



**GSS ENERGY LIMITED**  
(Incorporated in the Republic of Singapore)  
(Company Registration No. 200609901H)

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**PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO  
607,222,761 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY**

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**1. INTRODUCTION**

- 1.1. The board of directors (the “**Board**” or the “**Directors**”) of GSS Energy Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company is proposing to undertake a renounceable non-underwritten rights issue (the “**Proposed Rights Issue**”) of up to 607,222,761 new ordinary shares in the capital of the Company (the “**Rights Shares**”), at an issue price of S\$0.013 for each Rights Share (the “**Issue Price**”), on the basis of nine (9) Rights Share for every ten (10) existing ordinary shares in the capital of the Company (the “**Shares**”) held by Entitled Shareholders (as defined in paragraph 5.1 below) as at a date and time to be determined by the Directors, at and on which the Register of Members of the Company and the Transfer Books of the Company will be closed to determine the provisional allotments of Rights Shares of the Entitled Shareholders under the Proposed Rights Issue (the “**Record Date**”), fractional entitlements to be disregarded.
- 1.2. The principal terms of the Proposed Rights Issue are summarised below:

<b>Issue Price</b>	S\$0.013 per Rights Share
<b>Discount (specifying benchmarks and periods)</b>	<p>The Issue Price represents a discount of approximately:</p> <p>(i) 55.2% to the volume weighted average price (“<b>VWAP</b>”) of S\$0.030 and 55.2% to the closing price of S\$0.029 (the “<b>Closing Price</b>”) per Share on the Catalist Board of Singapore Exchange Securities Trading Limited (the “<b>SGX-ST</b>”) (the “<b>Catalist</b>”) on 22 October 2024, being the last full market day on which the Shares were traded on the Catalist immediately prior to the date of this announcement ; and</p> <p>(ii) 38.5% to the theoretical ex-rights price (“<b>TERP</b>”) of S\$0.0211 per Share.<sup>(1)</sup></p> <p>The Issue Price and the discount have been determined taking into account, <i>inter alia</i>, the prevailing market conditions (being general economics, interest rate, market conditions, sentiments and uncertainties), VWAP, Closing Price, TERP, market price, the funding needs of the Company, the allotment ratio, the level of commitment provided under the Irrevocable Undertaking (as</p>

	defined in paragraph 3.2 below) and the rationale for the Proposed Rights Issue as stated in paragraph 6 of this announcement.
<b>Allotment Ratio</b>	Nine (9) Rights Shares for every ten (10) existing Shares held by Entitled Shareholders as at the Record Date, fractional entitlements to be disregarded.
<b>Use of Proceeds</b>	Please refer to paragraph 7 of this announcement for details on the use of proceeds arising from the Proposed Rights Issue.
<b>Purpose of Issue</b>	Please refer to paragraph 6 of this announcement for details on the rationale for the Proposed Rights Issue.

**Note:**

- (1) The TERP is the theoretical market price of each Share assuming the completion of the Proposed Rights Issue and is calculated based on the Closing Price, and the number of Shares following completion of the Proposed Rights Issue assuming the Maximum Subscription Scenario (as defined in paragraph 2.1 below).
- 1.3. The Rights Shares will be issued pursuant to the general share issue mandate (the “**General Mandate**”) granted to the Board by the shareholders of the Company (the “**Shareholders**”) by way of an ordinary resolution approved at the annual general meeting of the Company held on 30 April 2024. As (a) the number of Shares that may be issued on a *pro-rata* basis under the General Mandate is 630,191,957; and (b) no Shares were previously issued under the General Mandate prior to the date of this announcement, the issue and allotment of up to 607,222,761 Rights Shares would be within the limits of the General Mandate. Accordingly, specific approval will not be sought from Shareholders for the Proposed Rights Issue.
- 1.4. The Company has appointed Evolve Capital Advisory Private Limited as the issue manager of the Proposed Rights Issue (the “**Manager**”).

**2. TERMS OF THE PROPOSED RIGHTS ISSUE**

**2.1. Issue Size**

As at the date of this announcement, the Company has an existing issued and paid-up share capital comprising 630,191,957 Shares (the “**Existing Share Capital**”). As at the date of this announcement, the Company also has 4,000,000 outstanding share options (the “**Share Options**”) and 40,500,000 outstanding warrants (the “**Warrants**”).

Save for the outstanding Share Options and outstanding Warrants referred to above, the Company does not have any outstanding warrants or convertible securities. As at the date of this announcement, the Company has no treasury shares or subsidiary holdings.

Based on the Existing Share Capital and assuming that all 4,000,000 outstanding Share Options and 27,000,000 outstanding Warrants are exercised on or prior to the Record Date and all the Entitled Shareholders subscribe for their *pro-rata* entitlements of Rights Shares, the Company will issue up to 607,222,761 Rights Shares (the “**Maximum Subscription Scenario**”) and the resultant enlarged issued and paid-up share capital of the Company in the Maximum Subscription Scenario will be 1,237,414,718 Shares.

Based on the Existing Share Capital and assuming that none of the 4,000,000 outstanding Share Options and none of the 27,000,000 outstanding Warrants are exercised on or prior to the Record Date and none of the Entitled Shareholders subscribe for their *pro-rata* entitlements of Rights

Shares (other than the Undertaking Shareholder (as defined in paragraph 3.1 below) pursuant to the Irrevocable Undertaking), the Company will issue up to 85,800,150 Rights Shares (the “**Minimum Subscription Scenario**”) pursuant to the Irrevocable Undertaking, and the resultant enlarged issued and paid-up share capital of the Company in the Minimum Subscription Scenario will be 715,992,107 Shares.

2.2. Ranking of the Rights Shares

The Rights Shares will be payable in full upon acceptance and/or application. The Rights Shares, when issued and allotted, will rank *pari passu* in all respects with the then existing Shares, except that they will not rank for any dividends, rights, allotments or other distributions that may be declared or paid, the record date for which falls before the date of issue of the Rights Shares.

2.3. Non-Underwritten

In view of the Irrevocable Undertaking and the savings in costs enjoyed by the Company as a result of not having to bear any underwriting fees, the Proposed Rights Issue will not be underwritten.

The Proposed Rights Issue will not be withdrawn after the commencement of the ex-rights trading of the Shares pursuant to Rule 820(1) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the “**Catalist Rules**”).

2.4. Option to Scale Down Subscription

Depending on the level of subscription for the Rights Shares, the Company will, if necessary, scale down the subscription for the Rights Shares and/or excess applications for the excess Rights Shares by any Shareholder (if such Shareholder chooses to subscribe for its *pro-rata* Rights Shares entitlement and/or apply for excess Rights Shares) to avoid:

- (a) placing the relevant Shareholder and parties acting in concert with him in the position of incurring a mandatory general offer obligation under the Singapore Code on Take-overs and Mergers (the “**Code**”) as a result of other Shareholders not taking up their Rights Shares entitlement fully; or
- (b) the transfer of a controlling interest in the Company, which is prohibited under Rule 803 of the Catalist Rules, unless prior approval of Shareholders is obtained in a general meeting.

2.5. Adjustment to Warrants/Convertible Securities

As a result of the Proposed Rights Issue, adjustments will have to be made to the number and/or exercise price of the outstanding Warrants. The Company will in due course make the appropriate announcement and notify holders of the outstanding Warrants of such adjustments.

As a result of the Proposed Rights Issue, adjustments may be made to the number and/or exercise price of the outstanding Share Options in such manner as the Company’s Remuneration Committee may determine to be appropriate. The Company will in due course make the relevant announcement and notify holders of the outstanding Share Options of such adjustments (if any).

2.6. Offer Information Statement

The terms and conditions of the Proposed Rights Issue are subject to such changes as the Directors may deem fit. The final terms and conditions of the Proposed Rights Issue, including the procedures for acceptances and applications for the Rights Shares, will be contained in the offer information statement (the “**Offer Information Statement**”) and its accompanying documents to be lodged with the SGX-ST, acting as agent on behalf of the Monetary Authority of Singapore (the “**MAS**”), and to be dispatched or disseminated by the Company to the Entitled Shareholders in due course.

### 3. IRREVOCABLE UNDERTAKING AND SET OFF ARRANGEMENTS

- 3.1. As of the date of this announcement, Mr. Sydney Yeung Kin Bond (the “**Undertaking Shareholder**”), a Director and controlling shareholder of the Company, and Roots Capital Limited ( are the legal and beneficial owners of an aggregate of 95,333,500 Shares (the “**Undertaking Shares**”), representing 15.13% of the Existing Share Capital. The Undertaking Shareholder is the owner of the entire issued share capital of Roots Capital Limited and is therefore deemed to have an interest in all of the Shares held by Roots Capital Limited.
- 3.2. To demonstrate their support for the Proposed Rights Issue and to show his commitment and confidence in the Group, the Undertaking Shareholder has executed an irrevocable undertaking (the “**Irrevocable Undertaking**”) pursuant to which, and subject to the scale-down provisions referred to in paragraph 3.4 below, he has undertaken to:
- (a) remain as the beneficial owner of the Undertaking Shares up until and including the Record Date and will not on or before such date sell, transfer or otherwise dispose of, any of the same or of any interest therein; and
  - (b) subscribe and pay for and/or procure the subscription and payment for 85,800,150 Rights Shares, being the *pro-rata* entitlement of the Undertaking Shareholder and Roots Capital Limited to Rights Shares under the Proposed Rights Issue, for an aggregate subscription amount of S\$1,115,402 (the “**Undertaking Shareholders’ Subscription Amount**”).
- 3.3. The obligations of the Undertaking Shareholder under the Irrevocable Undertaking are subject to and conditional upon the same conditions set out in paragraph 4.1 below.
- 3.4. Depending on the level of subscription for the Rights Shares, the Company may, if necessary, scale down the subscription for the Rights Shares by the Undertaking Shareholder and Roots Capital Limited to avoid placing the Undertaking Shareholder, Roots Capital Limited and parties acting in concert with them in the position of incurring a mandatory general offer obligation under the Code as a result of other Shareholders not taking up their Rights Shares entitlement.
- 3.5. No commission or fee will be payable by the Company to the Undertaking Shareholder or Roots Capital Limited in consideration of the Irrevocable Undertaking.
- 3.6. The Undertaking Shareholder had previously extended an interest-bearing loan of S\$1,900,000 to the Company (the “**Shareholder’s Loan**”). As of the date of this announcement, the amount owing to the Undertaking Shareholder under the Shareholder’s Loan is approximately S\$1,917,490 (representing principal and interest).
- 3.7. Pursuant to the Irrevocable Undertaking, the Undertaking Shareholder has agreed that the Company shall be entitled, prior to or at the close of the Proposed Rights Issue:
- (a) where the net proceeds from the Proposed Rights Issue (i.e. gross proceeds from the Proposed Rights Issue after deducting the estimated expenses of approximately S\$193,720 (the “**Estimated Expenses**”)) is equal to greater than the Undertaking Shareholders’ Subscription Amount, to apply and set off 100% of the Undertaking Shareholders’ Subscription Amount against part of the outstanding amount under the Shareholder’s Loan; and
  - (b) where the net proceeds from the Proposed Rights Issue (i.e. gross proceeds from the Proposed Rights Issue after deducting the Estimated Expenses) is less than the Undertaking Shareholders’ Subscription Amount, to apply and set off the Undertaking Shareholders’ Subscription Amount (less than Estimated Expenses) against part of the outstanding amount under the Shareholder’s Loan. The Undertaking Shareholder will pay, or procure payment of, the remaining balance of the Undertaking Shareholders’

Subscription Amount which is not set off against the outstanding amount under the Shareholder's Loan in cash.

For illustration purposes:

- (i) under the Maximum Subscription Scenario, the estimated net proceeds from the Proposed Rights Issue will be S\$7,700,176 (i.e. gross proceeds from the Proposed Rights Issue of S\$7,893,896 less the Estimated Expenses). As the estimated net proceeds from the Proposed Rights Issue will be more than the Undertaking Shareholders' Subscription Amount, 100% of the Undertaking Shareholders' Subscription Amount of S\$1,115,402 will be set off against part of the outstanding amount under the Shareholder's Loan; and
- (ii) under the Minimum Subscription Scenario, the estimated net proceeds from the Proposed Rights Issue will be S\$921,682 (i.e. gross proceeds from the Proposed Rights Issue of S\$1,115,402 less the Estimated Expenses). As the estimated net proceeds from the Proposed Rights Issue will be less than the Undertaking Shareholders' Subscription Amount, only 82.63% of the Undertaking Shareholders' Subscription Amount of S\$921,682 will be set off against part of the outstanding amount under the Shareholder's Loan. The remaining balance of the subscription amount of S\$193,720 will be paid by the Undertaking Shareholder in cash.

Under the scenario described in paragraph 3.7(b) above, as only a portion of the Undertaking Shareholders' Subscription Amount will be set off against part of the outstanding amount under the Shareholder's Loan, the Undertaking Shareholder will be providing a confirmation of financial resources in connection with the Irrevocable Undertaking to the Company, the Manager and the Sponsor for the remaining balance of the subscription amount which is not set off against the outstanding amount under the Shareholder's Loan under the Minimum Subscription Scenario, being the amount of S\$193,720 representing 17.37% of the Undertaking Shareholders' Subscription Amount.

- 3.8. Under the Maximum Subscription Scenario and assuming no new Shares are issued on or prior to completion of the Proposed Rights Issue, upon completion of the Proposed Rights Issue, the proportion of interests in the resultant enlarged issued and paid-up share capital of the Company of the Undertaking Shareholder and Roots Capital Limited in the Maximum Subscription Scenario will be approximately 14.64%.
- 3.9. Under the Minimum Subscription Scenario and assuming no new Shares are issued on or prior to completion of the Proposed Rights Issue, upon completion of the Proposed Rights Issue, the proportion of interests in the resultant enlarged issued and paid-up share capital of the Company of the Undertaking Shareholder and Roots Capital Limited in the Minimum Subscription Scenario will be approximately 25.30%.

#### **4. CONDITIONS OF THE PROPOSED RIGHTS ISSUE**

- 4.1. The Proposed Rights Issue is subject to and conditional upon, *inter alia*:
  - (a) the receipt of the LQN (defined herein) from the SGX-ST (and the LQN not having been withdrawn or revoked on or prior to the completion of the Proposed Rights Issue) and, where the LQN is subject to conditions, such conditions being acceptable to the Company;
  - (b) the lodgment of the Offer Information Statement, together with all other necessary accompanying documents, in connection with the Proposed Rights Issue with the SGX-ST, acting as an agent on behalf of the MAS; and
  - (c) all other necessary approvals, consents and/or waivers required from any person, financial institution or regulatory body or authority of Singapore or elsewhere under any and all agreements applicable to the Company and/or applicable laws for the Proposed Rights

Issue and to give effect to the Proposed Rights Issue, being obtained and not having been withdrawn or revoked before the completion of the Proposed Rights Issue.

- 4.2. An application will be made by the Company, through its Sponsor, to the SGX-ST for the listing and quotation for the Rights Shares on the Catalist (the “**ALA**”). An appropriate announcement will be made in due course when the Company receives the listing and quotation notice for the dealing in, listing of and quotation for the Rights Shares on the Catalist (the “**LQN**”) from the SGX-ST.

## 5. ELIGIBILITY TO PARTICIPATE IN THE PROPOSED RIGHTS ISSUE

### 5.1. Entitled Shareholders

The Company proposes to provisionally allot the Rights Shares to the entitled shareholders (“**Entitled Shareholders**”), comprising the Entitled Depositors (as defined in paragraph 5.2 below) and the Entitled Scripholders (as defined in paragraph 5.3 below). Entitled Shareholders will be entitled to participate in the Proposed Rights Issue and receive the Offer Information Statement together with the appropriate application forms and accompanying documents at their respective Singapore addresses as maintained with the records of The Central Depository (Pte) Limited (“**CDP**”) or the Share Registrar (as defined in paragraph 5.3 below), as the case may be.

### 5.2. Entitled Depositors

“**Entitled Depositors**” are Shareholders with Shares standing to the credit of their securities accounts (“**Securities Accounts**”) and whose registered addresses with CDP are in Singapore as at the Record Date or who have, at least three (3) market days (“**Market Day**” being a day on which the SGX-ST is open for securities trading) prior to the Record Date provided CDP with addresses in Singapore for the service of notices and documents.

Entitled Depositors will be provisionally allotted the Rights Shares on the basis of the number of Shares standing to the credit of their Securities Accounts with CDP as at 5.00 p.m. (Singapore time) on the Record Date.

### 5.3. Entitled Scripholders

“**Entitled Scripholders**” are Shareholders whose share certificates are not deposited with CDP and who have tendered to the Company’s share registrar, Boardroom Corporate & Advisory Services Pte. Ltd. (“**Share Registrar**”) valid transfers of their Shares and the share certificates relating thereto for registration up to 5.00 p.m. (Singapore time) on the Record Date and whose registered addresses with the Company are in Singapore as at the Record Date or who have, at least three (3) Market Days prior to the Record Date provided the Share Registrar with addresses in Singapore for the service of notices and documents.

Entitled Scripholders will have to submit duly completed and stamped transfers in respect of Shares not registered in the name of CDP, together with all relevant documents of title, so as to be received up to 5.00 p.m. (Singapore time) on the Record Date by the Share Registrar, in order to be registered to determine the transferee’s provisional allotments of Rights Shares entitlements.

### 5.4. Foreign Shareholders

The distribution of the Offer Information Statement and its accompanying documents may be prohibited or restricted (either absolutely or subject to various securities laws requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. For practical reasons and in order to avoid any violation of the securities legislation applicable in jurisdictions other than Singapore, the Offer Information Statement and its accompanying documents will NOT be dispatched to Shareholders with registered addresses outside Singapore and who have not, at least three (3) Market Days prior to

the Record Date, provided CDP or the Share Registrar, as the case may be, with addresses in Singapore for the service of notices and documents ("**Foreign Shareholders**").

If it is practicable to do so, arrangements may, at the discretion of the Company, be made for the provisional allotments of the Rights Shares which would otherwise have been provisionally allotted to Foreign Shareholders to be sold "nil paid" on the Catalist as soon as practicable after dealings in the provisional allotments of Rights Shares commence and the net proceeds arising therefrom will be dealt with in accordance with the terms set out in the Offer Information Statement.

#### 5.5. CPF Investment Scheme

Persons who bought their Shares previously using their Central Provident Fund account savings ("**CPF Funds**") may use the same for the payment of the Issue Price to accept their provisional allotments of Rights Shares and (if applicable) apply for excess Rights Shares, subject to the applicable rules and regulations of the Central Provident Fund. Such persons who wish to accept their provisional allotments of Rights Shares will need to instruct their respective approved banks where they hold their CPF investment accounts, to accept their provisional allotment of Rights Shares and (if applicable) apply for the excess Rights Shares on their behalf in accordance with the Offer Information Statement. CPF Funds may not, however, be used for the purchase of the provisional allotments of the Rights Shares directly from the market.

#### 5.6. Provisional Allotments and Excess Applications

Entitled Shareholders will be at liberty to accept in full or in part, decline or otherwise renounce or, in the case of Entitled Depositors only, trade (during the "nil-paid" rights trading period prescribed by the SGX-ST) their provisional allotments of the Rights Shares and will also be eligible to apply for Rights Shares in excess of their provisional allotments under the Proposed Rights Issue ("**Excess Rights Shares**").

Entitlements which are not allotted or taken up for any reason (including any fractional entitlements to the Rights Shares) will be aggregated and issued to satisfy applications, if any, for Excess Rights Shares or otherwise disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company, subject to applicable laws and the Catalist Rules.

In the allotment of Excess Rights Shares, preference will be given to the rounding of odd lots, and Directors and substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Proposed Rights Issue or have representation (direct or through a nominee) on the Board will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares.

The Company will not make any issuance and allotment of any Excess Rights Shares that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in a general meeting.

The procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sales of the provisional allotments of the Rights Shares and for the applications for Excess Rights Shares, including each different mode of acceptance or application and payment, will be contained in the Offer Information Statement and the relevant application forms.

#### 5.7. Trading of Odd Lots

Shareholders who hold odd lots of the Rights Shares and who wish to trade in odd lots on the Catalist should note that they will be able to do so on the Unit Share Market. However, Shareholders should note that the market for trading of such odd lots of Shares may be illiquid. There is no assurance that the Shareholders who hold odd lots of Shares will be able to acquire such number

of Shares required to make up a board lot, or to dispose of their odd lots (whether in part or in whole) on the Unit Share Market.

## 6. RATIONALE FOR THE PROPOSED RIGHTS ISSUE

The Company is undertaking the Proposed Rights Issue to repay the outstanding Shareholder's Loan and strengthen the financial position, capital base and working capital of the Group. The Proposed Rights Issue will also provide the Shareholders with an opportunity to further participate in the equity of the Company.

## 7. USE OF PROCEEDS

- 7.1. Under the Maximum Subscription Scenario, the gross proceeds from the Proposed Rights Issue is S\$7,893,896. The estimated net proceeds from the Proposed Rights Issue (after deducting the Estimated Expenses) will be approximately S\$7,700,176 (the "**Net Proceeds (Maximum Subscription Scenario)**"). Estimated fees and expenses of S\$193,720 constitute approximately 2.45% of the gross proceeds in the Maximum Subscription Scenario.
- 7.2. Under the Minimum Subscription Scenario, the gross proceeds from the Proposed Rights Issue is S\$1,115,402. The estimated net proceeds from the Proposed Rights Issue (after deducting the Estimated Expenses) will be approximately S\$921,682 (the "**Net Proceeds (Minimum Subscription Scenario)**"). Estimated fees and expenses of S\$193,720 constitute approximately 17.37% of the gross proceeds in the Minimum Subscription Scenario.
- 7.3. The Company intends to use the Net Proceeds (Maximum Subscription Scenario) and the Net Proceeds (Minimum Subscription Scenario) (collectively referred to as the "**Net Proceeds**") in the following manner:

### **Net Proceeds (Maximum Subscription Scenario)**

<b>Use of Net Proceeds (Maximum Subscription Scenario)</b>	<b>Approximate Allocation of the Net Proceeds (Maximum Subscription Scenario)</b>	<b>Approximate Percentage Allocation of the Net Proceeds (Maximum Subscription Scenario)</b>
Partial repayment of the Shareholder's Loan <sup>1</sup>	S\$1,115,402	14.4%
Working Capital purposes	S\$3,292,387	42.8%
Business expansion	S\$3,292,387	42.8%
<b>Total</b>	<b>S\$7,700,176</b>	<b>100.0%</b>

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<sup>1</sup> Pursuant to the set off arrangements described in paragraph 3 above and on the terms of the Irrevocable Undertaking



### **Net Proceeds (Minimum Subscription Scenario)**

<b>Use of Net Proceeds (Minimum Subscription Scenario)</b>	<b>Approximate Allocation of the Net Proceeds (Minimum Subscription Scenario)</b>	<b>Approximate Percentage Allocation of the Net Proceeds (Minimum Subscription Scenario)</b>
Partial repayment of the Shareholder's Loan <sup>2</sup>	S\$921,682	100.0%
<b>Total</b>	<b>S\$921,682</b>	<b>100.0%</b>

If the subscription rate of the Proposed Rights Issue falls between the Maximum Subscription Scenario and Minimum Subscription Scenario, the net proceeds from the Proposed Rights Issue will be applied towards the partial repayment of the Shareholders' Loan, working capital purposes and business expansion in descending order of priority (based on the amounts allocated to each use of the net proceeds under the Maximum Subscription Scenario).

- 7.4. Pending deployment of the Net Proceeds for the purposes stated, the Net Proceeds will be deposited with banks and/or financial institutions, invested in short-term money markets or marketable securities or used for other purposes on a short-term basis as the Directors may, in their absolute discretion, deem fit in the interests of the Group.
- 7.5. The Company will make periodic announcements on the utilisation of Net Proceeds as and when such proceeds are materially disbursed and whether such disbursements are in accordance with the use of proceeds as stated in the Offer Information Statement and provide a status report on the use of the Net Proceeds in the Company's annual reports until such time the Net Proceeds have been fully utilised. Where the proceeds have been used for working capital purposes, the Company will also provide a breakdown with specific details on the use of the Net Proceeds in the announcements and status reports. Where there is a material deviation in the use of the Net Proceeds, the Company will announce the reasons for such deviation.

### **8. DIRECTORS' STATEMENT AND OPINION**

- 8.1. As at the date of this announcement, the Directors are of the opinion that:
- (a) after taking into consideration the present bank facilities, the Shareholder's Loan and operating cash flows of the Group, the working capital available to the Group is sufficient to meet its present requirements. Notwithstanding the present sufficiency of working capital, the rationale for undertaking the Proposed Rights Issue is set out in paragraph 6 of this announcement; and
  - (b) after taking into consideration the present bank facilities and the Net Proceeds of the Proposed Rights Issue, the working capital available to the Group is sufficient to meet its present requirements.
- 8.2. The Directors are of the opinion, after taking into consideration the rationale for the Proposed Rights Issue as set out in paragraph 6 above, that the Proposed Rights Issue is in the interest of the

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<sup>2</sup> Pursuant to the set off arrangements described in paragraph 3 above and on the terms of the Irrevocable Undertaking

Group. The Issue Price and discount have been determined after taking into account the various factors as stated in paragraph 1.2 above.

**9. PREVIOUS EQUITY FUND RAISING**

The Company has not undertaken any equity fundraising exercise in the past twelve (12) months.

**10. NOTIFICATION UNDER SECTION 309B OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE**

The provisional allotments of Rights Shares and the Rights Shares are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in the MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

**11. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS OF THE COMPANY**

Save as disclosed in this announcement (including the Irrevocable Undertaking and set off arrangements referred to in paragraph 3 above), none of the Directors or substantial Shareholders of the Company have any interests, direct or indirect, in the Proposed Rights Issue (other than through their respective shareholdings in the Company).

**12. DIRECTORS' RESPONSIBILITY STATEMENT**

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

**13. CAUTION IN TRADING AND FURTHER ANNOUNCEMENTS**

Shareholders and potential investors are advised to exercise caution when dealing or trading in the Shares as there is no certainty or assurance that the Proposed Rights Issue will be completed or that no changes will be made to the terms thereof. Shareholders and potential investors are also advised to read this announcement and any further announcements by the Company carefully, and where in doubt as to the action that they should take, they should consult their financial, tax or other professional adviser immediately.

**BY ORDER OF THE BOARD**

Yeung Kin Bond, Sydney  
Group Chief Executive Director and Executive Director

23 October 2024

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*This announcement has been reviewed by the Company's sponsor, Evolve Capital Advisory Private Limited (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

*The details of the contact person for the Sponsor are:*

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