

CIRCULAR DATED 14 APRIL 2021

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

If you are in any doubt as to the action that you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax advisor or other professional adviser immediately.

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 in the capital of World Class Global Limited ("**Company**"), you should immediately inform the purchaser or transferee or bank, stockbroker or agent through whom the sale or transfer was effected for onward notification to the purchaser or transferee, that this Circular (together with the Notice of EGM and accompanying Proxy Form) may be accessed at the Company's corporate website at the URL <http://wcg.com.sg/investor-relations/> and SGXNet.

This Circular has been prepared by the Company and its contents have been reviewed by the Sponsor, ZICO Capital Pte. Ltd., in accordance with Section 226(2)(b) of the Catalist Rules. The Sponsor has not independently verified the contents of this Circular.

This Circular 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 Ms Alice Ng, Director of Continuing Sponsorship, ZICO Capital Pte. Ltd. at 8 Robinson Road, #09-00 ASO Building, Singapore 048544, telephone (65) 6636 4201.

This Circular has been made available on SGXNet and the Company's corporate website and may be accessed at the URL <http://wcg.com.sg/investor-relations/>. A printed copy of this Circular (together with the Notice of EGM and accompanying Proxy Form) will NOT be despatched to Shareholders.

Due to the current COVID-19 situation in Singapore, Shareholders will not be able to attend the EGM in person. Instead, alternative arrangements have been put in place to allow Shareholders to participate at the EGM by (a) observing the EGM proceedings via "live" audio-visual webcast of the EGM or listening to the EGM proceedings via "live" audio-only stream of the EGM, (b) submitting questions in advance of the EGM, and/or (c) voting on their behalf, by appointing the Chairman of the Meeting as proxy at the EGM.

Please refer to Sections 9 and 11 of this Circular and the Company's announcement dated 14 April 2021 entitled "Important Notice to Shareholders Regarding the Company's Annual General Meeting and Extraordinary General Meeting to be held on 29 April 2021" which has been uploaded together with this Circular on SGXNet for further information, including the steps to be taken by Shareholders to participate at the EGM. Such announcement may also be accessed at the Company's corporate website at the URL <http://wcg.com.sg/investor-relations/>.

Shareholders should note that the Company may make further changes to its EGM arrangements (including but not limited to any applicable alternative arrangements as may be prescribed or permitted (as the case may be) under the COVID-19 Act and any regulations promulgated thereunder (including the COVID-19 Order) as well as other guidelines issued by the relevant authorities) as the situation evolves. Shareholders are advised to keep abreast of any such changes as may be announced by the Company from time to time on SGXNet.



WORLD CLASS GLOBAL
WORLD CLASS GLOBAL LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 201329185H)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

THE PROPOSED EXTENSION OF THE REVOLVING LOAN FACILITY FROM ASPIAL CORPORATION LIMITED AND ASPIAL TREASURY PTE. LTD. AS AN INTERESTED PERSON TRANSACTION

Independent Financial Adviser in respect of the Proposed Extension of the Revolving Loan Facility



Xandar Capital Pte. Ltd.
(Incorporated in the Republic of Singapore)
(Company Registration No. 200002789M)

IMPORTANT DATES AND TIMES

- Last date and time for lodgment of Proxy Form : 26 April 2021 at 4:00 p.m.
- Last date and time to pre-register online to attend the EGM : 26 April 2021 at 3:00 p.m.
- Date and time of EGM : 29 April 2021 at 4:00 p.m. (or as soon as practicable thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 3:00 p.m. on the same day by way of electronic means)
- Place of EGM : The EGM will be held by way of electronic means

Please refer to Sections 9 and 11 of this Circular and the Company's announcement dated 14 April 2021 entitled "Important Notice to Shareholders Regarding the Company's Annual General Meeting and Extraordinary General Meeting to be held on 29 April 2021" for further details.

TABLE OF CONTENTS

DEFINITIONS	1
LETTER TO SHAREHOLDERS	5
1. INTRODUCTION.....	5
2. THE PROPOSED EXTENSION OF THE REVOLVING LOAN FACILITY	6
3. RATIONALE FOR AND BENEFIT OF THE PROPOSED EXTENSION OF THE REVOLVING LOAN FACILITY.....	7
4. THE PROPOSED EXTENSION OF THE REVOLVING LOAN FACILITY AS AN INTERESTED PERSON TRANSACTION.....	7
5. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS	10
6. OPINION OF THE INDEPENDENT FINANCIAL ADVISER	11
7. NON-INTERESTED DIRECTORS' RECOMMENDATION	12
8. ABSTENTION FROM VOTING	12
9. EXTRAORDINARY GENERAL MEETING.....	12
10. NO DESPATCH OF PRINTED COPIES OF CIRUCLAR, NOTICE OF EGM AND PROXY FORM.....	13
11. ACTION TO BE TAKEN BY SHAREHOLDERS	13
12. DIRECTORS' RESPONSIBILITY STATEMENT.....	16
13. CONSENT OF THE IFA.....	16
14. DOCUMENTS AVAILABLE FOR INSPECTION	16
APPENDIX A – IFA LETTER	17
NOTICE OF EXTRAORDINARY GENERAL MEETING	34
PROXY FORM	

DEFINITIONS

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

- "Amended Revolving Loan Agreement"** : The Revolving Loan Agreement as amended and supplemented by a supplemental agreement to extend the Maturity Date to the New Maturity Date
- "Amended Revolving Loan Facility"** : The Revolving Loan Facility pursuant to the Revolving Loan Agreement, with the New Maturity Date, as provided for in the Amended Revolving Loan Agreement
- "Annual General Meeting"** : The annual general meeting of the Company to be held on 29 April 2021 at 3:00 p.m.
- "ATPL"** : Aspial Treasury Pte. Ltd., a wholly-owned subsidiary of Aspial
- "Aspial"** : Aspial Corporation Limited
- "Aspial Group"** : Aspial and its subsidiaries (excluding the Group)
- "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 other company or companies taken together (directly or indirectly) have an interest of 30% or more
- "associated company"** : Any company in which at least 20% but not more than 50% of its shares are held by the listed company or the listed group
- "Board"** : The board of Directors of the Company as at the date of this Circular
- "Catalist Rules"** : The Listing Manual Section B: Rules of Catalist of the SGX-ST, as amended, modified or supplemented from time to time
- "CDP"** : The Central Depository (Pte) Limited
- "Circular"** : This circular to Shareholders dated 14 April 2021
- "Companies Act"** : The Companies Act, Chapter 50 of Singapore, as amended, modified or supplemented from time to time

DEFINITIONS

"Company"	:	World Class Global Limited
"control"	:	The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of a company
"Controlling Shareholder"	:	A person who holds directly or indirectly 15% or more of the total votes attached to all voting shares of the Company or a person who in fact exercises control over such the Company
"COVID-19 Act"	:	The COVID-19 (Temporary Measures) Act 2020, as amended, modified or supplemented from time to time, which, <i>inter alia</i> , enables the Minister for Law by order to prescribe alternative arrangements for listed companies in Singapore to conduct general meetings, either wholly or partly, by electronic communication, video conferencing, tele-conferencing or other electronic means
"COVID-19 Order"	:	The COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, as amended, modified or supplemented from time to time, which sets out the alternative arrangements in respect of, <i>inter alia</i> , general meetings of companies
"EGM"	:	The extraordinary general meeting of the Company to be held on 29 April 2021 at 4:00 p.m. (or as soon as practicable thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 3:00 p.m. on the same day by way of electronic means), notice of which is given on page 34 of this Circular
"FY"	:	The financial year ended or ending 31 December
"Group"	:	The Company and its subsidiaries
"IFA"	:	Xandar Capital Pte. Ltd., the independent financial adviser to the Non-Interested Directors in relation to the Proposed Extension of the Revolving Loan Facility
"IFA Letter"	:	The letter dated 14 April 2021 from the IFA to the Non-Interested Directors in relation to the Proposed Extension of the Revolving Loan Facility, as set out in Appendix A to this Circular
"Latest Practicable Date"	:	7 April 2021, being the latest practicable date prior to the issue of this Circular
"Lenders"	:	Collectively, Aspial and ATPL
"Maturity Date"	:	The maturity date of the Revolving Loan Facility of 31 May 2021
"Maturity Period"	:	Has the meaning ascribed to it in Section 2.2 of this Circular
"New Maturity Date"	:	The proposed new maturity date of the Revolving Loan Facility of 31 May 2023, as provided for in the Amended Revolving Loan Agreement
"Non-Interested Directors"	:	The Directors of the Company who are independent for the

DEFINITIONS

	purposes of the Proposed Extension of the Revolving Loan Facility, being Mr Ong Tuen Suan, Mr Yeoh Seng Huat Geoffrey and Mr Tan Seng Chuan
"Notice of EGM"	: The Notice of EGM set out on pages 34 to 36 of this Circular
"NTA"	: Net tangible assets
"Principal Sum"	: The aggregate principal sum of S\$300.0 million available under the Revolving Loan Facility
"Proposed Extension of the Revolving Loan Facility"	: The proposed extension of the Maturity Date of the Revolving Loan Facility to the New Maturity Date by way of the Amended Revolving Loan Agreement
"Register of Members"	: The register of members of the Company
"Relevant Amount at Risk"	: Has the meaning ascribed to it in paragraph 2.1 of the Letter to Shareholders
"Revolving Loan Agreement"	: The revolving loan agreement dated 1 March 2016 entered into between the Company and the Lenders (as amended and supplemented by a supplemental agreement dated 30 June 2016, a second supplemental agreement dated 31 December 2016 and a third supplemental agreement dated 18 December 2020)
"Revolving Loan Facility"	: The revolving loan facility pursuant to which the Lenders agreed to extend loans of up to the Principal Sum to the Company under the Revolving Loan Agreement
"Securities Account"	: A securities account maintained by a Depositor with CDP, but does not include a securities sub-account
"SFA"	: The Securities and Futures Act, Chapter 289 of Singapore
"SGX-ST"	: Singapore Exchange Securities Trading Limited
"Shareholders"	: Registered holders of Shares in the register of members of the Company, except that where the registered holder is the CDP, the term "Shareholders" shall, in relation to such Shares, mean the Depositors whose securities accounts maintained with CDP are credited with Shares
"Shares"	: The ordinary shares in the capital of the Company
"Sponsor"	: ZICO Capital Pte. Ltd.
"Substantial Shareholder"	: A Shareholder who has an interest or interests in one (1) or more voting Shares in the Company and the total votes attached to that Share, or those Shares, is not less than 5% of the total votes attached to all the voting Shares in the Company
"S\$" and "cents"	: Singapore dollars and cents, being the lawful currency of the Republic of Singapore
"%"	: Percentage or per centum

DEFINITIONS

The terms "**Depositor**", "**Depository**", "**Depository Agent**" and "**Depository Register**" shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act (Chapter 289) of Singapore.

The terms "**subsidiaries**" and "**related corporations**" shall have the meanings ascribed to them respectively in the Companies Act.

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*. References to persons shall include corporations.

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

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the Catalist Rules, or any statutory or regulatory modification thereof and not otherwise defined in this Circular shall, where applicable, have the meaning assigned to it under the Companies Act, the Catalist Rules, or any statutory or regulatory modification thereof, as the case may be, unless the context otherwise requires.

Any reference to a time of day and date in this Circular is a reference to Singapore time and date, respectively, unless otherwise stated. Any reference to currency set out in this Circular is a reference to S\$ unless otherwise stated.

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

Rajah & Tann Singapore LLP has been appointed as the legal adviser to the Company as to Singapore law in relation to the Proposed Extension of the Revolving Loan Facility.

LETTER TO SHAREHOLDERS

WORLD CLASS GLOBAL LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 201329185H)

Board of Directors

Koh Wee Seng (Non-Executive Chairman)
Ng Sheng Tiong (Executive Director and Chief Executive Officer)
Koh Lee Hwee (Non-Executive Director)
Ong Tuen Suan (Lead Independent Director)
Yeoh Seng Huat Geoffrey (Independent Director)
Tan Seng Chuan (Independent Director)

Registered Office

8 Robinson Road
#03-00
ASO Building
Singapore 048544

14 April 2021

To: The Shareholders of the Company

Dear Sir/Madam,

THE PROPOSED EXTENSION OF THE REVOLVING LOAN FACILITY FROM ASPIAL AND ATPL AS AN INTERESTED PERSON TRANSACTION

1. INTRODUCTION

1.1 The Proposed Extension of the Revolving Loan Facility

As at the date of this Circular, the Company has received the Revolving Loan from the Lenders (being Aspial and ATPL, a subsidiary of Aspial). Aspial is an entity listed on the Main Board of the SGX-ST and is a controlling shareholder of the Company, holding 81.11% of the issued and paid-up share capital of the Company as at the date of this Circular. In addition, Mr Koh Wee Seng (Non-Executive Chairman of the Company) and Ms Koh Lee Hwee (Non-Executive Director of the Company) are also directors and substantial shareholders of Aspial, each holding in aggregate, directly and indirectly, more than 50.0% of the issued and paid-up share capital of Aspial as at the Latest Practicable Date. Mr Ng Sheng Tiong (Executive Director and Chief Executive Officer) is the spouse of Ms Koh Lee Hwee (Non-Executive Director of the Company).

Further to the aforesaid, the Company and the Lenders propose to amend and supplement the Revolving Loan Agreement by way of a supplemental agreement pursuant to which the Lenders will agree to extend the Maturity Date of the Revolving Loan Facility for an additional 24 months to 31 May 2023, being the New Maturity Date. Save for the New Maturity Date, all other provisions of the Revolving Loan Agreement shall remain unchanged.

The Proposed Extension of the Revolving Loan Facility constitutes an interested person transaction as defined under Chapter 9 of the Catalist Rules. As the value of the Proposed Extension of the Revolving Loan Facility (being the aggregate interest payable by the Group on the Revolving Loan Facility over the period from the Maturity Date to the New Maturity Date) exceeds 5.0% of the Group's latest audited NTA, the approval of Shareholders for the Proposed Extension of the Revolving Loan Facility is required pursuant to Rule 906(1)(a) of the Catalist Rules.

Accordingly, the Company is seeking the approval of Shareholders for the Proposed Extension of the Revolving Loan Facility at the EGM to be held on 29 April 2021 pursuant to Chapter 9 of the Catalist Rules.

1.2 Opinion of the IFA

The IFA has been appointed to provide an opinion as to whether the Proposed Extension of the

LETTER TO SHAREHOLDERS

Revolving Loan Facility, as an interested person transaction, is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders. The IFA Letter is set out in Appendix A to this Circular.

1.3 Purpose of this Circular

The purpose of this Circular is to provide Shareholders with relevant information relating to the Proposed Extension of the Revolving Loan Facility and to seek the approval of Shareholders for the ordinary resolution in respect of the Proposed Extension of the Revolving Loan Facility at the EGM to be held on 29 April 2021 by way of electronic means, notice of which is set out on pages 34 to 36 of this Circular.

The SGX-ST assumes no responsibility for the contents of this Circular including the correctness of any of the statements made or opinions expressed or reports contained in this Circular. If a Shareholder is in doubt as to the action he should take, he should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

2. THE PROPOSED EXTENSION OF THE REVOLVING LOAN FACILITY

2.1 Background

In 2016, the Company entered into a revolving loan agreement dated 1 March 2016 (as amended and supplemented by a supplemental agreement dated 30 June 2016 and a second supplemental agreement dated 31 December 2016) with the Lenders, pursuant to which the Lenders agreed to extend loans of up to an aggregate principal sum of S\$400.0 million (or such other sum as may be agreed between the Company and the Lenders as required) to finance the Group's working capital, with a maturity date of 28 February 2021. The Company had, on 18 December 2020, entered into a third supplemental agreement with the Lenders, pursuant to which the Lenders agreed to extend the maturity date of such facility for an additional three (3) months to 31 May 2021, being the Maturity Date, for a lower loan quantum of up to an aggregate principal sum of S\$300.0 million (being the Principal Sum). The Revolving Loan Facility is interest-bearing and unsecured.

It is now proposed that the Maturity Date of the Revolving Loan Facility, being 31 May 2021, be extended for an additional 24 months to 31 May 2023 by way of the Amended Revolving Loan Agreement.

As at the Latest Practicable Date, the Company has drawn down approximately S\$221.7 on the Revolving Loan Facility, and an aggregate amount of S\$221.7 million (excluding interest charges) remains outstanding under the Revolving Loan Facility.

Pursuant to the Proposed Extension of the Revolving Loan Facility, if the Company draws down on the entire Principal Sum of S\$300.0 million on 1 June 2021 (being the date immediately after the Maturity Date), the Company will incur 24 months of total interest charges amounting to approximately S\$39.0 million (the "**Relevant Amount at Risk**"), up to the New Maturity Date. Based on the Group's latest audited NTA as at 31 December 2020 of S\$124.7 million ("**Group NTA**"), the Relevant Amount at Risk amounts to 31.3% of the Group NTA. Accordingly, as the Relevant Amount at Risk exceeds 5.0% of the Group NTA, the Proposed Extension of the Revolving Loan Facility will require the approval of the Shareholders of the Company pursuant to Rule 906(1) of the Catalist Rules, and is subject to the approval of Shareholders at the EGM.

2.2 Principal Terms of the Amended Revolving Loan Facility

Subject to Shareholders' approval being obtained at the EGM, the principal terms of the Amended Revolving Loan Facility will be as follows:

Principal Sum : S\$300.0 million

LETTER TO SHAREHOLDERS

- Date of advances : The Company may request for advances to be made by the Lenders by serving an irrevocable notice of drawing on the Lenders with not less than five (5) business days' notice, stating:
- (a) the period of drawing, being one (1), three (3), six (6) or 12 months or such other period as may be agreed by the Company and the Lenders (the "**Maturity Period**");
 - (b) the amount to be advanced to the Company;
 - (c) the drawing date (which must be a business day): and
 - (d) the disbursements instructions.
- Repayment : The Lenders shall have no right to demand repayment of any advance of payment of the interest thereon at any time prior to the last business day of the Maturity Period or such earlier business day as the Borrower and the relevant Lender(s) may determine.
- Interest : The interest on each advance made by the Lenders will be calculated at the relevant Lender(s)' cost of borrowing (including any legal and marketing fees, fees paid to banks and any other costs incurred directly in connection with the borrowing, in order to provide an advance drawn by the Company), with written evidence provided to the Company on the calculation of such cost plus 0.5%.
- Interest is due and accrues daily on each advance until such time of repayment of each advance and shall be paid together with the repayment of each advance.
- Maturity Date : 31 May 2023, being the New Maturity Date
- Security : The Amended Revolving Loan Facility is unsecured.
- Use of advance : Each advance is to be used exclusively by the Group for working capital purposes.

Save for the extension of the Maturity Date to the New Maturity Date, all other principal terms of the Revolving Loan Agreement shall remain unchanged. The abovementioned terms were agreed between the Company and the Lenders, taking into account the Lenders' approximate cost of funds, the prevailing external lending rates, and the Company's financing needs for its immediate to medium term payment obligations.

3. RATIONALE FOR AND BENEFIT OF THE PROPOSED EXTENSION OF THE REVOLVING LOAN FACILITY

The Revolving Loan Facility was extended to the Company to fund its working capital requirements. The rationale for the Proposed Extension of the Revolving Loan Facility is to provide flexibility of working capital requirement for the Group.

4. THE PROPOSED EXTENSION OF THE REVOLVING LOAN FACILITY AS AN INTERESTED PERSON TRANSACTION

4.1 Chapter 9 of the Catalist Rules

Chapter 9 of the Catalist Rules governs transactions by a listed company, as well as transactions by its subsidiaries and associated companies that are considered to be entities at risk, with the listed company's interested persons. Under Chapter 9 of the Catalist Rules, where a listed

LETTER TO SHAREHOLDERS

company or any of its subsidiaries or any of its associated companies which is an entity at risk proposes to enter into transactions with the listed company's interested persons, the listed company is required to seek shareholders' approval if the value of the transaction (either in itself or aggregated with the value of other transactions with the same interested person during the same financial year) is equal to or exceeds 5% of the listed group's latest audited NTA. For the avoidance of doubt, the requirement for shareholders' approval does not apply to any transaction below S\$100,000.

For the purposes of Chapter 9 of the Catalist Rules:

- (i) **"approved exchange"** means a stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles to Chapter 9 of the Catalist Rules.
- (ii) **"entity at risk"** means:
 - (a) the listed company;
 - (b) a subsidiary of the listed company that is not listed on the SGX-ST or an approved exchange; or
 - (c) an associated company of the listed company that is not listed on the SGX-ST or an approved exchange, provided that the listed group, or the listed group and its interested person(s), has control over the associated company.
- (iii) **"interested person"** means:
 - (a) a director, chief executive officer, or controlling shareholder of the listed company; or
 - (b) an associate of any such director, chief executive officer, or controlling shareholder.
- (iv) **"interested person transaction"** means a transaction between an entity at risk and an interested person.

4.2 The Proposed Extension of the Revolving Loan Facility as an Interested Person Transaction

(a) Interested Person Transaction under Chapter 9 of the Catalist Rules

As at the Latest Practicable Date, Aspial holds 742,828,700 Shares representing approximately 81.11% of the issued and paid-up capital of the Company. In addition, Mr Koh Wee Seng (Non-Executive Director and Chairman of the Company) and Ms Koh Lee Hwee (Non-Executive Director of the Company) are also directors and substantial shareholders of Aspial, each holding in aggregate, directly or indirectly, more than 50.0% of the issued and paid-up share capital of Aspial as at the Latest Practicable Date. Mr Ng Sheng Tiong (Executive Director and Chief Executive Officer) is the spouse of Ms Koh Lee Hwee (Non-Executive Director of the Company). Further, ATPL is a wholly-owned subsidiary of Aspial.

As such, (i) Aspial is a Controlling Shareholder and ATPL is considered an associate of Aspial, and (ii) each of Aspial and ATPL is an associate of Mr Koh Wee Seng, Ms Koh Lee Hwee and Mr Ng Sheng Tiong. Accordingly, the Proposed Extension of the Revolving Loan Facility constitutes an interested person transaction under Chapter 9 of the Catalist Rules.

LETTER TO SHAREHOLDERS

(b) Requirement for Shareholders' Approval

As the Relevant Amount at Risk exceeds 5.0% of the Group NTA, the Proposed Extension of the Revolving Loan Facility will require the approval of the Shareholders of the Company pursuant to Rule 906(1) of the Catalist Rules.

4.3 Total Value of Interested Person Transactions for the Current Financial Year

Information on the Interested Person Transactions entered into between the Group and the Aspial Group for FY2021 are set out below:

Name of Interested Person	Nature of relationship	Nature of IPTs	Aggregate value of the IPTs for FY2021 (excluding IPTs previously approved by shareholders or exempted under the Catalist Rules) (S\$'000)	Aggregate value of the IPTs for FY2021 which were previously approved by shareholders or exempted under the Catalist Rules (S\$'000)
The Lenders	Aspial: Controlling Shareholder	Loan interest incurred pursuant to the Revolving Loan Facility ⁽¹⁾	-	3,584
	ATPL: A wholly-owned subsidiary of Aspial	Relevant Amount at Risk	39,000 ⁽²⁾	-
Aspial Corporate Services Pte Ltd	A subsidiary of Aspial	Corporate charges ⁽¹⁾	-	440
Aspial Capital (Ubi) Pte Ltd	A subsidiary of Aspial	Leasing of office premises by the Company from the interested person (on an annual basis)	-	477
Total			39,000	4,501⁽³⁾

Notes:

- (1) Transactions previously approved by Shareholders, details of which were duly disclosed in the Company's offer document dated 6 June 2017 in respect of the Company's initial public offering on the SGX-ST. Please refer to pages 169 to 179 of the Company's offer document for more information.
- (2) The Relevant Amount at Risk represents 31.3% of the Group NTA, which exceeds the relevant threshold of 5.0% under Rule 906(1)(b) of the Catalist Rules, whereby shareholders' approval must be obtained for any IPT of a value equal to, or more than 5.0% of the Group's latest audited NTA.
- (3) The aggregate value of these transactions with the Aspial Group represents 3.6% of the Group NTA.

As at the Latest Practicable Date, the aggregate value of all transactions entered into between the Group and all interested persons for FY2021 (excluding transactions that are less than S\$100,000 and the Amended Revolving Loan Facility which is the subject of this Circular) amounted to approximately S\$4.5 million, representing approximately 3.6% of the Group NTA.

For the avoidance of doubt, save for the transactions with the Aspial Group, there are no other interested person transactions entered into by the Group for FY2021.

LETTER TO SHAREHOLDERS

5. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The interests of the Directors and Substantial Shareholders (both direct and deemed) in the Shares as at the Latest Practicable Date, as recorded in the Register of Directors' Shareholdings and the Register of Substantial Shareholders' of the Company are set out below:

	As at the Latest Practicable Date			%(¹)
	Direct Interest	Deemed Interest	Total Interest	
Directors				
Mr Koh Wee Seng ^{(3), (4)}	22,750,000	742,828,700	765,578,700	83.59
Mr Ng Sheng Tiong ⁽⁵⁾	22,300,000	-	22,300,000	2.43
Ms Koh Lee Hwee ^{(3), (5)}	-	742,828,700	742,828,700	81.11
Mr Ong Tuen Suen	-	-	-	-
Mr Yeoh Seng Huat	-	-	-	-
Geoffrey	-	-	-	-
Mr Tan Seng Chuan	-	-	-	-
Substantial Shareholders (other than Directors)				
Aspial Corporation Limited ⁽²⁾	742,828,700	-	742,828,700	81.11
Ms Ko Lee Meng ^{(3), (6)}	-	742,828,700	742,828,700	81.11
MLHS Holdings Pte Ltd ⁽²⁾	-	742,828,700	742,828,700	81.11

Notes:

- (1) Based on the total number of issued Shares of 915,874,500 Shares as at the Latest Practicable Date.
- (2) MLHS Holdings Pte Ltd ("**MLHS**") is the controlling shareholder of Aspial, holding approximately 58.64% of the shareholdings of Aspial as at the Latest Practicable Date. The shareholders of MLHS are, *inter alia*, Mr Koh Wee Seng (47.00%) and Ms Koh Lee Hwee (24.25%). Mr Koh Wee Seng is a director and substantial shareholder of Aspial through his shareholding in MLHS. As at the Latest Practicable Date, Mr Koh Wee Seng has direct and deemed interests in 19.25% and 58.91% of Aspial respectively for an aggregate of 78.16%. Mr Koh Wee Seng is deemed to be interested in the 742,828,700 Shares held by Aspial by virtue of Section 4 of the SFA.
- (3) Mr Koh Wee Seng, Ms Koh Lee Hwee and Ms Ko Lee Meng are directors and substantial shareholders of Aspial through their shareholdings in MLHS. As at the Latest Practicable Date, (a) Mr Koh Wee Seng has direct and deemed interests in 19.25% and 58.91% of Aspial respectively for an aggregate of 78.16%, (b) Ms Koh Lee Hwee has direct and deemed interests in 1.59% and 59.62% of Aspial respectively for an aggregate of 61.21%, and (c) Ms Ko Lee Meng has direct and deemed interests in 1.73% and 58.69% of Aspial respectively for an aggregate of 60.42%. Mr Koh Wee Seng is the Chief Executive Officer and Executive Director of Aspial. Ms Koh Lee Hwee is an Executive Director of Aspial. Ms Ko Lee Meng is a Non-Executive and Non-Independent Director of Aspial.
- (4) As at the Latest Practicable Date, Mr Koh Wee Seng holds direct interest in 750,000 Shares held in his own name and 20,000,000 Shares held in the name of nominee accounts. In addition, Mr Koh Wee Seng is deemed to be interested in the Shares held by Aspial by virtue of Section 4 of the SFA. As at the Latest Practicable Date, Mr Koh Wee Seng has an interest, directly and indirectly, in approximately 78.16% of the shares in Aspial.
- (5) Ms Koh Lee Hwee is deemed to be interested in the Shares held by Aspial by virtue of Section 4 of

LETTER TO SHAREHOLDERS

the SFA. As at the Latest Practicable Date, Ms Koh Lee Hwee has an interest, directly and indirectly, in approximately 61.21% of the shares in Aspial. Mr Ng Sheng Tiong is the spouse of Ms Koh Lee Hwee.

- (6) Ms Ko Lee Meng is deemed to be interested in the Shares held by Aspial by virtue of Section 4 of the SFA. As at the Latest Practicable Date, Ms Ko Lee Meng has an interest, directly and indirectly, in approximately 60.42% of the shares in Aspial.

Save as disclosed above and other than through their respective shareholdings in the Company (if any), none of the Directors or Substantial Shareholders has any interest, direct or indirect, in the Proposed Extension of the Revolving Loan Facility.

6. OPINION OF THE INDEPENDENT FINANCIAL ADVISER

Xandar Capital Pte. Ltd. has been appointed as an independent financial adviser to provide an opinion as to whether the Proposed Extension of the Revolving Loan Facility, as an interested person transaction, is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders.

The IFA Letter is reproduced in full in **Appendix A** to this Circular. **Shareholders are advised to read the IFA Letter in its entirety carefully and consider it in the context of this Circular before deciding on whether to approve the Proposed Extension of the Revolving Loan Facility.**

The following is an extract from Section 5 of the IFA Letter and should be read by Shareholders in conjunction with, and in the full context of the IFA Letter. Unless otherwise defined or the context requires otherwise, all terms defined in the IFA Letter shall have the meanings therein.

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

- (a) *the basis of the interest payable under the Revolving Loan Facility is the same as the loan agreement entered into between ATPL (as lender) and Maxi-Cash Financial Services Corporation Ltd (as borrower) in 2019;*
- (b) *the basis for calculating interest payable under the Revolving Loan Facility is within the spread of margins over the cost of funds for loans and/or facilities disclosed by other Singapore companies;*
- (c) *the effective interest rate on the Revolving Loan Facility is comparable with the effective interest rates imposed by the third-party lenders after taking into account, the size of the Revolving Loan Facility, no security required for the Revolving Loan Facility and the margins over cost of funds imposed by the third party lenders;*
- (d) *the margin of 0.5% over the cost of funds of the Lenders under the Revolving Loan Facility is lower than the margins imposed on recent revolving loans undertaken by other companies listed on the SGX-ST;*
- (e) *the Group is reliant on the Revolving Loan Facility, in particular, the Group's high gearing ratio and declining interest coverage ratio may affect the Group's ability to secure future financing, and the Group's cash and cash equivalents of approximately S\$7.05 million as at 31 December 2020 was lower than the total interest paid by the Company on the Revolving Loan Facility for FY2020; and*
- (f) *other considerations as set out in paragraph 4.6 of this IFA Letter.*

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

7. NON-INTERESTED DIRECTORS' RECOMMENDATION

Shareholders should read and consider carefully the recommendation of the Non-Interested Directors and the opinion of the IFA in its entirety before giving their approval pertaining to the Proposed Extension of the Revolving Loan Facility. Shareholders are also urged to read carefully the principal terms of the Amended Revolving Loan Facility and the rationale for the Proposed Extension of the Revolving Loan Facility, as respectively set out in this Circular.

Mr Koh Wee Seng, Ms Koh Lee Hwee and Mr Ng Sheng Tiong, being interested persons under Chapter 9 of the Catalist Rules, will abstain from making any recommendation to Shareholders on the Proposed Extension of the Revolving Loan Facility in their capacity as a Director.

The Non-Interested Directors, having considered and reviewed, among other things, the terms of the Proposed Extension of the Revolving Loan Facility, the opinion of the IFA contained in the IFA Letter, the rationale for the Proposed Extension of the Revolving Loan Facility, and all other relevant information set out in this Circular, concur with the opinion of the IFA given in the IFA Letter.

Accordingly, they recommend that Shareholders vote in favour of the resolution in relation to the Proposed Extension of the Revolving Loan Facility at the EGM.

Please refer to Section 6 of this Circular and the IFA Letter reproduced in **Appendix A** to this Circular for the opinion of the IFA.

The Chairman of the EGM will accept appointment as proxy for any Shareholder to vote in respect of the ordinary resolution relating to the Proposed Extension of the Revolving Loan Facility to be proposed at the EGM where such Shareholder has given specific instructions in a validly completed and submitted Proxy Form as to voting, or abstentions from voting, in respect of such ordinary resolution.

8. ABSTENTION FROM VOTING

Pursuant to Rule 919 of the Catalist Rules, an interested person and any associate of the interested person shall abstain from voting on the resolutions approving interested person transactions involving themselves and their associates. Such interested persons and their associates shall not act as proxies nor accept appointments as proxies in relation to such resolutions unless specific instructions had been given by the Shareholders.

Accordingly, Aspial and its associates (including Mr Koh Wee Seng, Ms Koh Lee Hwee, Ms Ko Lee Meng, Mr Ng Sheng Tiong and MLHS) will abstain from voting on the ordinary resolution relating to the Proposed Extension of the Revolving Loan Facility at the EGM. Further, Mr Koh Wee Seng, Ms Koh Lee Hwee and Mr Ng Sheng Tiong shall decline to accept appointment as proxy to attend and vote at the EGM in respect of the resolution set out above unless the Shareholder concerned has given specific instructions in his proxy form as to the manner in which his votes are to be cast.

9. EXTRAORDINARY GENERAL MEETING

Date and time of EGM

The EGM is convened for the purpose of considering and, if thought fit, passing with or without modifications the ordinary resolution to approve the Proposed Extension of the Revolving Loan Facility as set out in the Notice of EGM.

The EGM, notice of which is set out on pages 34 to 36 of this Circular, will be held by way of electronic means.

LETTER TO SHAREHOLDERS

No attendance at EGM

Due to the current COVID-19 situation in Singapore (including under the COVID-19 Act), **Shareholders will not be able to attend the EGM in person**. Instead, alternative arrangements have been put in place to allow Shareholders to participate at the EGM by:

- (a) observing the EGM proceedings via "live" audio-visual webcast of the EGM ("**LIVE WEBCAST**") or listening to the EGM proceedings via "live" audio-only stream of the EGM ("**LIVE AUDIO STREAM**");
- (b) submitting questions in advance of the EGM; and/or
- (c) voting on their behalf, by appointing the Chairman of the Meeting as proxy at the EGM.

Please refer to Section 11 below and the Company's announcement dated 14 April 2021 entitled "Important Notice to Shareholders Regarding the Company's Annual General Meeting and Extraordinary General Meeting to be held on 29 April 2021" which has been uploaded together with this Circular on SGXNet for further details on the alternative arrangements.

In addition, Shareholders should note that the Company may make further changes to its EGM arrangements (including but not limited to any applicable alternative arrangements as may be prescribed or permitted (as the case may be) under the COVID-19 Act and any regulations promulgated thereunder (including the COVID-19 Order) as well as other guidelines issued by the relevant authorities) as the situation evolves. Shareholders are advised to keep abreast of any such changes as may be announced by the Company from time to time on SGXNet.

10. NO DESPATCH OF PRINTED COPIES OF CIRUCLAR, NOTICE OF EGM AND PROXY FORM

In line with the provisions under the COVID-19 Order, no printed copies of this Circular, the Notice of EGM and the Proxy Form in respect of the EGM will be despatched to Shareholders.

Copies of this Circular, the Notice of EGM and the Proxy Form have been uploaded on SGXNet and are now also available on the Company's corporate website at the URL <http://wqc.com.sg/investor-relations/>.

A Shareholder will need an Internet browser and PDF reader to view these documents on SGXNet and the Company's corporate website.

Shareholders are advised to read this Circular carefully in order to decide whether they should vote in favour of or against the ordinary resolution in relation to the Proposed Extension of the Revolving Loan Facility to be proposed at the EGM.

11. ACTION TO BE TAKEN BY SHAREHOLDERS

Alternative arrangements

Alternative arrangements have been put in place to allow Shareholders to participate at the EGM as follows:

(a) Pre-Registration to attend the EGM

The Company's Chairman, Mr Koh Wee Seng, will conduct the proceedings of the EGM by way of electronic means.

Shareholders will be able to observe these proceedings through the LIVE WEBCAST via their smart phones, tablets or laptops/computers or listen to these proceedings through the LIVE AUDIO STREAM via telephone.

LETTER TO SHAREHOLDERS

In order to do so, Shareholders must follow these steps:

- (i) Shareholders who wish to participate at the EGM by observing or listening to the proceedings of the EGM through the LIVE WEBCAST (via their smart phones, tablets or laptops/computers) or the LIVE AUDIO STREAM (via telephone) must register online at https://rebrand.ly/WCG_AGM21 (the "**Registration Link**") by **3:00 p.m. on 26 April 2021** (being not less than seventy-two (72) hours before the time appointed for holding the Annual General Meeting of the Company) (the "**Registration Deadline**") to enable the Company to verify the Shareholders' status.
- (ii) Following the verification, authenticated Shareholders will receive an email by **3:00 p.m. on 28 April 2021** containing a link and a unique password to access the LIVE WEBCAST as well as a dial-in telephone number with a unique pin to access the LIVE AUDIO STREAM of the proceedings of the EGM.
- (iii) Shareholders must not forward the abovementioned email to other persons who are not Shareholders and who are not entitled to attend the EGM. This is also to avoid any technical disruptions or overload to the LIVE WEBCAST or LIVE AUDIO STREAM.
- (iv) Shareholders who register by the Registration Deadline but do not receive an email response by **3:00 p.m. on 28 April 2021** may contact Easy Video via email at rais@easyvideo.sg for assistance.

(b) Submission of questions in advance

Shareholders will not be able to ask questions "live" during the broadcast of the EGM, and therefore it is important for Shareholders to submit their questions in advance of the EGM:

- (i) Shareholders may submit any questions related to the items on the agenda of the EGM electronically via email, to be received by the Company at WorldClassGlobalAGM@wcg.com.sg by **no later than 3:00 p.m. on 24 April 2021**. For authentication purpose, Shareholders who submit questions will need to provide their (A) full name as per CDP/SRS account records; (B) address with postal code; (C) National Registration Identity Card Number (last 4 alphanumeric characters); and (iv) the manner in which shares in the Company are held (e.g via CDP and/or SRS).
- (ii) The Company will endeavour to address all substantial and relevant questions received from Shareholders relating to the agenda of the EGM prior to the EGM via publication on (A) the SGXNet at the URL <https://www.sgx.com/securities/company-announcements/>; and (B) the Company's corporate website at the URL <http://wcg.com.sg/investor-relations/>. Where substantial and relevant questions are unable to be addressed prior to the EGM, the Company will address them at the EGM via LIVE WEBCAST and LIVE AUDIO STREAM. The Company will also address any subsequent clarifications sought, or follow-up questions, prior to, or at, the EGM in respect of substantial and relevant matters.
- (iii) The minutes of the EGM, which will include the responses to the substantial and relevant questions received from Shareholders if such questions are addressed by the Company during the EGM, will thereafter be published on (A) the SGXNet at the URL <https://www.sgx.com/securities/company-announcements/>; and (B) the Company's corporate website at the URL <http://wcg.com.sg/investor-relations/>, within one (1) month after the date of the EGM.

LETTER TO SHAREHOLDERS

(c) Voting by proxy only

Voting at the EGM is by proxy ONLY. Please note that Shareholders will not be able to vote through the LIVE WEBCAST or LIVE AUDIO STREAM and can only vote with their proxy forms which are required to be submitted in accordance with the following paragraphs:

- (i) Shareholders who wish to vote on any or all of the resolutions at the EGM must appoint the Chairman of the Meeting as their proxy to vote on their behalf by completing the proxy forms for the EGM. Shareholders must specifically indicate how they wish to vote for or vote against (or abstain from voting on) in respect of a resolution set out in each of the proxy form for the EGM, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.
- (ii) The completed proxy form for the EGM, together with the power of attorney or other authority under which it is signed (if applicable) or a notarial certified copy thereof, must be submitted to the Company in the following manner:-
 - (A) if submitted personally or by post, be lodged at the office of the Company's Share Registrar, B.A.C.S. Private Limited, at 8 Robinson Road, #03-00 ASO Building, Singapore 048544; or
 - (B) if submitted electronically by email, be received by the Company at WorldClassGlobalAGM@wcg.com.sg,in either case, **by 4:00 p.m. on 26 April 2021** (being not less than seventy-two (72) hours before the time appointed for holding the EGM) (or at any adjournment thereof) and in default the proxy form for the EGM shall not be treated as valid.
- (iii) A Shareholder who wishes to submit a proxy form must first download, complete and sign the proxy form, before submitting it personally or by post to the address provided above, or before scanning and sending it via email to the email address provided above.
- (iv) **In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for Shareholders to submit completed proxy forms personally or by post, Shareholders are strongly encouraged to submit completed proxy forms electronically via email.**
- (v) SRS investors who wishes to appoint the Chairman of the Meeting as their proxy should approach their respective SRS Operators to submit their votes at least seven (7) working days before the EGM (i.e. **by 4:00 p.m. on 20 April 2021**) in order to allow sufficient time for their respective SRS Operators to in turn submit a proxy form to appoint the Chairman of the Meeting to vote on their behalf by the respective cut-off date for the EGM.

Depositor not member

A Depositor will not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless he/she is shown to have Shares entered against his/her name in the Depository Register as certified by CDP to the Company at least seventy-two (72) hours before the time appointed for the holding of the EGM.

12. DIRECTORS' RESPONSIBILITY STATEMENT

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, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Extension of the Revolving Loan Facility 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.

13. CONSENT OF THE IFA

Xandar Capital Pte. Ltd., the IFA in respect of the Proposed Extension of the Revolving Loan Facility, has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name and the IFA Letter as set out in **Appendix A** to this Circular, and all references thereto, in the form and context in which they appear in this Circular and to act in such capacity in relation to this Circular.

14. DOCUMENTS AVAILABLE FOR INSPECTION

Subject to prevailing regulations, orders, advisories and guidelines relating to safe distancing which may be issued by the relevant authorities, copies of the following documents will be available at the registered office of the Company for inspection 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 FY2020;
- (c) the Revolving Loan Agreement;
- (d) the IFA Letter as set out in **Appendix A** to this Circular; and
- (e) the consent letter of the IFA referred to in Section 13 of this Circular.

The annual report of the Company for FY2020 may also be accessed at the Company's corporate website at <http://wcg.com.sg/investor-relations/>.

Yours faithfully,
For and on behalf of the Board of Directors of
WORLD CLASS GLOBAL LIMITED

Koh Wee Seng
Non-Executive Chairman



14 April 2021

WORLD CLASS GLOBAL LIMITED

8 Robinson Road
#03-00
ASO Building
Singapore 048544

Attention: The Non-Interested Directors (as defined herein)

Dear Sirs

LETTER FROM XANDAR CAPITAL PTE. LTD. TO THE NON-INTERESTED DIRECTORS OF WORLD CLASS GLOBAL LIMITED (THE "COMPANY") IN RESPECT OF THE PROPOSED EXTENSION OF THE REVOLVING LOAN FACILITY FROM ASPIAL CORPORATION LIMITED AND ASPIAL TREASURY PTE. LTD. AS AN INTERESTED PERSON TRANSACTION UNDER CHAPTER 9 OF THE LISTING MANUAL (SECTION B: RULES OF CATALIST) (THE "CATALIST RULES") OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (THE "SGX-ST")

Unless otherwise defined or the context otherwise requires, all capitalised terms used in this letter which are not defined shall have the same meaning ascribed to them in the circular to shareholders of the Company dated 14 April 2021 (the "Circular").

1. INTRODUCTION

The Company entered into a revolving loan agreement dated 1 March 2016 (as amended and supplemented by a supplemental agreement dated 30 June 2016, a second supplemental agreement dated 31 December 2016 and a third supplemental agreement dated 18 December 2020) (the "**Revolving Loan Agreement**") with Aspial Corporation Limited ("**Aspial**") and Aspial Treasury Pte. Ltd. ("**ATPL**") (Aspial and ATPL shall collectively be referred to herein as the "**Lenders**", and individual, "**Lender**"), pursuant to which the Lenders agreed to extend loans of up to an aggregate principal sum of S\$300.0 million (the "**Principal Sum**") to the Company (the "**Revolving Loan Facility**"). The Revolving Loan Facility is interest-bearing and unsecured, and is due on 31 May 2021 (the "**Maturity Date**").

Aspial is an entity listed on the Main Board of the SGX-ST and is a controlling shareholder of the Company, holding 81.11% of the issued and paid-up share capital of the Company as at the date of the Circular. In addition, Mr Koh Wee Seng (the Non-Executive Chairman of the Company) and Ms Koh Lee Hwee (the Non-Executive Director of the Company) are also directors and substantial shareholders of Aspial, each holding, directly and indirectly, more than 50.0% of the issued and paid-up share capital of Aspial as at the Latest Practicable Date.

ATPL is a wholly-owned subsidiary of Aspial.

Accordingly, Aspial and ATPL are 'interested persons' and the Revolving Loan Facility is an 'interested person transaction' under Chapter 9 of the Catalist Rules.

The Company and the Lenders propose to amend and supplement the Revolving Loan Agreement by way of a supplemental agreement (the "**Fourth Supplemental Revolving Loan**



Agreement) pursuant to which the Lenders will agree to extend the Maturity Date of the Revolving Loan Facility for an additional 24 months to 31 May 2023 (the **"New Maturity Date"**) (the **"Proposed Extension of the Revolving Loan Facility"**).

As the value of the Proposed Extension of the Revolving Loan Facility (being the interest charges to be incurred by the Company assuming the Company draws down on the entire Principal Sum of S\$300.0 million for the period from 1 June 2021 (being the date immediately after the Maturity Date) to the New Maturity Date) exceeds 5.0% of the Group's latest audited net tangible assets (**"NTA"**) as at 31 December 2020, the Proposed Extension of the Revolving Loan Facility is subject to the approval of the Company's shareholders (the **"Shareholders"**) pursuant to Catalyst Rule 906(1)(a).

Pursuant to Catalyst Rule 921(4)(a), the Company has to obtain an opinion from an independent financial adviser (**"IFA"**) stating whether the Proposed Extension of the Revolving Loan Facility (and all other transactions which are the subject of aggregation pursuant to Catalyst Rule 906) is on normal commercial terms and is not prejudicial to the interest of the Company and its minority shareholders.

Xandar Capital Pte. Ltd. (**"Xandar Capital"**) has been appointed by the Company to act as the IFA to advise the directors of the Company (**"Directors"**) who are independent for the purposes of the Proposed Extension of the Revolving Loan Facility, namely Mr Ong Tuen Suan, Mr Yeoh Seng Huat Geoffrey and Mr Tan Seng Chuan (the **"Non-Interested Directors"**) as to whether the Proposed Extension of the Revolving Loan Facility is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders.

This letter sets out our evaluation of, and opinion on, the Proposed Extension of the Revolving Loan Facility (this **"IFA Letter"**). This IFA Letter forms part of the Circular.

2. TERMS OF REFERENCE

Xandar Capital has been appointed to advise the Non-Interested Directors as to whether the Proposed Extension of the Revolving Loan Facility is on normal commercial terms and is not 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 Revolving Loan Agreement and the Fourth Supplemental Revolving Loan Agreement, nor were we involved in the deliberations leading up to the decisions on the part of the Directors to agree on the terms of the Revolving Loan Agreement and the Fourth Supplemental Revolving Loan Agreement. Our evaluation is limited to the terms of the Revolving Loan Agreement and the Fourth Supplemental Revolving Loan Agreement and has not taken into account the legal risks, commercial risks or merits, financial risks or merits of the Revolving Loan Facility.

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 Revolving Loan Facility, or the future performance or prospects of the Group. We are, therefore, not expressing any opinion herein as to the future financial or other performance of the Company or the Group, whether with or without the Revolving Loan Facility.

As with other business transactions of the Company, the merit and/or associated risk, whether commercial, financial or otherwise, of the Revolving Loan Facility, are solely the responsibility of the Directors. Likewise, we are not expressing herein as to the prices at which the Shares may trade whether with or without the independent Shareholders' approval for the Proposed



Extension of the Revolving Loan Facility. We are also not addressing the relative merits of the Revolving Loan Facility, 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 relation to the Proposed Extension of the Revolving Loan Facility, 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 in assessing such information and are not aware of any reason to doubt the accuracy or reliability of the information.

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 to the best of their knowledge and belief, the Circular constitutes full and true disclosure of all material facts about the Proposed Extension of the Revolving Loan Facility, the Company and its subsidiaries, 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 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 and the Proposed Extension of the Revolving Loan Facility, are to the best of their knowledge and belief, fair and accurate in all material aspects.

Our assessment does not require us to make any independent evaluation or appraisal of the assets or liabilities (including without limitation, real properties) of the Company and/or Group and we have not been furnished with any evaluation or appraisal of any assets of the Company and/or the Group.

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 of 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 therein. Shareholders should take note of any announcements relevant to their consideration of the Proposed Extension of the Revolving Loan Facility, 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 Non-Interested Directors in their deliberation of the Proposed Extension of the Revolving Loan Facility, and the recommendations made



by the Non-Interested Directors shall remain the responsibility of the Non-Interested Directors.

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 Extension of the Revolving Loan Facility, should be considered in the context of the entirety of this IFA Letter and the Circular.

We recommend that the Directors advise Shareholders to read these pages carefully.

3. THE Proposed Extension of the Revolving Loan Facility

The background of the Revolving Loan Facility and the principal terms of the Revolving Loan Agreement and the Fourth Supplemental Revolving Loan Agreement can be found in Section 2 of the Circular. Shareholders are advised to read the information carefully.

We summarise the key terms of the Revolving Loan Facility relevant to our analysis as follows:

3.1 THE REVOLVING LOAN AGREEMENT

We summarised the key terms of the Revolving Loan Agreement as follows:

From the principal revolving loan agreement dated 1 March 2016

- | | | |
|------------------|---|--|
| Principal sum | : | Up to S\$225.0 million. |
| Date of advances | : | The Company may request for advances to be made by the Lenders by serving an irrevocable notice of drawing on the Lenders with not less than five (5) business days' notice, stating: <ul style="list-style-type: none">(i) the period of drawing, being one (1), three (3), six (6) or 12 months or such other period as may be agreed by the Company and the Lenders (the "Maturity Period");(ii) the amount to be advanced to the Company;(iii) the drawing date (which must be a business day); and(iv) the disbursements instructions. |
| Repayment | : | Each advance and interest thereon shall be repayable to the Lenders within three (3) months (or such other date as may be agreed between the Company and the respective Lender) from the date of a written demand served on the Company by the respective Lenders. |



Interest : The interest on each advance will be calculated at the relevant Lender's cost of borrowing (including any legal and marketing fees, fees paid to banks and any other costs incurred directly in connection with the borrowing, in order to provide an advance drawn by the Company), with written evidence provided to the Company on the calculation of such cost plus 0.5%.

Interest is due and accrues daily on each advance until such time of repayment of each advance and shall be paid together with the repayment of each advance.

Maturity date : 28 February 2021, being five (5) years after the date of the principal revolving loan agreement.

Security : No security stated in the agreement.

Use of advance : Each advance is to be used exclusively for working capital.

Amendments pursuant to the supplemental agreement dated 30 June 2016

Principal sum : Up to S\$350.0 million.

Repayment : The Lenders shall have no right to demand repayment of any advance or payment of the interest thereon at any time prior to the last business day of the Maturity Period or such earlier business day as the Company and the relevant Lender may determine (the "**Drawdown Maturity Date**").

Interest : Interest is due and accrues daily on each advance until such time of repayment of each advance and shall be paid to the relevant Lenders monthly during the Maturity Period, and the interests accrued on the last month or part thereof prior to the Drawdown Maturity Date shall be paid together with the repayment of each advance on the Drawdown Maturity Date.

Amendments pursuant to the second supplemental agreement dated 31 December 2016

Principal sum : Up to S\$400.0 million.

Amendments pursuant to the third supplemental agreement dated 18 December 2020

Principal sum : Up to S\$300.0 million.

Maturity date : 31 May 2021.



3.2 THE FOURTH SUPPLEMENTAL REVOLVING LOAN AGREEMENT BEING THE SUBJECT OF THE CIRCULAR AND THIS IFA LETTER

We note that there is only one amendment to the Revolving Loan Agreement pursuant to the Fourth Supplemental Revolving Loan Agreement which is the extension of the Maturity Date to 31 May 2023.

3.3 ABOUT THE LENDERS

3.3.1 About Aspial

The following are extracted from the annual reports and announcements made by Aspial and its listed subsidiaries and associated companies on the SGXNet on or before 7 April 2021, being the latest practicable date (the “**Latest Practicable Date**”) prior to the issue of the Circular.

Aspial is a limited liability company incorporated and domiciled in Singapore and is listed on the SGX-ST. For the financial year ended 31 December (“**FY**”) 2020, Aspial and its subsidiaries (the “**Aspial Group**”) reported revenue of approximately S\$531.61 million and profit attributable to owners of the company of approximately S\$17.74 million. The segmental revenue breakdown of the Aspial Group for FY2020 are as follows:

	Revenue S\$'000	% of Aspial FY2020 revenue
Real estate	170,255	32.03
Financial service	261,556	49.20
Jewellery	99,435	18.70
Other	360	0.07
Total	531,606	100.00

A summary of the statement of financial position of the Aspial Group as at 31 December 2020 is set out below:

	S\$'000
Current assets	1,006,684
Current liabilities	(648,071)
Net current assets	358,613
Non-current assets	578,653
Non-current liabilities	(490,325)
Net assets	446,941
Non-controlling interests	(107,211)
Equity attributable to shareholders of Aspial	339,730

The principal offered by Aspial to the Company under the Revolving Loan Facility represents approximately 88.31% of the shareholders’ equity of Aspial as at 31 December 2020.



As at 31 December 2020, Aspial has interests in the following companies listed on the SGX-ST:

Name of company	Principal activities of the company and its subsidiaries	Shareholding interests held by Aspial
The Company	Investment holding and provision of management services	81.11%
Maxi-Cash Financial Services Corporation Limited (“Maxi-Cash”)	Positioned as an innovative lender offering alternative financing solutions to the underbanked consumers, Maxi-Cash is a leader of the industry dominating with the largest network of pawnbroking outlets in Singapore and progressively expanding regionally.	64.72%
AF Global Limited	Hospitality operator with hotels and serviced residence businesses in operations in Singapore, China, Thailand, Vietnam and Laos.	41.75%

3.3.2 About ATPL

ATPL was incorporated with limited liability under the laws of the Republic of Singapore on 3 July 2015. Its principal activities are the provision of financial and treasury services to the Aspial Group and the joint venture entities and associated entities of the Aspial Group.

As at 31 December 2020, the issued and paid-up ordinary share capital of ATPL is S\$2,000,000, comprising 2,000,000 ordinary shares.

We note that since its incorporation, ATPL has undertaken the following debt issuances (all of which are guaranteed by Aspial):

Date of issue	Description of debt issuance
28 August 2015	5-year 5.25 per cent. bonds due 2020 raising gross proceeds of S\$150 million
1 April 2016	4-year 5.30 per cent. bonds due 2020 raising gross proceeds of S\$200 million
19 April 2018	5.90 per cent. notes due 2021 raising gross proceeds of S\$50 million
11 October 2018	6.25 per cent. notes due 2021 raising gross proceeds of S\$50 million
14 August 2020	6.25 per cent. notes due 2021 raising gross proceeds of S\$65 million
22 January 2021	6.15 per cent. notes due 2024 raising gross proceeds of S\$75 million



3.4 AGGREGATE VALUE OF INTERESTED PERSON TRANSACTIONS

Pursuant to Catalyst Rule 921(4)(a), the IFA needs to opine on whether the Proposed Extension of the Revolving Loan Facility as well as all other transactions which are the subject of aggregation pursuant to Catalyst Rule 906 are on normal commercial terms, and are not prejudicial to the interest of the Company and its minority shareholders.

As disclosed in Section 4.3 of the Circular, there is no transaction which is a subject of aggregation with the Proposed Extension of the Revolving Loan Facility.

4. EVALUATION OF THE PROPOSED EXTENSION OF THE REVOLVING LOAN FACILITY

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

- (a) the basis of the interest payable under the Revolving Loan Facility is the same as the loan agreement entered into between ATPL (as lender) and Maxi-Cash (as borrower) in 2019;
- (b) spread of margin over cost of funds for loans and/or facilities disclosed by other Singapore companies;
- (c) the key terms of the top five (5) existing third-party borrowings of the Group;
- (d) terms of recent revolving loans announced by other companies listed on the SGX-ST;
- (e) the rationale for and benefits of the Proposed Extension of the Revolving Loan Facility; and
- (f) other considerations.

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

4.1 THE BASIS OF THE INTEREST PAYABLE UNDER THE REVOLVING LOAN FACILITY IS THE SAME AS THE LOAN AGREEMENT ENTERED INTO BETWEEN ATPL (AS LENDER) AND MAXI-CASH (AS BORROWER) IN 2019

We note from a circular issued by Maxi-Cash dated 23 July 2019 that Maxi-Cash sought its shareholders' approval for the proposed entry of a revolving loan agreement with ATPL pursuant to which Aspial and/or ATPL shall extend term loans to Maxi-Cash, its subsidiaries and associated companies (the "Maxi-Cash Group") in the form of a revolving credit line, for up to an aggregate principal sum of S\$50,000,000 ("Maxi-Cash Revolving Loan Facility").

Maxi-Cash had sought shareholders' approval for the Maxi-Cash Revolving Loan Facility as Aspial is the controlling shareholder of Maxi-Cash holding approximately 64.72 per cent. of the total issued share capital of Maxi-Cash.

The basis of the interest rate under the Maxi-Cash Revolving Loan Facility is the same as the basis for the interest payable by the Group to the Lenders under the Revolving Loan Facility, being the relevant lender's prevailing 'cost of funds' (with written evidence provided to the relevant borrower on the calculation of such 'cost of funds') at the time of each drawdown plus

0.5 per cent, and 'cost of funds' is defined as the cost of borrowing incurred by the relevant lender, such cost including any legal and marketing fees, fees paid to banks and any other costs incurred directly in connection with the borrowing, in order to provide a loan.

The shareholders of Maxi-Cash approved the resolution for the Maxi-Cash Revolving Loan Facility at the extraordinary general meeting held on 7 August 2019.

I.2 SPREAD OF MARGIN OVER COST OF FUNDS FOR LOANS AND/OR FACILITIES DISCLOSED BY OTHER SINGAPORE COMPANIES

We note that it is not uncommon for interest payable on loans and/or facilities to be determined based on the cost of funds of the lenders. For a more meaningful comparison, we have shortlisted loans and/or facilities announced between 1 March 2016 (being the date of the principal revolving loan agreement) and the Latest Practicable Date, and which are above S\$10 million as follows:

Name of company / Source of disclosed information	Description of loan / facility	Basis of interest payable	Remarks
3Cnergy Limited / Circular dated 28 June 2016	RM55 million revolving credit facilities which are payable on demand	1.1%-1.2% over the bank's cost of funds	Subject to bank covenants
Ascendas Real Estate Investment Trust / Annual report for the financial year ended 31 December 2019	S\$215,082,000 short-term bank borrowings as at 31 December 2019	Cost of funds plus margins. Margins not disclosed	The short-term bank borrowings (including overdrafts) are unsecured
Fullerton Healthcare Corporation Limited / Offering circular dated 29 June 2016	Revolving loan agreement for S\$20 million dated 1 September 2015	Cost of funds plus 1.5%	No security
	Revolving loan agreement for S\$10 million dated 13 October 2014	Cost of funds plus 1.5%	No security
	Revolving loan agreement for S\$10 million dated 23 July 2014	Cost of funds plus 2.0%	Secured by guarantees from other entities within the group
Mercatus Co-operative Limited / Annual report for financial year ended 31 December 2019	Unsecured bank loans totalling S\$99,969,000 as at 31 December 2019	Cost of funds plus margins. Margins not disclosed	No security
UOL Treasury Services Pte. Ltd. / Information memorandum dated 22 November 2018	Loan to related companies and holding company totalling S\$918,878,231 as at 31 December 2016	Cost of funds plus 0.3%	No security



Name of company / Source of disclosed information	Description of loan / facility	Basis of interest payable	Remarks
High		Cost of funds plus 2.0%	
Low		Cost of funds plus 0.3%	
The Revolving Loan Facility	Up to S\$300 million	Cost of funds plus 0.5%	No security

As set out above, the basis for calculating interest payable under the Revolving Loan Facility is within the spread of margins over the cost of funds for loans and/or facilities disclosed by other Singapore companies.

Shareholders should note financing terms offered by the various lenders to the companies set out in the table above may be affected by the business profiles, financial performance and position, operating and financing track records of the companies. Accordingly, the comparative table above are for illustrative purposes only.

4.3 THE KEY TERMS OF THE TOP FIVE (5) EXISTING THIRD-PARTY BORROWINGS OF THE GROUP

The effective interest rate of the Company on the Revolving Loan Facility was approximately 6.37% to 7.24% per annum for FY2020.

To evaluate if the terms of the Revolving Loan Facility (as amended by the Fourth Supplemental Revolving Loan Agreement) are on normal commercial terms, we have compared the effective interest rate of the Company on the Revolving Loan Facility against the effective interest rates of the Group's top five (5) third-party borrowings as follows:

Description of borrowings	Amount drawn down as at 31 December 2020 (in millions)	Effective interest rate for FY2020 (per annum)	Basis of interest payable	Security
Cash advance facility	AUD126.2	7.15%	Base rate plus margin of 7.0%	Secured against the Group's development property, <i>Australia 108</i> , in Melbourne Australia
Term loan	AUD13.7	2.31%	Base rate plus margin of 2.25%	Secured against the Group's development property in Albert Street, Brisbane, Australia



Description of borrowings	Amount drawn down as at 31 December 2020 (in millions)	Effective interest rate for FY2020 (per annum)	Basis of interest payable	Security
Money market loan	S\$10.0	2.01%	Cost of funds plus 1.75%	Secured against the Group's development property in Margaret Street, Brisbane, Australia
Multi-option loan	MYR20.6	3.70%	Cost of funds plus 1.75%	Secured against the Group's property in Penang, Malaysia
Term loan	MYR20.6	3.85%	Cost of funds plus 1.50%	Secured against the Group's development property in Penang, Malaysia
High			Base rate / cost of funds plus 7.0%	
Low			Cost of funds plus 1.50%	
The Revolving Loan Facility	217.1	6.37% to 7.24%	Cost of funds plus 0.5%	No security

As set out above, the effective interest rate of 6.37% to 7.24% on the Revolving Loan Facility is above the effective interest rates of the Group's top five (5) third-party borrowings for FY2020. However, we wish to highlight that:

- (i) the amount drawn down under the Revolving Loan Facility as at 31 December 2020 is much higher than each of the Group's top five third-party borrowings;
- (ii) the effective interest rate of the Revolving Loan Facility is not materially different from the effective interest rate of the AUD126.2 million cash advance facility drawn down by the Group as at 31 December 2020;
- (iii) as there is no security against the Revolving Loan Facility, it is generally acceptable that secured lending usually carries lower interest rate than unsecured lending as the lender's risk will be significantly reduced as it has priority in legal claims over the asset held as security;
- (iv) the margin of 0.5% over the cost of funds of the Lenders under the Revolving Loan Facility is the lowest among the margins over cost of funds imposed by the third-party lenders; and



- (v) the Group has more flexibility in utilising the Revolving Loan Facility especially during the ongoing COVID-19 pandemic.

4.4 TERMS OF RECENT REVOLVING LOANS ANNOUNCED BY OTHER COMPANIES LISTED ON THE SGX-ST

For a more meaningful comparison, we have shortlisted recent revolving loans announced by other companies listed on the SGX-ST which are above S\$10 million as follows:

Name of company / Source	Principal	Tenure	Interest rate	Security
Pan Hong Holdings Group Limited / Circular dated 20 January 2020	Revolving loan facility of up to RMB150 million to interested person	2 years from date of shareholders' approval	People's Bank of China's short-term lending benchmark rate plus 5%, accruing on a daily basis	Secured by personal guarantee from the company's executive chairman
Asian Pay Television Trust / Announcement dated 19 March 2021	Offshore facilities comprising S\$125 million multicurrency term loan facility and S\$125 million multicurrency revolving loan facility from a syndicate of lenders	Due on 14 July 2023	Floating interest rate of Singapore Interbank Offered Rate plus an interest margin of 4.1% to 5.5% per annum based on the leverage ratio of the Group	No mention of security
World Class Global Limited / The Revolving Loan Facility	Up to S\$300 million from the Lenders	Due on 31 May 2023	Cost of funds plus 0.5%	No security

As set out in the table above, the margin of 0.5% over the cost of funds of the Lenders under the Revolving Loan Facility is lower than the margins imposed on recent revolving loans undertaken by other companies listed on the SGX-ST.

4.5 THE RATIONALE FOR AND BENEFITS OF THE PROPOSED EXTENSION OF THE REVOLVING LOAN FACILITY

As set out in Section 3 of the Circular, the Revolving Loan Facility was extended to the Company to funds its working capital requirements. The rationale for the Proposed Extension of the Revolving Loan Facility is to provide flexibility of working capital requirement for the Group.



We calculate the total borrowings of the Group as at 31 December 2020 to be as follows:

S\$'000	Audited as at 31 December 2020
Current liabilities - Interest-bearing loans and borrowings	33,137
Current liabilities - Due to immediate holding company (loan)	23,000
Current liabilities – Due to a fellow subsidiary (loan)	194,204
Non-current liabilities - Interest-bearing loans and borrowings	187,231
Total borrowings	<u>437,572</u>

As at 31 December 2020, the total principal drawn down by the Company under the Revolving Loan Facility amounted to approximately S\$217.14 million, represented approximately 49.63% of the Group's total borrowings. This implies that the Group is reliant on the Revolving Loan Facility from the Lenders.

Gearing ratio

Based on the Company's shareholders' equity of approximately S\$124,676,000 as at 31 December 2020, the Company's gearing ratio was 3.56 times as at 31 December 2020.

Interest coverage ratio

Given the high gearing ratio, we also calculate the Group's interest coverage ratio as follows:

S\$'000	Audited FY2018	Audited FY2019	Audited FY2020
Earnings before interest, tax, depreciation and amortisation ("EBITDA")			
Profit before tax	35,829	22,888	9,994
Add: Interest expenses	2,181	3,421	12,132
Add: Depreciation	123	188	241
Less: Interest income	<u>(4,839)</u>	<u>(2,403)</u>	<u>(768)</u>
EBITDA	<u>33,294</u>	<u>24,094</u>	<u>21,599</u>
Interest expenses	2,181	3,421	12,132
Interest coverage ratio (times)	15.3	7.0	1.8

As set out in the above table, the Group's interest coverage ratio has declined from 15.3 times in FY2018 to 1.8 times in FY2020 which may affect the Group's ability to secure future financing.



Summary of cash flows statements

We set out a summary of the Group's consolidated statement of cash flows for FY2018, FY2019 and FY2020 as follows:

S\$'000	Audited FY2018	Audited FY2019	Audited FY2020
Net cash flows generated from/(used in) operating activities	106,323	(833)	69,678
Net cash flows used in investing activity	(380)	(218)	(7,712)
Net cash flows (used in)/generated from financing activities	(100,818)	70,008	(143,004)
Net increase/(decrease) in cash and cash equivalents	5,125	68,957	(81,038)
Effect of exchange rate changes on cash and cash equivalents	(661)	(135)	2,291
Cash and cash equivalents at beginning of year	12,506	16,970	85,792
Cash and cash equivalents at end of year	16,970	85,792	7,045 ⁽¹⁾

Note:

- (1) Does not include S\$6.0 million held in escrow by a third party which will only be released upon repayment of the loan, interest and related development expenditures.

As set out above, while the Group generated high net cash flows from operating activities in FY2018 and FY2020, the Group had utilised significant cash flows in financing activities, particularly to repay its borrowings.

As at 31 December 2020, the Group only had cash and cash equivalents of approximately S\$7.05 million. This is lower than the total interest paid by the Company on the Revolving Loan Facility of approximately S\$11.9 million for FY2020.

4.6 OTHER CONSIDERATIONS

We have also considered the following:

(a) Comparison of financial position of the Aspial Group and the Group

We summarise the financial position of the Aspial Group and the Group as at 31 December 2020 as follows:

S\$'000	The Aspial Group	The Group
Current assets	1,006,684	487,468
Current liabilities	(648,071)	(291,018)
Net current assets	358,613	196,450
Non-current assets	578,653	162,265



S\$'000	The Aspiat Group	The Group
Non-current liabilities	(490,325)	(225,637)
Net asset value (“NAV”)	446,941	133,078

The principal of the Revolving Loan Facility of up to S\$300 million represents approximately 0.67 times of the Aspiat Group’s NAV and approximately 2.25 times of the Group’s NAV as at 31 December 2020.

Given the better financial position of the Aspiat Group, the Aspiat Group would be able to obtain financing at a lower borrowing cost as compared to the Group.

(b) The effective interest rate of the Company on the Revolving Loan Facility as compared to the cost of funds incurred by the Lenders

We note that the effective interest rate of the Company on the Revolving Loan Facility for FY2020 was 6.37% to 7.24%.

As set out in paragraph 3.3.2 of this IFA Letter, the interest rate on the debt issued by ATPL in 2020 was 6.25%.

The effective interest rate of the Company on the Revolving Loan Facility for FY2020 is not materially different from the interest rate of 6.25% on the debt issued by ATPL in 2020 as ATPL would have incurred other cost of borrowings including fee payable to DBS Bank Ltd. as the arranger of the debt issuances.

(c) No alternative source of funding

We understand that the Group had explored various sources of funding but has not been able to secure alternative source of funding of similar quantum.

We also wish to highlight that no security is provided by the Group for the Revolving Loan Facility.

(d) No preferential ranking of the Revolving Loan Facility

We note that the Revolving Loan Facility has no preferential ranking as compared to other borrowings of the Group.

5. 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 Extension of the Revolving Loan Facility. 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 basis of the interest payable under the Revolving Loan Facility is the same as the loan agreement entered into between ATPL (as lender) and Maxi-Cash Financial Services Corporation Ltd (as borrower) in 2019;
- (b) the basis for calculating interest payable under the Revolving Loan Facility is within the spread of margins over the cost of funds for loans and/or facilities disclosed by other Singapore companies;
- (c) the effective interest rate on the Revolving Loan Facility is comparable with the effective interest rates imposed by the third-party lenders after taking into account, the size of the Revolving Loan Facility, no security required for the Revolving Loan Facility and the margins over cost of funds imposed by the third party lenders;
- (d) the margin of 0.5% over the cost of funds of the Lenders under the Revolving Loan Facility is lower than the margins imposed on recent revolving loans undertaken by other companies listed on the SGX-ST;
- (e) the Group is reliant on the Revolving Loan Facility, in particular, the Group's high gearing ratio and declining interest coverage ratio may affect the Group's ability to secure future financing, and the Group's cash and cash equivalents of approximately S\$7.05 million as at 31 December 2020 was lower than the total interest paid by the Company on the Revolving Loan Facility for FY2020; and
- (f) other considerations as set out in paragraph 4.6 of this IFA Letter.

Accordingly, after taking into account the above factors and the information made available to us as at the Latest Practicable Date, we are of the opinion that, the Proposed Extension of the Revolving Loan Facility 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 Non-Interested Directors for their benefit, in connection with and for the purpose of their consideration of the Proposed Extension of the Revolving Loan Facility, and the recommendation made by them to the Shareholders shall remain the responsibility of the Non-Interested Directors. 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 Extension of the Revolving Loan Facility, 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

NOTICE OF EXTRAORDINARY GENERAL MEETING

WORLD CLASS GLOBAL LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 201329185H)
(the "**Company**")

All capitalised terms used in this Notice which are not defined herein shall, unless the context otherwise requires, have the same meaning ascribed to them in the circular to Members dated 14 April 2021.

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the Company will be convened and held by way of electronic means (see Notes 1 to 8) on 29 April 2021 at 4:00 p.m. (or as soon as practicable thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 3:00 p.m. on the same day by way of electronic means), for the purpose of considering and, if thought fit, passing with or without modifications, the following ordinary resolution:

ORDINARY RESOLUTION

THE PROPOSED EXTENSION OF THE REVOLVING LOAN FACILITY AS AN INTERESTED PERSON TRANSACTION

That for purposes of Chapter 9 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the "**Catalist Rules**"):

- (a) approval be and is hereby given for the proposed extension of the Maturity Date of the Revolving Loan Facility with Aspial Corporation Limited and Aspial Treasury Pte. Ltd. from 31 May 2021 to 31 May 2023; and
- (b) the Directors of the Company and each of them be and are hereby authorised to complete and to do all acts and things (including, without limitation, executing all such documents as may be required) as they or he may consider necessary, desirable or expedient for the purposes of or in connection with and to give effect to this resolution (including any amendment to the Revolving Loan Agreement, execution of any other agreements or documents and procurement of third party consents).

Note:

Pursuant to Rule 919 of the Catalist Rules, Aspial Corporation Limited and/or its associates (including Mr Koh Wee Seng, Ms Koh Lee Hwee, Ms Ko Lee Meng, Mr Ng Sheng Tiong and MLHS Holdings Pte Ltd) will abstain from exercising any voting rights in relation to ordinary resolution as set out above.

BY ORDER OF THE BOARD
WORLD CLASS GLOBAL LIMITED

Lim Swee Ann/Yip Chee Kwang

Company Secretaries
Singapore

14 April 2021

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

- (1) The EGM of the Company to be held on Thursday, 29 April 2021 at 4:00 p.m. (the "**Meeting**") is being convened, and will be held, by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of this notice of EGM (the "**Notice of EGM**") and the accompanying proxy form for the EGM, as well as the Company's circular to shareholders dated 14 April 2021 ("**Circular**") will not be sent to members of the Company. Instead, this Notice of EGM and the accompanying proxy form for the EGM, as well as the Circular will be sent to members of the Company by electronic means via publication on the Company's website at the URL <http://wcg.com.sg/investor-relations/> and made available on the SGXNet at the URL <https://www.sgx.com/securities/company-announcements>.
- (2) Alternative arrangements relating to, among others, attendance, submission of questions in advance and/or voting by proxy at the Meeting are set out in the Company's announcement dated 14 April 2021 (the "**Announcement**"), which has been uploaded together with this Notice of EGM on SGXNet at the URL <https://www.sgx.com/securities/company-announcements> on the same day. The Announcement may also be accessed at the Company's website at the URL <http://wcg.com.sg/investor-relations/>. For the avoidance of doubt, the Announcement is circulated together with and forms part of this Notice of EGM in respect of the Meeting.
- (3) In particular, the Meeting will be held by way of electronic means and a member of the Company will be able to observe the proceedings of the Meeting through a "live" audio-virtual webcast ("**LIVE WEBCAST**") via his/her/its mobile phones, tablets or computers or listen to these proceedings through a "live" audio-only stream ("**LIVE AUDIO STREAM**") via telephone. In order to do so, a member of the Company who wishes to observe the LIVE WEBCAST or listen via the LIVE AUDIO STREAM must register by **3:00 p.m. on 26 April 2021**, at the URL https://rebrand.ly/WCG_AGM21. Following authentication of his/her/its status as members of the Company, authenticated members of the Company will receive email instructions on how to access the LIVE WEBCAST and LIVE AUDIO STREAM to observe/listen to the proceedings of the Meeting by **3:00 p.m. on 28 April 2021**.
- (4) A member of the Company who registers to observe the LIVE WEBCAST or listen via the LIVE AUDIO STREAM may also submit questions relating to the business of the Meeting by **3:00 p.m. on 24 April 2021** via email to: WorldClassGlobalAGM@wcg.com.sg.

The Company will endeavor to address all substantial and relevant questions received from the members of the Company and publish its response on the SGXNet at the URL <https://www.sgx.com/securities/company-announcements> and at the Company's website at the URL <http://wcg.com.sg/investor-relations/> prior to the Meeting. Where substantial and relevant questions are unable to be answered prior to the Meeting, the Company will address them at the Meeting.

- (5) Due to the current COVID-19 situation in Singapore, a member of the Company will not be able to attend the EGM of the Company in person. If a member of the Company (whether individual or corporate) wishes to exercise his/her/its voting rights at the EGM of the Company, he/she/it must appoint the Chairman of the Meeting as proxy to vote on his/her/its behalf at the EGM of the Company. In appointing the Chairman of the Meeting as proxy, a member of the Company (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.
- (6) The Chairman of the Meeting, as proxy, need not be a member of the Company.
- (7) The instrument appointing the Chairman of the Meeting as proxy, together with the power of attorney or other authority under which it is signed (if applicable) or a notarial certified copy thereof, must be submitted to the Company in the following manner:
 - (a) if submitted personally or by post, be lodged at the office of the Company's Share Registrar, B.A.C.S. Private Limited, at 8 Robinson Road #03-00 ASO Building Singapore 048544; or
 - (b) if submitted electronically by email, be received by the Company at WorldClassGlobalAGM@wcg.com.sg,

in either case, by **4:00 p.m. on 26 April 2021** (being not less than seventy-two (72) hours before the time appointed for the holding of the Meeting) (or at any adjournment thereof) and in default the instrument of proxy shall not be treated as valid.

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

In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members of the Company to submit completed proxy forms personally or by post, members of the Company are strongly encouraged to submit completed proxy forms electronically via email.

- (8) The instrument appointing the Chairman of the Meeting as proxy must be under the hand of the appointor or his/her attorney duly authorised in writing. Where the instrument appointing the Chairman of the Meeting as proxy is executed by a corporation, it must be executed either under its common seal or under the hand of an officer or attorney duly authorised.

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (9) Members of the Company who hold shares through relevant intermediaries (as defined in Section 181 of the Companies Act, Chapter 50 of Singapore), and who wish to participate in the Meeting by (i) observing the LIVE WEBCAST or listening via the LIVE AUDIO STREAM; (ii) submitting questions in advance of the Meeting; and/or (iii) appointing the Chairman of the Meeting as proxy to vote on their behalf at the Meeting, should contact the relevant intermediary through which they hold such shares as soon as possible in order for the necessary arrangements to be made for their participation in the Meeting.
- (10) SRS investors who hold shares under SRS, and who wish to appoint the Chairman of the Meeting as proxy should approach their SRS Operators to submit their votes, at least seven (7) working days before the time appointed for the holding of the Meeting (i.e. by **4:00 p.m. on 20 April 2021**). SRS investors are requested to contact their SRS Operators for any queries they may have with regard to the appointment of the Chairman of the Meeting as proxy to vote on their behalf at the Meeting.

Personal data privacy:

By submitting (a) a proxy form appointing the Chairman of the Meeting as proxy to vote at the EGM and/or any adjournment thereof, or (b) member's particulars for pre-registration to participate in the EGM via LIVE WEBCAST or LIVE AUDIO STREAM, or (c) any question prior to the EGM in accordance with this Notice of EGM or the Announcement, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents, advisers or service providers, as the case may be) for the following purposes:

- (i) processing and administration by the Company (or its agents, advisers or service providers) of proxy forms appointing the Chairman of the Meeting as proxy for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the EGM (including any adjournment thereof);
- (ii) processing of pre-registration for participation at the EGM for purpose of granting access to members of the Company to the LIVE WEBCAST or LIVE AUDIO STREAM and providing them with any technical assistance where necessary;
- (iii) addressing relevant and substantial questions related to the resolutions to be tabled for approval at the EGM from members of the Company received before the EGM and if necessary, following up with the relevant members in relation to such questions; and
- (iv) enabling the Company (or its agents, advisers or service providers, as the case may be) to comply with any applicable laws, listing rules, regulations and/or guidelines by the relevant authorities.

Sound and/or video recordings of the EGM may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the EGM. Accordingly, the personal data of a member of the Company (such as name, presence at the EGM and any questions raised or motions proposed/seconded) may be recorded by the Company for such purposes.

This Notice of EGM has been prepared by the Company and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "Sponsor"), in accordance with Rule 226(2)(b) of the Catalist Rules.

This Notice of EGM has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Notice of EGM, including the correctness of any of the statements or opinions made, or reports contained in this Notice of EGM.

The contact person for the Sponsor is Ms Alice Ng, Director of Continuing Sponsorship, ZICO Capital Pte. Ltd. at 8 Robinson Road, #09-00 ASO Building, Singapore 048544, telephone (65) 6636 4201.

PROXY FORM

WORLD CLASS GLOBAL CORPORATION LIMITED

(Company Registration No: 201329185H)
(Incorporated in the Republic of Singapore)

PROXY FORM EXTRAORDINARY GENERAL MEETING

(Please see notes overleaf before completing this Proxy Form)

IMPORTANT:

1. The Extraordinary General Meeting of the Company (the "EGM" or the "Meeting") is being convened, and will be held, by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of the Notice of EGM and this accompanying proxy form for the Meeting will not be sent to members of the Company. Instead, the Notice of EGM and this accompanying proxy form for the Meeting will be sent to members of the Company by electronic means via publication on (i) the SGXNet at the URL <https://www.sgx.com/securities/company-announcements>; and (ii) the Company's website at the URL <http://wgc.com.sg/investor-relations/>.
2. Alternative arrangements relating to attendance at the Meeting via electronic means (including arrangements by which the Meeting can be electronically accessed via "live" audio-visual webcast ("LIVE WEBCAST") or "live" audio-only stream ("LIVE AUDIO STREAM")), submission of questions in advance of the Meeting, addressing of substantial and relevant questions at, or prior to, the Meeting and voting by appointing the Chairman of the Meeting as proxy at the EGM, are set out in the accompanying Company's announcement dated 14 April 2021 (the "Announcement"), which has been published together with the Notice of EGM on the same day. For the avoidance of doubt, the Announcement is circulated together with and forms part of the Notice of EGM in respect of the Meeting.
3. Due to the current COVID-19 situation in Singapore, a member of the Company will not be able to attend the Meeting in person. A member of the Company (whether individual or corporate and including a Relevant Intermediary*) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the Meeting if such member wishes to exercise his/her/its voting rights at the Meeting.

I/We, _____ (Name) _____ (NRIC/Passport No./Company Registration No.) of _____ (Address) being a member/members of World Class Global Limited (the "Company"), hereby appoint the Chairman of the Extraordinary General Meeting (the "Meeting") as my/our* proxy to attend, speak and vote on my/our behalf at the Meeting to be held by way of electronic means on **Thursday, 29 April 2021 at 4:00 p.m.** (or as soon as practicable thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 3:00 p.m. on the same day by way of electronic means), and at any adjournment thereof:

I/We* direct the Chairman of the Meeting, being my/our* proxy, to vote for or against, or abstain from voting, on the resolution to be proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the appointment of the Chairman of the Meeting as my/our* proxy will be treated as invalid.

The resolution put to the vote at the Meeting shall be decided by way of poll. Please indicate the number of votes as appropriate.

* Delete as appropriate

Ordinary Resolution	For ⁽¹⁾	Against ⁽¹⁾	Abstain ⁽¹⁾
The Proposed Extension of the Revolving Loan Facility as an interested person transaction			

(1) If you wish the Chairman of the Meeting as your proxy to exercise all your votes "For" or "Against" or "Abstain" from voting a resolution, please indicate with a "X" within the box provided in respect of that resolution. Alternatively, please indicate the number of votes as appropriate in the relevant box provided in respect of that resolution. If you mark the abstain box for a particular resolution, you are directing the Chairman of the Meeting as your proxy not to vote on that resolution on a poll and your votes will not be counted in computing the required majority on a poll.

Dated this _____ day of _____ 2021

Total number of Shares held in:	No. of Shares
CDP Register	
Register of Members	
Total	

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

IMPORTANT: PLEASE READ THE NOTES OVERLEAF BEFORE COMPLETING THIS PROXY FORM

PROXY FORM

NOTES:

1. Please insert the total number of shares in the capital of the Company ("**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, Chapter 289 of Singapore), you should insert that number. If you have Shares registered in your name in the Register of Members of the Company, you should insert that number. 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 the Chairman of the Meeting as proxy will be deemed to relate to all the Shares held by you.
2. Due to the current COVID-19 situation in Singapore, a member of the Company will not be able to attend the Meeting in person. A member of the Company (whether individual or corporate and including a Relevant Intermediary*) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the Meeting if such member wishes to exercise his/her/its voting rights at the Meeting. In appointing the Chairman of the Meeting as proxy, a member of the Company (whether individual or corporate and including a Relevant Intermediary*) must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.
3. The Chairman of the Meeting, as proxy, need not be a member of the Company.
4. The instrument appointing the Chairman of the Meeting as proxy, together with the power of attorney or other authority under which it is signed (if applicable) or a notarial certified copy thereof, must be submitted to the Company in the following manner:
 - a. if submitted personally or by post, be lodged at the office of the Company's Share Registrar, B.A.C.S. Private Limited, at 8 Robinson Road, #03-00 ASO Building, Singapore 048544; or
 - b. if submitted electronically via email, be received by the Company at WorldClassGlobalAGM@wcg.com.sg,

in either case, by **4:00 p.m. on 26 April 2021** (being not less than seventy-two (72) hours before the time appointed for the holding of the Meeting) (or at any adjournment thereof) and in default the instrument of proxy shall not be treated as valid.

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

In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members of the Company to submit completed proxy forms personally or by post, members of the Company are strongly encouraged to submit completed proxy forms electronically via email.

5. The instrument appointing the Chairman of the Meeting as proxy must be under the hand of the appointor or his/her attorney duly authorised in writing. Where the instrument appointing the Chairman of the Meeting as proxy is executed by a corporation, it must be executed either under its common seal or under the hand of an officer or attorney duly authorised.
6. This proxy form is not valid for use by an investor who holds shares under the Supplementary Retirement Scheme ("**SRS Investor**") and shall be ineffective for all intents and purposes if used or purported to be used by him/her. A SRS Investor who wishes to appoint the Chairman of the Meeting as proxy should approach his/her respective SRS Operators to submit his/her votes at least seven (7) working days before the Meeting (i.e. by **4:00 p.m. on 20 April 2021**).

* A Relevant Intermediary is:

- (a) a banking corporation licensed under the Banking Act (Cap. 19) 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; or
- (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Cap. 289) and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act (Cap. 36), 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.

PROXY FORM

GENERAL:

The Company shall be entitled to reject the instrument appointing the Chairman of the Meeting as proxy if it is incomplete, improperly completed, 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. In addition, in the case of Shares 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/her name in the Depository Register as at seventy-two (72) hours before the time appointed for the holding of the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

PERSONAL DATA PRIVACY:

By submitting an instrument appointing the Chairman of the Meeting as proxy, the member of the Company accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 14 April 2021.