

**GOODWILL ENTERTAINMENT HOLDINGS LIMITED**  
(Company Registration Number:201633838K)  
(Incorporated in the Republic of Singapore)

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**PROPOSED INVESTMENT TO ESTABLISH A JOINT VENTURE COMPANY IN MALAYSIA**

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**1. INTRODUCTION**

The Board of Directors (the “**Board**”) of Goodwill Entertainment Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) is pleased to announce that Have Fun Lite Pte. Ltd. (“**HF Lite**”), a wholly-owned subsidiary of the Company, has on 17 February 2025 entered into a subscription and shareholders’ agreement (“**SSA**”) with HF Entertainment Sdn. Bhd. (“**HFE**”) and Have Fun KL Sdn. Bhd. (the “**JV Co**”, and together with HF Lite and HFE, the “**Parties**”) in connection with, *inter alia*, (i) the proposed subscription of new ordinary shares in the capital of the JV Co (the “**JV Co Shares**”) by HF Lite and HFE (the “**Proposed Subscription**”); and (ii) the Parties’ mutual agreement and understanding in respect of the subsequent funding required to kick start the Project (as defined below) (“**Additional Capital Injection**”).

Further details of the Proposed Subscription and the Additional Capital Injection (collectively, the “**Proposed Investment**”) are set out in Section 4.1 and Section 3.3, respectively.

**2. RATIONALE FOR THE PROPOSED INVESTMENT**

The Proposed Investment is in line with the Group’s growth strategy for geographical expansion across the Southeast Asia region with an initial focus on expanding our operations to Malaysia.

The Group has identified HFE as its joint venture partner for the HFE Shareholder’s extensive experience and deep understanding of the entertainment and food and beverage (F&B) industry in Malaysia, details of which are more particularly found in Section 3.1 above. The Group is of the view that HFE is a valuable partner and the Proposed Investment provides an opportunity for the Group to expand its business into Malaysia and represents an additional stream of the Company’s revenue and enhances the Group’s business performance and sustainability. Accordingly, the Board believes that the Proposed Investment is in the best interests of the Company and the shareholders, having regard to the terms of the Proposed Investment.

**3. INFORMATION ON THE PROPOSED INVESTMENT**

**3.1 HFE**

HFE is a private company limited by shares incorporated in Malaysia on 15 January 2025 and its principal activity is investment holding. HFE has a paid-up capital of RM1,000 comprising 1,000 ordinary shares which is held by Mogulmax Group Sdn. Bhd. (“**Mogulmax**”), Tenshou International Sdn. Bhd. (“**Tenshou**”) and Luk Hing Development Ltd. (“**Luk Hing**”) (collectively referred to as the “**HFE Shareholders**”).

Mogulmax is owned by Mr. Ng Cher Yong, a veteran entrepreneur from the entertainment industry, particularly in Singapore and Malaysia. Tenshou and Luk Hing are related companies of Oversea Enterprise Berhad (“**OEB**”), a company listed on the ACE Market of Bursa Malaysia Securities Berhad, the former being a subsidiary of OEB and the latter a subsidiary of Luk Hing Entertainment Group Holdings Limited, a company which is an associate of OEB and also listed on GEM of the Stock Exchange of Hong Kong Limited.

HFE, their directors and each of the HFE Shareholders are independent and not related to any director and/or substantial shareholder of the Company.

### 3.2 The JV CO

The JV Co is a private company limited by shares incorporated on 12 February 2025. The principal business of the JV Co is the investment, operation and management of a multi-entertainment outlet that includes karaoke, live-music performance and food and beverage (F&B) services in Kuala Lumpur, Malaysia (the “**Project**”).

As the JV Co was only incorporated on 12 February 2025 and has not commenced any commercial operations, the net book value of the JV Co is RM30 as at the date of this announcement.

As at the date of this announcement, the JV Co has an issued and paid-up capital of RM30 comprising 30 JV Co Shares which are wholly-owned by HFE.

Following the completion of the Proposed Subscription, HF Lite and HFE will be shareholders of the JV Co in the shareholding proportions set out in paragraph 4.1 below and the JV Co will accordingly become a subsidiary of the HF Lite and an indirect subsidiary of the Company.

### 3.3 Funding of the Project and the Proposed Investment

As disclosed in paragraph 1 of this announcement, the Parties have agreed that an Additional Capital Injection will be required to commence the Project. (see Section 4.6 below)

It is estimated that the costs and expenses incurred or to be incurred by the JV Co for the purposes of the Project is approximately RM20,000,000 (equivalent to approximately S\$6,043,574) and such capital will be funded by HF Lite and HFE in 70:30 proportions by way of the Proposed Subscription of RM1,000,000 (equivalent to approximately S\$302,179) and the Additional Capital Injection of RM19,000,000 (equivalent to approximately S\$5,741,395). The structure and terms of the Additional Capital Contribution are to be determined by the Parties and the Company will make further announcement(s) as appropriate when there are material developments to the Project, including the entry into any definitive agreement in connection with the Additional Capital Injection.

As at the date of this announcement, the estimated aggregate value of HF Lite’s contribution to the Proposed Investment is approximately RM14,000,000 (equivalent to approximately S\$4,230,502) (the “**HF Lite Investment**”), being RM700,000 (equivalent to approximately S\$211,525) for the Proposed Subscription and a further investment of RM13,300,000 (equivalent to approximately S\$4,018,977 by way of the additional Capital Contribution.

The Company intends to finance the HF Lite Investment through internal resources and the HF Lite Investment is not expected to have any material impact on the Company’s net tangible assets or earnings per share based on the Company’s accounts for the current financial year ending 31 December 2025.

*For the purposes of this announcement, conversion of RM into S\$ is based on the exchange rate of RM3.3093 to S\$1.00 (as extracted from Bloomberg as at 14 February 2025).*

## 4. SALIENT TERMS OF THE SSA

The SSA sets out the terms of the Proposed Investment and the rights of each of HF Lite and HFE as the shareholders of the JV Co (“**JV Co Shareholder(s)**”).

### 4.1 Share Capital of the JV Co and the Proposed Subscription

Pursuant to the SSA, HF Lite and HFE agree that the paid-up share capital of the JV Co shall be increased to RM 1,000,000 and each of HF Lite and HFE shall subscribe to 700,000 and 299,970 new JV Co Shares, respectively, at the issue price of RM1.00 per JV Co Share.

The aggregate consideration to be paid by HF Lite for the Proposed Subscription is RM700,000 (equivalent to approximately S\$211,525) which shall be satisfied in full in cash and funded by internal sources.

Completion of the Proposed Subscription shall take place within 14 days from the date of the SSA and following the completion of the Proposed Subscription, the JV Co will have an issued and paid-up share capital of RM1,000,000 comprising of 1,000,000 JV Co Shares in the following proportion:

| <b>JV Co Shareholders</b> | <b>Number of JV Co Shares</b> | <b>Shareholding Percentage</b> |
|---------------------------|-------------------------------|--------------------------------|
| HF Lite                   | 700,000                       | 70%                            |
| HFE                       | 300,000                       | 30%                            |
| <b>Total</b>              | <b>1,000,000</b>              | <b>100%</b>                    |

#### **4.2 Board Composition**

The board of directors of the JV Co (“**JV Co Board**”) shall at all times consist of at least six (6) directors, comprised of four (4) directors appointed by HF Lite and (2) directors appointed by HFE. Each director shall be entitled to appoint an alternate director.

#### **4.3 New Issue of JV Co Shares**

Any issuance of unissued, new or additional JV Co Shares, or the issuance of new securities that will be convertible into JV Co Shares shall, before allotment and issuance, be offered to JV Co Shareholders in proportion, as nearly as the circumstances admit, to their shareholding percentages prior to such increase. In the event a JV Co Shareholder does not subscribe to the new JV Co Shares or new securities, the shareholding of such JV Co Shareholder may be diluted.

#### **4.4 Transfer of JV Co Shares**

Prior to any sale, transfer, dealing or disposal of JV Co Shares to a third party, a JV Co Shareholder shall have the right of first refusal to purchase the said JV Co Shares that the other JV Co Shareholder desires to sell, transfer, deal or otherwise dispose. The right of first refusal is not applicable in the situation of a sale, transfer, dealing or otherwise disposal of JV Co Shares to any affiliate of the relevant JV Co Shareholder.

#### **4.5 Dividend Policy**

Subject to all applicable laws and regulations and the terms of the SSA, the dividend policy of the JV Co shall be determined by the JV Co Board based on prudent commercial and financial principles, and taking into account the net profits after tax of the JV Co. No dividend shall be declared until all monies advanced by any of the JV Co Shareholder has been repaid in full, including any interests incurred.

Any variation to the dividend policy of the JV Co and changes thereto or the declaration of any dividends by the JV Co. shall be subject to the unanimous agreement of all JV Co Shareholders for the time being.

#### **4.6 Further Funding by the JV Co Shareholders**

Unless otherwise agreed upon by the JV Co Board, financing for the JV Co shall be obtained as follows:

- (i) financing from banks and financial institutions on the most favourable terms reasonably obtainable as to the financier’s interest rate margin, repayment and security;
- (ii) subscription of preference shares by the JV Co Shareholders in proportion to their shareholding percentages;
- (iii) loans/advances/financing from the JV Co Shareholders or their related companies in proportion to their shareholding percentages in the form of cash, such shareholders’ advances shall be reflective of the agreed proportions or such other proportion as the JV Co Shareholders may otherwise agree in writing, in the form of cash. The interest chargeable in respect of any advances made shall be at a rate to be mutually agreed in writing between the relevant JV Co

Shareholder and the JV Co, and approved by the JV Co Board; and

- (iv) financing from other sources (including but not limited to any third-party financing or arrangements for the issuance of shares to third parties).

Notwithstanding the above, the Parties agreed that the initial ordinary share capital shall be RM1,000,000.00, and the subsequent funding for the Project required (i.e. the Additional Capital Injection) shall be estimated to be RM19,000,000.00 to commence the Project.

## 5. FINANCIAL EFFECTS

The financial effects of the Proposed Investment on the Group as set out below are purely for illustrative purposes only and are not intended to reflect the actual future financial performance or position of the Group immediately after the completion of the Proposed Investment.

### 5.1 Bases and Assumptions

The financial effects of the Proposed Investment set out below have been prepared based on the Group's audited consolidated financial statements for the financial year ended 31 December 2023 ("FY2023"), based on the following bases and assumptions:

- (a) for the purposes of illustrating the financial effects of the Proposed Investment on the net tangible assets ("NTA") per Share of the Group, it is assumed that the Proposed Investment was completed on 31 December 2023;
- (b) for the purposes illustrating the financial effects of the Proposed Investment on the Earnings per Share ("EPS"), it is assumed that the Proposed Investment was completed on 1 January 2023;
- (c) the Proposed Subscription and the Additional Capital Contribution completes simultaneously and the HF Lite Investment to the Proposed Investment is RM14,000,000 (equivalent to approximately S\$4,230,502);
- (d) the issued and paid-up share capital of the Company as at the date of this announcement comprising 400,000,000 ordinary shares; and
- (e) the transaction cost and expenses incurred or to be incurred in connection with the Proposed Investment are insignificant and ignored for computational purposes.

**Shareholders should note that the financial effects of the Proposed Investment as prepared by management has not been reviewed by auditors of the Company and are purely for illustrative purposes only. The illustrative financial effects should not be construed to mean that the Company's actual results, performance or achievements will be as expected, expressed or implied in such financial effects.**

### 5.2 Share capital

The Proposed Investment will not have any impact on the issued and paid-up share capital of the Company.

### 5.3 NTA per share

|                                               | Before the Proposed Investment | After the Proposed Investment |
|-----------------------------------------------|--------------------------------|-------------------------------|
| NTA of the Group as at 31 December 2023 (S\$) | 8,154,472                      | 8,154,472                     |

|                                                                                                |             |             |
|------------------------------------------------------------------------------------------------|-------------|-------------|
| <b>Number of issued shares (excluding treasury shares) in the share capital of the Company</b> | 400,000,000 | 400,000,000 |
| <b>NTA per share (S\$ cents)</b>                                                               | 2.04        | 2.04        |

#### 5.4 **EPS**

|                                                                                             | <b>Before the Proposed Investment</b> | <b>After the Proposed Investment</b> |
|---------------------------------------------------------------------------------------------|---------------------------------------|--------------------------------------|
| <b>Profit attributable to the shareholders of the Company (S\$)</b>                         | 2,904,185                             | 2,904,185                            |
| <b>Weighted average number of issued shares in the share capital of the Company (basic)</b> | 220,305,415                           | 220,305,415                          |
| <b>EPS (S\$ cents)</b>                                                                      | 1.32                                  | 1.32                                 |

**Notes:**

- (1) Basic earnings per share amounts are calculated by dividing net profit/(loss) attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

#### 6. **RELATIVE FIGURES UNDER RULE 1006 OF THE CATALIST RULES**

Based on the latest announced financial statements of the Company for the financial period ended 31 March 2024 (“1QFY2024”), the relative figures computed on the bases set out in Rule 1006 of the Catalist Rules in respect of the Proposed Acquisition are set out below.

| <b>Rule</b> | <b>Bases of Calculation</b>                                                                                                                                                        | <b>Relative Figures</b>       |
|-------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|
| 1006 (a)    | Net asset value (“NAV”) of the assets to be disposed of, compared with the Group’s NAV.                                                                                            | Not applicable <sup>(2)</sup> |
| 1006 (b)    | Net profits <sup>(1)</sup> attributable to the assets acquired or disposed of, compared with the Group’s net profits.                                                              | Not applicable <sup>(1)</sup> |
| 1006 (c)    | Aggregate value of the consideration given, compared with the Company’s market capitalisation based on the total number of issued shares of the Company excluding treasury shares. | 5.8% <sup>(3)</sup>           |
| 1006 (d)    | The number of equity securities issued by the Company as consideration for the acquisition, compared with the number of equity securities previously in issue.                     | Not applicable <sup>(4)</sup> |
| 1006 (e)    | The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group’s proved and probable reserves.                         | Not applicable <sup>(5)</sup> |

**Notes:**

- (1) Under Rule 1002(3)(b) of the Catalist Rules, “net profits” means profit or loss including discontinued operations that have not been disposed and before income tax and non-controlling interests. This is not applicable as the JV Co is has not commenced operations as at the date of this announcement and does not make any profit or loss.

- (2) This is not applicable as the Proposed Investment does not involve a disposal of assets by the Group
- (3) Computed based on the HF Lite Investment of S\$4,230,502 and the Company's market capitalisation of S\$62,400,000. The market capitalisation of the Company was computed based on the issued share capital of the Company of 400,000,000 ordinary shares in issue as at the date of this announcement and the volume weighted average price of S\$0.156 per Share, based on trades transacted on 14 February 2025 (being the last market day preceding the date of the SSA on which the Company's shares were transacted).
- (4) This is not applicable as the Proposed Investment does not involve any issuance of consideration shares.
- (5) This is not applicable as the Company is not a mineral, oil and gas company.

As the relative figure under Rule 1006(c) of the Catalist Rules exceeds 5% but is less than 75%, the Proposed Investment constitutes a "disclosable transaction" pursuant to Rule 1010 of the Catalist Rules. Accordingly, the approval of the Company's shareholders for the Proposed Investment will not be required. Additionally, as all the absolute figures computed in accordance to Rule 1006 are non-negative figures, Practice Note 10(A) is not applicable in this instance.

## **7. SERVICE CONTRACTS**

No person will be appointed to the Board in connection with the Proposed Investment and no service contracts in relation thereto will be entered into by the Company.

## **8. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

As at the date of this announcement, none of the directors or substantial shareholders of the Company have any interest, direct or indirect, in the Proposed Investment and the JV Co, other than by reason of their respective shareholding interests in the Company, where applicable.

## **9. FURTHER UPDATES**

The Company will update the shareholders of the Company if there are any material developments and will make the necessary announcements.

## **10. DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Investment, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in the announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

## **11. CAUTIONARY STATEMENT**

Shareholders and potential investors of the Company are advised to exercise caution in trading of the Company's shares as there is no certainty or assurance that the Proposed Investment will be proceeded with or that no changes will be made to the terms thereof.

The Company will make the necessary announcement(s) where there are further development. Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors should consult their stockbrokers, solicitors and other professional advisors if they have any doubts as to the actions they should take.

## **12. DOCUMENTS AVAILABLE FOR INSPECTION**

A copy of the SSA is available for inspection at the Company's registered office at 33 Ubi Avenue 3, #05-16 Vertex Tower B, Singapore 408868 during normal business hours for a period of three (3)

months from the date of this announcement.

**BY ORDER OF THE BOARD  
GOODWILL ENTERTAINMENT HOLDING LIMITED**

Lu Mang  
Executive Chairman and Chief Executive Officer  
17 February 2025

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*This announcement has been reviewed by the Company's Sponsor, Evolve Capital Advisory Private Limited. This announcement has not been examined or approved by 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 document.*

*The contact person for the Sponsor is Mr. Jerry Chua (Tel: (65) 6241 6626), at 160 Robinson Road, #20-01/02, SBF Center, Singapore 068914.*