves.

2.3. A Share Buy-Back may, depending on market conditions and funding arrangements at the time it is effected, lead to an enhancement of EPS and/or NTA per Share of TrickleStar and the Group.

2.4. Shareholders should note that Share Buy-Backs will only be made when the Directors believe that such purchases or acquisitions would benefit TrickleStar and its Shareholders and would not have a material adverse effect on the financial position of TrickleStar.

3. Terms of the Share Buy-Back Mandate

3.1. The authority and limitations placed on purchases and acquisitions of Shares by TrickleStar under the Share Buy-Back Mandate are summarised below:

Maximum number of Shares

3.2. Only Shares which are issued and fully paid-up may be purchased or acquired by TrickleStar.

3.3. The total number of Shares that may be purchased or acquired is limited to that number of Shares representing not more than 10% of the issued Share capital of TrickleStar (excluding treasury Shares), ascertained as at the date of the AGM at

which the Share Buy-Back Mandate is approved ("**Approval Date**"), unless TrickleStar has effected a reduction in its Share capital in accordance with the applicable provisions of the Companies Act during the relevant period, in which event the total number of Shares shall be taken to be the total number of Shares as altered (excluding treasury Shares that may be held by TrickleStar from time to time). For the purposes of calculating the percentage of issued Shares, any Shares which are held as treasury Shares will be disregarded.

3.4. **For illustrative purposes only**, based on the existing issued and paid-up Share capital of TrickleStar of 82,674,915 Shares (there are no treasury Shares) and assuming that no further Shares are issued on or prior to the AGM for 2021, not more than 8,267,491 Shares (representing approximately 10% of the Shares in issue as at that date) could be purchased or acquired by TrickleStar pursuant to the proposed Share Buy-Back Mandate.

Duration of authority

3.5. Purchases or acquisitions of Shares may be made at any time and from time to time from the Approval Date up to the earlier of:

3.5.1. the date on which the next AGM of TrickleStar is held or required by law or the Constitution to be held;

3.5.2. the date on which the authority contained in the Share Buy-Back Mandate is varied or revoked by Shareholders in a general meeting; or

3.5.3. the date on which the Share Buy-Back is carried out to the full extent mandated.

3.6. The Share Buy-Back Mandate may be renewed at an AGM or other general meeting of TrickleStar.

Manner of purchases or acquisitions of Shares

3.7. Purchases or acquisitions of Shares may be made by way of, *inter alia*:

3.7.1. on-market purchase(s) ("**Market Purchase**"), transacted on the SGX-ST through the ready market or, as the case may be, any other stock exchange on which Shares may for the time being be listed and quoted, through one or more duly licensed stockbrokers appointed by TrickleStar for the purpose; and/or

3.7.2. off-market purchase(s) ("**Off-Market Purchase**") (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s) as defined in Section 76C of the Companies Act.

3.8. The Directors may impose such terms and conditions that are consistent with the Share Buy-Back Mandate, the Catalist Rules and the Companies Act, as they consider fit in the interests of TrickleStar in connection with, or in relation to, any equal access scheme(s). Under the Companies Act, an equal access scheme must satisfy all the following conditions:

3.8.1. offers for the purchase of issued Shares shall be made to every person who holds issued Shares to purchase the same percentage of their issued Shares;

3.8.2. all of those persons shall be given a reasonable opportunity to accept the offers made to them; and

3.8.3. the terms of the offers are the same, except that there shall be disregarded:

3.8.3.1. differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements;

3.8.3.2. (if applicable) differences in consideration attributable to the fact that offers relate to Shares with different amounts remaining unpaid; and

3.8.3.3. differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

3.9. In addition, the Catalist Rules provide that, in making an Off-Market Purchase in accordance with an equal access scheme, TrickleStar must issue an offer document to all Shareholders which must contain at least the following information:

3.9.1. the terms and conditions of the offer;

3.9.2. the period and procedures for acceptances;

3.9.3. the reasons for the proposed Share Buy-Back;

3.9.4. the consequences, if any, of Share Buy-Backs by TrickleStar that will arise under the Take-over Code or other applicable takeover rules;

3.9.5. whether the Share Buy-Back, if made, would have any effect on the listing of the Shares on the SGX-ST;

3.9.6. details of any Share Buy-Backs (whether Market Purchases or Off-Market Purchases in accordance with an equal access scheme) made by TrickleStar in the previous 12 months, giving the total number of Shares purchased or acquired, the purchase price per Share or the highest and lowest prices paid for the purchases or acquisitions, where relevant, and the total consideration paid for the purchases or acquisitions;

3.9.7. whether the Shares purchased by TrickleStar will be cancelled or kept as treasury Shares.

Maximum Purchase Price

3.10. The purchase price (excluding brokerage, stamp duties, goods and services tax and other related expenses) to be paid for the Shares purchased or acquired will be determined by the Directors.

3.11. However, the purchase price to be paid for a Share as determined by the Directors must not exceed:

3.11.1. in the case of a Market Purchase, 105% of the Average Closing Price (as defined hereinafter) of the Shares; and

3.11.2. in the case of an Off-Market Purchase pursuant to an equal access scheme, 105% of the Average Closing Price (as defined hereinafter) of the Shares,

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

3.12. For the above purposes:

3.12.1. "Average Closing Price" means the average of the closing market prices of the Shares over the last five (5) Market Days on the SGX-ST, on which transactions in the Shares were recorded, immediately preceding the day on which the Market Purchase was made or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs during the relevant five (5) Market Day period and the day on which the Market Purchase was made;

3.12.2. "day of the making of the offer" means the day on which TrickleStar announces its intention to make an offer for the purchase of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

4. Status of Purchased Shares under the Share Buy-Back Mandate

4.1. A Share purchased or acquired by TrickleStar is deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to the Share will expire on such cancellation) unless such Share is held by TrickleStar as a treasury Share in accordance with the Companies Act. Accordingly, the total number of issued Shares will be diminished by the number of Shares purchased or acquired by TrickleStar and which are not held as treasury Shares.

4.2. All Shares purchased or acquired by TrickleStar (other than treasury Shares held by TrickleStar to the extent permitted under the Companies Act) will be automatically delisted by the SGX-ST and (where applicable) all certificates in respect thereof will be cancelled and destroyed by TrickleStar as soon as reasonably practicable following settlement of any such purchase or acquisition.

5. Treasury Shares

5.1. Under the Companies Act, Shares purchased or acquired by a company may be held or dealt with as treasury shares. Some of the provisions on treasury shares under the Companies Act, as they relate to TrickleStar, are summarised below:

Maximum Holdings

5.2. The number of Shares held as treasury Shares cannot at any time exceed 10% of the total number of issued Shares. Any Shares in excess of this limit shall be disposed of or cancelled in accordance with Section 76K of the Companies Act within six (6) months or such further periods as ACRA may allow.

Voting and Other Rights

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

5.4. In addition, no dividend may be paid, and no other distribution of TrickleStar's assets may be made, to TrickleStar in respect of treasury Shares. However, the allotment of Shares as fully paid bonus Shares in respect of treasury Shares is allowed. Also, a subdivision or consolidation of treasury Shares into treasury Shares of a greater or smaller amount is allowed so long as the total value of the treasury Shares after the subdivision or consolidation is the same as before.

Disposal and Cancellation

5.5. Where Shares are held as treasury Shares, TrickleStar may at any time:

5.5.1. sell the treasury Shares for cash;

5.5.2. transfer the treasury Shares for the purposes of or pursuant to an employees' share scheme;

5.5.3. transfer the treasury Shares as consideration for the acquisition of shares in or assets of another company or assets of a person;

5.5.4. cancel the treasury Shares; or

5.5.5. sell, transfer or otherwise use the treasury Shares for such other purposes as may be prescribed by the Minister for Finance of Singapore.

5.6. In addition, under Rule 704(31) of the Catalist Rules, an immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury Shares. Such announcement must include:

5.6.1. the date of the sale, transfer, cancellation and/or use;

5.6.2. the purpose of such sale, transfer, cancellation and/or use;

5.6.3. the number of treasury Shares sold, transferred, cancelled and/or used;

5.6.4. the number of treasury Shares before and after such sale, transfer, cancellation and/or use;

5.6.5. the percentage of the number of treasury Shares against the total number of shares outstanding in a class that is listed before and after such sale, transfer, cancellation and/or use; and

5.6.6. the value of the treasury Shares if they are used for a sale or transfer, or cancelled.

6. Source of Funds for Share Buy-Back

6.1. In purchasing Shares under the Share Buy-Back Mandate, TrickleStar may only apply funds legally available for such purchase in accordance with its Constitution, and the applicable laws in Singapore. TrickleStar may not purchase or acquire its Shares on Catalist for a consideration other than cash or, in the case of a Market Purchase, for settlement otherwise than in accordance with the trading rules of the SGX-ST. Share Buy-Backs by TrickleStar may be made out of TrickleStar's profits or capital so long as TrickleStar is solvent (as defined in Section 76F(4) of the Companies Act).

6.2. When Shares are purchased or acquired, and cancelled:

6.2.1. if the Shares are purchased or acquired entirely out of the capital of TrickleStar, TrickleStar shall reduce the amount of its share capital by the total amount of the purchase price paid by TrickleStar for the Shares (excluding brokerage, stamp duties, goods and services tax, clearance fees and other related expenses) (**"Purchase Price"**);

6.2.2. if the Shares are purchased or acquired entirely out of profits of TrickleStar, TrickleStar shall reduce the amount of its profits available for the distribution of cash dividends by the total amount of the Purchase Price; or

6.2.3. where the Shares are purchased or acquired out of both the capital and the profits of TrickleStar, TrickleStar shall reduce the amount of its share capital and profits available for the distribution of cash dividends proportionately by the total amount of the Purchase Price.

6.3. TrickleStar intends to use internal resources and/or external borrowings to fund purchases of Shares pursuant to the Share Buy-Back Mandate.

6.4. The purchase or acquisition of Shares pursuant to the Share Buy-Back Mandate will only be undertaken if the Directors believe it can benefit TrickleStar and its Shareholders. The Directors will only exercise the Share Buy-Back Mandate in a manner and to such extent that they believe that will not result in any material adverse effect on TrickleStar's and the Group's financial condition, including the liquidity and capital adequacy position of TrickleStar and the Group.

7. Financial Effects of the Share Buy-Back Mandate

7.1. Shareholders should note that the financial effects illustrated below are for illustration purposes only. In particular, it is important to note that the financial analysis set out below is based on the audited consolidated financial statements for FY2021 and are not necessarily representative of future financial performance of TrickleStar or the Group. Although the proposed Share Buy-Back Mandate would authorise TrickleStar to buy-back up to 10% of its issued Shares, TrickleStar may not necessarily buy-back or be able to buy-back 10% of its issued Shares in full.

7.2. It is not possible for TrickleStar to calculate realistically or quantify the financial effects of purchases that may be made pursuant to the Share Buy-Back Mandate, as it would depend on factors such as the aggregate number of Shares purchased or acquired, the purchase prices paid at the relevant time, the amount (if any) borrowed by TrickleStar to fund the purchases, whether the purchase or

acquisition is made out of profits or capital and whether the Shares purchased are held in treasury or cancelled. The purchase price paid by TrickleStar for the Shares (excluding brokerage, stamp duties, goods and services tax and other related expenses) will correspondingly reduce the amount available for the distribution of cash dividends by TrickleStar. The Directors do not propose to exercise the Share Buy-Back Mandate to such an extent that it would have a material adverse effect on the working capital requirements of the Group. The purchase of the Shares will only be effected after considering relevant factors such as the working capital requirement, availability of financial resources, the expansion and investment plans of the Group, and prevailing market conditions. The proposed Share Buy-Back Mandate will be exercised with a view to enhancing the EPS and/or NTA per Share of the Group. The financial effects presented in this section of this Letter are based on the assumption that at the Latest Practicable Date, the issued share capital of TrickleStar comprised 82,674,915 Shares (there are no treasury Shares).

7.3. Purely for illustrative purposes, on the basis of 82,674,915 Shares and with no treasury Shares in issue, the purchase by TrickleStar of approximately 10% of its issued Shares would result in the purchase of 8,267,491 Shares.

7.4. Assuming that TrickleStar purchases or acquires 8,267,491 Shares at a Maximum Price of S$0.275 for each Share (being the price equivalent to 105% of the Average Closing Price of the Shares for the five (5) consecutive Market Days on which the Shares were traded on the Official List of the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition would be approximately S$2.3 million in the case of both On-Market and Off-Market Purchases (equivalent to US$1.7 million based on an exchange rate of USD1: S$1.36 as at the Latest Practicable Date[(1)])

7.5. For illustrative purposes only and on the basis of the assumptions set out above as well as the following:

7.5.1. the Share Buy-back Mandate had been effective on 1 January 2021 and TrickleStar effected Share Buy-Back on that date;

7.5.2. the Share purchases are funded solely by internal cash of the Group;

7.5.3. transaction costs incurred during the Share Buy-Back are insignificant and have thus been ignored for the purpose of computing the financial effects; and

7.5.4. the impact of borrowings had no effect on the profits of TrickleStar,

the financial effects of:

7.5.5. the acquisition of 10% of its issued Shares by TrickleStar pursuant to the Share Buy-Back Mandate by way of purchases made entirely out of capital and held as treasury Shares ("**Scenario A**"); and

7.5.6. the acquisition of 10% of its issued Shares by TrickleStar pursuant to the Share Buy-Back Mandate by way of purchases made entirely out of capital and cancelled ("**Scenario B**"),

(1) Source: https://www.poundsterlinglive.com

on the audited consolidated financial results of the Group and TrickleStar for FY2021, are set out below:–

Scenario A – Purchases made entirely out of capital and held as treasury Shares

	GROUP			COMPANY		
		AFTER			AFTER	
	As at 31 December 2021	Market Purchase	Off Market Purchase	As at 31 December 2021	Market Purchase	Off Market Purchase
Profit/(Loss) Attributable to owners of TrickleStar *(US$'000)*	**(2,394)**	**(2,394)**	**(2,394)**	**879**	**879**	**879**
Share Buy Back Details						
USD to SGD Rate		1.36	1.36		1.36	1.36
Price per share (S$)		0.275	0.275		0.275	0.275
No Shares Bought Back *('000)*		8,267	8,267		8,267	8,267
Total Cost *(S$'000)*		2,273	2,273		2,273	2,273
Total Cost *(US$'000)*		1,671	1,671		1,671	1,671
Equity *(US$'000)*						
Share Capital	7,418	7,418	7,418	7,418	7,418	7,418
Treasury Shares	0	(1,671)	(1,671)	0	(1,671)	(1,671)
Accumulated Profit (Loss)	(2,238)	(2,238)	(2,238)	871	871	871
Reserves	(117)	(117)	(117)	32	32	32
Shareholders' Equity	**5,063**	**3,392**	**3,392**	**8,321**	**6,650**	**6,650**
NTA	**4,705**	**3,034**	**3,034**	**8,321**	**6,650**	**6,650**
Current Assets	8,621	6,950	6,950	1,942	1,790	1,790
Current Liabilities	(3,467)	(3,515)	(3,515)	(31)	(1,550)	(1,550)
Working capital	5,154	3,435	3,483	1,911	240	240
Total Borrowings	(500)	(548)	(548)	0	(1,519)	(1,519)
Cash and Cash Equivalents	1,623	0	0	152	0	0
Financial Ratios						
Number of Shares *('000)*	82,674	74,407	74,407	82,674	74,407	74,407
Weighted Average No. Shares *('000)*	82,488	76,605	76,605	82,488	76,605	76,605
NTA per Share *(US cents)*	5.69	4.08	4.08	10.06	8.94	8.94
Current Ratio	2.49	2.06	2.06	62.65	1.15	1.15
Basic EPS *(US cents)*	(2.90)	(3.13)	(3.13)	1.07	1.15	1.15

Notes appear below the table for Scenario B.

Scenario B – Purchases made entirely out of capital and cancelled.

	GROUP			COMPANY		
		AFTER			AFTER	
	As at 31 December 2021	Market Purchase	Off Market Purchase	As at 31 December 2021	Market Purchase	Off Market Purchase
Profit/(Loss) Attributable to owners of TrickleStar *(US$'000)*	**(2,394)**	**(2,394)**	**(2,394)**	**879**	**879**	**879**
Share Buy Back Details						
S$:USD Rate		1.36	1.36		1.36	1.36
Price per share (S$)		0.275	0.275		0.275	0.275
No Shares Bought Back *('000)*		8,267	8,267		8,267	8,267
Total Cost *(S$'000)*		2,273	2,273		2,273	2,273
Total Cost *(US$'000)*		1,671	1,671		1,671	1,671
Equity *(US$'000)*						
Share Capital	7,418	5,747	5,747	7,418	5,747	5,747
Treasury Shares	0	0	0	0	0	0
Accumulated Profit (Loss)	(2,238)	(2,238)	(2,238)	871	871	871
Reserves	(117)	(117)	(117)	32	32	32
Shareholders' Equity	**5,063**	**3,392**	**3,392**	**8,321**	**6,650**	**6,650**
NTA	**4,705**	**3,034**	**3,034**	**8,321**	**6,650**	**6,650**
Current Assets	8,621	6,950	6,950	1,942	1,790	1,790
Current Liabilities	(3,467)	(3,515)	(3,515)	(31)	(1,550)	(1,550)
Working capital	5,154	3,435	3,483	1,911	240	240
Total Borrowings	(500)	(548)	(548)	0	(1,519)	(1,519)
Cash and Cash Equivalents	1,623	0	0	152	0	0
Financial Ratios						
Number of Shares *('000)*	82,674	74,407	74,407	82,674	74,407	74,407
Weighted Average No. Shares *('000)*	82,488	76,605	76,605	82,488	76,605	76,605
NTA per Share *(US cents)*	5.69	4.08	4.08	10.06	8.94	8.94
Current Ratio	2.49	2.06	2.06	62.65	1.15	1.15
Basic EPS *(US cents)*	(2.90)	(3.13)	(3.13)	1.07	1.15	1.15

Notes to the above tables:

1. NTA equals Total Equity less intangible assets and non-controlling interests. NTA per Share equals NTA divided by the number of shares as at 31 December 2021.

2. Current Ratio equals current assets divided by current liabilities.

3. As at 31 December 2021 Basic EPS equals Profit attributable to owners of TrickleStar divided by the weighted average number of shares as at 31 December 2021. Market purchase and off market purchase EPS equals Profit attributable to owners of TrickleStar divided by the weighted average number of shares as at 31 December 2021 adjusted for share buy-back of 8,267,491 shares and issuance of 512,653 shares pursuant to the exercise of Performance Share Plan on 1 June 2022.

4. If the Shares had been bought-back out of profits:

   (a) in Scenario A, there would be no change to the numbers shown; and

   (b) in Scenario B, the Share Capital would be unchanged before and after the Buy-Back and the Accumulated Profits/(Losses) would be reduced by the value of the buy-back; and

   (c) in both Scenario A and Scenario B, the changes in the financial ratios shown in the above tables would be insignificant.

7.6. The actual impact will depend on the number and price of the Shares bought back. As stated, the Directors do not propose to exercise the Share Buy-Back Mandate to such an extent that it would have a material adverse effect on the working capital requirements and/or gearing of the Group. The purchase of the Shares will only be effected after considering relevant factors such as the working capital requirement, availability of financial resources, the expansion and investment plans of the Group, and the prevailing market conditions. The proposed Share Buy-Back Mandate will be exercised with a view to enhance the EPS and/or NAV per Share of the Group.

7.7. Shareholders should note that the financial effects set out above, based on the respective aforesaid assumptions, are for illustrative purposes only. In particular, it is important to note that the above analysis is based on the audited accounts of the Group for FY2021, and is not representative of the future financial performance of the Group.

7.8. It should be noted that, although the Share Buy-Back Mandate would authorise TrickleStar to purchase or otherwise acquire up to 10% of the issued Shares, TrickleStar may not necessarily purchase or acquire or be able to purchase or otherwise acquire the entire 10% of the issued Shares. In addition, TrickleStar may cancel, or hold as treasury Shares, all or part of the Shares purchased or otherwise acquired. TrickleStar will take into account both financial and non-financial factors (for example, stock market conditions and the performance of the Shares) in assessing the relative impact of a Share Buy-Back before execution.

8. Tax Implications

Shareholders who are in doubt as to their respective tax positions or the tax implications of a share buy-back by TrickleStar or who may be subject to tax, whether in or outside Singapore, should consult their own professional advisers.

9. Catalist Rules

9.1. As at the Latest Practicable Date, approximately 28.46% of the issued Shares of TrickleStar is held in the hands of the public. Assuming that TrickleStar repurchased the maximum 10% of that issued Share capital from members of the public by way of a Market Purchase, the percentage of Shares held by the public would be approximately 20.51%. Accordingly, TrickleStar is of the view that there is a sufficient number of issued Shares held in the hands of the public which would permit TrickleStar to undertake purchases or acquisitions of its issued Shares up to the full 10% limit pursuant to the Share Buyback Mandate without affecting its listing status of the Shares on the SGX-ST, and that the number of Shares

remaining in the hands of the public will not fall to such a level as to cause market illiquidity or to adversely affect the orderly trading of Shares.

9.2. Depending on the identity of sellers, the number of Shareholders of TrickleStar might reduce following any Buy-Back. The Directors will use their best efforts to ensure that TrickleStar does not effect Share BuyBacks if the same would result in the number of Shares remaining in the hands of the public falling to such a level as to cause market illiquidity or adversely affect the listing status of TrickleStar. Therefore, any Share Buy-Back is not expected to affect the listing status or adversely affect the orderly trading of TrickleStar's Shares on the Catalist market of SGX-ST.

9.3. A listed company may only purchase shares by way of a market acquisition at a price which is not more than 5% above the average closing market price. The term average closing market price is defined as the average of the closing market prices of shares over the last five (5) market days, on which transactions in the shares were recorded, before the day on which purchases are made and deemed to be adjusted for any corporate action that occurs during the relevant five (5) Market Day period and the day on which the Market Purchase was made. The Maximum Price for a Share in relation to Market Purchases by TrickleStar, referred to later in this Letter, conforms to this restriction.

9.4. A listed company has to report all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 a.m.:

9.4.1. in the case of a Market Purchase, on the Market Day following the day of purchase of any of its shares; and

9.4.2. in the case of an Off-Market Purchase under an equal access scheme, on the second Market Day after the close of acceptances of an offer under such scheme.

The notification of such purchase or acquisition of shares to the SGX-ST will be in such form and shall include such details that the SGX-ST may prescribe. TrickleStar will make arrangements with its stockbrokers to ensure that they provide TrickleStar, in a timely fashion, with the information that will enable it to make the necessary notifications to the SGX-ST.

9.5. While the Catalist Rules do not expressly prohibit any purchase of shares by a listed company during any particular time, because the listed company would be regarded as an "insider" in relation to any proposed purchase or acquisition of its issued shares, TrickleStar will not undertake any purchase or acquisition of Shares pursuant to the Share Buy-Back Mandate at any time after any matter or development of a price-sensitive nature has occurred or has been the subject of consideration and/or a decision of the Board, until such price-sensitive information has been publicly announced. Further, in conformity with the best practices on dealing with securities under the Catalist Rules, TrickleStar will not purchase or acquire any Shares through Market Purchases during the period of one month before the announcements of TrickleStar's full year and half year financial statements and ending on the date of announcement of the relevant results.

10. Take-Over Obligations

Obligation to make a Take-over Offer

10.1. Pursuant to the Take-over Code, an increase of a Shareholder's proportionate interest in the voting rights of TrickleStar resulting from a share buy-back by TrickleStar will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code (**Rule 14**).

10.2. Under Rule 14, a Shareholder and persons acting in concert with the Shareholder will incur an obligation to make a mandatory take-over offer if, *inter alia*, they and persons acting in concert with them, increase their voting rights in TrickleStar to 30% or more or, if they, together holding between 30% and 50% of TrickleStar's voting rights, increase their voting rights in TrickleStar by more than 1% in any period of six (6) months.

Persons Acting in Concert

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

10.4. Unless the contrary is established, the following persons will, *inter alia*, be presumed to be acting in concert:

10.4.1. a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts);

10.4.2. a company with its parent company, subsidiaries, its fellow subsidiaries, any associated companies of the above companies, and any company whose associated companies include any of the above companies, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the aforesaid persons for the purchase of voting rights;

10.4.3. a company with any of its pension funds and employee share schemes;

10.4.4. a person with any investment company, unit trust or other fund in respect of the investment account which such person manages on a discretionary basis, but only in respect of the investment account which such person manages;

10.4.5. a financial or other professional adviser, with its clients in respect of the shareholdings of the adviser and the persons controlling, controlled by or under the same control as the adviser and all the funds which the adviser manages on a discretionary basis, where the shareholding of the adviser and any of those funds in the client total 10% or more of the client's equity share capital;

10.4.6. directors of a company, together with their close relatives, related trusts and companies controlled by any of them, which is subject to an offer where they have reason to believe a bona fide offer for their company may be imminent;

10.4.7. partners; and

10.4.8. an individual, his close relatives, his related trusts, and any person who is accustomed to act according to the instructions and companies controlled by any of the above and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the aforesaid persons for the purchase of voting rights.

For this purpose, a company is an associated company of another company if the second company owns or controls at least 20% but not more than 50% of the voting rights of the first mentioned company.

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

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

10.6. In general terms, the effect of Rule 14 and Appendix 2 is that, unless exempted, Directors of TrickleStar and persons acting in concert with them will incur an obligation to make a take-over offer for TrickleStar under Rule 14 if, as a result of TrickleStar purchasing or acquiring its Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or, if the voting rights of such Directors and their concert parties fall between 30% and 50% of TrickleStar's voting rights, the voting rights of such Directors and their concert parties increase by more than 1% in any period of six (6) months.

10.7. Under Appendix 2, a Shareholder not acting in concert with the Directors of TrickleStar will not be required to make a take-over offer under Rule 14 if, as a result of TrickleStar purchasing or acquiring its Shares, the voting rights of such Shareholder in TrickleStar increase to 30% or more, or, if such Shareholder holds between 30% and 50% of TrickleStar's voting rights, the voting rights of such Shareholder increase by more than 1% in any period of six (6) months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Buy-Back Mandate.

10.8. As at the Latest Practicable Date, Mr. Emby and CircleBright and persons presumed to be acting in concert with them under the Take-over Code (the **"Concert Group"**) hold in aggregate more than 50% of TrickleStar's voting rights. Therefore, when TrickleStar purchases or acquires its Shares pursuant to the Share Buy-Back Mandate, any resulting increase in the percentage of voting rights held by the Concert Group will not incur an obligation to make a mandatory take-over offer under Rule 14 of the Take-over Code.

General Caveat

10.9. The statements in this Letter do not purport to be a comprehensive or exhaustive description of all implications that may arise under the Take-over Code. Shareholders who are in any doubt as to whether they would incur any obligations to make a take-over offer as a result of any purchase of Shares by TrickleStar pursuant to the proposed Share Buyback Mandate are advised to consult their professional advisers and/or the Securities Industry Council of Singapore at the earliest opportunity before they acquire any Shares in TrickleStar during the period when a Share Buy-Back Mandate is in force.

11. Details of the Shares bought by TrickleStar in the previous 12 months

No purchases of Shares have been made by TrickleStar in the 12 months preceding the Latest Practicable Date.

12. Reporting Requirements under the Companies Act

Within 30 days of the passing of a Shareholders' resolution to approve the purchases of Shares by TrickleStar, TrickleStar shall lodge a copy of such resolution with ACRA. Within 30 days of a purchase of Shares on Catalist or otherwise, TrickleStar shall lodge with ACRA the notice of the purchase in the prescribed form, such notification including inter alia, the date of the purchase, the total number of Shares purchased by TrickleStar, the total number of Shares cancelled, the number of Shares held as treasury Shares, TrickleStar's issued ordinary share capital before the purchase and after the purchase of Shares, the amount of consideration paid by TrickleStar for the purchase, and whether the Shares were purchased out of the profits or the capital of TrickleStar.

13. Directors' and Substantial Shareholders' Interests

None of the Directors or substantial Shareholders have any interest, whether direct or indirect (other than through their respective shareholding interests in TrickleStar) in the renewal of the Share Buy-Back Mandate.

THE PROPOSED PARTICIPATION AND AWARD UNDER THE PSP TO MR. BERNARD CHRISTOPHER EMBY (THE EXECUTIVE CHAIRMAN AND CHIEF EXECUTIVE OFFICER) WHO IS ALSO A CONTROLLING SHAREHOLDER OF TRICKLESTAR.

14. Background

14.1. TrickleStar is proposing to seek Shareholders' approval for the proposed participation and Award under the PSP to Mr. Emby (the Executive Chairman and CEO) a who is also a Controlling Shareholder of TrickleStar.

14.2. On 17 May 2019, Shareholders adopted the PSP to give eligible participants an opportunity to participate in the equity of TrickleStar and to motivate them towards better performance through increased dedication and loyalty.

15. Award to Mr. Emby

Up to 28 February 2022, TrickleStar awarded a total of 458,635 Shares to Eligible Participants. In addition, TrickleStar is proposing to award 121,807 under the PSP to Mr. Emby; subject to independent Shareholders' approval being obtained at the AGM for 2021.

15.1. Save for the above, TrickleStar has not made any Award under the PSP.

15.2. Mr. Emby has direct interest in 18,080,699 Shares, which represents approximately 21.87% of the total number of issued Shares and he is deemed to have an interest in the 23,420,097 Shares held by CircleBright, which represents approximately 28.33% of the total number of issued Shares. As such, Mr. Emby is a Controlling Shareholder for the purposes of the PSP and his participation in the PSP and his proposed Award are subject to the approval of independent Shareholders.

16. Rationale for Participation by a Controlling Shareholder in the PSP

16.1. TrickleStar acknowledges that the contributions and services of a Group employee or a Director who is a Controlling Shareholder or Associate of a Controlling Shareholder, is as important to the Group's long-term success as other employees and Directors. Accordingly, TrickleStar believes that all Group employees and Directors (including those who are Controlling Shareholders or Associates of Controlling Shareholders) should be treated fairly and equally and should be equally entitled to participate in the plan.

16.2. The key objectives of the PSP are to increase the Group's flexibility and effectiveness in its efforts to reward, retain and motivate employees and Directors, to promote higher performance goals, recognise exceptional achievement and retain talent within the Group. TrickleStar believes that the PSP is more effective and rewarding than purely cash bonuses in motivating employees and Directors to work towards pre-determined goals.

16.3. Although the Controlling Shareholder and their Associate already have a shareholding interest in TrickleStar, TrickleStar's view is that, if they are deserving and eligible, they should all be equally entitled to benefit from TrickleStar's fair and equitable system of remuneration and, therefore, to participate in the PSP.

16.4 In terms of the basis for determining the quantum of Award to a Controlling Shareholder or their Associate, factors which are taken into account include their designation, capability, experience, skills, expertise, scope of responsibility, years of service and their past and potential contributions to the growth and development of the Group.

17. Independent Shareholders' Approval

Pursuant to Rule 852 of the Catalist Rules, participation in the PSP by Controlling Shareholders and their Associates must be approved by TrickleStar's independent shareholders. A separate resolution must be passed for each person and to approve the actual number and terms to be granted to that participant.

18. Rationale for Participation of Mr. Emby

Mr. Emby is Executive Chairman and Chief Executive Officer. He is also a Controlling Shareholder of TrickleStar by virtue of his direct interest in 18,080,699 Shares and his deemed interest in 23,420,097 Shares held by CircleBright, in total aggregating 41,500,796 Shares and representing 50.20 per cent. of TrickleStar's issued Share capital. He is the founder of TrickleStar and is a core component of the Group's future. He provides essential and valuable insights in management and Board decisions, drawing from his wealth of experience and business acumen. To date, Mr. Emby has been instrumental in the overall growth and business development of the Group and he is central in driving its strategic direction as well as holding responsibility for the overall future planning and corporate direction of the Group.

19. Details of the Proposed Award

19.1. If independent Shareholders' approve the proposed Award to Mr. Emby at the AGM for 2021, the terms of Award will be as set out below.

19.1.1. Date of Award: To be awarded, conditional upon shareholders' approval.

19.1.2. Number of Shares which are the subject of the Award: 121,807 Shares to Mr. Emby.

19.1.3. Market Price of TrickleStar's securities on the Latest Practicable Date: S$0.275.

19.1.4. Vesting period of Award: 1 June 2022.

19.2. A summary of the PSP is set out in Appendix 1. In compliance with the requirements of the Catalist Rules and the rules of the PSP, the aggregate number of Shares for which Award may be made on any date under the PSP, when added to the number of Shares issued and/or issuable in respect of:

19.2.1. all Award under the PSP; and

19.2.2. all Shares, options or Award under any other share option scheme or share scheme of TrickleStar then in force (if any), shall not exceed 15% of the total issued share capital of TrickleStar (excluding treasury Shares) on the day immediately preceding that date. Furthermore, the aggregate number of Shares over which Award may be made under the PSP to Controlling Shareholders and their Associates shall not exceed 25% of the Shares available under the PSP, and the number of Shares that may be Awarded under the PSP to each Controlling Shareholder or their Associates shall not exceed 10% of the Shares available under the PSP.

19.3. As at the Latest Practicable Date, TrickleStar had 82,674,915 Shares in issue, and 458,635 Awards had been granted under the PSP of which 180,831 Awards have been granted to Directors. No Awards were outstanding to Controlling Shareholders and Associates of Controlling Shareholders. Further details are set out in TrickleStar's announcement dated 28 February 2022. Accordingly, based on the rules of the PSP, as at the Latest Practicable Date:

19.3.1. the aggregate number of Shares that may be issued pursuant to Awards granted under the PSP, when added to all Shares, options or Awards granted under any other share option scheme, performance share plan or share incentive scheme of TrickleStar then in force, shall not exceed 12,401,237 Shares;

19.3.2. the aggregate number of Shares that may be issued to Controlling Shareholders and Associates of Controlling Shareholders pursuant to Awards granted under the PSP shall not exceed 3,100,309 Shares; and

19.3.3. the number of Shares that may be issued to each Controlling Shareholder or Associate of a Controlling Shareholder pursuant to Awards granted under the PSP shall not exceed 1,240,123.

19.4. The aggregate number of Shares that may be issued to Mr. Emby pursuant to Awards is 121,807 Shares, all of which are within the limits explained above.

19.5. The following are the effects of the Award to Mr. Emby:

19.5.1. *Share Capital*

There will be an increase in the issued Share capital of TrickleStar to the extent that new Shares are allotted and issued upon vesting of the Award.

19.5.2. *EPS*

There will be a charge to earnings equivalent to the fair value of the Award as at the Date of Grant, recognised over the period from the Date of Grant to the vesting date. The amount is estimated at approximately SGD 33,497, which approximates to SGD0.0004 per Share.

19.5.3. *NTA*

There will be a charge to TrickleStar's and the Group's income statements equivalent to the fair value of the Award (see above). The allotment and issue of New Shares to Mr. Emby will not otherwise have an impact on the NTA of TrickleStar or the Group.

19.5.4. *Dilutive Impact*

The dilutive impact of the Award on the EPS and the NTA per Share of TrickleStar and the Group is not significant.

DIRECTORS' RECOMMENDATIONS AND OTHERS INFORMATION

20. Directors' and Substantial Shareholders' Interests

20.1. As at the Latest Practicable Date, save as disclosed below, the Directors or Substantial Shareholders (who are not Directors) had deemed interests in the Shares:

	Direct		Deemed	
	No.	**%**	**No.**	**%**
Directors				
Bernard Christopher Emby	18,080,699	21.87	23,420,097	28.33
Gunananthan Nithyanantham	4,643,578	5.62	–	–
Jeremy John Figgins	137,331	0.17	–	–
Ling Hee Keat	1,860,229	2.25	2,073,893	2.51
Chuah Jern Ern	1,010,269	1.22	436,818	0.53
Substantial Shareholders				
CircleBright Limited	23,420,097	28.33	–	–
Harald Weinbrecht	7,480,034	9.05	–	–

Notes:

(a) The percentage of issued share capital is calculated on the basis of 82,674,915 Shares as at the Latest Practicable Date.

(b) Mr. Emby is deemed to have an interest in the 23,420,097 Shares held by CircleBright.

(c) Ling Hee Keat, our Non-Executive Independent Director, is deemed interested in 2,073,893 Shares held by his spouse, Yong Su Lin.

(d) Chuah Jern Ern, our Non-Executive Independent Director, is deemed interested in 436,818 Shares held by his spouse, Ng Mae Lin.

(e) CircleBright Limited is a company incorporated in the British Virgin Islands. Its shareholders comprise Mr. Emby (who has a shareholding interest of approximately 51.1% of the issued and paid-up capital of CircleBright Limited as at the Latest Practicable Date), Gunananthan Nithyanantham, an Executive Director, 18.4%, Harald Weinbrecht 11.6%, Law Cheok Chin 8.1%, Yong Su Lin (the spouse of Ling Hee Keat, our Non-Executive Independent Director) 3.2%, Mr Emby Superannuation Fund (which is accustomed or under an obligation, either formal or

informal, to act in accordance with the directions, instructions or wishes of Peter Bernard Emby, the father of Mr. Emby, our Executive Chairman and CEO) 2.4%, Patricia Lim Pek Yew 1.9%, Ng Mae Lin (the spouse of Chuah Jern Ern, our Non-Executive Independent Director) 2.9% and Wong Wei Tung 0.4%.

(f) On the 28 February 2022, contingent Awards of 180,831 ordinary Shares pursuant to the PSP were granted to the following Directors:

(i) Jeremy John Figgins was granted a contingent Award of 66,231 ordinary shares with the vesting period in June 2022,

(ii) Ling Hee Kiat was granted a contingent Award of 38,200 ordinary shares with the vesting period in June 2022,

(iii) Chuah Jern Ern was granted a contingent Award of 38,200 ordinary shares with the vesting period in June 2022, and

(iv) Gunananthan Nithyanantham was granted a contingent Award of 38,200 ordinary shares with the vesting period in June 2022.

21. Renewal of Buy-Back Mandate

The Directors, having considered, *inter alia*, the terms, the rationale, and the benefits of the proposed renewal of the Share Buy-Back Mandate, are of the view that it is in the best interests of TrickleStar and accordingly recommend that the Shareholders vote in favour of the Resolution for the Renewal of the Buy-Back Mandate.

22. The Proposed Participation and Award under the PSP to Mr. Emby

22.1. As at the Latest Practicable Date, the Remuneration Committee administering the PSP comprised Mr. Ling Hee Keat, Mr. Chuah Jern Ern and Mr. Jeremy John Figgins. Mr. Emby has abstained from participating in the Remuneration Committee's and Board's deliberations and voting on his proposed participation in the PSP and the proposed Award to him.

22.2. TrickleStar's Remuneration Committee and Board believe that:

22.2.1. the proposed Award to Mr. Emby will spur him to continue to further contribute to the future growth, profitability and development of the Group over a long horizon;

22.2.2. the participations in the PSP are consistent with TrickleStar's objectives to motivate its key employees and Directors to achieve and maintain a high level of performance and contribution which is vital for the success of the Group. It will also ensure that Mr. Emby is entitled, equally with the other eligible employees of the Group, to take part in and benefit from this system of remuneration, thereby enhancing his long-term commitment to the Group.

22.3. Save for Mr. Emby (for reasons explained above), the Directors, having considered, *inter alia*, the terms and the rationale for these proposed participations and Award, are of the view that they are in the best interests of TrickleStar and accordingly recommend that Shareholders vote in favour of the Resolutions for Participation and Award.

23. Abstentions from Voting

23.1. Shareholders who are entitled to participate in the PSP should abstain from voting at the AGM on the Resolutions for Participation and Award, and should decline appointment as proxies for voting at the AGM in respect of the aforesaid resolutions, unless specific instructions have been given in the proxy form on how the votes are to be cast for each of those resolutions.

23.2. Accordingly, all the Directors will abstain from voting in respect of the Resolutions for Participation and Award and will also decline to accept any appointment as proxy to vote at and attend the forthcoming AGM in respect of the Resolutions for Participation and Award unless the Shareholder concerned has given specific instructions as to the manner in which their votes are to be cast.

23.3. As CircleBright Limited is considered an Associate of Mr. Emby, they are not considered independent for the purposes of Rule 852 of the Catalist Rules. Accordingly, CircleBright Limited will abstain from voting in respect of Resolutions for Participation and Award. Additionally, CircleBright Limited will decline to accept any appointment as proxy to vote at and attend the forthcoming AGM in respect of those Resolutions unless the Shareholder concerned has given specific instructions as to the manner in which their votes are to be cast.

23.4. TrickleStar will disregard any votes cast on a resolution by person(s) required to abstain from voting by the Catalist Rules or pursuant to a court order where such court order is served on TrickleStar.

24. Annual General Meeting

The AGM for 2021, notice of which is set out in TrickleStar's 2021 Annual Report, to be held by electronic means on 25 March 2022 at 10.30 a.m. The meeting will include the Proposed Resolutions.

25. Directors' Responsibility Statement

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

26. Advice to Shareholders

Shareholders who are in any doubt as to the action they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

27. Actions to be Taken by Shareholders

27.1. Due to the current COVID-19 restriction order in Singapore, a member will not be able to attend the AGM in person. A member will also not be able to vote "live" on the resolutions to be tabled for approval at the AGM. A member (whether individual or corporate) must appoint the Chairman of the AGM as his/her/its proxy to vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM. A member who wishes to submit the proxy form appointing the Chairman of the AGM as proxy must first download, complete and sign the proxy form attached to the Notice of AGM in accordance with the instructions printed thereon as soon as possible. The proxy form must be submitted to the Company in the following manner:

(a) if submitted by post or by hand, be lodged at the office of the Company's polling agent, Complete Corporate Services Pte Ltd, at 10 Anson Road, #29-07 International Plaza, Singapore 079903; or

(b) if submitted electronically, be submitted via email to the Company's polling agent at tricklestar-agm@complete-corp.com,

in either case, at least seventy-two (72) hours before the time appointed for holding the AGM.

The completion and lodgement of the proxy form by a member will not prevent them from attending at the AGM via electronic means.

27.2. A Depositor shall not be regarded as a member of TrickleStar entitled to attend the AGM unless his name appears on the Depository Register at least 72 hours before the time appointed for the AGM.

28. Documents for Inspection

Copies of the following documents may be inspected at the registered office of TrickleStar at 80 Robinson Road, #02-00, Singapore 068898 during normal business hours from the date of this Letter to the date of the forthcoming AGM scheduled to be held on 25 March 2022:

(a) the Constitution;

(b) the 2021 Annual Report;

(c) the rules of the PSP.

Yours faithfully
For and on behalf of the Board of Directors of
TRICKLESTAR LIMITED

Bernard Christopher Emby
Executive Chairman and Chief Executive Officer

APPENDIX 1

SUMMARY OF THE TRICKLESTAR PERFORMANCE SHARE PLAN

The PSP was approved by Shareholders on 17 May 2019.

ELIGIBILITY

Subject to the absolute discretion of the Remuneration Committee, the following persons shall be eligible to participate in the PSP:

(a) any confirmed employee of the Group (including any a Director of TrickleStar and/or a director of TrickleStar's subsidiaries, as the case may be, who performs an executive function ("**Group Executive Director**")) selected by the Remuneration Committee to participate in the PSP in accordance with the Rules of the PSP ("**Group Employee**"); and

(b) Directors of TrickleStar (including Non-Executive Directors of TrickleStar), provided that, as at the Date of Grant, such persons have attained the age of 21 years, are not undischarged bankrupts and have not entered into any compositions with their respective creditors, and in the case of Group Employees, must have been in the employment of the Group for at least 12 months, or such shorter period as the Remuneration Committee may determine.

Subject to the absolute discretion of the Remuneration Committee, a Controlling Shareholder or an Associate of a Controlling Shareholder who meets the criteria set out above is eligible to participate in the PSP, provided that their participation and the grant of Award to them, including the actual number of Shares and terms of Award to be granted to them, shall be subject to independent Shareholders' approval at a general meeting with separate resolutions for participation by each Controlling Shareholder or Associate of a Controlling Shareholder in the PSP, and for the grant of Award to each Controlling Shareholder or Associate of a Controlling Shareholder. The circular to Shareholders to seek independent Shareholders' approval for such matters shall disclose the rationale and justification for their participation in the PSP and for the grant of Award, including the actual number of Shares and the terms of such Award.

SIZE AND DURATION OF THE PSP

The aggregate number of Shares available under the PSP, when added to all Shares, options or Award granted under any other share option scheme, performance share scheme or share incentive scheme of TrickleStar then in force, shall not exceed 15.0% of the total number of issued Shares (excluding treasury Shares and subsidiary holdings) of TrickleStar from time to time.

The PSP shall continue in force at the absolute discretion of the Committee, subject to a maximum period of 10 years commencing on 17 May 2019 (the date on which Shareholders' approval at a general meeting was obtained for the adoption of the PSP). Subject to compliance with any applicable laws and regulations in Singapore, the PSP may continue beyond the above stipulated period with the approval of Shareholders by ordinary resolution at a general meeting and the approval of any authorities that may then be required.

The PSP may be terminated at any time by the Remuneration Committee, or by Shareholders, by ordinary resolution at a general meeting subject to all approvals of any authorities that may then be required, and if the PSP is so terminated, no further Award shall be granted by TrickleStar hereunder.

Award represent the right of a Participant to receive fully paid Shares in TrickleStar free of charge upon the Participant satisfying or exceeding prescribed performance target(s) at the end of the performance period(s) and/or otherwise having performed well and/or made a significant

contribution to the Group. Award are vested and the Shares which are the subject of the Award are delivered to the Participant at the end of the performance period(s), once the Remuneration Committee is, at its sole discretion, satisfied that the prescribed performance target(s) have been satisfied. The Remuneration Committee may also grant an Award where in its opinion a Participant has performed well and/or made a significant contribution to the Group.

An Award is personal to the Participant to whom it is granted and it may not be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part, except with the prior approval of the Remuneration Committee and if a Participant shall do, suffer or permit any such act or thing as a result of which they would or might be deprived of any such rights under an Award, that Award shall immediately lapse and shall forthwith become void and cease to have effect. However, the Shares received by a Participant pursuant to the vesting of Award granted under the PSP may be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part.

INFORMATION ON OPTIONS

The Award are not options, so the rule is not applicable.

TERMS OF ISSUE OF SHARES

New Shares allotted and issued, and/or treasury Shares (if any) transferred, upon the vesting of an Award shall:

(a) be subject to the provisions of the Constitution of TrickleStar; and

(b) rank *pari passu* in all respects with the then existing issued Shares of TrickleStar including as to dividend, transfer and other rights including on liquidation, except for any dividend, right, allotment or other distribution the Record Date of which is before the vesting date.

ADMINISTRATION OF THE PSP

The PSP shall be administered by our Remuneration Committee in its absolute discretion with such powers and duties as are conferred on it by the Board.

A Participant who is a member of the Remuneration Committee shall not be involved in its deliberation or decision in respect of Award granted or to be granted to them or held by them. Further, where Award are proposed to be granted to Directors, Controlling Shareholders or their Associates, all members of the Board (and not just members of the Remuneration Committee) except for those Directors, Controlling Shareholders or their Associates, will be involved in the deliberation or decision on the same.

The Remuneration Committee shall have the power, from time to time, to make regulations or vary such regulations (not being inconsistent with PSP) for the implementation and administration of the PSP as it thinks fit.

AWARD TO CONTROLLING SHAREHOLDERS

The grant of Award to Participants who are Controlling Shareholders or Associates of a Controlling Shareholder shall be subject to independent Shareholders' approval at a general meeting in separate resolutions for the grant of Award to each Controlling Shareholder or Associate of a Controlling Shareholder, and the actual number of Shares which are the subject of such Award shall comply with the following limits:

(a) the aggregate of the number of Shares available to Controlling Shareholders and Associates of Controlling Shareholders under the PSP shall not exceed 25.0% of the Shares available under the PSP; and

(b) the number of Shares available to each Controlling Shareholder or Associate of a Controlling Shareholder shall not exceed 10.0% of the Shares available under the PSP.

5% RULE

Any Award to a director or employee of TrickleStar's parent company and its subsidiaries that, together with Award already granted to the person under the PSP, represents 5% or more of the total number of Shares available through Award to such directors and employees, must be approved by independent shareholders. A separate resolution must be passed for each such person and to approve the aggregate number of options to be made available for grant to all directors and employees of the parent company and its subsidiaries.