

## APPENDIX B DATED 11 APRIL 2023

**THIS APPENDIX B IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.**

**IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT, TAX ADVISER OR OTHER PROFESSIONAL ADVISER(S) IMMEDIATELY.**

This Appendix B is circulated to the Shareholders of Plato Capital Limited (“**Company**”) together with the annual report of the Company for the financial year ended 31 December 2022 (“**Annual Report**”). Its purpose is to provide Shareholders with the relevant information pertaining to the adoption of the Proposed Share Buy-Back Mandate (as defined in this Appendix B) to be tabled at the annual general meeting of the Company (“**AGM**”) to be held on 26 April 2023 at 2.00 p.m. at Kallang Room, Level 4, Holiday Inn® Singapore Atrium, 317 Outram Road, Singapore 169075.

An ordinary resolution in respect of the adoption of the Proposed Share Buy-Back Mandate is included in the notice of the AGM and the accompanying Proxy Form which are enclosed with the Annual Report.

If you have sold or transferred all your shares in the capital of the Company, you should immediately forward the Annual Report, the notice of the AGM, the Proxy Form and this Appendix B to the purchaser or transferee or to the bank, stockbroker or other agent through whom you effected the sale or transfer, for onward transmission to the purchaser or transferee. If you have sold or transferred all your shares represented by physical share certificate(s), you should immediately forward the Annual Report, the notice of the AGM, the Proxy Form and this Appendix B to the purchaser or transferee or to the bank, stockbroker or agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

This Appendix B has been reviewed by the Company’s sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “**Sponsor**”). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) and the SGX-ST assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this Appendix B.

The contact person for the Sponsor is Ms Jennifer Tan, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, [sponsorship@ppcf.com.sg](mailto:sponsorship@ppcf.com.sg).



**PLATO CAPITAL LIMITED**  
(Incorporated in the Republic of Singapore)  
(Company Registration Number: 199907443M)

### APPENDIX B IN RELATION TO:

### THE ADOPTION OF THE PROPOSED SHARE BUY-BACK MANDATE

#### IMPORTANT DATES AND TIMES

Last Date and Time for Lodgement of Proxy Form	:	24 April 2023 at 2.00 p.m.
Date and Time of the AGM	:	26 April 2023 at 2.00 p.m.
Place of the AGM	:	Kallang Room, Level 4 Holiday Inn® Singapore Atrium 317 Outram Road, Singapore 169075

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## DEFINITIONS

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The following definitions apply throughout in this Appendix B except where the context otherwise requires:

- “ACRA”** : The Accounting & Corporate Regulatory Authority of Singapore
- “Annual Report”** : The annual report of the Company for the financial year ended 31 December 2022
- “AGM” or “Annual General Meeting”** : The annual general meeting of the Company to be held on 26 April 2023 at 2.00 p.m. at Kallang Room, Level 4, Holiday Inn® Singapore Atrium, 317 Outram Road, Singapore 169075
- “Approval Date”** : The date of the AGM at which the Proposed Share Buy-back Mandate is approved by Shareholders
- “associate”** : In relation to any individual, including a director, chief executive officer, substantial shareholder or controlling shareholder (being an individual) means:
- (i) his immediate family;
  - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
  - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of thirty per cent. (30.00%) or more,
- and, in relation to a substantial shareholder or a controlling shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of thirty per cent. (30.00%) or more
- “associated company”** : A company in which at least twenty per cent. (20.00%) but not more than fifty per cent. (50.00%) of its shares are held by the listed company or group
- “Board” or “Board of Directors”** : The Board of Directors of the Company comprising Mr Lim Kian Onn (Mr Gareth Lim Tze Xiang as Alternate Director to Mr Lim Kian Onn), Mr Chong Huai Seng, Ms Tay Hwee Pio and Mr Navinderjeet Singh A/L Naranjan Singh
- “Catalist Rules”** : Section B: Rules of Catalist of the Listing Manual of SGX-ST, as amended or modified from time to time
- “CDP” or “Depository”** : The Central Depository (Pte) Limited
- “Company” or “Plato”** : Plato Capital Limited

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## DEFINITIONS

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<b>“Companies Act”</b>	: The Companies Act 1967 of Singapore, as amended or modified from time to time
<b>“Constitution”</b>	: The constitution of the Company, as may be amended or modified from time to time
<b>“Controlling shareholder”</b>	: A person who:  (i) holds directly or indirectly fifteen per cent. (15.00%) or more of the nominal amount of all voting shares in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a controlling shareholder; or  (ii) in fact exercises control over the Company
<b>“Depositor”</b>	: An account holder or a depository agent but does not include a sub-account holder.
<b>“Depository agent”</b>	: A member of the SGX-ST, a trust company (licensed under the Trust Companies Act 2005), a bank licensed under the Banking Act 1970, any merchant bank licensed under the Banking Act 1970 or any other person or body approved by the Depository who or which:  (i) performs services as a depository agent for sub-account holders in accordance with the terms of a depository agent agreement entered into between the Depository and the depository agent;  (ii) deposits book-entry securities with the Depository on behalf of the sub-account holders; and  (iii) establishes an account in its name with the Depository
<b>“Depository register”</b>	: A register maintained by the Depository in respect of book-entry securities
<b>“Directors”</b>	: The directors of the Company
<b>“EPS”</b>	: Earnings per Share
<b>“FY”</b>	: The financial year ended, or as the case maybe, ending 31 December
<b>“Group”</b>	: The Company and its subsidiaries
<b>“Latest Practicable Date”</b>	: 30 March 2023 being the latest practicable date prior to the issuance of this Appendix B for ascertaining information included herein
<b>“Market Day”</b>	: A day on which the SGX-ST is open for securities trading
<b>“Market Purchase”</b>	: Has the meaning ascribed to it in paragraph 3.3 of this Appendix B
<b>“NAV”</b>	: Net asset value
<b>“NTA”</b>	: Net tangible assets
<b>“Off-Market Purchase”</b>	: Has the meaning ascribed to it in paragraph 3.3 of this Appendix B

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## DEFINITIONS

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<b>“Proposed Share Buy-back Mandate”</b>	: The proposed adoption of the Share Buy-back Mandate by way of ordinary resolution
<b>“Proxy Form”</b>	: The proxy form in respect of the AGM
<b>“Register of Substantial Shareholders”</b>	: Register of Substantial Shareholders of the Company maintained pursuant to Section 88 of the Companies Act
<b>“Register of Directors’ Shareholdings”</b>	: Register of Directors of the Company maintained pursuant to Section 164 of the Companies Act
<b>“Relevant Period”</b>	: The period commencing on and from the Approval Date, up to 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 authority conferred by the Share Buy-back Mandate is revoked or varied by the Shareholders in a general meeting; or  (iii) the date on which purchases or acquisitions of Shares pursuant to the Share Buy-back Mandate are carried out to the full extent mandated
<b>“Securities Account”</b>	: The securities account maintained by a depositor with CDP but does not include a securities sub-account
<b>“SFA”</b>	: The Securities and Futures Act 2001 of Singapore, as amended or modified from time to time
<b>“SGX-ST”</b>	: Singapore Exchange Securities Trading Limited
<b>“Share Buy-back”</b>	: The purchase or acquisitions of Shares by the Company pursuant to the Share Buy-back Mandate, which can be by way of an Off-Market Purchase or a Market Purchase
<b>“Share Buy-back Mandate”</b>	: A general mandate given by Shareholders to authorise the Board to purchase or otherwise acquire, on behalf of the Company, Shares in accordance with the terms set out in the Appendix B as well as the rules and regulations set forth in the Companies Act and the Catalist Rules
<b>“Shareholders”</b>	: Registered holders of Shares, except that where the registered holder is the CDP, the term “Shareholders” shall, in relation to such Shares and where the context admits, mean the Depositors whose Securities Accounts are credited with the Shares
<b>“Shares”</b>	: Ordinary shares in the share capital of the Company
<b>“SIC”</b>	: The Securities Industry Council of Singapore
<b>“Subsidiary”</b>	: Has the meaning ascribed to it in Section 5 of the Companies Act
<b>“Substantial Shareholder”</b>	: A Shareholder who has an interest in not less than five per cent. (5.00%) of the total issued and voting share capital of the Company

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## DEFINITIONS

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**“Take-over Code”** : The Singapore Code on Take-overs and Mergers, as may be amended or modified from time to time

**“Treasury Shares”** : Shares which were (or are treated as having been) purchased or acquired by the Company in circumstances which Section 76H of the Companies Act applies and have been held by the Company continuously since the Treasury Shares were so purchased or acquired

**“%” or “per cent.”** : Percentage or per centum

**“S\$”, “\$” and “cents”** : Singapore dollars and cents, respectively

Any reference in this Appendix B to any enactment is a reference to that enactment for the time being in force, as may be amended or re-enacted. Any word defined under the Companies Act, the Catalyst Rules, the SFA, the Take-over Code or any statutory modification thereof and used in this Appendix B shall have the meaning assigned to it under the Companies Act, Catalyst Rules, SFA, Take-over Code or its statutory modification, as the case may be, unless the context otherwise requires.

Words importing the singular number shall include the plural number where the context admits and *vice versa*. Words importing the masculine gender shall include the feminine gender where the context admits. Reference to persons shall, where applicable, include corporations.

Any reference to any agreement or document shall include such agreement or document as amended, modified, varied, novated, supplemented or replaced from time to time.

Any reference to a time of day or date in this Appendix B is a reference to a time of day or date, as the case may be, in Singapore, unless otherwise stated.

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

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## LETTER TO SHAREHOLDERS

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**PLATO CAPITAL LIMITED**  
(Incorporated in the Republic of Singapore)  
(Company Registration Number: 199907443M)

**Board of Directors:**

Mr Lim Kian Onn (Chairman, Non-Independent & Non-Executive Director)  
Mr Gareth Lim Tze Xiang (Alternate Director to Mr Lim Kian Onn &  
Chief Executive Officer)  
Mr Chong Huai Seng (Independent Director)  
Ms Tay Hwee Pio (Independent Director)  
Mr Navinderjeet Singh A/L Naranjan Singh (Non-Independent &  
Non-Executive Director)

**Registered Office**

1 Harbourfront Avenue #14-07  
Keppel Bay Tower  
Singapore 098632

**To: The Shareholders of Plato Capital Limited**

Date: 11 April 2023

Dear Sir/Madam,

**THE ADOPTION OF THE PROPOSED SHARE BUY-BACK MANDATE**

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**1. INTRODUCTION**

- 1.1. Plato is convening an annual general meeting ("**AGM**") to be held on 26 April 2023 at 2.00 p.m. at Kallang Room, Level 4, Holiday Inn® Singapore Atrium, 317 Outram Road, Singapore 169075. Amongst others, Plato is seeking the approval of Shareholders for the proposed adoption of the Share Buy-back Mandate by way of an ordinary resolution ("**Proposed Share Buy-back Mandate**") as set out in the notice of the AGM dated 11 April 2023, accompanying the Annual Report of the Company for the financial year ended 31 December 2022 ("**FY2022**").
- 1.2. The purpose of this Appendix B is to provide Shareholders with relevant information pertaining to the adoption of the Proposed Share Buy-back Mandate and to seek Shareholders' approval for the resolution in respect thereof to be tabled at the AGM.
- 1.3. Shareholders who are in any doubt as to the course of action they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

**2. THE ADOPTION OF THE PROPOSED SHARE BUY-BACK MANDATE**

**2.1 Background**

Any purchase or acquisition of Shares by the Company would have to be made in accordance with, and in the manner prescribed by its Constitution, the Companies Act and the Catalist Rules and such other laws and regulations as may, for the time being, be applicable. Pursuant to Article 10 of the Company's Constitution, subject to and in accordance with the provisions of the Companies Act and to any other applicable rules, regulations or legislation enacted or promulgated by any relevant competent authority from time to time, the Company may purchase or otherwise acquire ordinary shares issued by it on such terms as the Company may think fit and in the manner prescribed by the Companies Act, including shares to be held as Treasury Shares in accordance with the Companies Act. Any shares purchased or acquired by the Company as aforesaid shall be dealt with in accordance with the provisions of the Companies Act and to any other applicable rules, regulations or legislation enacted or promulgated by any relevant competent authority from time to time.

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## LETTER TO SHAREHOLDERS

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It is a requirement under the Companies Act and the Catalist Rules that the Company is required to obtain the approval of its Shareholders at a general meeting should it wish to purchase or acquire its own Shares.

As such, the Board is proposing to seek Shareholder's approval at the AGM for the adoption of the Proposed Share Buy-back Mandate. The Share Buy-back Mandate is a general mandate that is approved by Shareholders which allows the Company to purchase or acquire its issued Shares at any time during the duration and based on the terms of the Proposed Share Buy-back Mandate.

Should Shareholders approve the resolution to adopt the Proposed Share Buy-back Mandate, the authority conferred by the Share Buy-back Mandate will continue to be in force until the conclusion of the next AGM or the date by which such AGM is required by law to be held (whereupon it will lapse, unless renewed at such meeting), or on the date on which the authority conferred by the Share Buy-back Mandate is revoked or varied by the Shareholders in a general meeting (if so varied or revoked prior to the next AGM), or the date on which purchases or acquisitions of Shares pursuant to the Share Buy-back Mandate are carried out to the full extent mandated (if so varied or revoked prior to the next AGM) whichever is the earliest.

Subject to its continued relevance to the Company, the Share Buy-back Mandate will be put to Shareholders for renewal at each subsequent AGM of the Company.

### **2.2 Rationale for the Proposed Share Buy-back Mandate**

The Company's rationale for undertaking the Proposed Share Buy-back Mandate is as follows:

- (a) to enable the Company to have the flexibility to undertake purchases or acquisitions of its own Shares subject to the terms and limits as described further in paragraph 3 below;
- (b) to provide 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. It will also provide the Board with greater flexibility over the Company's share capital structure with a view to enhancing the EPS and/or NTA per Share when the Share Buy-back Mandate is in force;
- (c) to help mitigate short-term market volatility, offset the effects of short-term speculation and bolster Shareholders' confidence which are not otherwise caused by general market factors or sentiments and/or the fundamentals of the Company; and
- (d) Shares purchased or acquired pursuant to the Share Buy-back Mandate will either be cancelled or held as Treasury Shares as may be determined by the Board. Where Shares purchased or acquired by the Company are held as Treasury Shares, the Company may transfer such Treasury Shares to employees for the purposes of or pursuant to an employees' share scheme (if any).

If and when circumstances permit, the Board will decide whether to effect share purchases or acquisition *via* market purchases or off-market purchases based on the most cost-effective and efficient approach, after taking into account the amount of surplus cash available and the prevailing market conditions. Shareholders should note that purchases or acquisitions of Shares pursuant to the Proposed Share Buy-back Mandate may not be carried out at all, or to the full limit as authorised. The Board does not propose to carry out Share 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 position of the Group.



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## LETTER TO SHAREHOLDERS

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### 3. AUTHORITY AND LIMITS OF THE PROPOSED SHARE BUY-BACK MANDATE

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

#### 3.1 Maximum Number of Shares

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

In order to maintain the free float of the Shares, the total number of Shares that may be purchased or acquired by the Company is limited to that number of Shares representing not more than 8.61 per cent. (8.61%) of the issued ordinary share capital (excluding Treasury Shares and subsidiary holdings) of the Company as at the date of the AGM at which the Proposed Share Buy-back Mandate is approved (the “**Approval Date**”), unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the issued ordinary share capital of the Company shall be taken to be the amount of the issued ordinary share capital of the Company as altered (excluding any Treasury Shares and subsidiary holdings that may be held by the Company from time to time).

For illustrative purposes only, on the basis of the existing issued and paid-up capital of the Company as at the Latest Practicable Date comprising 12,178,185 Shares, and assuming that no further Shares are issued on or prior to the AGM, not more than 1,048,541 Shares (representing 8.61 per cent. (8.61%) of the issued and paid-up capital of the Company as at the Latest Practicable Date, excluding Treasury Shares and subsidiary holdings) may be purchased or acquired by the Company pursuant to the Proposed Share Buy-back Mandate.

#### 3.2 Duration of Authority

Purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the Approval Date after the resolution for the Proposed Share Buy-back mandate is passed by Shareholders, up to the earliest of:

- (a) the conclusion of the next AGM or the date by which such AGM is required by law to be held;
- (b) the date on which the authority conferred by the Share Buy-back Mandate is revoked or varied by the Shareholders in a general meeting; or
- (c) the date on which purchases or acquisitions of Shares pursuant to the Share Buy-back Mandate are carried out to the full extent mandated.

The Share Buy-back Mandate may be renewed on an annual basis at general shareholders’ meetings of the Company.

#### 3.3 Manner of Purchase or Acquisition of Shares

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

- (a) on-market purchases (the “**Market Purchase**”), transacted on the SGX-ST through the SGX-ST’s trading system, and which may be transacted, through one or more duly licensed dealers/stockbrokers appointed by the Company for the purpose; and/or
- (b) off-market purchases (the “**Off-Market Purchase**”) (if effected otherwise than on the SGX-ST) in accordance with an equal access scheme(s) as may be determined or formulated by the Board as they may consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Share Buy-back Mandate, the Constitution, the Companies Act and the Catalist Rules.

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## LETTER TO SHAREHOLDERS

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

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

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

- (a) the terms and conditions of the offer;
- (b) the period and procedures for acceptances;
- (c) the reasons for the proposed Share buy-back;
- (d) the consequences, if any, of share purchases or acquisitions by the Company that will arise under the Take-over Code or other applicable take-over rules;
- (e) whether the Share buy-back, if made, could affect the listing of the Company's equity securities on the SGX-ST;
- (f) details of any Share buy-back made by the Company in the previous twelve (12) months (whether Market Purchases or Off-Market Purchases in accordance with an equal access scheme), giving the total number of the Shares purchased or acquired, the purchase or acquisition price per Share or the highest or lowest prices paid for the purchases or acquisitions, where relevant, and the total consideration paid for the purchases or acquisitions; and
- (g) whether the Shares purchased or acquired by the Company will be cancelled or kept as Treasury Shares.

### 3.4 Maximum Purchase or Acquisition Price

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

However, the purchase or acquisition price to be paid for a Share as determined by the Board must not exceed:

- (a) in the case of a Market Purchase, 105 per cent. (105.00%) of the Average Closing Price (as defined hereinafter) of the Shares; and
- (b) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120 per cent. (120.00%) of the Average Closing Price (as defined hereinafter),

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

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## LETTER TO SHAREHOLDERS

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For the purposes of determining the Maximum Price:

- (a) **“Average Closing Price”** means the average of the closing market prices of a Share over the last five (5) Market Days on which transactions in the Shares were recorded on the SGX-ST or, as the case may be, such securities exchange on which the Shares are listed or quoted, 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 (5)-day period and the day on which the purchases or acquisitions are made; and
- (b) **“day of the making of the offer”** means the day on which the Company announces its intention to make an offer for the purchase or acquisition of Shares from Shareholders, stating the purchase or acquisition price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

#### **4. STATUS OF PURCHASED OR ACQUIRED SHARES UNDER THE PROPOSED SHARE BUY-BACK MANDATE**

A Share purchased or acquired by the Company pursuant to the Share Buy-back Mandate is deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to the Share will expire on such cancellation) unless such Share is held by the Company as a Treasury Share to the extent permitted under the Companies Act. Accordingly, the total number of Shares will be diminished by the number of Shares purchased or acquired by the Company and which are not held as Treasury Shares.

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

At the time of each purchase or acquisition of Shares by the Company, the Board will decide whether the Shares purchased or acquired 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**

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

##### **5.1 Maximum Holdings**

The aggregate number of Shares held as Treasury Shares cannot at any time exceed ten per cent. (10.00%) of the total number of issued Shares. Any Shares in excess of this limit shall be disposed of or cancelled within six (6) months from the day the aforesaid limit is first exceeded or such further periods as Accounting & Corporate Regulatory Authority of Singapore (“**ACRA**”) may allow.

##### **5.2 Voting and Other Rights**

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

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## LETTER TO SHAREHOLDERS

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In addition, no dividend may be paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to members of the Company on a winding up) may be made, to the Company in respect of Treasury Shares. However, the allotment of Shares as fully paid bonus Shares in respect of Treasury Shares is allowed. Also, a subdivision or consolidation of any Treasury Share into Treasury Shares of a larger or smaller amount is allowed so long as the total value of the Treasury Shares after the subdivision or consolidation is the same as before.

### 5.3 Disposal and Cancellation

Where Shares are held as Treasury Shares, the Company may at any time, but subject always to the Take-over Code:

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

### 6. SOURCE OF FUNDS FOR SHARE BUY-BACK

In purchasing or acquiring Shares pursuant to the Share Buy-back Mandate, the Company may only apply funds legally available for such purchases or acquisitions as provided in the Constitution and in accordance with applicable laws in Singapore. The Company may not purchase or acquire its Shares on the SGX-ST for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the SGX-ST.

Any purchases or acquisitions of Shares may be made only if the Company is solvent and transacted out of the Company's capital or its distributable profits. It is an offence for a Director or manager of the Company to approve or authorise the purchase or acquisition of Shares, knowing that the Company is not solvent. For this purpose, pursuant to Section 76F(4) of the Companies Act, a company is solvent if:

- (a) there is no ground on which the Company could be found to be unable to pay its debts;
- (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 payment, 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; or
  - (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).

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration (excluding related brokerage, goods and services tax, stamp duties and clearance fees) will correspondingly reduce the amount of profits available for the

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## LETTER TO SHAREHOLDERS

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distribution of cash dividends by the Company. However, where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount of profits available for the distribution of cash dividends by the Company will not be reduced.

The Company may use internal resources and/or external borrowings or a combination of both to fund purchases or acquisitions of Shares pursuant to the Share Buy-back Mandate. In proceeding with the purchase or acquisition of Shares under the Share Buy-back Mandate, the Board will take into consideration *inter alia* the working capital requirements of the Group, the gearing level of the Group, as well as the expansion and investment plans of the Group, availability of internal resources, rationale for the purchase or acquisition of Shares and prevailing market conditions.

The Board will only authorise the purchases or acquisitions of Shares pursuant to the Share Buy-back Mandate in circumstances which they believe will not result in any material adverse effect to the financial position of the Company or the Group.

### 7. FINANCIAL EFFECTS OF THE PROPOSED SHARE BUY-BACK MANDATE

The financial effects on the Company and the Group arising from purchases or acquisitions of Shares which may be made pursuant to the Share Buy-back Mandate will depend on, *inter alia*, the number of Shares purchased or acquired, whether the Shares are purchased or acquired out of profits and/or capital of the Company, whether the Share Buy-backs are made by way of Market Purchases or Off-Market Purchases, the price paid for such Shares, the amount (if any) borrowed by the Company to fund the Share Buy-backs, and whether the Shares purchased or acquired are held as Treasury Shares or cancelled.

It is not possible for the Company to realistically calculate or quantify the impact of purchases or acquisitions of Shares that may be made pursuant to the Share Buy-back Mandate as the financial effects on the Company and the Group arising from the Share Buy-backs will depend on, *inter alia*, the aggregate number of Shares purchased or acquired, whether the purchase or acquisition is made out of capital or profits, whether the Share Buy-backs are made by way of Market Purchases or Off-Market Purchases, the price paid for such Shares, the amount (if any) borrowed by the Company to fund the Share Buy-backs, and whether the Shares purchased or acquired are held as Treasury Shares or cancelled.

For illustrative purposes only, the financial effects on the Group and the Company arising from the Share Buy-backs, based on the audited financial statements of the Company and of the Group for FY2022, are prepared based on the assumptions set out below:

- (a) the Company has 12,178,185 Shares (excluding Treasury Shares and subsidiary holdings) as at the Latest Practicable Date, and no additional Shares are issued on or prior to the AGM to be held on 26 April 2023 and that no Shares were allotted or issued pursuant to the exercise of share options or vesting of awards. The Company does not have any Treasury Shares or subsidiary holdings as at the Latest Practicable Date;
- (b) having regard to the public float of approximately 17.75 per cent. (17.75%) as at the Latest Practicable Date, the financial effects on the purchase or acquisition of Shares by the Company are based on the Company purchasing a maximum of 8.61 per cent. (8.61%) of its issued Shares or 1,048,541 Shares ("**Maximum Number of Shares**"), so as to ensure that the public float does not fall below ten per cent. (10.00%) after the Share Buy-back;
- (c) in the case of Market Purchases, assuming the Company purchases or acquires 1,048,541 Shares at the Maximum Price of S\$1.793 for one Share (being the price equivalent to five per cent. (5.00%) above the average of the closing market prices of the Shares over the last five (5) Market Days preceding the Latest Practicable Date on which transactions in the Shares were recorded), the maximum amount of funds required for the purchase or acquisition of 1,048,541 Shares is approximately S\$1,880,034 (excluding ancillary expenses such as related brokerage, goods and services tax, stamp duties and clearance fees);

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## LETTER TO SHAREHOLDERS

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- (d) in the case of an Off-Market Purchase, assuming the Company purchases or acquires 1,048,541 Shares at the Maximum Price of S\$2.050 for one Share (being the price equivalent to 120 per cent. (120.00%) of the Average Closing Price of the Shares traded on the SGX-ST for the five (5) consecutive Market Days immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition is approximately S\$2,149,509 (excluding ancillary expenses such as related brokerage, goods and services tax, stamp duties and clearance fees);
- (e) transaction costs incurred during the Share Buy-backs pursuant to the Share Buy-back Mandate are assumed to be insignificant and thus are disregarded for the purposes of computing the financial effects;
- (f) the Share Buy-backs were financed by the Group's internal resources of funds available as at 31 December 2022 and the remaining by external borrowings of S\$1,574,634 in the case of Market Purchases and S\$1,844,109 in the case of Off-Market Purchases by the Company;
- (g) cash of S\$305,400 had been disbursed from the Company's subsidiaries to the Company prior to the Share Buy-back pursuant to the Share Buy-back Mandate;
- (h) the Share Buy-backs pursuant to the Share Buy-back mandate had taken place on the Latest Practicable Date for the purpose of computing the financial effects; and
- (i) where Shares purchased or acquired are held as Treasury Shares, the number of Treasury Shares held does not exceed the Maximum Number of Shares permitted under the Companies Act.

**The illustrations set out below are based on audited historical figures for FY2022 and are purely for illustrative purposes only. Accordingly, such illustrations are not representative or otherwise indicative of future financial performance of the Company and/or the Group.**

Prior to conducting any purchase or acquisition of Shares, the Company will take into consideration the financial position of the Company (including but not limited to the working capital requirements, debt position, gearing ratio, cash surplus) as well as other factors such as (market conditions, trading performance of the Company's Shares) in assessing the impact on the Company and the Group of such purchase or acquisition.

It should be noted that purchases or acquisitions pursuant to the Proposed Share Buy-back Mandate may not necessarily be carried out to the full 8.61 per cent. (8.61%) of the issued Shares as mandated. Further, the Directors do not propose to exercise the Proposed Share Buy-back Mandate to such an extent as would have a material adverse effect on the working capital requirements of the Company or the gearing levels which, in the opinion of the Directors, are from time to time appropriate for the Company.

For illustrative purposes only, based on the assumptions set out in subparagraphs 7(a) to 7(i) above, the financial effects of:

- (a) the purchase or acquisition of the Maximum Number of Shares by the Company at the Maximum Price pursuant to the Proposed Share Buy-back Mandate by way of purchases or acquisitions made out of capital and held as treasury shares; and
- (b) the purchase or acquisition of the Maximum Number of Shares by the Company at the Maximum Price pursuant to the Proposed Share Buy-back Mandate by way of purchases or acquisitions made out of capital and cancelled,

on the audited financial statements of the Group and of the Company for FY2022 are set out below:

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### (A) Market Purchases of 8.61 per cent. (8.61%) of the issued Shares made entirely out of capital

	Group			Company		
	Before Share Purchase	After Market Purchase		Before Share Purchase	After Market Purchase	
		Purchased Shares Cancelled	Purchased Shares held as Treasury Shares		Purchased Shares Cancelled	Purchased Shares held as Treasury Shares
<u>As at 31 December 2022</u>	S\$	S\$	S\$	S\$	S\$	S\$
Share Capital	48,391,558	46,511,524	48,391,558	48,391,558	46,511,524	48,391,558
Treasury Shares	-	-	(1,880,034)	-	-	(1,880,034)
Shareholders' Fund (NAV)	49,401,269	47,521,235	47,521,235	35,208,213	33,328,179	33,328,179
Current Assets	9,559,614	9,254,214	9,254,214	7,492,888	7,492,888	7,492,888
Current Liabilities	(5,133,842)	(6,708,476)	(6,708,476)	(4,979,558)	(6,859,592)	(6,859,592)
Cash and Cash Equivalents <sup>(1)</sup>	1,417,587	1,112,187	1,112,187	256,944	256,944	256,944
Total Borrowings	(4,631,993)	(6,206,627)	(6,206,627)	-	(1,574,634)	(1,574,634)
Profit attributable to Owners of the Company	2,559,806	2,559,806	2,559,806	2,422,414	2,422,414	2,422,414
Number of Shares as at 31 December 2022	12,178,185	11,129,644	11,129,644	12,178,185	11,129,644	11,129,644
Number of Treasury Shares as at 31 December 2022	-	-	1,048,541	-	-	1,048,541
Weighted Average Number of Shares as at 31 December 2022	12,178,185	11,129,644	11,129,644	12,178,185	11,129,644	11,129,644
<b>Financial ratios</b>						
NAV per Share (cents) <sup>(2)</sup>	405.65	426.98	426.98	289.11	299.45	299.45
Gearing Ratio (times) <sup>(3)</sup>	(0.09)	(0.13)	(0.13)	-	(0.05)	(0.05)
Current Ratio (times) <sup>(4)</sup>	1.86	1.38	1.38	1.50	1.09	1.09
EPS (cents) <sup>(5)</sup>	21.02	23.00	23.00	19.89	21.77	21.77

**Notes:-**

- <sup>(1)</sup> Based on the assumption that the Company will partially finance the Share Buy-backs from funds within the Group.
- <sup>(2)</sup> "NAV per share" represents NAV divided by the number of Shares as at the Latest Practicable Date.
- <sup>(3)</sup> "Gearing ratio" represents total borrowings divided by shareholders' fund.
- <sup>(4)</sup> "Current ratio" represents current assets divided by current liabilities.
- <sup>(5)</sup> "EPS" represents net profit attributable to owners of the Company for FY2022 divided by the weighted average number of Shares for FY2022.

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### (B) Off-Market Purchases of 8.61 per cent. (8.61%) of the issued Shares made entirely out of capital

	Group			Company		
	Before Share Purchase	After Market Purchase		Before Share Purchase	After Market Purchase	
		Purchased Shares Cancelled	Purchased Shares held as Treasury Shares		Purchased Shares Cancelled	Purchased Shares held as Treasury Shares
<b>As at 31 December 2022</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
Share Capital	48,391,558	46,242,049	48,391,558	48,391,558	46,242,049	48,391,558
Treasury Shares	-	-	(2,149,509)	-	-	(2,149,509)
Shareholders' Fund (NAV)	49,401,269	47,251,760	47,251,760	35,208,213	33,058,704	33,058,704
Current Assets	9,559,614	9,254,214	9,254,214	7,492,888	7,492,888	7,492,888
Current Liabilities	(5,133,842)	(6,977,951)	(6,977,951)	(4,979,558)	(7,129,067)	(7,129,067)
Cash and Cash Equivalents <sup>(1)</sup>	1,417,587	1,112,187	1,112,187	256,944	256,944	256,944
Total Borrowings	(4,631,993)	(6,476,102)	(6,476,102)	-	(1,844,109)	(1,844,109)
Profit attributable to Owners of the Company	2,559,806	2,559,806	2,559,806	2,422,414	2,422,414	2,422,414
Number of Shares as at 31 December 2022	12,178,185	11,129,644	11,129,644	12,178,185	11,129,644	11,129,644
Number of Treasury Shares as at 31 December 2022	-	-	1,048,541	-	-	1,048,541
Weighted Average Number of Shares as at 31 December 2022	12,178,185	11,129,644	11,129,644	12,178,185	11,129,644	11,129,644
<b>Financial ratios</b>						
NAV per share (cents) <sup>(2)</sup>	405.65	424.56	424.56	289.11	297.03	297.03
Gearing ratio (times) <sup>(3)</sup>	(0.09)	(0.14)	(0.14)	-	(0.06)	(0.06)
Current ratio (times) <sup>(4)</sup>	1.86	1.33	1.33	1.50	1.05	1.05
EPS (cents) <sup>(5)</sup>	21.02	23.00	23.00	19.89	21.77	21.77

**Notes:-**

- (1) Based on the assumption that the Company will partially finance the Share Buy-backs from funds within the Group.
- (2) "NAV per share" represents NAV divided by the number of Shares as at the Latest Practicable Date.
- (3) "Gearing ratio" represents total borrowings divided by shareholders' fund.
- (4) "Current ratio" represents current assets divided by current liabilities.
- (5) "EPS" represents net profit attributable to owners of the Company for FY2022 divided by the weighted average number of Shares for FY2022.

The financial effects of the purchase or acquisition of Shares by the Company pursuant to the Proposed Share Buy-back Mandate by way of purchases or acquisitions made out of profits are similar to that of purchases or acquisitions made out of capital. Therefore, only the financial effects of the purchase or acquisition of the Shares by the Company pursuant to the Proposed Share Buy-back Mandate by way of purchases or acquisitions made out of capital are set out in this Appendix B.



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### 8. CATALIST RULES

The Catalist Rules specify that a listed company shall announce all purchases or acquisitions of its shares to SGX-ST not later than 9.00 a.m. (a) in the case of a Market Purchase, on the Market Day following the day of purchase or acquisition of any of its shares and (b) in the case of an Off-Market Purchase under an equal access scheme, on the second Market Day after the close of acceptances of the offer. Such announcement (which must be in the form of Appendix 8D of the Catalist Rules) currently requires the inclusion of details, including but not limited to, the total number of shares purchased or acquired, total number of shares cancelled, the number of shares held as Treasury Shares, the purchase or acquisition price per share or the highest and lowest prices paid for such shares, as applicable and the total consideration (including stamp duties and clearing charges) paid or payable for the shares, the number of shares purchased or acquired as at the date of the announcement (on a cumulative basis), the number of issued shares excluding Treasury Shares and the number of Treasury Shares held after the purchase or acquisition.

While the Catalist Rules do not expressly prohibit any purchase or acquisition of shares by a listed company during any particular time or times, because the listed company would be regarded as an “insider” in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the Share Buy-back Mandate at any time after a price sensitive development has occurred or has been the subject of a decision until the price sensitive information has been publicly announced. In particular, in line with the best practices guide on securities dealings issued by SGX-ST, the Company and its officers should not purchase or acquire any Shares through Market Purchases pursuant to the Share Buy-back Mandate during the period commencing one (1) month before the announcement of the company’s half year and full year financial statements (if not required to announce quarterly financial statements).

The Catalist Rules requires a listed company to ensure that at least ten per cent. (10.00%) of the total number of any class of its listed securities (excluding Treasury Shares, preference shares and convertible equity securities) must be held by public shareholders. The term “public”, as defined under the Catalist Rules, are persons other than the Directors, Substantial Shareholders, chief executive officers or Controlling Shareholders of the Company and its subsidiaries, as well as associates of such persons. As at the Latest Practicable Date, 2,162,086 Shares representing 17.75 per cent. (17.75%) of the issued Shares are held by public Shareholders. In the event that the Company purchases or acquires the maximum of 8.61 per cent. (8.61%) of its issued ordinary share capital from such public Shareholders, the resultant percentage of the issued Shares held by the public Shareholders would be reduced to approximately ten per cent. (10.00%).

Accordingly, the Company is of the view that there is a sufficient number of the Shares in issue held by public Shareholders which would permit the Company to undertake purchases or acquisitions of its Shares through Market Purchases of up to the 8.61 per cent. (8.61%) limit pursuant to the Proposed Share Buy-back Mandate without affecting the listing status of the Shares on the SGX-ST, and that the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or to affect orderly trading. The Company will not carry out any share buy-back unless at least ten percent (10.00%) of its listed securities can be maintained in the hands of public Shareholders and that the number of Shares remaining in the hands of the public will not fall to such to a level as to cause market illiquidity or to affect orderly trading.

### 9. TAKE-OVER CODE OBLIGATIONS

Appendix 2 of the Take-over Code (“**Appendix 2**”) contains the Share Buy-back guidance note applicable as at the Latest Practicable Date. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below:

#### 9.1 Obligation to make a Take-over Offer

If, as a result of any purchase or acquisition by the Company of its Shares, a Shareholder’s proportionate interest in the voting capital of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code (“**Rule 14**”). If such increase results in a change of effective control, or, as a result of such increase, a Shareholder or group of Shareholders

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acting in concert obtains or consolidates effective control of the Company, such Shareholder or group of Shareholders acting in concert could become obliged to make a mandatory take-over offer for the Company under Rule 14.

Rule 14.1 of the Take-over Code requires, *inter alia*, except with the consent of the SIC where:

- (a) any person acquires whether by a series of transactions over a period of time or not, shares which (taken together with shares held or acquired by persons acting in concert with him) carry thirty per cent. (30.00%) or more of the voting rights of a company; or
- (b) any person who, together with persons acting in concert with him, holds not less than thirty per cent. (30.00%) but not more than fifty per cent. (50.00%) of the voting rights and such person, or any person acting in concert with him, acquires in any period of six (6) months additional shares carrying more than one per cent. (1.00%) of the voting rights,

such person must extend offers immediately, on the basis set out in this Rule, to the holders of any class of share capital of the company which carries votes and in which such person, or persons acting in concert with him, hold shares. In addition to such person, each of the principal members of the group of persons acting in concert with him may, according to the circumstances of the case, have the obligation to extend an offer.

Pursuant to Appendix 2 to the Take-over Code, an increase in the percentage of voting rights in a company by a shareholder and parties acting in concert with him as a result of any acquisition of shares by the company will be treated as an acquisition for the purpose of Rule 14. As such, a shareholder or group of shareholders acting in concert could obtain or consolidate effective control of the company and become obliged to make an offer under Rule 14.

### 9.2 Persons Acting in Concert

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), 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 following individuals will, *inter alia*, be presumed to be acting in concert:

- (a) a company with any of its directors, together with their close relatives, related trusts and any companies controlled by any of the directors, their close relatives and related trust;
- (b) a company with its parent company, subsidiaries, its fellow subsidiaries, any associated companies of the above companies, any company whose associated companies include any of the above companies and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase or acquisition of voting rights. For this purpose, a company is an associated company of another company if the second company owns or controls at least twenty per cent. (20.00%) but not more than fifty per cent. (50.00%) of the voting rights of the first-mentioned company;
- (c) a company with any of its pension funds and employee share schemes;
- (d) a person with any investment company, unit trust or other fund in respect of the investment account which such person manages on a discretionary basis;
- (e) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of the adviser and the persons controlling, controlled by or under the same control as the adviser and all the funds which the adviser manages on a discretionary basis, where the shareholdings of the adviser and any of those funds in the client total ten per cent. (10.00%) or more of the client's equity share capital;

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- (f) directors of a company, together with their close relatives, related trusts and companies controlled by any of them, which is subject to an offer or where they have reason to believe a bona fide offer for their company may be imminent;
- (g) partners; and
- (h) an individual, his close relatives, his related trusts, and any person who is accustomed to act according to his instructions, companies controlled by any of the above persons, and any person who has provided financial assistance (other than a bank in its ordinary course of business) to any of the above for the purchase or acquisition of voting rights.

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

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

In general terms, the effect of Rule 14 and Appendix 2 is that, unless exempted, Directors of the Company 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 its Shares:

- (a) the voting rights of such Directors and their concert parties would increase to thirty per cent. (30.00%) or more; or
- (b) if the voting rights of such Directors and their concert parties fall between thirty per cent. (30.00%) and fifty per cent. (50.00%) of the Company's voting rights, and the voting rights of such Directors and their concert parties would increase by more than one per cent. (1.00%) in any period of six (6) months.

In calculating the percentages of voting rights of such Directors and their concert parties, Treasury Shares shall be excluded.

Under Appendix 2, a Shareholder not acting in concert with the Directors of the Company will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its own Shares, the voting rights of such Shareholder in the Company would increase to thirty per cent. (30.00%) or more, or, if such Shareholder holds between thirty per cent. (30.00%) and fifty per cent. (50.00%) of the Company's voting rights, the voting rights of such Shareholder would increase by more than one per cent. (1.00%) in any period of six (6) months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Proposed Share Buy-back Mandate.

Shareholders (including Directors) and their concert parties who hold more than fifty per cent. (50.00%) of the Company's voting rights are under no obligation to make a take-over offer if the voting rights of such Shareholders and their concert parties were to increase as a result of the Company purchasing or acquiring Shares.

Based on the interests of the Substantial Shareholders as set out in paragraph 9.4 below, none of the Substantial Shareholders would be obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code as a result of the purchase or acquisition by the Company of the maximum limit of 8.61 per cent. (8.61%) of its issued Shares as at the Latest Practicable Date.

If the Company decides to cease the Share Buy-backs before it has purchased or acquired in full such number of Shares authorised by its Shareholders at the latest AGM, the Company will promptly inform its Shareholders accordingly through announcements to the SGX-ST. This will assist Shareholders to determine if they can buy any more Shares without incurring an obligation under Rule 14 of the Take-over Code.

**Shareholders are advised to consult their professional advisers and/or the SIC and/or the relevant authorities at the earliest opportunity as to whether an obligation to make a takeover would arise by reason of any share buy-backs or acquisitions by the Company pursuant to the Proposed Share Buy-back Mandate.**

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

The shareholdings of the Substantial Shareholders as at the Latest Practicable Date and after the purchase or acquisition by the Company (other than from the Substantial Shareholders) of the maximum of 8.61 per cent. (8.61%) of the issued share capital of the Company (excluding Treasury Shares and subsidiary holdings) pursuant to the Share Buy-Back Mandate as the case may be, are as follows:

	Before Share buy-back (As at the latest Practicable Date)			After Share buy-back		
	Number of shares			Number of shares		
	Direct Interest	Deemed Interest	% <sup>(1)</sup>	Direct Interest	Deemed Interest	% <sup>(2)</sup>
<b>Substantial shareholders</b>						
Mr Lim Kian Onn <sup>(3)</sup>	-	9,069,425	74.47%	-	9,069,425	81.49%
Cosima Investments Pte Ltd <sup>(4)</sup>	-	7,468,385	61.33%	-	7,468,385	67.10%

**Notes:-**

- <sup>(1)</sup> The percentage shareholding is based on the total issued share capital of the Company of 12,178,185 Shares (excluding Treasury Shares and subsidiary holdings), as at the Latest Practicable Date. The Company does not have any Treasury Shares or subsidiary holdings. Percentage figures are rounded to the nearest two (2) decimal places.
- <sup>(2)</sup> The percentage shareholding is based on the total issued share capital of the Company of 11,129,644 Shares assuming (a) purchase or acquisition by the Company (other than from the Substantial Shareholders) of 8.61 per cent. (8.61%) of the issued share capital of the Company pursuant to the Share Buy-back Mandate and (b) there is no change in the number of Shares held by the Directors and the Substantial Shareholders or which they are deemed interested in.
- <sup>(3)</sup> Mr Lim Kian Onn is deemed interested in the following:
- (a) 4,898,925 Shares held by Citibank Nominees Singapore Pte. Ltd. ("Citibank") for Bank Julius Baer (Singapore) Ltd ("Julius Baer") for Cosima Investment Pte Ltd ("Cosima"), a company 100.00% owned by Mr Lim Kian Onn;
- (b) 2,569,460 Shares held by Citibank for Bank of Singapore ("BOS") for Cosima; and
- (c) 1,601,040 Shares held by OCBC Securities Pte Ltd for Kenanga Investment Bank Bhd for Mr Lim Kian Onn.
- <sup>(4)</sup> Cosima is deemed interested in the following:
- (a) 4,898,925 Shares held by Citibank for Julius Baer for Cosima; and
- (b) 2,569,460 Shares held by Citibank for BOS for Cosima.

### 10. INTERESTED PERSONS

The Company is prohibited from knowingly buying Shares on the SGX-ST from an interested person, that is, a Director, the chief executive officer of the Company or controlling shareholder of the Company or any of their associates, and an interested person is prohibited from knowingly selling his Shares to the Company.

### 11. REPORTING REQUIREMENTS

Within thirty (30) days of the passing of a Shareholders' resolution to approve or renew the Share Buy-back Mandate, the Company shall lodge a copy of such resolution with ACRA. The Company shall also lodge a notice with ACRA within thirty (30) days of a Share buy-back. Such notification is to include details such as the date of the Share Buy-back, the number of Shares purchased or acquired by the Company, the number of Shares cancelled, the number of Shares held as Treasury Shares, the Company's issued share capital before and after the Share buy-back, the amount of consideration paid by the Company for the Share Buy-back, whether the Shares were purchased or acquired out of profits or the capital of the Company and any such other particulars that may be prescribed.

Within 30 days of the cancellation or disposal of Treasury Shares in accordance with the provisions of the Companies Act, the Directors shall lodge with the ACRA the notice of cancellation or disposal of Treasury Shares in the prescribed form.

### 12. LIMITS ON SHAREHOLDINGS

The Company does not have any limits on the shareholdings of the Shareholders.

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### 13. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

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

	Number of shares			
	Direct Interest	% <sup>(1)</sup>	Deemed Interest	% <sup>(1)</sup>
<b>Directors</b>				
Mr Lim Kian Onn <sup>(2)</sup>	-	-	9,069,425	74.47%
Mr Gareth Lim Tze Xiang	-	-	-	-
Mr Chong Huai Seng	-	-	-	-
Ms Tay Hwee Pio	-	-	-	-
Mr Navinderjeet Singh A/L Naranjan Singh	-	-	-	-
<b>Substantial shareholder (other than substantial shareholder who are Directors)</b>				
Cosima Investments Pte Ltd <sup>(3)</sup>	-	-	7,468,385	61.33%

**Notes:-**

<sup>(1)</sup> The percentage shareholding is based on the total issued share capital of the Company of 12,178,185 shares (excluding Treasury Shares and subsidiary holdings), as at the Latest Practicable Date. The Company does not have any Treasury Shares or subsidiary holdings. Percentage figures are rounded to the nearest two (2) decimal places.

<sup>(2)</sup> Mr Lim Kian Onn is deemed interested in the following:

- (a) 4,898,925 Shares held by Citibank for Julius Baer for Cosima, a company 100.00% owned by Mr Lim Kian Onn;
- (b) 2,569,460 Shares held by Citibank for BOS for Cosima; and
- (c) 1,601,040 Shares held by OCBC Securities Pte Ltd for Kenanga Investment Bank Bhd for Mr Lim Kian Onn.

<sup>(3)</sup> Cosima is deemed interested in the following:

- (a) 4,898,925 Shares held by Citibank for Julius Baer for Cosima; and
- (b) 2,569,460 Shares held by Citibank for BOS for Cosima.

**Save as disclosed in this Appendix B, other than through their respective shareholdings in the Company, none of the Directors or the Substantial Shareholders of the Company has any interest, whether directly or indirectly, in the adoption of the Proposed Share Buy-back Mandate by way of an ordinary resolution at the AGM.**

### 14. SHARES PURCHASED OR ACQUIRED BY THE COMPANY IN THE PAST TWELVE (12) MONTHS

There has not been and there is no share buy-back mandate in place as at the Latest Practicable Date. Thus, the Company has not purchased or acquired any Shares within the twelve (12) months preceding the Latest Practicable Date.

### 15. TAX IMPLICATIONS

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

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## LETTER TO SHAREHOLDERS

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### 16. DIRECTORS' RECOMMENDATION

Having fully considered the rationale, benefit and the information relating to the Proposed Share Buy-back Mandate, the Board, having fully considered, *inter alia*, the terms and the rationale of the Proposed Share Buy-back Mandate as set out in this Appendix B, are of the opinion that the Proposed Share Buy-back Mandate is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of the resolution to be proposed at the AGM, being the resolution relating to the Proposed Share Buy-back Mandate.

### 17. DIRECTORS' RESPONSIBILITY STATEMENT

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

### 18. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the Company's registered office at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632 during normal business hours from the date of this Appendix B up to and including the date of the AGM.

- (i) the Constitution of the Company; and
- (ii) the Annual Report.

Yours faithfully

For and on behalf of the Board of Directors of  
**Plato Capital Limited**

Mr Gareth Lim Tze Xiang  
Chief Executive Officer

11 April 2023