

ADDENDUM DATED 10 AUGUST 2021

THIS ADDENDUM IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

This Addendum is circulated to Shareholders (hereinafter defined) of XMH Holdings Ltd. (“**Company**”) together with the Company’s annual report for the financial year ended 30 April 2021 (“**Annual Report**”). Its purpose is to provide Shareholders with the relevant information relating to, and to seek Shareholders’ approval for the proposed renewal of the Share Buyback Mandate (hereinafter defined) to be tabled at the Annual General Meeting to be held at on **Friday, 27 August 2021 at 10.00 a.m.** via electronic means.

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

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



XMH HOLDINGS LTD.

(Incorporated in the Republic of Singapore)
Company Registration Number 201010562M

ADDENDUM TO ANNUAL REPORT

IN RELATION TO THE PROPOSED RENEWAL OF THE SHARE BUYBACK MANDATE

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DEFINITIONS

For the purpose of this Addendum, the following definitions have, where appropriate, been used:

“2020 AGM”	: The annual general meeting of the Company held on 30 September 2020.
“ACRA”	: The Accounting and Corporate Regulatory Authority of Singapore.
“Act” or “Companies Act”	: The Companies Act (Chapter 50) of Singapore, as amended or modified from time to time.
“Addendum”	: This Addendum to Shareholders dated 10 August 2021.
“AGM”	: The annual general meeting of the Company to be convened on 27 August 2021.
“Annual Report”	: The annual report of the Company for FY2021.
“Approval Date”	: Has the meaning ascribed to it in Section 2.3.1 (<i>Maximum number of Shares</i>) of this Addendum.
“Associate”	: (a) in relation to any Director, CEO, Substantial Shareholder or Controlling Shareholder (being an individual) means: <ul style="list-style-type: none">(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; (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.
“Average Closing Price”	: Has the meaning ascribed to it in Section 2.3.4 (<i>Maximum Purchase Price</i>) of this Addendum.
“Board” or “Board of Directors”	: The Board of Directors of the Company.
“CDP”	: The Central Depository (Pte) Limited.
“CEO”	: Chief Executive Officer.
“Company”	: XMH Holdings Ltd.
“Constitution”	: The constitution of the Company, previously known as its memorandum and articles of association of the Company currently in force.

DEFINITIONS

“Controlling Shareholder”	: A person who: <ul style="list-style-type: none">(a) holds directly or indirectly 15% or more of the total number of issued Shares excluding treasury shares and subsidiary holdings in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a controlling shareholder; or(b) in fact exercises control over the Company.
“Directors”	: The directors of the Company for the time being.
“EPS”	: Earnings per Share.
“Executive Director”	: A director who is a full-time employee of the Company and who performs an executive function.
“FY”	: Financial year of the Company ending or ended 30 April as the case may be.
“Group”	: The Company and its subsidiaries.
“Latest Practicable Date”	: The latest practicable date prior to the printing of this Addendum, being 27 July 2021.
“Listing Manual”	: The listing manual of the SGX-ST, as amended, supplemented or modified from time to time.
“Listing Rules”	: The listing rules under the Listing Manual.
“Market Day”	: A day on which the SGX-ST is open for trading of securities.
“Market Purchase”	: Has the meaning ascribed to it in Section 2.3.3 (<i>Manner of purchase of Shares</i>) of this Addendum.
“Maximum Price”	: Has the meaning ascribed to it in Section 2.3.4 (<i>Maximum Purchase Price</i>) of this Addendum.
“MD”	: Managing Director.
“Notice of AGM”	: The notice of AGM enclosed with the Annual Report.
“NTA”	: Net tangible assets.
“Off-Market Purchase”	: Has the meaning ascribed to it in Section 2.3.3 (<i>Manner of purchase of Shares</i>) of this Addendum.
“PDPA”	: Personal Data Protection Act 2012.
“Proxy Form”	: The proxy form in respect of the AGM enclosed with the Annual Report.

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“Relevant Period”	: The period commencing from the date on which the forthcoming AGM is held and the resolution relating to the Share Buyback Mandate is passed and expiring on the date the next AGM is held or is required by law to be held, whichever is the earlier.
“SFA”	: The Securities and Futures Act, Chapter 289 of Singapore, as amended, supplemented or modified from time to time.
“SGX-ST”	: Singapore Exchange Securities Trading Limited.
“Share Buyback”	: The buyback of Shares by the Company pursuant to the terms of the Share Buyback Mandate.
“Share Buyback Mandate”	: The mandate to enable the Company to purchase or otherwise acquire its Shares, the terms of which are set out in Section 2.3 (<i>Terms of the Share Buyback Mandate</i>) of this Addendum.
“Shareholders”	: Registered holders of Shares, except that where the registered holder is CDP, the term “Shareholders” shall, where the context admits, mean the Depositors who have Shares entered against their names in the Depository Register.
“Share(s)”	: Ordinary shares in the capital of the Company.
“Substantial Shareholder”	: A Shareholder who has an interest directly or indirectly in not less than 5% of the total voting shares in the Company.
“Take-over Code”	: The Singapore Code on Take-overs and Mergers, as the same may be amended or modified from time to time.
“S\$”, “\$” and “cents”	: Singapore dollars and cents, respectively.
“%” or “per cent”	: Per centum or percentage.

DEFINITIONS

The terms “**Depositor**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 81SF of the SFA. The terms “**treasury shares**” and “**subsidiary**” shall have the meaning ascribed to them in Sections 4 and 5 of the Companies Act respectively.

The term “**subsidiary holdings**” shall have the same meaning ascribed to it in the Listing Manual, as may be amended or modified from time to time.

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

Any reference in this Addendum to any statute or enactment is a reference to that statute or enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, SFA or the Listing Manual or any statutory modification thereof and not otherwise defined in this Addendum shall have the same meaning assigned to it under the Companies Act, SFA or the Listing Manual or such statutory modification thereof, as the case may be.

Any reference to a time of day in this Addendum is made by reference to Singapore time unless otherwise stated.

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

Any reference to “**you**”, “**your**” and “**yours**” in this Addendum is, as the context so determines, to Shareholders.

The headings in this Addendum are inserted for convenience only and shall not affect the construction of this Addendum.

Chancery Law Corporation has been appointed as the legal adviser to the Company in relation to the drafting of this Addendum.

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XMH HOLDINGS LTD.

(Incorporated in the Republic of Singapore)
Company Registration Number 201010562M

DIRECTORS:

Tan Tin Yeow	Chairman and Managing Director
Tan Guat Lian	Executive Director
Hong Pian Tee	Lead Independent Director
Khoo Song Koon	Independent Director
Raymond Lam Kuo Wei	Independent Director

REGISTERED OFFICE:

55 Tuas Crescent, #07-01
Singapore 638743

10 August 2021

To: The Shareholders of XMH Holdings Ltd.

Dear Shareholder,

THE PROPOSED RENEWAL OF THE SHARE BUYBACK MANDATE

1. INTRODUCTION

1.1 AGM

The Board is convening an AGM to be held on 27 August 2021 to seek the approval of Shareholders for, *amongst others*, the proposed renewal of the Share Buyback Mandate.

1.2 Purpose of Addendum

The purpose of this Addendum is to provide Shareholders with the relevant information pertaining to the matters set out in Section 1.1 (*AGM*) of this Addendum, and to seek Shareholders' approval for the resolutions in respect thereof to be tabled at the AGM, as set out in the Notice of AGM.

This Addendum has been prepared solely for the purpose set out herein and may not be relied upon by any persons (other than Shareholders) or for any other purpose.

2. THE PROPOSED RENEWAL OF THE SHARE BUYBACK MANDATE

2.1 Background

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

The renewal of the Share Buyback Mandate was approved by Shareholders at the 2020 AGM and will, unless renewed, expire on the date of the forthcoming AGM, which is scheduled to be held on 27 August 2021.

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Accordingly, the Company is seeking Shareholders' approval for a proposed renewal of the Share Buyback Mandate at the AGM on 27 August 2021. If the proposed renewal of the Share Buyback Mandate is approved, the Share Buyback Mandate will take effect from the date of the forthcoming AGM and continue in force until the date of the next AGM or such date as the next AGM is required by law to be held, unless prior thereto, the Share Buyback is carried out to the full extent mandated or the Share Buyback Mandate is revoked or varied by the Company in a general meeting. The Share Buyback Mandate will be put to Shareholders for renewal at each subsequent AGM or EGM of the Company as the case may be.

The Company's share capital presently comprises only one (1) class of shares, namely, the Shares. As at the Latest Practicable Date, the Company has (i) a total issued and paid-up share capital of 114,512,571 Shares, of which 5,230,350 Shares are held as treasury shares, and (ii) a market capitalisation of S\$13,787,314.

2.2 Rationale for the proposed renewal of the Share Buyback Mandate

The Share Buyback Mandate will give the Company the flexibility to undertake purchases of its issued Shares at any time, subject to market conditions, during the period in which the Share Buyback Mandate is in force.

The Share Buyback Mandate will accord the Company greater flexibility in managing its capital to achieve a more efficient capital structure, and would also allow the Company to enhance its EPS and return on equity on an ongoing basis. Shares purchased or acquired by the Company pursuant to the Share Buyback Mandate can be held as treasury shares.

Furthermore, short-term speculation may at times cause the market price of the Company's Shares to be depressed below the true value of the Company and the Group. The Share Buyback Mandate will provide the Directors with the means to restore investors' confidence and to protect existing shareholders' investments in the Company in a depressed share-price situation through judicious purchases of Shares to enhance the EPS. Shares purchased or acquired by the Company will also enhance the net asset value per Share if the Share purchases and acquisitions are made at a price below the net asset value per Share.

The Directors will act judiciously and will only purchase or acquire Shares pursuant to the Share Buyback Mandate as and when the circumstances permit and only if the Directors are of the view that such purchases are in the best interests of the Company and the Shareholders.

The Directors do not propose to carry out Share Buybacks to an extent that would, or in circumstances that might, result in a material adverse effect on the liquidity and/or the orderly trading of the Shares and/or the financial position of the Group, taking into account the working capital requirements of the Company or the gearing levels, which in the opinion of the Directors, are from time to time appropriate for the Company.

2.3 Terms of the Share Buyback Mandate

The authority and limitations placed on purchases or acquisitions of Shares by the Company under the Share Buyback Mandate are summarised below:

2.3.1 Maximum number of Shares

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

The total number of Shares that may be purchased or acquired by the Company pursuant to the Share Buyback Mandate is limited to that number of Shares representing not more than 10% of the issued ordinary share capital of the Company as at the date of the AGM at which the proposed renewal of the Share Buyback Mandate is approved ("**Approval Date**") (unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the issued ordinary share capital of the Company shall be taken to be the amount of the issued ordinary share capital of the Company as altered excluding any treasury shares and subsidiary holdings that may be held by the Company from time to time).

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For illustrative purposes only, on the basis of 109,282,221 issued and paid-up Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date, and assuming (a) no further Shares are issued on or prior to the AGM; and (b) no further Shares are purchased or acquired by the Company on or prior to the AGM, exercise in full of the Share Buyback Mandate would result in the purchase or acquisition of 10,928,222 Shares.

2.3.2 Duration of authority

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

- (a) the date on which the next AGM of the Company is held or required by law to be held;
- (b) the date on which the Share Buyback is carried out to the full extent mandated; or
- (c) the date on which the authority contained in the Share Buyback Mandate is varied or revoked by the Shareholders in a general meeting.

2.3.3 Manner of purchase of Shares

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

- (a) on-market purchases ("**Market Purchase**"), transacted on the SGX-ST through the SGX-ST's trading system or, as the case may be, any other securities exchange on which the Shares may for the time being be listed and quoted, through one (1) or more duly licensed stockbrokers appointed by the Company for the purpose; and/or
- (b) off-market purchases ("**Off-Market Purchase**") (if effected otherwise than on the SGX-ST) in accordance with an equal access scheme(s) as may be determined or formulated by the Directors as they may consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act and the Listing Manual.

Under the Companies Act, an equal access scheme must satisfy all of the following conditions:

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

In addition, the Listing Manual provides that, in making an Off-Market Purchase, the Company must issue an offer document to all Shareholders which must contain at least the following information:

- (a) the terms and conditions of the offer;

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- (b) the period and procedures for acceptances;
- (c) the reasons for the proposed Share Buyback;
- (d) the consequences, if any, of the Share Buyback by the Company that will arise under the Take-over Code or other applicable take-over rules;
- (e) whether the Share Buyback, if made, would have any effect on the listing of the Shares on the SGX-ST;
- (f) details of any Share Buyback made by the Company in the previous 12 months (whether Market Purchase or Off-Market Purchase), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases; and
- (g) whether the Shares purchased by the Company will be cancelled or kept as treasury shares.

2.3.4 Maximum Purchase Price

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

- (a) in the case of a Market Purchase, 105% of the Average Closing Price (as defined hereinafter); and
- (b) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120% of the Average Closing Price (as defined hereinafter),

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

For the above purpose, “**Average Closing Price**” means the average of the closing market prices of a Share over the last five (5) Market Days, on which transactions in the Shares were recorded, preceding the day of the Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant five-day period.

2.4 **Status of purchased Shares under the Share Buyback Mandate**

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

2.5 **Treasury shares**

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

2.5.1 Maximum holdings

The number of Shares held as treasury shares cannot at any time exceed 10% of the total number of issued Shares.

2.5.2 Voting and other rights

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

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

2.5.3 Disposal and cancellation

Where Shares are held as treasury shares, the Company may at any time:

- (a) sell the treasury shares for cash;
- (b) transfer the treasury shares for the purposes of or pursuant to an employee's share scheme;
- (c) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (d) cancel the treasury shares; or
- (e) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

Pursuant to Rules 704(28) of the Listing Manual, the Company will immediately announce any sale, transfer, cancellation and/or use of treasury shares, stating the following:

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

2.6 Sources of funds for Share Buyback

The Companies Act permits the Company to purchase its own Shares out of its capital as well as from its distributable profits, provided that:

- (a) the Company is able to pay its debts in full at the time it purchases the Shares and will be able to pay its debts as they fall due in the normal course of business in the 12 months immediately following the purchase; and
- (b) the value of the Company's assets is not less than the value of its liabilities (including contingent liabilities) and will not after the purchase of Shares become less than the value of its liabilities (including contingent liabilities).

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Further, for the purposes of determining the value of a contingent liability, the Directors or managers of the Company may take into account the following:

- (a) the likelihood of the contingency occurring; and
- (b) any claim the Company is entitled to make and can reasonably expect to be met to reduce or extinguish the contingent liability.

The Company intends to use mainly internal resources and may from time to time utilise external borrowings and/or a combination of both to finance purchases of Shares pursuant to the Share Buyback Mandate.

2.7 Financial effects of the Share Buyback Mandate

The financial effects on the Company and the Group arising from purchases or acquisitions of Shares which may be made pursuant to the Share Buyback Mandate will depend on, *amongst others*, the aggregate number of Shares purchased or acquired, how the Shares are purchased or acquired, the price paid for such Shares, the amount (if any) borrowed by the Company to fund the purchases and whether the Shares purchased or acquired are held as treasury shares or cancelled. The financial effects on the Company and the Group, based on the audited financial statements of the Company and the Group for the financial year ended 30 April 2021 are based on the following principal assumptions:

- (a) the purchase or acquisition of Shares pursuant to the Share Buyback Mandate had taken place on 1 May 2020 for the purpose of computing the financial effects on the EPS of the Group and the Company;
- (b) the purchase or acquisition of Shares pursuant to the Share Buyback Mandate had taken place on 1 May 2020 for the purpose of computing the financial effects on the Shareholders' equity, NTA per Share and gearing of the Group and the Company; and
- (c) transaction costs incurred for the purchase or acquisition of Shares pursuant to the Share Buyback Mandate are assumed to be insignificant and have been ignored for the purpose of computing the financial effects.

2.7.1 Purchase or acquisition out of capital or profits

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

Where the consideration (excluding related brokerage, goods and services tax, stamp duties and clearance fees) paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced but the issued share capital of the Company will be reduced by the value of the Shares purchased. Where the consideration (excluding related brokerage, goods and services tax, stamp duties and clearance fees) paid by the Company for the purchase or acquisition of the Shares is made out of profits, such consideration will correspondingly reduce the amount available for the distribution of cash dividends by the Company.

2.7.2 Information as at the Latest Practicable Date

As at the Latest Practicable Date, the issued and paid-up capital of the Company is S\$39,780,419 comprising 109,282,221 Shares (excluding treasury shares and subsidiary holdings).

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2.7.3 Financial effects

For illustration purposes only, and on the basis of the assumptions set out below, the financial effects of the:

- (i) acquisition of Shares by the Company pursuant to the Share Buyback Mandate by way of purchases made out of capital and held as treasury shares; and
- (ii) acquisition of Shares by the Company pursuant to the Share Buyback Mandate by way of purchases made out of capital and cancelled,

on the audited financial statements of the Group and the Company for the financial year ended 30 April 2021 are set out in the sections below.

The financial effects of the acquisition of Shares by the Company pursuant to the Share Buyback Mandate by way of purchases made out of profits are similar to that of purchases made out of capital. Therefore, only the financial effects of the acquisition of the Shares pursuant to the Share Buyback Mandate by way of purchases made out of capital are set out in this Addendum.

Scenario A: Purchases made entirely out of capital and held as treasury shares

Market Purchase

For illustrative purposes only, in a Market Purchase, assuming that:

- (i) the Maximum Price is S\$0.126, which is 5% above the average of the closing market prices of a Share over the five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date; and
- (ii) the Company has 109,282,221 Shares as at the date of the AGM (being the number of Shares at the Latest Practicable Date, assuming no change in the number of Shares on or prior to the date of the AGM and excluding treasury shares and subsidiary holdings), such that not more than 10,928,222 Shares may be purchased or acquired by the Company pursuant to the Share Buyback Mandate,

the maximum amount of funds required for the purchase of up to 10,928,222 Shares under and during the duration of the Share Buyback Mandate, is approximately S\$1,376,956.

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On these assumptions, the impact of the Share Buyback by the Company undertaken in accordance with the Share Buyback Mandate on the Group's and the Company's audited financial statements for the financial year ended 30 April 2021 is as follows:

As at 30 April 2021	Group		Company	
	Before the Share Buyback	After the Share Buyback	Before the Share Buyback	After the Share Buyback
Shareholders' Equity (S\$'000)	47,114	45,737	16,124	14,747
NTA (S\$'000)	38,608	37,231	16,124	14,747
Treasury Shares (S\$'000)	(3,292)	(4,669)	(3,292)	(4,669)
Current Assets (S\$'000)	63,129	61,752	2,574	1,197
Current Liabilities (S\$'000)	31,659	31,659	11,984	11,984
Working Capital (S\$'000)	31,470	30,093	(9,410)	(10,787)
Loans and Borrowings (S\$'000)	63,205	63,205	36,386	36,386
Cash and Short-Term Deposits ⁽¹⁾ (S\$'000)	7,661	6,284	589	(788)
Net Earnings/(Loss) attributable to Shareholders (S\$'000)	944	944	(1,772)	(1,772)
Number of Shares ⁽²⁾	109,282,221	98,353,999	109,282,221	98,353,999
Treasury Shares	5,230,350	16,158,572	5,230,350	16,158,572
Total Shares	114,512,571	114,512,571	114,512,571	114,512,571
Financial Ratios				
NTA per Share (cents)	35.33	37.85	14.75	14.99
Basic E/(L)PS (cents) ⁽³⁾	0.86	0.96	(1.62)	(1.80)
Current Ratio (times) ⁽⁴⁾	1.99	1.95	0.21	0.10
Gearing Ratio (times) ⁽⁵⁾	1.34	1.38	2.26	2.47

Notes:

- (1) Assuming that the Share Buyback is fully funded by internal resources.
- (2) Number of Shares (excludes treasury shares and subsidiary holdings) and Shares that are cancelled and assumes no change in the number of Shares on or prior to the date of the AGM.
- (3) Basic E/(L)PS is computed based on FY2021 net earnings/(loss) attributable to Shareholders divided by the number of Shares.
- (4) Current Ratio equals current assets divided by current liabilities.
- (5) Gearing Ratio equals loans and borrowings divided by Shareholders' equity.

Off-Market Purchase

For illustrative purposes only, in an Off-Market Purchase, assuming that:

- (i) the Maximum Price is S\$0.144, which is 20% above the average of the closing market prices of a Share over the five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date; and
- (ii) the Company has 109,282,221 Shares as at the date of the AGM (being the number of Shares at the Latest Practicable Date, assuming no change in the number of Shares prior to the date of the AGM and excluding treasury shares and subsidiary holdings, such that not more than 10,928,222 Shares may be purchased or acquired by the Company pursuant to the Share Buyback Mandate,

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the maximum amount of funds required for the purchase of up to 10,928,222 Shares under and during the duration of the Share Buyback Mandate, is approximately S\$1,573,664.

On these assumptions, the impact of the Share Buyback by the Company undertaken in accordance with the Share Buyback Mandate on the Group's and the Company's audited financial statements for the financial year ended 30 April 2021 is as follows:

As at 30 April 2021	Group		Company	
	Before the Share Buyback	After the Share Buyback	Before the Share Buyback	After the Share Buyback
Shareholders' Equity (S\$'000)	47,114	45,540	16,124	14,550
NTA (S\$'000)	38,608	37,034	16,124	14,550
Treasury Shares (S\$'000)	(3,292)	(4,866)	(3,292)	(4,866)
Current Assets (S\$'000)	63,129	61,555	2,574	1,000
Current Liabilities (S\$'000)	31,659	31,659	11,984	11,984
Working Capital (S\$'000)	31,470	29,896	(9,410)	(10,984)
Loans and Borrowings (S\$'000)	63,205	63,205	36,386	36,386
Cash and Short-Term Deposits ⁽¹⁾ (S\$'000)	7,661	6,087	589	(985)
Net Earnings/(Loss) attributable to Shareholders (S\$'000)	944	944	(1,772)	(1,772)
Number of Shares ⁽²⁾	109,282,221	98,353,999	109,282,221	98,353,999
Treasury Shares	5,230,350	16,158,572	5,230,350	16,158,572
Total Shares	114,512,571	114,512,571	114,512,571	114,512,571
Financial Ratios				
NTA per Share (cents)	35.33	37.65	14.75	14.79
Basic E/(L)PS (cents) ⁽³⁾	0.86	0.96	(1.62)	(1.80)
Current Ratio (times) ⁽⁴⁾	1.99	1.94	0.21	0.08
Gearing Ratio (times) ⁽⁵⁾	1.34	1.39	2.26	2.50

Notes:

- (1) Assuming that the Share Buyback is fully funded by internal resources.
- (2) Number of Shares (excludes treasury shares and subsidiary holdings) and Shares that are cancelled and assumes no change in the number of Shares on or prior to the date of the AGM.
- (3) Basic E/(L)PS is computed based on FY2021 net earnings/(loss) attributable to Shareholders divided by the number of Shares.
- (4) Current Ratio equals current assets divided by current liabilities.
- (5) Gearing Ratio equals loans and borrowings divided by Shareholders' equity.

Scenario B: Purchases made entirely out of capital and cancelled

Market Purchase

For illustrative purposes only, in a Market Purchase, assuming that:

- (i) the Maximum Price is S\$0.126, which is 5% above the average of the closing market prices of a Share over the five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date on which transactions in the Shares were recorded; and

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- (ii) the Company has 109,282,221 Shares as at the date of the AGM (being the number of Shares at the Latest Practicable Date, assuming no change in the number of Shares on or prior to the date of the AGM and excluding treasury shares and subsidiary holdings), such that not more than 10,928,222 Shares may be purchased or acquired by the Company pursuant to the Share Buyback Mandate,

the maximum amount of funds required for the purchase of up to 10,928,222 Shares under and during the duration of the Share Buyback Mandate, is approximately S\$1,376,956.

On these assumptions, the impact of the Share Buyback by the Company undertaken in accordance with the Share Buyback Mandate on the Group's and the Company's audited financial statements for the financial year ended 30 April 2021 is as follows:

As at 30 April 2021	Group		Company	
	Before the Share Buyback	After the Share Buyback	Before the Share Buyback	After the Share Buyback
Shareholders' Equity (S\$'000)	47,114	45,737	16,124	14,747
NTA (S\$'000)	38,608	37,231	16,124	14,747
Current Assets (S\$'000)	63,129	61,752	2,574	1,197
Current Liabilities (S\$'000)	31,659	31,659	11,984	11,984
Working Capital (S\$'000)	31,470	30,093	(9,410)	(10,787)
Loans and Borrowings (S\$'000)	63,205	63,205	36,386	36,386
Cash and Short-Term Deposits ⁽¹⁾ (S\$'000)	7,661	6,284	589	(788)
Net Earnings/(Loss) attributable to Shareholders (S\$'000)	944	944	(1,772)	(1,772)
Number of Shares ⁽²⁾	109,282,221	98,353,999	109,282,221	98,353,999
Treasury Shares	5,230,350	5,230,350	5,230,350	5,230,350
Total Shares	114,512,571	103,584,349	114,512,571	103,584,349
Financial Ratios				
NTA per Share (cents)	35.33	37.85	14.75	14.99
Basic E/(L)PS (cents) ⁽³⁾	0.86	0.96	(1.62)	(1.80)
Current Ratio (times) ⁽⁴⁾	1.99	1.95	0.21	0.10
Gearing Ratio (times) ⁽⁵⁾	1.34	1.38	2.26	2.47

Notes:

- (1) Assuming that the Share Buyback is fully funded by internal resources.
- (2) Number of Shares (excludes treasury shares and subsidiary holdings) and Shares that are cancelled and assumes no change in the number of Shares on or prior to the date of the AGM.
- (3) Basic E/(L)PS is computed based on FY2021 net earnings/(loss) attributable to Shareholders divided by the number of Shares.
- (4) Current Ratio equals current assets divided by current liabilities.
- (5) Gearing Ratio equals loans and borrowings divided by Shareholders' equity.

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Off-Market Purchase

For illustrative purposes only, in an Off-Market Purchase, assuming that:

- (i) the Maximum Price is S\$0.144 which is 20% above the average of the closing market prices of a Share over the five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date on which transactions in the Shares were recorded; and
- (ii) the Company has 109,282,221 Shares as at the date of the AGM (being the number of Shares at the Latest Practicable Date, assuming no change in the number of Shares on or prior to the date of the AGM and excluding treasury shares and subsidiary holdings), such that not more than 10,928,222 Shares may be purchased or acquired by the Company pursuant to the Share Buyback Mandate,

the maximum amount of funds required for the purchase of up to 10,928,222 Shares under and during the duration of the Share Buyback Mandate, is approximately S\$1,573,664.

On these assumptions, the impact of the Share Buyback by the Company undertaken in accordance with the Share Buyback Mandate on the Group's and the Company's audited financial statements for the financial year ended 30 April 2021 is as follows:

As at 30 April 2021	Group		Company	
	Before the Share Buyback	After the Share Buyback	Before the Share Buyback	After the Share Buyback
Shareholders' Equity (S\$'000)	47,114	45,540	16,124	14,550
NTA (S\$'000)	38,608	37,034	16,124	14,550
Current Assets (S\$'000)	63,129	61,555	2,574	1,000
Current Liabilities (S\$'000)	31,659	31,659	11,984	11,984
Working Capital (S\$'000)	31,470	29,896	(9,410)	(10,984)
Loans and Borrowings (S\$'000)	63,205	63,205	36,386	36,386
Cash and Short-Term Deposits ⁽¹⁾ (S\$'000)	7,661	6,087	589	(985)
Net Earnings/(Loss) attributable to Shareholders (S\$'000)	944	944	(1,772)	(1,772)
Number of Shares ⁽²⁾	109,282,221	98,353,999	109,282,221	98,353,999
Treasury Shares	5,230,350	5,230,350	5,230,350	5,230,350
Total Shares	114,512,571	103,584,349	114,512,571	103,584,349

Financial Ratios

NTA per Share (cents)	35.33	37.65	14.75	14.79
Basic E/(L)PS (cents) ⁽³⁾	0.86	0.96	(1.62)	(1.80)
Current Ratio (times) ⁽⁴⁾	1.99	1.94	0.21	0.08
Gearing Ratio (times) ⁽⁵⁾	1.34	1.39	2.26	2.50

Notes:

- (1) Assuming that the Share Buybacks is fully funded by internal resources.
- (2) Number of Shares (excludes treasury shares and subsidiary holdings) and Shares that are cancelled and assumes no change in the number of Shares on or prior to the date of the AGM.
- (3) Basic E/(L)PS is computed based on FY2021 net earnings/(loss) attributable to Shareholders divided by the number of Shares.
- (4) Current Ratio equals current assets divided by current liabilities.
- (5) Gearing Ratio equals loans and borrowings divided by Shareholders' equity.

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Shareholders should note that the financial effects set out above are for illustrative purposes only. In particular, it is important to note that the above analysis is based on historical audited financial statements for the financial year ended 30 April 2021 and is not necessarily representative of future financial performance. Although the Share Buyback Mandate would authorise the Company to purchase or acquire up to 10% of the issued Shares (excluding treasury shares and subsidiary holdings), the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10% of the issued Shares (excluding treasury shares and subsidiary holdings). In addition, the Company may cancel all or part of the Shares repurchased or hold all or part of the Shares repurchased as treasury shares.

2.8 Reporting Requirements

2.8.1 SGX-ST

The Listing Manual specifies that a listed company shall report all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 a.m.:

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

Such announcement currently requires the inclusion of details of, *amongst others*, the total number of shares purchased, the purchase price per share or the highest and lowest prices paid for such shares, as applicable. Such announcement will be made in the form prescribed by the Listing Manual. The Company shall make arrangements with its stockbrokers to ensure that they provide the Company, in a timely fashion, the necessary information which will enable the Company to make the notifications to the SGX-ST.

Under the Listing Manual, immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares (in each case, the “**usage**”). Such announcement must include details such as the date of the usage, the purpose of the usage, the number of treasury shares comprised in the usage, the number of treasury shares before and after the usage, and the percentage of the number of treasury shares comprised in the usage against the total number of issued Shares (of the same class as the treasury shares) which are listed on the SGX-ST before and after the usage.

2.8.2 ACRA

Within 30 days of the passing of a Shareholders’ resolution to approve the purchase or acquisition of Shares by the Company, the Company shall lodge a copy of such resolution with ACRA.

Within 30 days of a purchase or acquisition of Shares on the SGX-ST or otherwise, the Company shall lodge with ACRA the notice of the purchase in the prescribed form, such notification including, *amongst others*, the details of the purchase, the total number of Shares purchased by the Company, the total number of Shares cancelled, the number of Shares held as treasury shares, the Company’s issued ordinary share capital before and after the purchase of Shares, the amount of consideration paid by the Company for the purchase, and whether the Shares were purchased out of the profits or the capital of the Company.

Within 30 days of the cancellation or disposal of treasury shares in accordance with the provisions of the Companies Act, the Company shall lodge with ACRA the notice of cancellation or disposal of treasury shares in the prescribed form as required by ACRA.

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2.9 Take-over Obligations

Appendix 2 of the Take-over Code contains the Share Buyback Guidance Note applicable as at the Latest Practicable Date. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below:

2.9.1 Obligation to make a take-over offer

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

2.9.2 Persons acting in concert

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

Unless the contrary is established, the following persons will, *amongst others*, be presumed to be acting in concert:

- (a) the following companies:
 - (i) a company;
 - (ii) the parent company of (i);
 - (iii) the subsidiaries of (i);
 - (iv) the fellow subsidiaries of (i);
 - (v) the associated companies of any of (i), (ii), (iii) or (iv);
 - (vi) companies whose associated companies include any of (i), (ii), (iii), (iv) or (v); and
 - (vii) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights.

A company is an associated company of another company if the second company owns or controls at least 20% but not more than 50% of the voting rights of the first-mentioned company;

- (b) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts);
- (c) a company with any of its pension funds and employee share schemes;
- (d) a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;

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- (e) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of (i) the adviser and persons controlling, controlled by or under the same control as the adviser, and (ii) all the funds which the adviser manages on a discretionary basis, where the shareholding of the adviser and any of those funds in the client total 10% or more of the client's equity share capital;
- (f) directors of a company (together with their close relatives, related trusts and companies controlled by any of such directors, their close relatives and related trusts) which is subject to an offer or where the directors have reason to believe a bona fide offer for their company may be imminent;
- (g) partners; and
- (h) an individual, his close relatives, his related trusts, any person who is accustomed to act according to the instructions of that individual, companies controlled by any of the above, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights.

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

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

- (a) In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, Directors of the Company and persons acting in concert with them will incur an obligation to make a takeover offer for the Company under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or if the voting rights of such Directors and their concert parties fall between 30% and 50% of the Company's voting rights, the voting rights of such Directors and their concert parties would increase by more than 1% (one per cent.) in any period of six (6) months.
- (b) Under Appendix 2 of the Take-over Code, a Shareholder not acting in concert with the Directors of the Company will not be required to make a take-over offer under Rule 14 of the Take-over Code if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder in the Company would increase to 30% or more, or, if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% (one per cent.) in any period of six (6) months. Such Shareholder need not abstain from voting in respect of the resolution authorising the proposed renewal of the Share Buyback Mandate.

2.9.4 No obligation to make a general offer

- (a) Our Chairman and MD, Mr. Tan Tin Yeow and our Executive Director, Ms. Tan Guat Lian, are siblings (hereinafter collectively referred to as the "**Tan Siblings**").
- (b) The Tan Siblings together with Mr. Tan Seng Hee are the children of Mr. Tan Tum Beng, the founder of the Group. As at the Latest Practicable Date, Mr. Tan Tum Beng and Mr. Tan Seng Hee are not employed by any Group company.
- (c) As at the Latest Practicable Date, Mr. Tan Tum Beng, Mr. Tan Seng Hee and the Tan Siblings (collectively, the "**Parties**") as a concert group hold an aggregate of 63,180,988 Shares, constituting 57.81% of the voting rights in the Company.

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- (d) Assuming that:
- (i) the Company undertakes Share Buyback under the Share Buyback Mandate up to the maximum of 10% of the issued share capital of the Company (excluding treasury shares and subsidiary holdings) as permitted by the Share Buyback Mandate;
 - (ii) there is no change in the Parties' shareholdings in the Company between the Latest Practicable Date and the date of the AGM;
 - (iii) no new Shares are issued following the Shareholders' approval of the proposed renewal of the Share Buyback Mandate at the AGM; and
 - (iv) the Parties do not sell or otherwise dispose of their shareholdings in the Company,

the voting rights of the Parties as at the date of the AGM and after Share Buyback of 10% of the issued share capital of the Company (excluding treasury shares and subsidiary holdings) pursuant to the Share Buyback Mandate, are as follows:

Parties	Number of Shares			Voting rights in the Company (%)	
	Direct Interest	Deemed Interest	Total Interest	Before Share Buyback	After Share Buyback
Tan Tin Yeow	45,060,000	-	45,060,000	41.23	45.81
Tan Guat Lian	6,569,744	22,500	6,592,244	6.03	6.70
Sub-total	51,629,744	22,500	51,652,244	47.26	52.52
Tan Seng Hee	2,814,250	-	2,814,250	2.58	2.86
Tan Tum Beng	8,714,494	-	8,714,494	7.97	8.86
Total	63,158,488	22,500	63,180,988	57.81	64.24

As the Parties as a concert group hold an aggregate of 63,180,988 Shares, constituting over 50% of the voting rights in the Company, purchases or acquisition of Shares by the Company within the Relevant Period of the maximum of 10% of the issued share capital of the Company as permitted by the Share Buyback Mandate will result in an increase in the aggregate voting rights of the Parties, but will not result in any of the Parties incurring an obligation to make a mandatory take-over offer under Rule 14 of the Take-over Code.

In the event the Company undertakes Share Buyback within the Relevant Period of the maximum of 10% of the issued share capital of the Company as permitted by the Share Buyback Mandate, to the best of the Directors' knowledge, it is not expected that the shareholdings and/or voting rights of any of the other Shareholders will be increased to 30% or more, thereby triggering a requirement for any Shareholder to make a general offer to the other Shareholders under Rule 14 of the Takeover Code.

The statements in this Section 2.9 (Take-over Obligations) do not purport to be a comprehensive or exhaustive description of all implications that may arise under the Take-over Code. Shareholders who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Take-over Code as a result of any purchase or acquisition of Shares by the Company should consult the Securities Industry Council and/or their professional advisers at the earliest opportunity.

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2.10 Listing Rules

While the Listing Manual does not expressly prohibit any purchase of shares by a listed company during any particular time or times, because the listed company would be regarded as an “insider” in relation to any proposed purchase or acquisition of its Shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the Share Buyback Mandate at any time after a price-sensitive development has occurred or has been the subject of a decision until the price-sensitive information has been publicly announced. In particular, the Company will not purchase or acquire any Shares through Market Purchases and/or Off-Market Purchases during the following periods and at all times in compliance with Rule 1207(19) of the Listing Manual:

- (a) one (1) month immediately preceding the announcement of the Company’s half year and full year financial statements (if the Company does not announce its quarterly financial statements); and
- (b) two (2) weeks immediately preceding the announcement of the Company’s results for each of the first three (3) quarters of its financial year and one (1) month before the announcement of the Company’s full year financial statements (if the Company announces its quarterly financial statements, whether required by the SGX-ST or otherwise).

The Company is required under Rule 723 of the Listing Manual to ensure that at least 10% of its issued shares excluding treasury shares must be held by public shareholders. The “public”, as defined under the Listing Manual, are persons other than the Directors, CEO, Substantial Shareholders or Controlling Shareholders of the Company and its subsidiaries, as well as the associates of such persons.

Based on the Register of Directors’ shareholdings and the Register of Substantial Shareholders maintained by the Company as at the Latest Practicable Date, approximately 24,532,465 Shares, representing 22.45% of the total number of issued Shares, are in the hands of the public.

As at the Latest Practicable Date and assuming the Company undertakes purchases or acquisitions of its Shares up to the full 10% limit pursuant to the Share Buyback Mandate, the number of Shares in the hands of the public would be reduced to 13,604,243 Shares, representing 13.83% of the reduced total number of issued Shares of the Company. Accordingly, the Company is of the view that there is a sufficient number of the Shares in issue held by public Shareholders which would permit the Company to undertake purchases or acquisitions of its Shares up to the full 10% limit pursuant to the Share Buyback Mandate without affecting the listing status of the Shares on the SGX-ST.

The Directors will use their best efforts to ensure that after a purchase or acquisition of Shares pursuant to the Share Buyback Mandate, the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or adversely affect the orderly trading and listing status of the Shares on the SGX-ST.

2.11 Interested Persons

The Company is prohibited from knowingly buying Shares on the SGX-ST from an interested person, that is, a Director, the CEO of the Company or Controlling Shareholder of the Company or any of their associates, and an interested person is prohibited from knowingly selling his/her Shares to the Company.

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3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTEREST

3.1 Directors' and Substantial Shareholders' Interests

As at the Latest Practicable Date, the interests of the Directors in the Shares, as extracted from the Register of Directors' shareholdings, and the interest of Substantial Shareholder(s), as extracted from the Register of Substantial Shareholders, are as follows:

Name	Number of Shares			
	Direct Interest	%	Deemed Interest	%
Directors				
Tan Tin Yeow ⁽¹⁾	45,060,000	41.23	-	-
Tan Guat Lian ⁽¹⁾	6,569,744	6.01	22,500	0.02
Hong Pian Tee	651,750	0.60	-	-
Khoo Song Koon	-	-	-	-
Raymond Lam Kuo Wei	-	-	-	-
Substantial Shareholder(s) (Other than Directors)				
Tan Tum Beng	8,714,494	7.97	-	-
Credence Capital Fund II (Cayman) Limited	20,917,018	19.14	-	-
Total	81,913,006	74.95	22,500	0.02

Note:

(1) The Tan Siblings together with Mr. Tan Seng Hee had on 29 June 2010 entered into a deed of undertaking ("Deed of Undertaking") whereby each of them agreed to first offer any Shares which he/she would like to sell ("Selling Party") to the other parties in equal proportions (as nearly as possible). In the event the other parties decline or is deemed to decline the offer, the Selling Party shall be entitled to sell the Shares to any third party at a price which is not lower than the price offered to the other parties, subject to the terms and conditions set out in the Deed of Undertaking. The obligations of the parties to the Deed of Undertaking will continue to apply as long as they remain as shareholders of the Company, unless otherwise agreed to in writing by the parties thereto. As at the Latest Practicable Date, Mr. Tan Seng Hee has an interest in 2,814,250 Shares in the Company representing approximately 2.58% of the total issued share capital (excluding any treasury shares held by the Company and subsidiary holdings).

Save as disclosed above, none of the Directors and Substantial Shareholders or their respective Associates has any interest, direct or indirect, in the proposed renewal of the Share Buyback Mandate.

3.2 Shares purchased by the Company in the 12 months preceding the Latest Practicable Date

The Company has not made any purchases or acquisitions of its issued Shares in the 12 months immediately preceding the Latest Practicable Date.

3.3 Limits on shareholdings

The Company does not have any limits on the shareholding of any Shareholder.

3.4 Shareholders' approval

For the reasons set out above, the Company is proposing to seek the approval of Shareholders for the renewal of the Share Buyback Mandate, which will be proposed as an Ordinary Resolution ("Ordinary Resolution") at the AGM.

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4. DIRECTORS' RECOMMENDATIONS

Proposed renewal of the Share Buyback Mandate

Save that the Tan Siblings have abstained from making any recommendation in respect of the proposed renewal of the Share Buyback Mandate, the Directors are of the opinion that the proposed renewal of the Share Buyback Mandate is in the best interests of the Company. Accordingly, they recommend that the Shareholders vote in favour of the Ordinary Resolution.

5. INSPECTION OF DOCUMENTS

A copy of the following documents may be inspected at the registered office of the Company at 55 Tuas Crescent, #07-01, Singapore 638743, during normal business hours from the date of this Addendum up to and including the date of the AGM:

- (a) the Annual Report of the Company for the financial year ended 30 April 2021; and
- (b) the Constitution.

6. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors (including those who may have delegated detailed supervision of the preparation of this Addendum) collectively and individually accept full responsibility for the accuracy of the information given in this Addendum and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Addendum constitutes full and true disclosure of all material facts about the proposed renewal of the Share Buyback Mandate and the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Addendum misleading.

Where information in the Addendum 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 Addendum in its proper form and context.

Yours faithfully
For and on behalf of the Board of Directors of
XMH HOLDINGS LTD.

Mr. Tan Tin Yeow
Chairman and Managing Director

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