

CIRCULAR TO SHAREHOLDERS DATED 10 OCTOBER 2024

This Circular is circulated to the Shareholders (as defined in this Circular) together with the 2024 Annual Report (as defined in this Circular). Its purpose is to explain to the Shareholders the rationale and provide information to the Shareholders for the proposed Renewal of Share Purchase Mandate (as defined in this Circular) and the proposed Renewal of IPT General Mandate (as defined in this Circular) to be tabled at the 2024 AGM (as defined in this Circular) to be held at 2.00 p.m. on 25 October 2024.

The Notice of the 2024 AGM (as defined in this Circular) and a proxy form are enclosed with the 2024 Annual Report. If you are in any doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your Shares (as defined in this Circular), you should hand this Circular, the 2024 Annual Report and the proxy form immediately to the purchaser or to the stockbroker or to the bank or to the agent through whom you effected the sale for onward transmission to the purchaser.

The SGX-ST (as defined in this Circular) assumes no responsibility for the correctness of any statements made, reports contained or opinions expressed in this Circular.



CIRCULAR TO SHAREHOLDERS

in relation to

(I) THE PROPOSED RENEWAL OF SHARE PURCHASE MANDATE

(II) THE PROPOSED RENEWAL OF INTERESTED PERSONS TRANSACTIONS ("IPT") GENERAL MANDATE

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DEFINITIONS

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

General

“ACRA”	: The Accounting and Corporate Regulatory Authority of Singapore
“AGM”	: The annual general meeting of the Company
“Associate”	: Has the meaning ascribed to it under the Listing Manual
“Audit and Risk Committee”	: The audit and risk committee of the Company
“BaaS”	: Banking-as-a-Service is a subset of SaaS delivery model for banking services and products whereby the service provider, being a licensed bank, provides banking services or products through application programming interfaces to a customer that is not a licensed bank (for instance, an airline), who then offers the banking products or services to its customers as part of its services and products
“Board”	: The board of Directors of the Company for the time being
“CDP”	: The Central Depository (Pte) Limited
“Companies Act”	: The Companies Act 1967 of Singapore, as may be amended, varied or supplemented from time to time
“Company”	: Silverlake Axis Ltd.
“Constitution”	: The Constitution of the Company, as may be amended, varied or supplemented from time to time
“Controlling Shareholder”	: A person who: (a) holds directly or indirectly 15% or more of the total number of issued shares excluding treasury shares in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a Controlling Shareholder; or (b) in fact exercises control over a company
“Directors”	: The director(s) of the Company as at the date of this Circular
“EPS”	: Earnings per Share
“FY2024”	: Financial year ended 30 June 2024
“Group”	: The Company and its subsidiaries
“IBM System i Products”	: As defined in the 2008 Circular
“Interested Persons”	: A director, chief executive officer or controlling shareholder of the Company, or an Associate of any of them, as defined in the Listing Manual of the SGX-ST which may be amended from time to time
“Interested Person Transactions” or “IPT”	: The categories of transactions with Interested Persons, as set out in the 2008 Circular
“Latest Practicable Date”	: The latest practicable date prior to the issue of this Circular, being 16 September 2024
“Circular”	: This circular to Shareholders dated 10 October 2024 in relation to the proposed Renewal of Share Purchase Mandate and proposed Renewal of IPT General Mandate to be disseminated to Shareholders for approval at the 2024 AGM
“Listing Manual”	: The listing manual of the SGX-ST, as the same may be amended, varied or supplemented from time to time
“Mandated Persons”	: The names of interested persons as set out under Paragraph 3.1 of Appendix A
“Market Day”	: A day on which the SGX-ST is open for trading in securities

DEFINITIONS

“Market Purchase”	: As defined in Paragraph 3(c)(i) of this Circular
“Master Licence Agreement” or “MLA”	: The Master Licence Agreement dated 23 September 2008 entered into between the Company and Mr. Goh Peng Ooi, as may be supplemented, amended or modified from time to time
“Master Services Agreement” or “MSA”	: The Master Services Agreement dated 23 September 2008 entered into between the Company and Mr. Goh Peng Ooi, as may be supplemented, amended or modified from time to time
“Maximum Limit”	: As defined in Paragraph 3(a) of this Circular
“month”	: Calendar month
“NAV”	: Net asset value
“NTA”	: Net tangible assets
“Notice of the 2024 AGM”	: The notice of the 2024 AGM as set out in page 193 to 200 of the 2024 Annual Report
“Off-Market Purchase”	: As defined in Paragraph 3(c)(ii) of this Circular
“Ordinary Resolution 8”	: Ordinary Resolution 8 relating to the proposed Renewal of Share Purchase Mandate as set out in the Notice of the 2024 AGM
“Ordinary Resolution 9”	: Ordinary Resolution 9 relating to the proposed Renewal of IPT General Mandate as set out in the Notice of the 2024 AGM
“Recurrent Transactions”	: Recurrent transactions of a revenue or trading nature engaged in by the Group with the Interested Persons in the ordinary course of business
“Renewal of IPT General Mandate”	: The renewal of the 2023 IPT Mandate, and “Renewed IPT General Mandate” means such renewed mandate
“Renewal of Share Purchase Mandate”	: The renewal of the 2023 Share Purchase Mandate, and “Renewed Share Purchase Mandate” means such renewed mandate
“ROE”	: Return on earnings
“SaaS”	: Software-as-a-Service is a delivery model for software products and components (including the Software) whereby the service provider hosts, manages, and supports applications relating to software products and components (including the Software) remotely for the customer over the internet or a private network
“Securities Accounts”	: The securities accounts maintained with CDP, but not including the securities accounts maintained with a Depository Agent
“Services”	: As defined in the 2008 Circular
“SFA”	: The Securities and Futures Act 2001 of Singapore, as may be amended, varied or supplemented from time to time
“SGX-ST”	: Singapore Exchange Securities Trading Limited
“Share Purchase”	: Purchase by the Company of Shares pursuant to the Share Purchase Mandate
“Share Purchase Mandate”	: General mandate authorising Directors to exercise all powers of the Company to purchase or otherwise acquire its issued Shares upon and subject to the terms of such mandate set out in this Circular
“Shareholders”	: Registered holders of Shares except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context admits, mean the Depositors whose direct securities accounts maintained with CDP are credited with Shares
“Shares”	: The issued ordinary shares in the capital of the Company
“SIC”	: Securities Industry Council

DEFINITIONS

“Software”	: Software components of the Group described in Schedule 1 of the MLA and any customisations, updates, enhancements, modifications, and/or improvements thereto that the Group may develop, release, make or acquire from time to time
“Substantial Shareholder”	: A person who has an interest in the Shares the nominal amount of which is not less than 5% of the nominal amount of all the voting shares of the Company
“Take-over Code”	: The Singapore Code on Take-over and Mergers, as amended and modified from time to time
“treasury shares”	: Has the meaning ascribed to it in Section 4 of the Companies Act
“2008 Circular”	: The Company’s circular to Shareholders dated 2 October 2008
“2008 IPT Mandate”	: The general mandate approved by Shareholders at the 2008 SGM to enable the Group and its associated companies or any of them to enter into any of the recurrent transactions falling within the types of IPTs set out in the 2008 Circular with Interested Persons, provided that such IPTs are carried out on normal commercial terms and in accordance with the review procedures for Recurrent Transactions set out in the 2008 Circular, for the purposes of Chapter 9 of the Listing Manual
“2008 SGM”	: The special general meeting of the Company held on 24 October 2008
“2023 AGM”	: The AGM held on 26 October 2023
“2023 IPT Mandate”	: The 2008 IPT Mandate that was most recently renewed and amended at the 2023 AGM
“2023 Share Purchase Mandate”	: The share purchase mandate that was adopted at the 2023 AGM
“2024 AGM”	: The AGM to be held on 25 October 2024
“2024 Annual Report”	: The annual report of the Company for FY2024
<u>Currencies, units and others</u>	
“S\$” and “cents”	: Singapore dollars and cents respectively, the lawful currency of the Republic of Singapore
“RM” and “sen”	: Malaysian Ringgit and sen respectively, the lawful currency of Malaysia
“%” or “per cent”	: percentage or per centum

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

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

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

Any discrepancies in the tables in this Circular between the listed amounts and the totals thereof are due to rounding.

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

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



SILVERLAKE AXIS LTD.

(Registered in Singapore)

(Company Registration Number: 202133173M)

Board of Directors:

MR. GOH PENG OOI

(Executive Director and Group Executive Chairman)

MS. GOH SHIOU LING

(Executive Director, Deputy Executive Chairman and Group Chief Executive Officer)

MR. CHEE CHIN LEONG

(Executive Director)

MR. ONG KIAN MIN

(Independent Non-Executive Deputy Chairman and Lead Independent Non-Executive Director)

MR. MAH YONG SUN

(Independent Non-Executive Director)

EMERITUS PROFESSOR TAN SRI DATO' SERI DR. CHUAH HEAN TEIK

(Independent Non-Executive Director)

DATUK YVONNE CHIA (YAU AH LAN @ FARA YVONNE)

(Non-Independent Non-Executive Director with effect from 1 June 2024)

Registered Office:

9 Raffles Place

#26-01

Republic Plaza

Singapore 048619

10 October 2024

To: The Shareholders of Silverlake Axis Ltd. ("**Shareholders**")

Dear Shareholders,

I. PROPOSED RENEWAL OF SHARE PURCHASE MANDATE

II. PROPOSED RENEWAL OF INTERESTED PERSONS TRANSACTIONS ("IPT") GENERAL MANDATE

We refer to the Notice of the 2024 AGM of Silverlake Axis Ltd. ("**Company**") dated 10 October 2024 in respect of the annual general meeting to be held on 25 October 2024 at 2.00 p.m. ("**2024 AGM**") and Ordinary Resolutions 8 and 9 ("**Ordinary Resolution 8**" and "**Ordinary Resolution 9**" respectively) set out under "Special Business" in the Notice of 2024 AGM.

The purpose of this circular ("**Circular**") is to provide Shareholders with information relating to (i) the proposed renewal of the Company's share purchase mandate, and (ii) the proposed renewal of the Company's general mandate to carry out certain interested persons transactions, and to seek Shareholders' approval in relation thereof.

CIRCULAR TO SHAREHOLDERS

I. PROPOSED RENEWAL OF SHARE PURCHASE MANDATE

1. Background

The Shareholders had approved a mandate ("**2023 Share Purchase Mandate**") at the 2023 AGM to enable the Company to purchase or otherwise acquire issued ordinary shares not exceeding in a prescribed limit. The authority conferred on the Directors under the 2023 Share Purchase Mandate will expire at the forthcoming 2024 AGM unless renewed by the Shareholders.

Accordingly, the Directors propose to seek the approval of Shareholders for the renewal of the 2023 Share Purchase Mandate ("**Renewal of Share Purchase Mandate**", and such renewed mandate, the "**Renewed Share Purchase Mandate**"), to take effect and continue in force until the conclusion of the next AGM in 2025, by way of an ordinary resolution. The resolution in respect of the Renewal of Share Purchase Mandate is set out in **Ordinary Resolution 8** in the Notice of the 2024 AGM. The purpose of this Circular is to provide Shareholders with information relating to, *inter alia*, the Renewal of Share Purchase Mandate.

2. Rationale for the Renewal of Share Purchase Mandate

The rationale for the Company to undertake the purchase or acquisition of its Shares is as follows:

- (a) Share purchases may be considered as one of the ways through which shareholders' value may be increased by enhancing the return on earnings ("**ROE**") and/or net tangible assets ("**NTA**") value per Share. This effect is greater the more undervalued the Shares are when they are purchased. If Shares are undervalued, this may be the most profitable course of action for the Company.
- (b) Buying back Shares also means that the Company's earnings are now split among fewer Shares, meaning higher earnings per share ("**EPS**").
- (c) Buying back Shares provides the Company with a mechanism to facilitate the return of surplus cash over and above its ordinary capital requirements in an expedient, effective and cost-efficient manner.

The Directors further believe that Share purchases by the Company may help to mitigate short-term market volatility in the Company's Share price, off-set the effects of short-term speculation and bolster Shareholders' confidence.

By obtaining the Renewed Share Purchase Mandate, the Company will have the flexibility to undertake purchases of Shares at any time, subject to market conditions, during the period when the Renewed Share Purchase Mandate is in force. If and when circumstances permit, the Directors will decide whether to effect the Share purchases via Market Purchases (as defined below) or Off-Market Purchases (as defined below), after taking into account the amount of surplus cash available, the prevailing market conditions and the most cost-effective and efficient approach. The Directors do not propose to carry out buy-backs 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 condition of the Group. Shareholders should also note that purchases or acquisitions of Shares pursuant to the Renewed Share Purchase Mandate may not be carried out to the full limit as authorised.

3. Authority and Limits of the Renewed Share Purchase Mandate

Any purchase or acquisition of Shares by the Company shall be made in accordance with, and in the manner prescribed by the Companies Act, the Company's Constitution and the Listing Manual, in particular, Rule 883(1) of the Listing Manual, and such other laws and regulations as may for the time being, be applicable. The authority and limitations placed on purchases or acquisitions of Shares by the Company under the Renewed Share Purchase Mandate are summarised below:

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(a) **Maximum Number of Shares**

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

In accordance with Rule 882 of the Listing Manual, the total number of Shares which may be purchased or acquired by the Company pursuant to the Renewed Share Purchase Mandate shall not exceed **ten per cent (10%)** of the issued ordinary share capital of the Company as at the date on which the resolution authorising the Renewal of Share Purchase Mandate is passed ("**Maximum Limit**"), unless the Company has effected a cancellation of Shares pursuant to a reduction of its issued share capital, in accordance with the applicable provisions of the Companies Act, at any time during the relevant period (as defined in the Companies Act), in which event the total number of Shares of the Company shall be taken to be the total number of Shares as so altered. Shares held by the Company as treasury shares and subsidiary holdings shall be disregarded for purposes of computing the Maximum Limit.

Whilst the Renewed Share Purchase Mandate would authorise a purchase or acquisition of Shares up to the full 10% threshold, it should be noted that purchases or acquisitions of Shares pursuant to the Renewed Share Purchase Mandate may not be carried out up to the full 10% limit as authorised or at all and that no purchases or acquisitions of Shares will be made in circumstances which would or may have a material adverse effect on the financial position of the Company.

Purely for illustrative purposes, on the basis of 2,514,757,359 Shares in issue (excluding 181,715,441 treasury shares and subsidiary holdings) as at the Latest Practicable Date and assuming that no further Shares are issued on or prior to the 2024 AGM, not more than 251,475,735 Shares (representing 10% of the Shares in issue, excluding treasury shares and subsidiary holdings, as at that date) may be purchased or acquired by the Company pursuant to the Renewed Share Purchase Mandate.

Shareholders should note that this limit of 10% is subject further to the public float requirement as set out in detail in Paragraph 10(c) of this Circular.

(b) **Duration of Authority**

The authority conferred on the Directors pursuant to the Renewed Share Purchase Mandate, unless varied or revoked by the Company in a general meeting, may be exercised by the Directors at any time and from time to time during the relevant period, which is the period commencing from the obtaining of the Renewed Share Purchase Mandate and expiring on the earliest of:

- (i) the conclusion of the next AGM or the date by which such AGM is required by law to be held;
- (ii) the date on which the purchases or acquisitions of Shares by the Company pursuant to the Renewed Share Purchase Mandate are carried out to the full extent mandated; or
- (iii) the date on which the authority contained in the Renewed Share Purchase Mandate is varied or revoked by ordinary resolution of the Company in a general meeting.

The Renewed Share Purchase Mandate may be renewed at each AGM or at an extraordinary general meeting of the Company.

(c) **Manner of Purchases or Acquisitions of Shares**

Purchases or acquisitions of Shares may be effected by the Company by way of:

- (i) a market purchase, transacted on the SGX-ST through the ready market or the special trading counter on the SGX-ST trading system, through one or more duly licensed stock brokers appointed by the Company for the purpose ("**Market Purchase**"); and/or
- (ii) an off-market purchase effected pursuant to an equal access scheme in accordance with Section 76C of the Companies Act ("**Off-Market Purchase**").

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The Directors may impose such terms and conditions which are not inconsistent with the Renewed Share Purchase Mandate, the Listing Manual and the Companies Act as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes. An Off-Market Purchase must, however, satisfy all the following conditions:

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

If the Company wishes to make an Off-Market Purchase in accordance with an equal access scheme, the Company shall, as required by Rule 885 of the Listing Manual in accordance with an equal access scheme as defined in Section 76C of the Companies Act, issue an offer document to all Shareholders. The offer document shall contain, *inter alia*, the following information:

- (i) the terms and conditions of the offer;
- (ii) the period and procedures for acceptances;
- (iii) the reasons for the proposed Share Purchases;
- (iv) the consequences, if any, of Share Purchases by the Company that will arise under the Take-over Code or any other applicable take-over rules;
- (v) whether the Share Purchase, if made, would have any effect on the listing of the Shares on the SGX-ST;
- (vi) details of any Share Purchase made by the Company in the previous twelve (12) months (whether through Market Purchases or Off-Market Purchases), including the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for such purchases of Shares, where relevant, and the total consideration paid for such purchases; and
- (vii) whether the Shares purchased or acquired by the Company will be cancelled or kept as treasury shares.

(d) **Maximum Purchase Price**

The purchase price (excluding ancillary expenses such as brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) to be paid for the Shares will be determined by the Directors. However, the purchase price to be paid for the Shares as determined by the Directors must not exceed the maximum price ("**Maximum Price**") as set out below:

- (i) in the case of a Market Purchase, 105% of the Average Closing Price (as defined below) of the Shares, and
 - (ii) in the case of an Off-Market Purchase, 120% of the Average Closing Price of the Shares,
- in each case, excluding related expenses of the purchase or acquisition.

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For the above purposes:

“Average Closing Price” means the average of the Closing Market Prices of the Shares over the last five (5) Market Days on the Shares are transacted on the SGX-ST immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the rules of the SGX-ST, for any corporate action that occurs during the relevant five-day period and the day on which the purchases are made;

“Closing Market Price” means the last dealt price for a Share transacted through the SGX-ST’s Central Limit Order Book trading system as shown in any publication of the SGX-ST or other sources; and

“date of the making of the offer” means the date on which the Company makes or announces its intention to make (as the case may be) an offer for the purchase or acquisition of Shares from holders of Shares, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

4. Status of Purchased Shares

A Share when purchased or acquired by the Company is treated as cancelled immediately on purchase or acquisition (and all rights and privileges attached to the Shares will expire on such cancellation and certificates in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following settlement of any such purchase), unless such Shares are held by the Company as treasury shares. Accordingly, the total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are not held as treasury shares.

At the time of each purchase or acquisition of Shares by the Company, the Directors may decide whether the Shares purchased will be cancelled or kept as treasury shares, or partly cancelled and partly kept as treasury shares, as the Directors deem fit in the interest of the Company at that time.

5. Treasury Shares Held by the Company

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:

(a) Maximum Number of Shares

The number of Shares held as treasury shares cannot at any time exceed ten per cent (10%) of the total number of issued Shares.

(b) 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.

In addition, no dividends 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. A subdivision or consolidation of any treasury shares into treasury shares of smaller amount is also allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

Under Rule 704(28) of the Listing Manual, the Company must immediately announce any sale, transfer, cancellation and/or use of treasury shares held by it and state 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;

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- (iv) 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 cancelled.

6. Disposal and Cancellation

Shares which are purchased or acquired by the Company may be cancelled or held by the Company as treasury shares. All cancelled shares will automatically be delisted by the SGX-ST. If cancelled, all rights and privileges attached to that Share shall expire on cancellation and certificates (if any) in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following settlement of any such purchase.

Where purchased 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 employees' 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 of Singapore.

7. Source of Funds

The Company may use internal resources and/or external borrowings to finance the Company's purchase or acquisition of its Shares pursuant to the Renewed Share Purchase Mandate. The Directors do not propose to exercise the Renewed Share Purchase Mandate to such an extent that it would materially affect the working capital requirements or the gearing levels which, in the opinion of the Directors, are from time to time appropriate for the Company.

Where Shares are purchased or acquired, and cancelled:

- (a) if the Shares are purchased or acquired entirely out of the capital of the Company, the Company shall reduce the amount of its share capital by the total amount of the purchase price paid by the Company for the Shares (excluding brokerage, stamp duties, applicable goods and services tax, clearance fees and other related expenses) ("**Purchase Price**");
- (b) if the Shares are purchased or acquired entirely out of profits of the Company, the Company shall reduce the amount of its profits by the total amount of the Purchase Price; or
- (c) where the Shares are purchased or acquired out of both the capital and the profits of the Company, the Company shall reduce the amount of its share capital and profits proportionately by the total amount of the Purchase Price.

8. Solvency Test

Under the Companies Act, the Company may not enter into any share buy-back transaction unless it is solvent. Pursuant to the Companies Act, a company is solvent if the following conditions are satisfied:

- (a) there is no ground on which the company could be found to be unable to pay its debts;

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- (b) if:
 - (i) it is intended to commence winding up of the company within the period of 12 months immediately after the date of the purchase or acquisition, the company will be able to pay its debts in full within the period of 12 months after the date of commencement of the winding up;
 - (ii) it is not intended so to commence winding up, the company will be able to pay its debts as they fall due during the period of 12 months immediately after the date of the payment; and
- (c) the value of the company's assets is not less than the value of its liabilities (including contingent liabilities) and will not, after the proposed purchase or acquisition, become less than the value of its liabilities (including contingent liabilities).

9. Financial Effects

The financial effects of a Share Purchase pursuant to the Renewed Share Purchase Mandate on the Group will depend on, *inter alia*, whether the Shares are purchased or acquired out of profits and/or capital of the Company, the number of Shares purchased or acquired, the consideration price paid for such Shares and whether the Shares purchased or acquired are held as treasury shares or cancelled. Some of these factors are discussed below:

(a) Number of Shares Acquired or Purchased

For illustration purposes only, based on 2,514,757,359 Shares, being the total number of Shares as at the Latest Practicable Date (excluding treasury shares and subsidiary holdings), and assuming that no further Shares are issued on or prior to the 2024 AGM, not more than 251,475,735 Shares (representing 10% of the issued share capital of the Company excluding treasury shares and subsidiary holdings) may be purchased or acquired by the Company pursuant to the Renewed Share Purchase Mandate.

(b) Based on Maximum Price Paid for Shares Acquired or Purchased

- (i) In the case of a Market Purchase by the Company and assuming that the Company purchases or acquires the 251,475,735 Shares at the Maximum Price of S\$0.395 per Share (being the price equivalent to 5% above the average of the closing market prices of the Shares for the five (5) consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 251,475,735 Shares is S\$99,332,915 (excluding brokerage, commission, applicable goods and services tax and other related expenses).
- (ii) In the case of an Off-Market Purchase by the Company and assuming that the Company purchases or acquires the 251,475,735 Shares at the Maximum Price of S\$0.451 per Share (being the price equivalent to 20% above the average of the closing market prices of the Shares for the five (5) consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 251,475,735 Shares is S\$113,415,556 (excluding brokerage, commission, applicable goods and services tax and other related expenses).

(c) Illustrative Financial Effects

For illustrative purposes only, on the basis of the assumptions set out above, and assuming that the purchases of Shares are financed solely by internal resources, the financial effects of the purchase of Shares by the Company pursuant to the Renewed Share Purchase Mandate on the audited financial statements of the Group for the financial year ended 30 June 2024 as if the Renewed Share Purchase Mandate had been effective on 30 June 2024 would have been as follows:

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Purchases made out of capital

**(A) Purchases made entirely out of capital and cancelled, and
(B) Purchases made entirely out of capital and held as treasury shares.**

(RM'000)	Audited Before Buyback	<u>Market Purchase</u>		<u>Off-Market Purchase</u>	
		(A) Proforma After Buyback and Cancelled	(B) Proforma After Buyback and held as Treasury Shares	(A) Proforma After Buyback and Cancelled	(B) Proforma After Buyback and held as Treasury Shares
<u>Company</u>					
Shareholders' Funds	2,322,333	1,992,548	1,992,548	1,945,793	1,945,793
NTA	2,322,333	1,992,548	1,992,548	1,945,793	1,945,793
Current Assets	88,814	465	465	465	465
Current Liabilities	6,610	248,046	248,046	294,801	294,801
Cash and Cash Equivalents	88,349	-	-	-	-
Total Borrowings	115,895	357,331	357,331	404,086	404,086
Number of Shares including Treasury Shares ('000)	2,696,473	2,444,997	2,696,473	2,444,997	2,696,473
Treasury Shares ('000)	181,715	181,715	433,191	181,715	433,191
<u>Financial Ratios</u>					
NTA per Share (sen)	92.35	88.04	88.04	85.97	85.97
Current Ratio (times)	13.44	0.002	0.002	0.002	0.002
Gearing Ratio (times)	0.05	0.18	0.18	0.21	0.21
<u>Group</u>					
Shareholders' Funds	1,135,176	805,391	805,391	758,636	758,636
NTA	708,773	378,988	378,988	332,233	332,233
Net Profit	105,176	105,176	105,176	105,176	105,176
Current Assets	891,901	562,116	562,116	515,361	515,361
Current Liabilities	269,317	269,317	269,317	269,317	269,317
Cash and Cash Equivalents	484,534	154,749	154,749	107,994	107,994
Total Borrowings	142,138	142,138	142,138	142,138	142,138
<u>Financial Ratios</u>					
NTA per Share (sen)	28.18	16.75	16.75	14.68	14.68
Basic EPS (sen)	4.11	4.57	4.57	4.57	4.57
ROE (%)	9%	13%	13%	14%	14%
Current Ratio (times)	3.31	2.09	2.09	1.91	1.91
Gearing Ratio (times)	0.13	0.18	0.18	0.19	0.19

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Purchases made out of profits

(C) Purchases made entirely out of profits and cancelled, and
(D) Purchases made entirely out of profits and held as treasury shares.

(RM'000)	Audited Before Buyback	<u>Market Purchase</u>		<u>Off-Market Purchase</u>	
		(C) Proforma After Buyback and Cancelled	(D) Proforma After Buyback and held as Treasury Shares	(C) Proforma After Buyback and Cancelled	(D) Proforma After Buyback and held as Treasury Shares
<u>Company</u>					
Shareholders' Funds	2,322,333	1,992,548	1,992,548	1,945,793	1,945,793
NTA	2,322,333	1,992,548	1,992,548	1,945,793	1,945,793
Current Assets	88,814	465	465	465	465
Current Liabilities	6,610	248,046	248,046	294,801	294,801
Cash and Cash Equivalents	88,349	-	-	-	-
Total Borrowings	115,895	357,331	357,331	404,086	404,086
Number of Shares including Treasury Shares ('000)	2,696,473	2,444,997	2,696,473	2,444,997	2,696,473
Treasury Shares ('000)	181,715	181,715	433,191	181,715	433,191
<u>Financial Ratios</u>					
NTA per Share (sen)	92.35	88.04	88.04	85.97	85.97
Current Ratio (times)	13.44	0.002	0.002	0.002	0.002
Gearing Ratio (times)	0.05	0.18	0.18	0.21	0.21
<u>Group</u>					
Shareholders' Funds	1,135,176	805,391	805,391	758,636	758,636
NTA	708,773	378,988	378,988	332,233	332,233
Net Profit	105,176	105,176	105,176	105,176	105,176
Current Assets	891,901	562,116	562,116	515,361	515,361
Current Liabilities	269,317	269,317	269,317	269,317	269,317
Cash and Cash Equivalents	484,534	154,749	154,749	107,994	107,994
Total Borrowings	142,138	142,138	142,138	142,138	142,138
<u>Financial Ratios</u>					
NTA per Share (sen)	28.18	16.75	16.75	14.68	14.68
Basic EPS (sen)	4.11	4.57	4.57	4.57	4.57
ROE (%)	9%	13%	13%	14%	14%
Current Ratio (times)	3.31	2.09	2.09	1.91	1.91
Gearing Ratio (times)	0.13	0.18	0.18	0.19	0.19

Notes:

- (1) NTA per Share is calculated by the NTA divided by the number of shares excluding treasury shares as at 30 June 2024.
- (2) Basic EPS is calculated by the profit attributable to shareholders divided by the weighted average number of shares excluding treasury shares.
- (3) Current ratio is derived based on current assets divided by current liabilities.

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Shareholders should note that the financial effects, based on the respective aforementioned assumptions, are only for illustrative purposes. In particular, it is important to note that it is not possible for the Company to realistically calculate or quantify the impact of purchases or acquisitions that may be made pursuant to the Renewed Share Purchase Mandate on the NTA per Share and Basic EPS, as the resultant effect would depend on the factors such as the aggregate number of Shares purchased, the purchase price paid at the relevant time, and the amount (if any) borrowed by the Company to fund the purchases or acquisitions. The above analysis is based on historical numbers as at 30 June 2024, and is not necessarily representative of future financial performance.

It should also be noted that purchases or acquisitions of Shares by the Company pursuant to the Renewed Share Purchase Mandate would only be made in circumstances where it is considered to be in the best interest of the Company, and the purchases or acquisitions of Shares may not be carried out to the Maximum Limit. Further, the Directors would emphasise that they do not propose to carry out Share Purchases to such an extent that would, or in circumstances that might, result in a material adverse effect on the financial position of the Company or the Group, or results in the Company being delisted from the SGX-ST.

10. Requirements in the Listing Manual and Companies Act

- (a) Under Rule 886 of the Listing Manual, a listed company shall report all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 am (i) in the case of a Market Purchase, on the market day following the day on which the Market Purchase was effected, and (ii) in the case of an Off-Market Purchase, on the second market day after the close of acceptances of the offer. The notification of such purchases or acquisitions to the SGX-ST shall be in such form, and shall include such details, as may be prescribed by the SGX-ST in the Listing Manual.

The Company shall, within thirty (30) days of the passing of a resolution to approve the Renewed Share Purchase Mandate, lodge a copy of such resolution with ACRA.

Further, within thirty (30) days of a purchase of Shares, the Company shall lodge with ACRA the notice of the purchase in the prescribed form, such notification including, *inter alia*, 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 the purchase and after the purchase, 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 and such other particulars as may be required in the prescribed form.

- (b) The Listing Manual does not expressly prohibit any purchase of shares by a listed company during any particular time(s). However, as the 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 Renewed Share Purchase Mandate in the following circumstances:
- (i) at any time after any matter or development of a price-sensitive nature has occurred or has been the subject of a decision of the Board until the price-sensitive information has been publicly announced, and
 - (ii) in particular, in accordance with Rule 1207(19) of the Listing Manual on securities dealings, the Company would not purchase or acquire any Shares through Market Purchases during the period of one (1) month immediately preceding the announcement of the Company's half year and full-year results.
- (c) Rule 723 of the Listing Manual requires a company to ensure that at least 10% of total number of issued shares (excluding preference shares and convertible equity securities) in a class that is listed are held by public shareholders. The "public", as defined under the Listing Manual, are persons other than the directors, chief executive officer, substantial shareholders or controlling shareholders of the Company and its subsidiary companies, the associates of such persons and founding shareholders and management team of special purpose acquisition company and their associates. The Company is of the view that there is a sufficient number of Shares in issue held by public shareholders which would permit the Company to undertake purchases or acquisitions of its Shares through Market Purchases up to the Maximum Limit under the Renewed Share Purchase Mandate without affecting the listing status of the Shares on the SGX-ST, causing market illiquidity or affecting orderly trading.

As at the Latest Practicable Date, there are approximately 629,571,653 Shares in the hands of the public, representing approximately 25.04% of the issued ordinary share capital excluding treasury shares of the Company. To comply with the minimum public float requirement of the Listing Manual, the Company will purchase its shares only to the extent that it will not result in less than 10% of its issued ordinary share capital being held by public shareholders. Accordingly, the Company may purchase shares up to a maximum of 251,475,735 Shares, i.e., 10% of its issued and ordinary share capital pursuant to the Renewed Share Purchase Mandate, based on the number of shares in the hands of the public as at the Latest Practicable Date.

11. Take-over Implications

Appendix 2 of the Take-over Code (“**Appendix 2**”) contains the Share Buy Back Guidance Note. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below:

(a) Obligation to Make a Take-over Offer

Any resultant increase in the percentage of voting rights held by a Shareholder and persons acting in concert with him, following any purchase or acquisition of Shares by the Company, will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code (“**Rule 14**”). Consequently, depending on the number of Shares purchased or acquired by the Company and the Company’s issued share capital at that time, a Shareholder or group of Shareholders acting in concert with each other could obtain or consolidate effective control of the Company and could become obliged to make a take-over offer under Rule 14.

(b) 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), co-operate, 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 Take-over Code presumes, *inter alia*, the following individuals and companies to be persons acting in concert:

- (i) the following companies:
 - (aa) a company;
 - (bb) the parent company of (aa);
 - (cc) the subsidiaries of (aa);
 - (dd) the fellow subsidiaries of (aa);
 - (ee) the associated companies of any of (aa), (bb), (cc) or (dd);
 - (ff) companies whose associated companies include any of (aa), (bb), (cc), (dd) or (ee); and
 - (gg) 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,for this purpose, ownership or control of at least a company is an associated company of another company if the second company owns or controls at least twenty per cent (20%) but not more than fifty per cent (50%) of the voting rights of the first-mentioned company; and
- (ii) 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).

The circumstances under which Shareholders (including Directors) 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 Rule 14 and Appendix 2.

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(c) **Effect of Rule 14 and Appendix 2**

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

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

The interests of the Directors and Substantial Shareholders of the Company in the Shares are disclosed in Paragraph 17 below.

As at the Latest Practicable Date, assuming (a) the Company purchases the maximum amount of 10% of the issued ordinary share capital of the Company (excluding treasury shares and subsidiary holdings), and (b) there is no change in the number of Shares held or deemed to be held by the Directors and Substantial Shareholders prior to and after the exercise of the Renewed Share Purchase Mandate, none of the Directors and Substantial Shareholders would become obliged to make a mandatory take-over offer for the Company under Rule 14 in the event the Company purchases the maximum limit of 10% of its issued ordinary share capital (excluding treasury shares and subsidiary holdings).

Shareholders who are in any doubt as to whether they would incur any obligations to make a take-over offer as a result of any purchase of Shares by the Company pursuant to the Renewed Share Purchase Mandate are advised to consult the SIC and/or their professional advisers.

The statements herein do not purport to be a comprehensive or exhaustive description of all implications that may arise under the Take-over Code. Shareholders are advised to consult their professional advisers and/or the SIC and/or other relevant authorities at the earliest opportunity as to whether an obligation to make a take-over offer would arise by reason of any purchase or acquisition of Shares by the Company.

12. **Tax Implications**

Shareholders who are in doubt as to their respective tax positions or the tax implications of Share purchases by the Company, or who may be subject to tax in or outside Singapore, should consult their own professional advisers.

13. **Shares Purchased by the Company**

The Company has made Market Purchases and Off-Market Purchases of 150,000 ordinary shares in the previous twelve (12) months from the Latest Practicable Date which were held as treasury shares. Details of the transactions are set out below:

Date of Transaction	Number of Shares Acquired	Purchase Price Per Share (S\$)	Total Consideration⁽¹⁾ (S\$)	Type of Transaction
7 Dec 2023	150,000	0.275	41,299.50	Market Purchase
Total	150,000	-	41,299.50	-

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Note:

- (1) Total consideration paid for the Shares includes, *inter alia*, ancillary expenses such as brokerage, commission applicable goods and services tax, stamp duties, clearance fees and other related expenses.

II. PROPOSED RENEWAL OF IPT GENERAL MANDATE

14. Background

The Company anticipates that the Group would, in the ordinary course of business, enter into transactions with persons which are considered “Interested Persons” as defined in Chapter 9 of the Listing Manual. It is likely that such transactions will occur with some degree of frequency and could arise at any time and from time to time.

Chapter 9 of the Listing Manual permits a listed company to seek a general mandate from its shareholders for recurrent transactions of a revenue or trading nature or those necessary for its day-to-day operations such as the purchase and sale of supplies and materials (but not in respect of the purchase or sale of assets, undertakings or businesses) that may be carried out with the Interested Persons.

Shareholders had approved a general mandate (“**2008 IPT Mandate**”) at the Special General Meeting of the Company held on 24 October 2008 (“**2008 SGM**”) to enable the Group and its associated companies or any of them to enter into any of the recurrent transactions falling within the types of IPTs set out in the 2008 Circular, with any party who is of the classes of Interested Persons described in the 2008 Circular (“**Interested Persons**”), provided that such IPTs are carried out on normal commercial terms and in accordance with the review procedures for Recurrent Transactions (as defined below) set out in the 2008 Circular, for the purposes of Chapter 9 of the Listing Manual. The 2008 IPT Mandate was renewed by Shareholders at the AGM in 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021 and 2022. In 2023, shareholders’ approval was obtained for the renewal of, and amendments to, the IPT general mandate (“**2023 IPT Mandate**”). The 2023 IPT Mandate will expire on the forthcoming 2024 AGM unless renewed by the Shareholders.

Save for the amendments at Paragraph 3.1 of **Appendix A** of this Circular to reflect the updated names of Mandated Persons (by removing Silverlake Cloud Computing Sdn. Bhd, Silverlake MasterSAM Sdn. Bhd. and Silverlake MasterSAM Pte. Ltd. (collectively, the “**Target Companies**”), and at Paragraph 6.10 of **Appendix A** to reflect the updated approving authority for the Mandated Transactions (by making any single Mandated Transaction with a value equal or above 3% of the then latest audited NTA of the Group, and any single Mandated Transaction with a value equal or above 5% of the then latest audited NTA of the Group subject to approval of the Directors who are considered independent for the purposes of the Mandated Transactions), the terms of the Renewed IPT Mandate, including the rationale for and benefit of the Renewed IPT Mandate and the scope of the Renewed IPT Mandate (including the classes of interested persons, the categories of interested person transactions, the review procedures for interested person transactions and the threshold limits) in respect of which the Renewed IPT Mandate is sought to be renewed otherwise remain unchanged from the 2023 IPT Mandate. Please refer to **Appendix A** which shows the changes, with insertions in underline and deletions in strikethrough (as compared against the 2023 IPT Mandate which was last renewed at the 2023 AGM).

The Target Companies are removed from the list of Mandated Persons for purposes of the Renewed IPT General Mandate as they have been acquired by the Group and transaction with these entities will no longer be interested person transactions. As per the SGX announcement by the Company dated 21 May 2024, Silverlake Global Structured Services Pte. Ltd., a wholly-owned subsidiary the Company, entered into a share purchase agreement for the proposed acquisition (“**Proposed Acquisition**”) of the entire issued and paid-up share capital of the Target Companies. On 1 July 2024, the Company released a further announcement to announce that the acquisition has been completed. Please refer to the aforementioned announcements for details.

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The approving authority for the Mandated Transactions has been amended to make any single Mandated Transaction with a value equal or above 3% of the then latest audited NTA of the Group, and any single Mandated Transaction with a value equal or above 5% of the then latest audited NTA of the Group subject to approval of the Directors who are considered independent for the purposes of the Mandated Transactions. Under the existing 2023 IPT Mandate, any single Mandated Transaction with a value equal or above 3% of the then latest audited NTA of the Group are subject to the approval of the Group Managing Director/ Chief Executive Officer, and only single Mandated Transaction with a value equal or above 5% of the then latest audited NTA of the Group subject to approval of the Audit and Risk Committee. However, as announced by the Company on 28 June 2024, Ms. Goh Shiou Ling has been appointed as the Group's Chief Executive Officer with effect from 1 July 2024. Ms. Goh Shiou Ling is the daughter of Mr. Goh Peng Ooi and an associate of Mr. Goh Peng Ooi. As such, she may be required to abstain from participating in the approval process in relation to interested party transactions due to her interest in the transaction. Accordingly, the approving authority for the Mandated Transactions has been amended to make any single Mandated Transaction with a value equal or above 3% of the then latest audited NTA of the Group, and any single Mandated Transaction with a value equal or above 5% of the then latest audited NTA of the Group subject to approval of the Directors who are considered independent for the purposes of the Mandated Transactions.

Accordingly, the Directors propose to seek the approval of Shareholders for the Renewal of IPT General Mandate, to take effect and continue in force until the conclusion of the next AGM in 2024, by way of an ordinary resolution. The Renewal of IPT General Mandate is set out in **Ordinary Resolution 9** in the Notice of the 2024 AGM.

Information pertaining to, *inter alia*, the scope of the Renewed IPT General Mandate, the particulars of IPTs, the classes of Interested Persons, the methods or procedures for determining transaction prices, and the review procedures in relation to IPTs are set out in **Appendix A** of this Circular.

15. Rationale for the Renewed IPT General Mandate and benefits to Shareholders

It is envisaged that the Group may from time to time, in the ordinary course of business, continue to engage in recurrent transactions of a revenue or trading nature with the Interested Persons as described in the 2008 Circular ("**Recurrent Transactions**"). Such Recurrent Transactions would include, but are not limited to transactions pursuant to the MLA and the MSA, the grant of licenses of the Group's software, resale of IBM System i Products, provision of Services to, and receipt of Services from, the Interested Persons.

Notably, on 19 July 2023, the Company entered into supplementals to the MSA and MLA with Mr. Goh Peng Ooi to, *inter alia*, expand the scope of services rendered in connection with software products and components under the MSA and to amend the MLA to include the provision of BaaS and SaaS. On 11 September 2023, the Company entered into further supplementals to the MSA and MLA with Mr. Goh Peng Ooi to update the list of Mandated Persons. Accordingly, the scope of the IPT General Mandate was expanded to include additional mandated transactions and the 2023 IPT Mandate was approved by Shareholders at the 2023 AGM.

The Directors are of the view that it will be beneficial to the Group to transact or continue to transact with the Interested Persons, especially since the transactions are to be entered into on normal commercial terms.

Due to the time-sensitive nature of commercial transactions, the obtaining of the Renewed IPT General Mandate pursuant to Chapter 9 of the Listing Manual will enable the Group to enter into the categories of IPTs with the specified classes of Interested Persons, provided that such transactions are entered into in the Group's ordinary course of business on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders.

The Renewed IPT General Mandate will enhance the Group's ability to pursue business opportunity and will eliminate the need for the Company to announce, or to announce and convene separate general meetings on each occasion to seek Shareholders' prior approval for entering into such transactions. This will substantially reduce administrative time and expenses associated with the making of such announcements or the convening of general meetings from time to time, and allow manpower resources to be focused towards other corporate and business opportunities.

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16. Disclosures

In accordance with Chapter 9 of the Listing Manual, the Company will disclose in its annual report, the aggregate value of the IPTs conducted pursuant to the Renewed IPT General Mandate during the financial year. In addition, the Company will announce the aggregate value of the IPTs conducted pursuant to the Renewed IPT General Mandate for the financial periods which it is required to report on within the time required for the announcement of such report. These disclosures will be in the form set out in Rule 907 of the Listing Manual.

The aggregate value of the IPTs conducted during the financial year ended 30 June 2024 by the Group were as follows:

Name of Interested Person	Nature of relationship	Aggregate value of all interested person transactions during FY2024 (excluding transactions less than S\$100,000 and transactions conducted under the IPT General Mandate) 1-7-23 to 30-6-24	Aggregate value of all interested person transactions conducted under the IPT General Mandate in FY2024 (excluding transactions less than S\$100,000) 1-7-23 to 30-6-24	
Silverlake Private Entities ("SPE") ⁽¹⁾ IPT Mandate ⁽²⁾ : <u>Contract value from SPE:</u>	Associates of Mr. Goh Peng Ooi	RM	RM	
Silverlake Cloud Computing Sdn. Bhd. ⁽³⁾		-	6,265,560	
Silverlake Innovation Partners Sdn. Bhd.		-	46,567,100	
Silverlake Capital Market Solution Sdn. Bhd.		-	17,572,850	
Silverlake Processing Services Sdn. Bhd.		-	10,143,300	
Silver Peak Technology Integration Services (Beijing) Co. Ltd.		-	7,493,850	
<u>Total:</u>				<u>88,042,660</u>
<u>Services contract fees to SPE:</u>				
Silverlake Cloud Computing Sdn. Bhd. ⁽³⁾		-		(1,984,980)
Silverlake Mobility Ecosystem Sdn. Bhd.		-		(1,125,508)
<u>Total:</u>				<u>(3,110,488)</u>
Non-Mandate Transactions ⁽⁴⁾ : <u>Contract value from SPE:</u>				
Silverlake Processing Services Sdn. Bhd.			737,530	-
<u>Total:</u>			<u>737,530</u>	-
<u>Services contract fees to SPE:</u>				
Silverlake Cloud Computing Sdn. Bhd. ⁽³⁾			(1,665,600)	-
Sure-Reach Records Management Sdn. Bhd.			(611,819)	-
<u>Total:</u>			<u>(2,277,419)</u>	-

Notes:

- (1) The interested persons are associates of Mr. Goh Peng Ooi (i.e., companies in which he and his immediate family together, directly or indirectly, have an interest of 30% or more), who is the Group Executive Chairman and controlling shareholder of the Company.
- (2) The IPT Mandate was approved by shareholders on 24 October 2008 for transactions pursuant to MLA and MSA, the renewal with the amendments of the IPT Mandate was approved by shareholders on 26 October 2023. The IPT Mandate is subject to annual renewal.

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- (3) As per the SGX announcement by the Company dated 21 May 2024, Silverlake Global Structured Services Pte. Ltd., a wholly-owned subsidiary of the Company, entered into a share purchase agreement for the proposed acquisition (“**Proposed Acquisition**”) of the entire issued and paid-up share capital of Silverlake Cloud Computing Sdn. Bhd., Silverlake MasterSAM Sdn. Bhd. and Silverlake MasterSAM Pte. Ltd. (collectively, the “**Target Companies**”). On 1 July 2024, the Company released a further announcement to announce that the acquisition has been completed. Please refer to the aforementioned announcements for details. The Target Companies are associates of Mr. Goh Peng Ooi prior to completion of the Proposed Acquisition and the aggregate value of the IPT contained in the table above includes the IPT entered into between the Group with the Target Companies during the financial year ended 30 June 2024 (“**FY2024**”).
- (4) The Non-Mandate Transactions were mainly derived from the out-of-pocket expenses reimbursement from Silverlake Processing Services Sdn. Bhd. (associate of Mr. Goh Peng Ooi) by Silverlake Digitale Sdn. Bhd. (Group entity), provision of marketing support services by Silverlake Cloud Computing Sdn. Bhd. (associate of Mr. Goh Peng Ooi during FY2024) to Silverlake Sistem Sdn. Bhd. (Group entity), and provision of maintenance services by Sure-Reach Records Management Sdn. Bhd. (associate of Mr. Goh Peng Ooi) to Silverlake Structured Services Ltd. (Group entity).

17. Directors’ and Substantial Shareholders’ Interest

The interests of Directors and Substantial Shareholders of the Company in the Shares as at the Latest Practicable Date are as follows:

Directors/Substantial Shareholders	Direct Interest (Number of Shares)	Indirect/Deemed Interest (Number of Shares)	Total Interest	
			Number of Shares	% ⁽¹⁾
<u>Directors:</u>				
Goh Peng Ooi	-	1,862,760,568 ⁽³⁾	1,862,760,568	74.07
Goh Shiou Ling ⁽²⁾	-	630,400 ⁽²⁾	630,400	0.025
Chee Chin Leong	120,000	-	120,000	0.005
Ong Kian Min	200,000	1,600,000 ⁽⁴⁾	1,800,000	0.07
Datuk Yvonne Chia	-	610,000 ⁽⁵⁾	610,000	0.02
Mah Yong Sun	-	-	-	-
Emeritus Professor Tan Sri Dato’ Seri Dr. Chuah Hean Teik	-	-	-	-
<u>Substantial Shareholder:</u>				
Zezz FundQ Pte. Ltd.	1,862,760,568	-	1,862,760,568	74.07
Goh Peng Ooi	-	1,862,760,568 ⁽³⁾	1,862,760,568	74.07

Notes:

- (1) Based on an issued share capital of 2,514,757,359, excluding 181,715,441 treasury shares, as at the Latest Practicable Date.
- (2) Ms. Goh Shiou Ling is an associate of Mr. Goh Peng Ooi, being his daughter. Ms. Goh Shiou Ling’s deemed interest arises from the 630,400 Shares held by UOB Kay Hian Nominees Private Limited.
- (3) Mr. Goh Peng Ooi’s deemed interest arises from the 1,862,760,568 shares held by his wholly-owned company, Zezz FundQ Pte. Ltd.
- (4) Mr. Ong Kian Min’s deemed interest arises from the 1,600,000 shares held by Bank of Singapore Nominees Pte. Ltd.
- (5) Datuk Yvonne Chia’s deemed interest arises from the 610,000 shares held by DBS Nominees Pte. Ltd. (Trust Account).

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18. Audit and Risk Committee's Statement

The Audit and Risk Committee comprises Mr. Mah Yong Sun (chairman of the Audit and Risk Committee), Mr. Ong Kian Min, and Emeritus Professor Tan Sri Dato' Seri Dr. Chuah Hean Teik.

Having considered, *inter alia*, the terms, rationale for, and benefits of the proposed Renewal of IPT General Mandate, the guidelines and review procedures as set out in Appendix A of this Circular, the Audit and Risk Committee confirms that the methods and procedures for determining transaction prices have not been changed since the Shareholders' approval of the 2023 IPT Mandate at the 2023 AGM, and is satisfied that the methods or procedures for determining transaction prices of the interested person transactions under the Renewed IPT General Mandate are sufficient to ensure that the interested person transactions under the Renewed IPT General Mandate will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

If, during the periodic reviews by the Audit and Risk Committee, it is of the view that the established review procedures are no longer appropriate or adequate to ensure that any of the IPTs will be transacted on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders, the Company will seek a fresh mandate from Shareholders based on new review procedures.

19. Directors' Recommendations

Renewal of Share Purchase Mandate

The Directors are of the opinion that the Renewal of Share Purchase Mandate is in the best interests of the Company and accordingly recommend that Shareholders vote in favour of **Ordinary Resolution 8** relating to the Renewal of Share Purchase Mandate, to be proposed at the 2024 AGM.

Renewal of IPT General Mandate

The Directors who are considered independent for the purposes of the Renewal of IPT General Mandate are Mr. Chee Chin Leong, Mr. Ong Kian Min, Datuk Yvonne Chia, Mr. Mah Yong Sun, and Emeritus Professor Tan Sri Dato' Seri Dr. Chuah Hean Teik. They have considered and reviewed, *inter alia*, the review and approval procedures in relation to the IPTs and the Recurrent Transactions and the rationale and the benefits of the Renewal of IPT General Mandate set out in the **Appendix A** and the confirmation of the Audit and Risk Committee above, and are of the opinion that the Renewal of IPT General Mandate is in the best interests of the Company. Accordingly, they recommend that the Shareholders vote in favour of **Ordinary Resolution 9**, relating to the Renewal of IPT General Mandate, to be proposed at the 2024 AGM.

20. Abstentions

The Mandated Persons are associates of Mr. Goh Peng Ooi, the Group Executive Chairman. As at the Latest Practicable Date, Mr. Goh Peng Ooi is also a Substantial Shareholder with a deemed interest in 1,862,760,568 Shares held through his wholly-owned company, Zezz FundQ Pte. Ltd., representing 74.07% of the total issued share capital in the Company (excluding treasury shares).

Ms. Goh Shiou Ling, the Deputy Executive Chairman and Group Chief Executive Officer, is the daughter of Mr. Goh Peng Ooi and an associate of Mr. Goh Peng Ooi. Some of the Mandated Persons are also associates of Ms. Goh Shiou Ling. Please refer to Paragraph 3.3 of Appendix A for details.

By virtue of their interest under the IPT General Mandate, Mr. Goh Peng Ooi and Ms. Goh Shiou Ling will abstain from voting on the ordinary resolution relating to the proposed renewal of the IPT General Mandate at the AGM 2024. Mr. Goh Peng Ooi and Ms. Goh Shiou Ling have also undertaken to ensure that their associates will abstain from voting on the ordinary resolution relating to the proposed renewal of the IPT General Mandate. Further, the Company will disregard any votes cast by Mr. Goh Peng Ooi and Ms. Goh Shiou Ling on the ordinary resolution relating to the proposed renewal of the IPT General Mandate.

Further, Mr. Goh Peng Ooi and Ms. Goh Shiou Ling will decline to accept appointment as proxies to vote at the AGM 2024 in respect of the ordinary resolution relating to the proposed renewal of the IPT General Mandate unless specific instructions as to voting are given by the Shareholder concerned.

21. Directors' Responsibility Statement

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Renewal of Share Purchase Mandate and the Renewal of IPT General Mandate, the Group, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading.

Where information in the Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Circular in its proper form and context.

22. Action to be Taken by Shareholders

The 2024 AGM will be held at Atrium Ballroom, Holiday Inn Singapore Atrium, 317 Outram Road, Singapore 169075 at 2.00 p.m. on 25 October 2024 for the purpose of considering and, if thought fit, passing the resolutions set out in the Notice of the 2024 AGM, including the ordinary resolution relating to the Renewal of Share Purchase Mandate and the ordinary resolution relating to the Renewal of IPT General Mandate. The Notice of the 2024 AGM and a proxy form are enclosed with the 2024 Annual Report.

If a Shareholder is unable to attend the 2024 AGM and wishes to appoint a proxy to attend and vote on his behalf, he should complete, sign and return the proxy form attached to the Notice of the 2024 AGM in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach:

- (a) the registered office of the Company at 9 Raffles Place, #26-01, Republic Plaza, Singapore 048619; or
- (b) the office of the Company's share registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower, #14-07, Singapore 098632, in each case, not less than 72 hours before the time appointed for holding the 2024 AGM, that is, by 2.00 p.m. on Tuesday, 22 October 2024. The completion and return of a proxy form by a Shareholder do not preclude him from attending and voting in person at the 2024 AGM if he wishes to do so. In such an event, the relevant proxy form will be deemed to be revoked. A depositor shall not be regarded as a member entitled to attend and vote at the 2024 AGM if such person is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the 2024 AGM.

23. Disclaimer

The SGX-ST takes no responsibility for the accuracy of any of the statements or opinions made or reports contained in this Circular.

24. Consent

CNPLaw LLP, the legal adviser to the Company as to Singapore law in relation to the Renewal of Share Purchase Mandate and the Renewal of IPT General Mandate, has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name, and all references thereto in the form and context in which they appear in this Circular.

CIRCULAR TO SHAREHOLDERS

25. Documents for Inspection

The following documents may be inspected at the registered office of the Company at 9 Raffles Place, #26-01, Republic Plaza Singapore 048619, during normal business hours from the date hereof up to and including the date of the 2024 AGM:

- (a) the Constitution of the Company;
- (b) the Annual Report of the Company for the financial year ended 30 June 2024;
- (c) the 2008 Circular, MLA and MSA; and
- (d) 2023 IPT Mandate and 2023 Share Purchase Mandate.

Yours faithfully,

For and on behalf of
The Board of Directors

Goh Shiou Ling
Group Chief Executive Officer

GENERAL MANDATE FOR INTERESTED PERSON TRANSACTIONS

The following definitions shall apply throughout this IPT General Mandate unless otherwise stated:

- “Audit and Risk Committee”** : The Audit and Risk Committee of the Company from time to time
- “BaaS”** : Banking-as-a-Service is a subset of SaaS delivery model for banking services and products whereby the service provider, being a licensed bank, provides banking services or products through application programming interfaces to a customer that is not a licensed bank (for instance, an airline), who then offers the banking products or services to its customers as part of its services and products
- “Branch”** : Any outlet, office or premises of an End-User having its own postal address and business operations
- “Cloud Infrastructure”** : Infrastructure comprising hardware and software elements such as computing power, networking, storage, and customisation resources to enable cloud computing
- “Company”** : Silverlake Axis Ltd.
- “CDP”** : The Central Depository (Pte) Limited
- “Customer”** : A client or person to whom an End-User provides a service in the ordinary course of its business and in relation to whom the End-User maintains a separate account(s), registration number(s) or other equivalent identification code(s)
- “Customisation”** : Any act of adapting, altering, modifying or enhancing software products and components (including the Software) and **“Customising”** shall have a corresponding meaning
- “End-User”** : (a) In a case where the Mandated Person is Implementing and/or Customising software products and components (including the Software) for use by a third party, such third party
- (b) In a case where the Mandated Person is Implementing and/or Customising software products and components (including the Software) for its own use, such Mandated Person; and
- (c) In a case where the Mandated Person is operating and/or carrying out an Outsourcing Arrangement, the third party(ies) who is paying a fee to the Mandated Person in connection with the Mandated Person’s own use and/or operation of software products and components (including the Software)
- “Enterprise Licence”** : The licence of the Software granted to a licensee without reference to any specified pricing dimensions
- “Group”** : The Company and its subsidiaries
- “IBM System i Products”** : IBM System i (previously known as iSeries) hardware and related software products and software subscriptions
- “Implementation”** : The provision of services relating to the installation and configuration of software products and components (including the software provided through SaaS and/or BaaS delivery model) pursuant to a contract between a Mandated Person or the Group and an End-User and **“Implementing”** shall have a corresponding meaning
- “IPT General Mandate”** : This general mandate approved by Shareholders pursuant to Chapter 9 of the listing manual of the SGX-ST to enable the Group to enter into certain categories of transactions with certain classes of interested persons, provided that such transactions are entered into on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders
- “Maintenance”** : Support services to be provided in respect of software products and components (including the Software) to an End-User based on a maintenance agreement to be entered into between the End-User and the Group or a Mandated Person (as the case may be)

APPENDIX A – RENEWAL OF IPT GENERAL MANDATE

- “Managed Services”** : Managed services provided by a service provider to a customer in accordance with a service agreement entered into between them, which may include monitoring the customer’s information technology infrastructure, systems and end-user applications in maintaining the hardware, network and/or cloud infrastructure
- “Management”** : Management of the Company and/or the Group from time to time
- “Mandated Persons”** : The names of interested persons under the IPT General Mandate as set out in Paragraph 3.1
- “Mandated Transactions”** : Namely, grant of licences of the Software under the MLA, provision of SaaS and BaaS, resale of IBM System i Products under the MSA, resale of Non-IBM System i Products, provision of Services under the MSA, provision of Managed Services and/or Cloud Infrastructure, and provision of Marketing/Sales Services as set out in Paragraph 1.1
- “Marketing/Sales Services”** : The provision of services relating to the advertising and marketing and/or sales of the Group’s solutions and services
- “Master Licence Agreement” or “MLA”** : The Master Licence Agreement dated 23 September 2008 entered by the Company and Mr. Goh Peng Ooi to govern the grant of licences of software components by the Group to the Mandated Persons in accordance with the terms of the Master Licence Agreement, as may be supplemented, amended or modified from time to time
- “Master Services Agreement” or “MSA”** : The Master Services Agreement dated 23 September 2008 entered into by the Company and Mr. Goh Peng Ooi to govern transactions between the Group and the Mandated Persons pertaining to Mandated Transactions as set out in Paragraphs 1.1(b) to 1.1(g) in accordance with the terms of the Master Services Agreement, as may be supplemented, amended or modified from time to time
- “Non-Enterprise Licence”** : The licence of the Software granted to a licensee based on specified pricing dimensions
- “Non-IBM System i Products”** : Third party hardware and/or software other than IBM System i Products including but are not limited to IBM Database, Mobile App Shielding, Aldon and Oracle
- “Outsourcing Arrangement”** : Any arrangement whereby a Mandated Person is charging a third party(ies) a fee, whether recurring or otherwise, in connection with such Mandated Person’s own use and/or operation of software products and components (including the Software)
- “SaaS”** : Software-as-a-Service is a delivery model for software products and components (including the Software) whereby the service provider hosts, manages, and supports applications relating to the Software remotely for the customer over the internet or a private network
- “Services”** : Any services rendered in connection with software products and components (including the Software) under the MSA, including any Implementation, Customisation or Maintenance services
- “SGM 2008”** : The special general meeting of the Company held on 24 October 2008
- “Shareholders”** : Persons who are registered as holders of Shares in the Register of Members of the Company except that where the registered holder is CDP, the term **“Shareholders”** shall mean Depositors whose direct securities accounts maintained with CDP are credited with Shares
- “Shares”** : The issued ordinary shares in the capital of the Company
- “Software”** : Software components of the Group described in Schedule 1 of the MLA and any customisations, updates, enhancements, modifications, and/or improvements thereto that the Group may develop, release, make or acquire from time to time
- “Substantial Shareholder”** : A person who has an interest in the voting Shares (excluding treasury shares) in the Company, and the total votes attached to that Share, or those Shares, represent not less than five percent (5%) of all the voting Shares

1. CATEGORIES OF MANDATED TRANSACTIONS

1.1 The Group may from time to time engage in transactions involving the following products and services, in the normal course of business, with the Mandated Persons on a non-exclusive basis (“**Mandated Transactions**”):

(a) Grant of licences of the Software under the MLA

Within this category are transactions between the Group and the Mandated Persons where the Group grants, and the Mandated Persons accept rights to:

- (i) resell, implement, copy, customise and/or use the Software, and/or
- (ii) sub-licence the right to use the Software to End-Users,

in accordance with the terms and conditions of the MLA.

The licence shall comprise either a Non-Enterprise Licence or an Enterprise Licence. The IPT General Mandate applies to the grant of both Non-Enterprise Licence and Enterprise Licence by the Group to the Mandated Persons.

Under the MLA, the Group is required to provide the Mandated Persons with such assistance as is reasonably necessary to assist the Mandated Persons with the marketing and promotion of the Software. Such assistance forms part of the Group’s normal reselling arrangement, which is provided to both Mandated Persons and unrelated third parties.

(b) Provision of SaaS and BaaS

This category covers the provision of SaaS and BaaS by the Group to the Mandated Persons.

In the provision of SaaS and BaaS, delivery models for software products and components via web and mobile application are offered to users. The Group generates revenue based on the number of end-users log-ins and the number of transactions made using the Group’s SaaS and/or BaaS. This is different from the grant of licences of software components under the MLA where the software components are installed in the servers of the customers and the Group derives revenue depending on the modules, features and components of the software required by the customers and the number of end-users.

(c) Resale of IBM System i Products under the MSA

This category covers the resale of IBM System i Products in Malaysia by the Group to the Mandated Persons.

IBM System i Products (as defined in the IPT General Mandate) refers to IBM System i (previously known as iSeries) hardware and related software products and software subscriptions.

(d) Resale of Non-IBM System i Products

This category covers the resale of Non-IBM System i Products by the Group to the Mandated Persons.

Non-IBM System i Products comprise a wide range of IT products from third party hardware and/or software including but are not limited to IBM Database, Mobile App Shielding, Aldon and Oracle.

The Group has a suite of proprietary software products and solutions. While the Group’s customers (including the Mandated Persons) can buy the Non-IBM System i Products from other authorised resellers, it would be in the interest of the Group’s customers (including the Mandated Persons) to obtain the entire solution (comprising the Group’s Software, the hardware and other software such as additional security software, if required) from the Group so that (i) the Group can provide one-stop solution (including the hardware which are compatible with the customised Software or products in the pre-approved list(s) of the customers); and (ii) the customers (including the

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Mandated Persons) only need to liaise with the Group when they require related services rather than, for example, approaching the Group for Software solutions and the other resellers for other software and hardware. This also gives the Group a competitive edge as it enables the Group to provide a comprehensive solution to its customers.

(e) Provision of Services under the MSA

The IPT General Mandate applies to the following transactions under this category:

- (i) the provision of Customisation, Implementation and Maintenance services by the Group to the Mandated Persons in connection with software products and components; and
- (ii) the receipt of Customisation, Implementation and Maintenance services by the Group from the Mandated Persons in connection with software products and components.

(f) Provision of Managed Services and/or Cloud Infrastructure

This category covers the provision of Managed Services and/or Cloud Infrastructure by the Mandated Persons to the Group.

Managed Services, as defined in the IPT General Mandate, refers to managed services provided by a service provider to a customer in accordance with a service agreement entered into between them, which may include monitoring the customer's information technology infrastructure, systems and end-user applications in maintaining the hardware, network and/or cloud infrastructure.

(g) Provision of Marketing/Sales Services

This category covers the provision of Marketing/Sales Services by the Mandated Persons to the Group.

Marketing/Sales Services, as defined in the IPT General Mandate, refers to the provision of services relating to the advertising and marketing and/or sales of the Group's solutions and services.

While the Group has its own in-house marketing or sales personnel, it is also exploring more marketing and sales channels to expand its customer base.

Accordingly, Management has proposed a partner management program (which was subsequently reviewed and approved by the Board of Directors) to reach out to more customers.

The partner management program is similar to an authorised reseller program. Under the partner management program, the Group will identify and sign on business partners (including the Mandated Persons) as the authorised reseller of the Group's proprietary software products and solutions.

2. SCOPE OF THE IPT GENERAL MANDATE

- 2.1 The IPT General Mandate will cover the entry of the Mandated Transactions between the Group and the Mandated Persons.
- 2.2 The IPT General Mandate will not cover any transactions between the Group and the Mandated Persons which have a value below S\$100,000, as the threshold and aggregation requirements under Chapter 9 of the Listing Manual do not apply to such transactions. The IPT General Mandate would, however, cover interested person transactions with values below S\$100,000 entered into during the same financial year and which are aggregated by the SGX-ST under Chapter 9 of the Listing Manual.
- 2.3 Transactions with the Mandated Persons that do not fall within the ambit of the IPT General Mandate will be subject to the provisions of Chapter 9 and/or other applicable provisions of the Listing Manual.

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3. NAMES OF MANDATED PERSONS

3.1 The IPT General Mandate shall apply to the Mandated Transactions which are carried out with the following Mandated Persons:

No.	Name of Mandated Person	Principal Activities	Potential Mandated Transactions (as at the date of adoption of the IPT General Mandate)
1	Bijaksana Dinamik Kapital Sdn Bhd*	Property investment	Provision of SaaS and BaaS by the Group Resale of Non-IBM System i Products by the Group
2	Binary Team Sdn Bhd*	General trading and property investment holding	Provision of SaaS and BaaS by the Group Resale of Non-IBM System i Products by the Group
3	Capmart Technology Sdn Bhd*	Marketing of computer equipment and software, licensing of software, providing modification, implementation and maintenance services	All categories of Mandated Transaction
4	DP SAIRO Sdn Bhd*	Marketing of computer equipment before and software, licensing of software, providing modification, implementation and maintenance services	All categories of Mandated Transaction
5	GAX MD Sdn Bhd*	Provision of digital investment management services	Provision of SaaS and BaaS by the Group Resale of Non-IBM System i Products by the Group
6	GI Solutions Gateway Sdn Bhd*	Developing, providing information technology services, system and networking services, system integration, selling and installing computer hardware and software	All categories of Mandated Transaction
7	Kayangan Aspirasi Sejati Sdn Bhd*	Business operating activities in relation to provision of money lending and agency services.	Provision of SaaS and BaaS by the Group Resale of Non-IBM System i Products by the Group
8	MedexOne Global Sdn Bhd*	Marketing of computer equipment and software, licensing of software, providing modification, implementation and maintenance services	All categories of Mandated Transaction
9	MIMZY Sdn Bhd*	Software development, document management and consulting services	All categories of Mandated Transaction
10	Ombak Meriah Sdn Bhd*	Maintaining corporate customer relationship	Provision of SaaS and BaaS by the Group Resale of Non-IBM System i Products by the Group

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No.	Name of Mandated Person	Principal Activities	Potential Mandated Transactions (as at the date of adoption of the IPT General Mandate)
11	Peringkat Alam Sdn Bhd*	Letting of office space	Provision of SaaS and BaaS by the Group Resale of Non-IBM System i Products by the Group
12	Professional Leading Career Sdn Bhd*	Investment holding and business as consultants, advisors and organisers of professional courses, seminars and trainings	Provision of SaaS and BaaS by the Group Resale of Non-IBM System i Products by the Group
13	Silver Peak Technology Integration Services (Beijing) Co. Ltd*	Develop and market computer software and hardware products, provide maintenance and enhancement service on computer system and supplies customised front-end banking software solutions for banks and financial institutions	All categories of Mandated Transaction
14	Silverlake (Thailand) Ltd*	Business of trading and installation of software for banking business	All categories of Mandated Transaction
15	Silverlake Capital Market Solution Pte Ltd*	Marketing of computer equipment and software, licensing of software, providing modification, implementation and maintenance services	All categories of Mandated Transaction
16	Silverlake Capital Market Solution Sdn Bhd*	Marketing of computer equipment and software, licensing of software, providing modification, implementation and maintenance services	All categories of Mandated Transaction
17	Silverlake Cloud Computing Sdn Bhd*	Business process outsourcing and the provision of application services and information technology enabled services	All categories of Mandated Transaction
17	Silverlake Cloud Ecosystem Sdn Bhd*	Marketing of computer equipment and software, licensing of software, providing modification, implementation and maintenance services	All categories of Mandated Transaction
18	Silverlake Digital INX Sdn Bhd*	Marketing of computer equipment and software, licensing of software, providing modification, implementation and maintenance services	All categories of Mandated Transaction
19	Silverlake Innovation Partners Sdn Bhd*	Marketing of computer equipment and providing information technology infrastructure services, system and networking services, system integration services and application know-how	All categories of Mandated Transaction
20	Silverlake International (HK) Limited*	Marketing of computer equipment and software, providing systems development, information technology enhancement and maintenance services	All categories of Mandated Transaction

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No.	Name of Mandated Person	Principal Activities	Potential Mandated Transactions (as at the date of adoption of the IPT General Mandate)
22 21	Silverlake Lifestyle Community Sdn Bhd*	Developing and providing enhancement services in information technology products	All categories of Mandated Transaction
23	Silverlake-MasterSAM Pte Ltd*	Marketing of computer equipment and software, licensing of software, providing modification, implementation and maintenance services	All categories of Mandated Transaction
24	Silverlake-MasterSAM Sdn Bhd*	Marketing of computer equipment and software, licensing of software, providing modification, implementation and maintenance services	All categories of Mandated Transaction
25 22	Silverlake Mobility Ecosystem Sdn Bhd*	Marketing of computer equipment and software, licensing of software, providing modification, implementation and maintenance services	All categories of Mandated Transaction
26 23	Silverlake PEAK Sdn Bhd*	Marketing of computer equipment and software, licensing of software, providing modification, implementation and maintenance services	All categories of Mandated Transaction
27 24	Silverlake Processing Services Sdn Bhd*	Marketing of computer equipment and software, licensing of software, providing modification, implementation and maintenance services	All categories of Mandated Transaction
28 25	Silverlake Science & Mathematical Solution Pte Ltd*	Marketing of computer equipment and software, licensing of software, providing modification, implementation and maintenance services	All categories of Mandated Transaction
29 26	Silverlake Science & Mathematical Solution Sdn Bhd*	Marketing of computer equipment and software, licensing of software, providing modification, implementation and maintenance services	All categories of Mandated Transaction
30 27	Silverlake SHEAF Pte Ltd*	Marketing of computer equipment and software, licensing of software, providing modification, implementation and maintenance services	All categories of Mandated Transaction
31 28	Silverlake SHEAF Sdn Bhd*	Marketing of computer equipment and software, licensing of software, providing modification, implementation and maintenance services	All categories of Mandated Transaction
32 29	Silverlake Smart Technologies Sdn Bhd*	Rendering information technology services and provision of management services.	All categories of Mandated Transaction

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No.	Name of Mandated Person	Principal Activities	Potential Mandated Transactions (as at the date of adoption of the IPT General Mandate)
33 30	Silverlake SPRINTS Sdn Bhd*	Marketing of computer equipment and software, licensing of software, providing modification, implementation and maintenance services	All categories of Mandated Transaction
34 31	Silverlake Symmetry & Technology Research Sdn Bhd*	Marketing of computer equipment and software, carrying research and development to develop own software, licensing of software, providing modification, implementation and maintenance services	All categories of Mandated Transaction
35 32	Silverlake System Marketing Sdn Bhd_	Business operating activities of reselling banking software and investment holding	All categories of Mandated Transaction
36 33	Silverlake System Pte Ltd*	Marketing of computer equipment and software and providing system development and maintenance services	All categories of Mandated Transaction
37 34	SilverTech Global Sdn Bhd_*	Marketing of computer equipment and software, licensing of software, providing modification, implementation and maintenance services	All categories of Mandated Transaction
38 35	SMJ Teratai Sdn Bhd_*	Remittance service provider, wholesaler and money changer	Provision of SaaS and BaaS by the Group Resale of Non-IBM System i Products by the Group
39 36	Sure-Reach Info Management Sdn Bhd_*	Service and solutions provider of information management.	All categories of Mandated Transaction
40 37	Sure-Reach Records Management Sdn Bhd_*	Provision of information management services and Enterprise Content Management solutions	Provision of SaaS and BaaS by the Group Resale of Non-IBM System i Products by the Group
44 38	Timuran Sinar Sdn Bhd	Marketing of computer equipment and software, licensing of software, providing modification, implementation and maintenance services	All categories of Mandated Transaction
42 39	Total Teamwork Construction Sdn Bhd_*	Construction business	Provision of SaaS and BaaS by the Group Resale of Non-IBM System i Products by the Group
43 40	Total Teamwork Sdn Bhd_*	Construction business and as investment holding company	Provision of SaaS and BaaS by the Group Resale of Non-IBM System i Products by the Group

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- 3.2 All Mandated Persons are associates of Mr. Goh Peng Ooi, who is the Group Executive Chairman. As at the Latest Practicable Date, Mr. Goh Peng Ooi is also a Substantial Shareholder with a deemed interest in 1,862,760,568 shares held through his wholly-owned company, Zezz FundQ Pte. Ltd., representing 74.4607% of the total issued share capital in the Company (excluding treasury shares).
- 3.3 Ms. Goh Shiou Ling, an Executive Director, the Deputy Executive Chairman and Group Chief Executive Officer of the Company, is the daughter of Mr. Goh Peng Ooi and an associate of Mr. Goh Peng Ooi. The Mandated Persons with an asterisk (*) next to their names are also associates of Ms. Goh Shiou Ling.
- 3.4 Transactions with Mandated Persons which do not fall within the ambit of the IPT General Mandate shall be subject to the relevant provisions of Chapter 9 of the Listing Manual.

4. RATIONALE FOR, AND BENEFITS OF, THE IPT GENERAL MANDATE

- 4.1 The Group is in the business of providing software solutions and services to customers such as financial institutions including banks and insurance companies. While the Mandated Persons are not banks and insurance companies, the Mandated Persons are well connected and some of them have banks and insurance companies as their customers. The Mandated Persons may require the Group's SaaS and/or BaaS so that they can offer more comprehensive products and services to their customers. The Mandated Persons also have products and services which the Group can tap on to provide more comprehensive products and services to the Group's customers. Accordingly, it is envisaged that the Group may from time to time, in the ordinary course of business engage in the Mandated Transactions, which are of a revenue or trading nature or those necessary for the Group's day-to-day operations with the Mandated Persons.
- 4.2 The Directors are of the view that it will be beneficial to the Group to transact or continue to transact with the Mandated Persons, as long as the Mandated Transactions have been, and will continue to be, carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.
- 4.3 Due to the time-sensitive nature of commercial transactions, the obtaining of the IPT General Mandate pursuant to Chapter 9 of the Listing Manual will enable the Group to enter into the categories of Mandated Transactions with the Mandated Persons, provided that such transactions are entered into in the Group's ordinary course of business on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders.
- 4.4 The IPT General Mandate will streamline the new business and service models arising from technology evolution and ensure that a robust framework is in place to safeguard the interests of the Company and its minority Shareholders. It will also enhance the Group's ability to pursue business opportunity and will eliminate the need for the Company to announce, or to announce and convene separate general meetings on each occasion to seek Shareholders' prior approval for entering into such transactions. This will substantially reduce administrative time and expenses associated with the making of such announcements or the convening of general meetings from time to time, and allow manpower resources to be focused towards other corporate and business opportunities.

5. METHODS AND PROCEDURES FOR THE MANDATED TRANSACTIONS

- 5.1 The Company and Mr. Goh Peng Ooi have undertaken under the MLA and MSA to procure that:
- (a) all the Mandated Transactions under the grant of licences of the Software as described in Paragraph 1.1(a) above which are entered into between the Group and the Mandated Persons on or after the effective date of the MLA shall be governed by the terms and conditions as set out in the MLA and shall at all times be effected on terms that are consistent with and which are expressly stated to be subject to the terms and conditions of the MLA; and
- (b) all the Mandated Transactions under provision of Services and resale of IBM System i Products as described in Paragraphs 1.1(c) and (e) above which are entered into between the Group and the Mandated Persons on or after the effective date of the MSA shall be governed by the terms and conditions as set out in the MSA and shall at all times be effected on terms that are consistent with and which are expressly stated to be subject to the terms and conditions of the MSA.

The key terms and conditions of the MLA and MSA which are agreed on normal commercial terms are set out in this Paragraph 5.

Pricing model for the grant of licences of the Software under the MLA

5.2 In consideration of the grant of licences of the Software to a Mandated Person under the MLA, the Group shall charge the Mandated Persons, a licence fee, determined using a pricing model (“**Pricing Model**”).

5.3 The Pricing Model is a point based system where the licence fee is determined by reference to:

(a) A table of points allocated to each software module, feature and component (“**Points Allocation Table**”)

The Points Allocation Table comprises the complete list of software modules, features and components, with points allocated to each software module, feature and component of the Software (“**Allocated Points**”). The Allocated Points are determined based on a designated formula.

(b) A table of licence fee bands (“**Licence Fee Bands Table**”)

The Licence Fee Bands Table comprises seven (7) licence fee bands which are linked to two (2) pricing dimensions: (i) number of Customers, and (ii) number of Branches of the End-User of the Software (“**Pricing Dimensions**”), and one (1) licence fee band for Enterprise Licence. Each licence fee band in the Licence Fee Bands Table represents 100 Allocated Points.

5.4 The licence fee calculation method is as follows

$$\text{Licence Fee} = \frac{X}{100 \text{ Allocated Points}} \times Y$$

Where:

X = the sum of Allocated Points of each of the modules, features or components licensed to the licensee (“**Aggregate Allocated Points**”).

Y = the base licence fee for 100 Allocated Points (“**Base Licence Fee**”) (see Paragraphs 5.5 and 5.6 below for further details).

5.5 In respect of Non-Enterprise Licence of the Software, the management of the Company shall determine the Base Licence Fee by making reference to the applicable licence fee band for both the pricing dimensions. The Base Licence Fee shall be the higher of the two (2) licence fees determined using both the pricing dimensions.

5.6 In respect of Enterprise Licence of Software, the management of the Company shall submit its recommendation to the Audit and Risk Committee as to the Base Licence Fee of the Enterprise Licence (“**Base Enterprise Licence Fee**”) for approval. The Base Enterprise Licence Fee shall be no less than S\$38.4 million and shall, in any case, be supported by an independent valuation report and be subject to the prior approval of the Audit and Risk Committee. The minimum Base Enterprise Licence Fee of S\$38.4 million is determined based on Management’s view of current market conditions.

5.7 The Pricing Model shall be made readily available for reference by the relevant operational staff and/or executives to govern pricing of the Software for both Mandated Persons and unrelated third party.

Pricing for resale of IBM System i Products under the MSA

5.8 The profit margin charged by the Group to the Mandated Person shall not be less than the profit margin charged by the Group to unrelated parties for similar product.

5.9 The profit margin to be charged by the Group to the Mandated Person shall be calculated by the Company by comparing the gross profit margin of the Mandated Transaction with the average gross profit margin derived by the Group from sales of IBM System i Products to unrelated third parties in the last completed financial year from time to time. The profit margin charged by the Group to the Mandated Person shall be disclosed as part of the quarterly report on the Group’s interested person transactions to the Audit and Risk Committee.

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- 5.10 The profit margin earned on resale of IBM System i Products varies for each transaction as hardware sales and pricing are influenced by factors such as market condition and competitive bid situations. As such, the Company is of the view that an average of the profit margins earned from sales of the IBM System i Products to unrelated third parties would reflect a fair margin. The profit margin in each case shall take into account the cost paid to IBM plus any expenses incurred by the Group in connection with the sale(s), including but not limited to the shipment, delivery and/or installation of the relevant products.

Pricing for provision of Services under the MSA

- 5.11 The pricing for provision of Implementation and Customisation services under the MSA shall be based on a list of man-day rates (“**Man-day Rates**”). Such services can be categorised into the following:

- (a) With predefined scope and statement of work

Provision of Implementation and Customisation services with a clear predefined scope and statement of work are charged on a “fixed price” basis, arrived at by applying the Man-day Rates to the estimated man-days required to complete the work.

- (b) Without predefined scope

Where the scope is not defined or is insufficiently defined to enable the estimation of man-days required to complete the work so as to arrive at a “fixed price”, the services are charged on a “time and material” basis.

- 5.12 The Maintenance services fee for the provision of Maintenance services by the Group to the Mandated Persons under the MSA, calculated on an annual basis, shall be based on at a fixed percentage (“**Maintenance Service Fee Rate**”) of the licence fee charged by the Group to the relevant Mandated Person or End-User based on historical transactions for the use of software products and components (including the Software) to which such services relate. The same methodology is used by the Group to determine the Maintenance Service Fee Rate charged to unrelated third parties.

- 5.13 For avoidance of doubt, in respect of the provision of Services by the Group to the Mandated Person, the rate to be applied shall be at the Man-day Rates and the Maintenance Service Fee Rate, as the case may be. In respect of the provision of Services by the Mandated Person to the Group, the rate to be applied by the Mandated Person shall be no more than that of the Man-day Rates and the Maintenance Service Fee Rate, as the case may be.

- 5.14 The Man-day Rates and Maintenance Service Fee Rate shall be made readily available for reference by the relevant operational staff and/or executives to govern pricing of the provision of Services.

Revisions of pricing methodology

- 5.15 The Points Allocation Table and Licence Fee Bands Table under the Pricing Model and the Man-day Rates and Maintenance Service Fee Rate under the pricing for provision of Services or any part thereof shall be reviewed from time to time as may be initiated by business units, and be revised according to prevailing market condition and/or pricing. All such revisions shall be reviewed and approved by the Audit and Risk Committee before implementation of the revision. In particular:

- (a) Points Allocation Table is updated and reviewed when the Group has new software, new software module, new software feature and/or new software component to offer to its customers;
- (b) Licence Fee Bands Table is updated and reviewed when there is material currency fluctuation;
- (c) Man-day Rates is reviewed when there is an indication the rate is not in par with market practices; and
- (d) Maintenance Service Fee Rate is reviewed when there is an indication the rate is not in par with market practices.

- 5.16 However, any revisions to the pricing methodologies for licensing of Software under the MLA, resale of IBM System i Products under the MSA, and provision of Services under the MSA shall require the approval of the Shareholders.

Reporting requirements, audit and review rights under the MLA

- 5.17 Each Mandated Person holding a Non-Enterprise Licence is required, if and when requested by the Group, to:
- (a) forthwith update the Group in writing on the details of the pricing dimensions applicable to the relevant Mandated Person or End-User(s), as the case may be, under such licence;
 - (b) allow the Audit and Risk Committee or its duly authorised representative(s) to audit the books and records of the relevant Mandated Person to verify the details of the pricing dimensions applicable to such Mandated Person and/ or End-User(s), as the case may be; and
 - (c) where the relevant Mandated Person is not the End-User of the Software, use all reasonable endeavours, to the extent permitted by law, to procure that the Audit and Risk Committee or its duly authorised representative(s) be allowed to audit the books and records of the relevant End-User(s) to verify the details of the pricing dimensions applicable to such End-User(s).
- 5.18 Where a Mandated Person is the End-User under a Non-Enterprise Licence or is carrying out an Outsourcing Arrangement under a Non-Enterprise Licence, the fees for the Non-Enterprise Licence shall be subject to review and upward adjustment by the Group from time to time in the event of any change to the pricing dimensions of the relevant End-User such as would ordinarily result in a higher licence fee being imposed under the Pricing Model.
- 5.19 Where a Mandated Person is not the End-User under a Non-Enterprise Licence and is not carrying out an Outsourcing Arrangement under a Non-Enterprise Licence, the fees for the Non-Enterprise Licence shall be subject to review and upward adjustment by the Group from time to time in the event of any change to the pricing dimensions of the relevant End-User such as would ordinarily result in a higher licence fee being imposed under the Pricing Model provided always that the relevant Mandated Person has a similar right to increase the licence fee payable by the relevant End-User and provided always that the relevant Mandated Person shall use its best endeavours to procure such a right from the relevant End-User. Any additional licence fee determined to be payable pursuant to this clause shall be settled by the relevant Mandated Person in accordance with the MLA.
- 5.20 The Audit and Risk Committee shall have the right to periodically review the terms (including the licence fee) of any licence granted by the Group to a Mandated Person. The review shall be undertaken on a quarterly basis by the Audit and Risk Committee, with allowance for more frequent reviews if deemed necessary by the Audit Committee. In no circumstances shall the licence fee charged to the Mandated Person not be in line with the terms of the MLA and the Pricing Model. If the Audit and Risk Committee reasonably determines, in the course of such review, that the terms of any licence granted to a Mandated Person are inconsistent with the terms of the MLA and the Pricing Model in a manner that is prejudicial or adverse to the interests of the Company and the minority Shareholders, the parties agree to take all such steps as may be necessary to amend the terms of such licence so as to ensure consistency with the terms of the MLA and that the relevant Mandated Person shall forthwith compensate the Company for any loss or damage suffered (including any shortfall in the applicable licence fee payable) as a result of the earlier inconsistency; provided always that this clause shall not apply in the event of any deviation from the terms of the MLA which the Group has confirmed in writing to the relevant Mandated Person has been duly approved by the Audit and Risk Committee in accordance with the terms of the MLA.

Review rights under the MSA

- 5.21 The Audit and Risk Committee shall have the right to periodically review the terms of any agreement for the resale of IBM System i Products and Non-IBM System i Products ("**Resale Agreement**") or for the provision of Services, Marketing/Sales Services, Managed Services, Cloud Infrastructure, BaaS and SaaS ("**Services Agreement**") entered into between the Group and a Mandated Person. The review shall be undertaken on a quarterly basis by the Audit and Risk Committee, with allowance for more frequent reviews if deemed necessary by the Audit and Risk Committee. If the Audit and Risk Committee reasonably determines, in the course of such review, that the terms of any Resale Agreement or Services Agreement are inconsistent with the terms of the MSA in a manner that is prejudicial or adverse to the interests of the Group, the parties agree to take all such steps as may be necessary to amend the terms of such Resale Agreement or Services Agreement so as to ensure consistency with the terms of the MSA and to procure that the relevant Mandated Person shall forthwith compensate the Group for any loss or damage suffered (including any shortfall in the applicable resale price and/or fee payable for

the Services) as a result of the earlier inconsistency; provided always that this clause shall not apply in the event of any deviation from the terms of the MSA which the Group has confirmed in writing to the relevant Mandated Person has been duly approved by the Audit and Risk Committee in accordance with the terms of the MSA. The MSA (as defined in the IPT General Mandate refers the Master Services Agreement dated 23 September 2008 entered into by the Company and Mr. Goh Peng Ooi to govern transactions between the Group and the Mandated Persons pertaining to Mandated Transactions as set out in Paragraphs 1.1(b) to 1.1(g) in accordance with the terms of the Master Services Agreement, as may be supplemented, amended or modified from time to time.

Methods and Procedures for Provision of SaaS and BaaS

- 5.22 When providing SaaS and BaaS to the Mandated Persons, the Group shall compare the terms to be offered to the Mandated Persons with at least two (2) other recently signed SaaS and/or BaaS contracts with unrelated third parties prior to offering the terms to the Mandated Persons. The terms extended by the Group to the Mandated Persons shall not be more favourable than the terms extended by the Group to such unrelated third parties. The comparisons shall be made after taking into account relevant factors which may include but are not limited to, the nature of the services to be provided, the value and size of the contract (such as the estimated number of end-users under the contract and the expected transactional volume), the duration of the contract, the implementation schedules, customer requirements and specifications (such as the number of additional features required by the customer, the level of customisation, the hardware requirements of the Group to provide the services) and/or other relevant specification of the contract as well as the benefit of the contracts to the Group (such as a reputable end-customer or foray to a new customer segment) ("**SaaS and BaaS Relevant Factors**").
- 5.23 In the event that recent unrelated third party SaaS and/or BaaS contracts are not available or that there is only one recent unrelated third party SaaS and/or BaaS contract for comparison, the Group shall determine the terms to be offered to the Mandated Persons based on a pricing model which is applicable for quoting to both Mandated Persons and unrelated third parties ("**SaaS and/or BaaS pricing model**"). The SaaS and/or BaaS pricing model sets out the indicative monthly subscription fee per end-user as well as the add-on fee for each of the additional feature offered by the Group under SaaS and BaaS. When determining the terms to be offered to the Mandated Persons, the Group shall also take into account the SaaS and BaaS Relevant Factors, to ensure that the terms to be offered to the Mandated Persons are in accordance with the applicable industry norms, on normal commercial terms and not prejudicial to the interest of the Company and its minority Shareholders.
- 5.24 The Group shall notify the Audit and Risk Committee of any changes to the SaaS and/or BaaS pricing model which may have a material change to the pricing for the provision of SaaS and/or BaaS, and the Audit and Risk Committee shall also review the SaaS and BaaS pricing model at least once annually.

Methods and Procedures for Resale of Non-IBM System i Products

- 5.25 Non-IBM System i Products (as defined in the IPT General Mandate) refers to third party hardware and/or software other than IBM System i Products including but are not limited to IBM Database, Mobile App Shielding, Aldon and Oracle.

When undertaking the resale of Non-IBM System i Products to the Mandated Persons, the Group shall compare the terms to be offered to the Mandated Persons with at least two (2) other recent sale to unrelated third parties prior to offering the terms to the Mandated Persons. The terms to be extended by the Group to the Mandated Persons shall not be more favourable than the terms extended by the Group to such unrelated third parties.

While Non-IBM System i Products are generally available in the market, the Group's target customers are corporations and not retail consumers. The Group has to customise a one-stop solution for its customers which comprise customisation of the Group's Software, the hardware, and other software as required by the customers. As such, recent sales to unrelated third parties may not be available and publicly available market rates for retail customers (such as those published on Lazada or Shopee) may not be relevant for comparison.

In the event that recent sale to unrelated third parties are not available or that there is only one recent sale to unrelated third party, the Group shall determine the prices to be offered to the Mandated Persons based on the cost of the Group such that the Group will always yield a positive gross profit margin from the transaction with the Mandated Persons.

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When determining the terms to be offered to the Mandated Persons, the Group shall take into account relevant factors, where applicable, which may include but are not limited to, the quantity, the delivery schedule, the installation schedule, the payment milestones, any expenses to be incurred by the Group for the shipment, delivery and/or installation of the products (the “**Non-IBM System i Products Resale Factors**”) as well as the benefit of the transaction to the Group to ensure that the terms to be offered to the Mandated Persons are in accordance with the applicable industry norms, on normal commercial terms and not prejudicial to the interest of the Company and its minority Shareholders.

Methods and Procedures for Provision of Managed Services and/or Cloud Infrastructure

- 5.26 When obtaining Managed Services and/or Cloud Infrastructure from the Mandated Persons, the Group shall compare the terms offered by the Mandated Persons with at least two (2) quotations from unrelated third parties prior to engaging the Mandated Persons for Managed Services and/or Cloud Infrastructure. The Group will only obtain Managed Services and/or Cloud Infrastructure from the Mandated Persons when the terms extended by the Mandated Persons are not less favourable than the terms offered by the unrelated third parties. The comparisons shall be made after taking into account relevant factors which may include but are not limited to, customers’ specifications, the technical capabilities of the service providers (including the data security measures, security certifications and the size of the technical support team) as well as the benefit of the transaction to the Group (“**Managed Services and/or Cloud Infrastructure Relevant Factors**”).

In the event that third party quotations are not available or that there is only one third party quotation for comparison, the Group shall determine whether the terms offered by the Mandated Persons are in accordance with the applicable industry norms, taking into account the Managed Services and/or Cloud Infrastructure Relevant Factors, the Group’s customers’ budget and preferred cloud, hardware/software cost and average manpower costs to support and maintain the system, to ensure that the transactions will be entered into on normal commercial terms and not prejudicial to the interest of the Company and its minority Shareholders.

Methods and Procedures for Provision of Marketing/Sales Services

- 5.27 When obtaining Marketing/Sales Services from the Mandated Persons, the Group shall ensure that the rate payable by the Group to the Mandated Persons (which shall only be paid upon closure of sales) is not more favourable than the rate payable to unrelated third parties by comparing the rate payable to the Mandated Person with at least two (2) rates payable by the Group to unrelated third parties.

In the event that third party agreements are not available or that there is only one third party agreement for comparison, the Group shall determine the rates payable by the Group to the Mandated Persons for such Marketing/Sales Services with reference to the terms and conditions including pricing matrix under the partner management program approved by the Board of Directors. The partner management program is applicable to all business partners, whether they are Mandated Persons or unrelated third parties. The Board of Directors shall also review the partner management program at least once annually taking into consideration changing market conditions and practice.

Multiple Mandated Transactions

- 5.28 The Group may combine the various categories of the Mandated Transactions and offer to the Mandated Persons a comprehensive contract at the request of the customers. For example, the contract may comprise grant of licences of the Software under the MLA, provision of SaaS and/ or BaaS (which may involve a combination of provision of services under the MSA and grant of licences under the MLA), resale of IBM System i Products and Non-IBM System i Products, and services rendered in connection with software products and components. A contract involving such multiple categories of Mandated Transactions is more complex than a contract involving a single Mandated Transaction as it requires higher level of configuration and customisation to ensure that the solution integrates well for the customers. Accordingly, there may not be similar recent transactions and/or quotations for comparison by the Group in such circumstances.

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When determining the terms to be offered to the Mandated Persons, the Group shall take into account all relevant factors as set out under the respective categories of Mandated Transactions, namely the Pricing Model for the grant of licences, the profit margin earned on resale of IBM System i Products, the Man-day Rates and the Maintenance Service Fee Rate for the provision of Services under the MSA, the SaaS and BaaS Relevant Factors and the SaaS and/or BaaS pricing model and the Non-IBM System i Products Resale Factors, where applicable, as well as the benefit of the transaction to the Group to ensure that the Group always yield a positive gross profit margin from such transaction.

Discounts

- 5.29 The guiding principle of pricing of Mandated Transactions is that the pricing extended to the Mandated Persons shall be no more favourable than those extended to unrelated third parties.
- 5.30 The pricing for Mandated Transactions covered by the IPT General Mandate shall be based on the pricing guidelines stated in this IPT General Mandate and the MLA and MSA as the case may be.
- 5.31 Notwithstanding the methods and procedures set out above, Management may recommend to the Audit and Risk Committee and the Audit and Risk Committee shall have the discretion to approve a discount when Management and the Audit and Risk Committee are of the view that the discount is in the best interests of the Group and is necessary to enable the Group to maintain a competitive edge or to facilitate entry into a new market or industry. Management shall provide the Audit and Risk Committee with relevant business case, including information to support the recommendation for discount, and the Audit and Risk Committee shall evaluate the business case and supporting information submitted. No discounts shall be allowed without the prior approval of the Audit and Risk Committee.

Credit terms

- 5.32 The credit terms extended to the Mandated Persons shall be no more favourable than those extended by the Group to unrelated third parties for similar transactions. The Group has a credit control and collections process which is applied to both Mandated Persons and unrelated third parties. Follow ups on outstanding balances are diligently performed on all debtors to ensure that they are aware of their payment obligations and follow up calls and visits, where necessary, are made to collect overdue debts.

6. ADDITIONAL GUIDELINES AND REVIEW PROCEDURES

Pursuant to Chapter 9 of the Listing Manual which governs transactions between a listed company and its interested persons and taking into consideration the MLA and MSA as the case may be, the following additional guidelines and review procedures have been established for better corporate governance:

- 6.1 The Group shall maintain:
- (a) a register of all interested persons; and
 - (b) a comprehensive register of all categories of interested person transactions (including the Mandated Transactions) entered into by the Group, with details on the identity of the interested persons (including the Mandated Persons), nature of such transaction, basis and rationale for the transactions, and the amount of and detailed calculation for the fees and charges, including pricing dimension used to determine the Base Licence Fee, and any discounts given.
- 6.2 The Audit and Risk Committee shall be provided with the registers and comprehensive records of the interested person transaction (including the Mandated Transactions) described above and such other relevant information and supporting documents which it may reasonably require, and it shall review the information on a quarterly basis to ensure that all categories of Mandated Transactions between the Group and the Mandated Persons are carried out at arm's length in accordance with the methods and procedures for the Mandated Transactions set out in this IPT General Mandate. The Audit and Risk Committee may decide to review such transactions on a more frequent basis if it deems necessary.

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- 6.3 If the Audit and Risk Committee reasonably determines, during its review, that the terms of any licence granted to the Mandated Persons, the resale of IBM System i Products and Non- IBM System i Products to the Mandated Persons, the Services provided to/by, the Mandated Persons, the provision of SaaS and/or BaaS to the Mandated Persons, the provision of Managed Services, Cloud Infrastructure and Marketing/Sales Services by the Mandated Persons are inconsistent with the terms of the MLA and MSA, as the case may be, and the methods and procedures for Mandated Transactions set out under this Renewed IPT General Mandate are insufficient to ensure that transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and the minority Shareholders, the parties agree to take all such steps as may be necessary to amend the terms of the relevant licence to ensure consistency with the terms of the MLA and MSA, as the case may be, and the Company shall amend the IPT General Mandate subject to obtaining Shareholders' approval and that the relevant Mandated Person shall forthwith compensate the Group for any loss or damage suffered (including any shortfall in the applicable licence fee payable, Service fee payable, IBM System i Products and Non-IBM System i Products resale price, fee for provision of SaaS and/or BaaS or fee payable by the Group for Managed Services, Cloud Infrastructure and Marketing/Sales Services) as a result of the earlier inconsistency, provided always that this shall not apply to any deviation from the terms of the MLA and MSA, as the case may be, which has been duly approved by the Audit and Risk Committee.
- 6.4 The Audit and Risk Committee shall also review the credit terms and billing and payment arrangements extended to the Mandated Persons from time to time by comparing them against those extended to unrelated third parties for similar transactions or services, to ensure that they are no more favourable than those extended by the Group to unrelated third parties.
- 6.5 The Group's annual internal audit shall incorporate a review of all Mandated Transactions entered into pursuant to the IPT General Mandate. The internal auditor shall report directly to the Audit and Risk Committee on all of its findings from the review of the Mandated Transactions.
- 6.6 The Audit and Risk Committee shall, when it deems necessary, have the right to require the appointment of auditors or any independent professionals to review all matters relating to the MLA and MSA, and the Mandated Transactions.
- 6.7 If during its periodic review, the Audit and Risk Committee believes that the methods and procedures as stated in the IPT General Mandate have become inappropriate and/or are no longer sufficient to ensure that the interests of the Company and the minority Shareholders are not prejudiced and that the Mandated Transactions are on normal commercial terms, a fresh mandate for the Mandated Transactions based on new methods and procedures shall be sought from Shareholders.
- 6.8 All members of the Audit and Risk Committee involved in the review of the IPT General Mandate and the Mandated Transactions shall be non-executive Directors who do not hold any executive directorships or equity interests in the Mandated Persons.
- 6.9 If any member of the Audit and Risk Committee has an interest in a transaction, he shall abstain from participating in the review and approval process in relation to that transaction.
- 6.10 The Group shall adopt the following approval thresholds for the Mandated Transactions under the IPT General Mandate:

Value of Mandated Transactions	Approving authority who must have no interest, direct or indirect, in the Mandated Transactions
All Mandated Transactions	Head of the respective business units
Any single Mandated Transaction with a value equal or above 3% of the then latest audited NTA of the Group	Additional approval from the Group Managing Director / Chief Executive Officer <u>Directors who are considered independent for the Mandated Transactions</u>
Any single Mandated Transaction with a value equal or above 5% of the then latest audited NTA of the Group	Additional approval from the Audit and Risk Committee Officer <u>Directors who are considered independent for the Mandated Transactions</u>