

CIRCULAR DATED 25 JANUARY 2021

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

This Circular is issued by Anchor Resources Limited (the "Company"). If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

Unless otherwise defined, capitalised terms appearing on the cover of this Circular bear the same meanings ascribed to them in the section entitled "Definitions" of this Circular.

If you have sold or transferred all your shares in the capital of the Company held through The Central Depository (Pte) Limited ("**CDP**"), you need not forward this Circular with the Notice of Extraordinary General Meeting ("**Notice of EGM**") and the attached proxy form to the purchaser or transferee as arrangements will be made by CDP for a separate Circular with the Notice of EGM and the attached proxy form to be sent to the purchaser or transferee. If you have sold or transferred all your shares in the capital of the Company represented by physical share certificate(s) which are not deposited with the CDP, you should at once hand this Circular with the Notice of EGM and the attached proxy form immediately to the purchaser or transferee, or to the bank, stockbroker or agent through whom you effected the sale or transfer, for onward transmission to the purchaser or transferee.

This Circular has been prepared by the Company and its contents have been reviewed by the Company's sponsor, UOB Kay Hian Private Limited (the "**Sponsor**") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist ("**Catalist Rules**").

This Circular has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Circular, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this Circular.

The contact person for the Sponsor is Mr Lance Tan, Senior Vice President, at 8 Anthony Road, #01-01, Singapore 229957, telephone (65) 6590 6881.



Anchor Resources Limited

(Company Registration Number: 201531549N)
(Incorporated in the Republic of Singapore)

CIRCULAR TO SHAREHOLDERS IN RELATION TO:

- (A) SETTLEMENT OF S\$3,500,000 LOAN AND ALL ACCRUED INTEREST THEREON OF S\$116,667 BY WAY OF ISSUANCE OF 2,427,293,288 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY AT AN ISSUE PRICE OF S\$0.00149 PER SHARE; AND**
- (B) PAYMENT OF INTRODUCER FEE OF S\$262,500 BY WAY OF ISSUANCE OF 176,174,497 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY AT AN ISSUE PRICE OF S\$0.00149 PER SHARE.**

IMPORTANT DATES AND TIMES:

Last date and time for lodgement of Proxy Form : 7 February 2021 at 10:00 a.m.
Last date and time to pre-register online to attend : 6 February 2021 at 10:00 a.m.

the EGM remotely

Date and time of Extraordinary General Meeting : 9 February 2021 at 10:00 a.m.

Place of Extraordinary General Meeting : The EGM will be held by electronic means

DEFINITIONS

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DEFINITIONS

The following definitions apply throughout in this Circular except where the context otherwise requires or otherwise stated:

- "associate"** : (a) In relation to any 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 30% or more;
- (b) In relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more,
- or such other definition as the Catalist Rules may from time to time prescribe
- "Board" or "Directors"** : The board of Directors of the Company as at the Latest Practicable Date
- "Catalist"** : The sponsor-supervised listing platform of the SGX-ST
- "Catalist Rules"** : Listing Manual Section B: Rules of Catalist of the SGX-ST, as amended, modified or supplemented from time to time
- "CDP"** : The Central Depository (Pte) Limited
- "Circular"** : This circular to Shareholders dated 25 January 2021
- "Companies Act"** : Companies Act (Chapter 50 of Singapore), as amended, modified, or supplemented from time to time
- "Company"** : Anchor Resources Limited
- "Completion"** : Completion of the Proposed Transactions
- "Controlling Shareholder"** : A person who:
- (a) holds directly or indirectly 15% or more of the total voting rights in the Company. Notwithstanding, the SGX-ST may determine that a person who satisfies this paragraph is not a Controlling Shareholder; or
 - (b) in fact exercises control over the Company
- "Director"** : A director of the Company
- "EGM"** : The extraordinary general meeting of the Company, to be held at 10:00 a.m. on 9 February 2021 by way of electronic means, the notice of which is set out on pages N-1 to N-5 of this Circular

DEFINITIONS

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| "FY2019" | : | Financial year ended 31 December 2019 |
| "Group" | : | The Company and its subsidiaries, collectively |
| "Introducer" | : | Cedric Yap Kun Hao |
| "Introducer Fee" | : | The introducer fee of S\$262,500 payable to the Introducer under the Loan Agreement |
| "Introducer Shares" | : | The 176,174,497 Shares proposed to be issued to the Introducer pursuant to the Introducer Share Issue, and each an "Introducer Share" |
| "Introducer Share Issue" | : | The proposed issuance of such number of Introducer Shares at the Issue Price to the Introducer |
| "Issue Price" | : | S\$0.00149 |
| "Latest Practicable Date" | : | The latest practicable date prior to the date of this Circular, being 23 January 2021 |
| "Lenders" | : | Lim Beng Chew, Tang Yao Zhi, Tan Soo Kia and Lee Teck collectively, and each a "Lender" |
| "Loan" | : | The unsecured term loan of S\$3,500,000 extended by the Lenders to the Company |
| "Loan Agreement" | : | The loan agreement dated 16 October 2020 entered into between the Company and the Lenders for the grant of the Loan |
| "Loan Amount" | : | The aggregate principal amount of the Loan, being S\$3,500,000 |
| "Loan Announcement" | : | The Company's announcement dated 16 October 2020 released on SGXNET in relation to the Loan and the Loan Agreement |
| "LQN" | : | The listing and quotation notice issued by the SGX-ST for the dealing in, listing of and quotation of the Settlement Shares and/or the Introducer Shares on the Catalist |
| "Notice of EGM" | : | The notice of the EGM which is set out on pages N-1 to N-5 of this Circular |
| "Proposed Settlement" | : | The proposed settlement of the Total Debt owing to the Lenders via the Settlement Share Issue |
| "Proposed Transactions" | : | The Settlement Share Issue and the Introducer Share Issue, collectively |
| "Securities Account" | : | Securities account maintained by a Depositor with CDP but does not include a securities sub-account |
| "Settlement Announcement" | : | The Company's announcement dated 30 December 2020 released on SGXNET in relation to the Proposed Transactions |
| "Settlement Conditions" | : | The conditions precedent of the Proposed Transactions |
| "Settlement Deeds" | : | The four separate deeds of settlement dated 30 December 2020 entered into between the Company and each of the Lenders for the settlement of the Total Debt, and each a "Settlement Deed" |

DEFINITIONS

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| "Settlement Shares" | : | The 2,427,293,288 Shares proposed to be issued to the Lenders pursuant to the Settlement Share Issue, and each a "Settlement Share" |
| "Settlement Share Issue" | : | The proposed issuance of such number of Settlement Shares to the Lenders pursuant to the terms of the Settlement Deeds |
| "SFA" | : | Securities and Futures Act (Chapter 289 of Singapore), as amended, modified or supplemented from time to time |
| "SGX-ST" | : | The Singapore Exchange Securities Trading Limited |
| "Shareholders" | : | Persons (not being Depositors) who are registered as the holders of the Shares in the register of members of the Company and Depositors, who have Shares entered against their names in the Depository Register, except that where the registered holder is CDP, the term "Shareholders" , where the context admits, mean the Depositors whose securities accounts are credited with Shares |
| "Shares" | : | The ordinary shares in the capital of the Company |
| "Sponsor" | : | UOB Kay Hian Private Limited |
| "Substantial Shareholder" | : | A person (including a corporation) who has an interest or interests in one or more voting Shares in the Company, and the votes attached to that Share, or those Shares, is not less than 5% of the total votes attached to all the voting Shares in the Company |
| "Take-over Code" | : | The Singapore Code on Take-overs and Mergers, as amended, modified, or supplemented from time to time |
| "Total Debt" | : | The Loan Amount and plus all interest accrued thereon up to the date of the Settlement Deeds, being S\$3,616,667 |
| "Transfer of Controlling Interest" | : | The transfer of a controlling interest to Lim Beng Chew pursuant to the Settlement Share Issue |
| "VWAP" | : | Volume weighted average price |
| <u>Currency, Units and Others</u> | | |
| "%" | : | Percentage or per centum |
| "RM" | : | Malaysian Ringgit |
| "S\$" | : | Singapore dollars |

The terms **"Depositor"** and **"Depository Register"** shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act (Chapter 289 of Singapore) (**"SFA"**).

The term **"treasury shares"** shall have the meaning ascribed to it in Section 4 of the Companies Act (Chapter 50 of Singapore) (**"Companies Act"**).

The terms **"subsidiaries"** shall have the meanings ascribed to it in Section 5 of the Companies Act.

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 and neuter genders and *vice versa*. References to persons shall, where applicable, include corporations.

DEFINITIONS

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

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, the SFA or the Catalist Rules or any statutory or regulatory modification thereof and used in this Circular shall, where applicable, have the meaning assigned to it under the Companies Act, the SFA or the Catalist Rules or any modification thereof, as the case may be, unless otherwise provided.

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

Any discrepancies in figures included in this Circular between the amounts listed and their totals are due to rounding. Accordingly, figures may have been adjusted to ensure that totals or sub-totals shown, as the case may be, reflect an arithmetic aggregation of the figures that precede them.

LETTER TO SHAREHOLDERS

ANCHOR RESOURCES LIMITED

(Company Registration Number: 201531549N)
(Incorporated in the Republic of Singapore)

Directors

Mr. Chua Ser Miang (Non-Executive Chairman and Lead Independent Director)
Mr. Lim Chiau Woei (Managing Director)
Mr. Gavin Mark McIntyre (Independent Director)
Ms. Lee Kim Lian, Juliana (Independent Director)

Registered Office

80 Robinson Road
#17-02
Singapore 068898

Date: 25 January 2021

To: **The Shareholders of the Company**

Dear Sir/Madam

- (A) **SETTLEMENT OF S\$3,500,000 LOAN AND ALL ACCRUED INTEREST THEREON OF S\$116,667 BY WAY OF ISSUANCE OF 2,427,293,288 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY AT AN ISSUE PRICE OF S\$0.00149 PER SHARE; AND**
- (B) **PAYMENT OF INTRODUCER FEE OF S\$262,500 BY WAY OF ISSUANCE OF 176,174,497 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY AT AN ISSUE PRICE OF S\$0.00149 PER SHARE.**

1. INTRODUCTION

1.1. Extraordinary General Meeting ("EGM")

The board of directors (the "**Board**" or "**Directors**") of the Company, together with its subsidiaries (collectively, the "**Group**"), are convening the EGM to be held at 10:00 a.m. on 9 February 2021 by way of electronic means, to seek the Shareholders' approval for:

- (a) the proposed settlement of the S\$3,500,000 loan extended by the Lenders (as defined herein) to the Company and all accrued interest thereon of S\$116,667 by way of issuance of 2,427,293,288 new ordinary shares ("**Shares**") in the capital of the Company ("**Settlement Shares**") at an issue price of S\$0.00149 ("**Issue Price**") per Settlement Share ("**Settlement Share Issue**"); and
- (b) the payment of an introducer fee of S\$262,500 to the Introducer (as defined herein) by way of issuance of 176,174,497 new Shares in the capital of the Company ("**Introducer Shares**") at the Issue Price per Introducer Share ("**Introducer Share Issue**"),

(collectively, the "**Proposed Transactions**").

1.2. Circular to Shareholders

The purpose of this Circular is to provide Shareholders with information relating to the ordinary resolutions set out in the Notice of EGM to ensure that Shareholders will be in a position to make an informed decision in respect of the above proposal at the EGM. The resolutions to be tabled at the EGM are set out in the Notice of EGM on pages N-1 to N-5 of this Circular.

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

The Company intends to table the following resolutions at the EGM for the Proposed Transactions:

LETTER TO SHAREHOLDERS

- (a) Ordinary Resolution 1 relates to the approval of the allotment and issue of 1,234,452,015 Settlement Shares to Lim Beng Chew at the Issue Price, resulting in a transfer of controlling interest to Lim Beng Chew, subject to and otherwise in accordance with the terms and conditions of the Settlement Deed (as defined herein) entered into between the Company and Lim Beng Chew;
- (b) Ordinary Resolution 2 relates to the approval of the allotment and issue of 617,226,008 Settlement Shares to Tang Yao Zhi at the Issue Price, subject to and otherwise in accordance with the terms and conditions of the Settlement Deed (as defined herein) entered into between the Company and Tang Yao Zhi;
- (c) Ordinary Resolution 3 relates to the approval of the allotment and issue of 426,510,106 Settlement Shares to Tan Soo Kia at the Issue Price, subject to and otherwise in accordance with the terms and conditions of the Settlement Deed (as defined herein) entered into between the Company and Tan Soo Kia;
- (d) Ordinary Resolution 4 relates to the approval of the allotment and issue of 149,105,159 Settlement Shares to Lee Teck at the Issue Price, subject to and otherwise in accordance with the terms and conditions of the Settlement Deed (as defined herein) entered into between the Company and Lee Teck; and
- (e) Ordinary Resolution 5 relates to the approval of the allotment and issue of 176,174,497 Introducer Shares to the Introducer at the Issue Price.

Shareholders should note that each of Ordinary Resolution 1, Ordinary Resolution 2, Ordinary Resolution 3, Ordinary Resolution 4 and Ordinary Resolution 5 are independent of one another and may be passed separately.

1.3. Legal Adviser

Virtus Law LLP is the legal adviser to the Company as to Singapore law in relation to the Proposed Transactions.

2. THE PROPOSED TRANSACTIONS

2.1. Introduction

As previously announced by the Company on 16 October 2020 ("**Loan Announcement**"), the Company entered into a loan agreement ("**Loan Agreement**") with Lim Beng Chew, Tang Yao Zhi, Tan Soo Kia and Lee Teck (collectively, the "**Lenders**"), pursuant to which the Lenders granted an unsecured term loan ("**Loan**") of S\$3,500,000 ("**Loan Amount**") to the Company.

Pursuant to the Loan Agreement, interest would accrue on the Loan Amount at a rate of ten per cent. (10%) per annum, and the Company has to repay the Loan Amount and all accrued interest thereon of S\$116,667 (collectively, the "**Total Debt**" of S\$3,616,667) in full on such date falling four (4) consecutive calendar months from the date of the Loan Agreement, or such other date as may be expressly agreed upon between the Lenders and the Company from time to time in writing. The Company has the sole discretion to repay the Total Debt in cash or by way of issuance of shares in the capital of the Company.

Pursuant to the Loan Agreement, the Company issued a written notice on 30 December 2020 to each of the Lenders exercising its discretion to repay the Total Debt by way of issuance and allotment of 2,427,293,288 Settlement Share at a mutually agreed issue price of S\$0.00149 per Settlement Share. On 30 December 2020, each of the Lenders provided their respective consents to the number of Settlement Shares to be issued to them and the Issue Price.

As the Company is exercising its discretion to repay the Total Debt to the Lenders via the issuance of the Settlement Shares, pursuant to the Loan Agreement, the Company also issued a written notice on 30 December 2020 to Cedric Yap Kun Hao ("**Introducer**"), the individual who introduced the Lenders to the Company, exercising its discretion to pay the introducer fee of S\$262,500

LETTER TO SHAREHOLDERS

("Introducer Fee") payable to the Introducer under the Loan Agreement by way of issuance and allotment of 176,174,497 Introducer Shares at the Issue Price. On 30 December 2020, the Introducer provided his consent to the number of Introducer Shares to be issued to him and the Issue Price.

2.2. Settlement Deeds

On 30 December 2020, the Company had entered into four separate deeds of settlement with each of the Lenders (collectively, the "**Settlement Deeds**" and each a "**Settlement Deed**") to document their mutual understanding in respect of the issuance of the Settlement Shares, pursuant to which:

- (a) the Total Debt, being S\$3,616,667, will be fully settled and satisfied by the issuance and allotment of such number of Settlement Shares to each of the Lenders at the Issue Price in the following proportions as set out below (the "**Settlement Share Issue**"):

| Lender | Loan Amount | Interest Amount | Applicable Total Debt Amount | Number of Settlement Shares | % of enlarged share capital of the Company ⁽¹⁾ |
|---------------|---------------------|-------------------|------------------------------|-----------------------------|---|
| Lim Beng Chew | S\$1,780,000 | S\$59,333 | S\$1,839,333 | 1,234,452,015 | 28.93% |
| Tang Yao Zhi | S\$890,000 | S\$29,667 | S\$919,667 | 617,226,008 | 14.46% |
| Tan Soo Kia | S\$615,000 | S\$20,500 | S\$635,500 | 426,510,106 | 9.99% |
| Lee Teck | S\$215,000 | S\$7,167 | S\$222,167 | 149,105,159 | 3.49% |
| TOTAL | S\$3,500,000 | S\$116,667 | S\$3,616,667 | 2,427,293,288 | 56.87% |

Note:

- (1) This is calculated based on the enlarged share capital of the Company (excluding treasury shares and subsidiary holdings) of 4,267,460,901 ordinary shares in the capital of the Company.
- (b) upon completion of the Settlement Share Issue in accordance with the terms of the Settlement Deeds, the Total Debt shall be deemed to be repaid to each of the Lenders and shall be considered fully and finally settled,

(collectively, the "**Proposed Settlement**").

The Introducer Fee payable to the Introducer under the Loan Agreement, being S\$262,500, will be fully settled and satisfied by the issuance and allotment of 176,174,497 Introducer Shares to the Introducer at the Issue Price and upon completion of the Introducer Share Issue, the Introducer Fee shall be deemed to be paid to the Introducer.

Please refer to the Company's announcement dated 30 December 2020 ("**Settlement Announcement**") released on SGXNET at <https://www.sgx.com/securities/company-announcements> for further details on, *inter alia*, the Proposed Transactions.

Please refer to Section 4 of this Circular for further information on the Settlement Share Issue and the Introducer Share Issue.

Please refer to Appendix A of this Circular for, *inter alia*, the current and expected shareholding interests of each of the Lenders and the Introducer in the Company before and after the completion of the Proposed Transactions.

2.3. Information relating to the Lenders and the Introducer

Details of the Lenders are as follows:

| Name of Lender | Background of Lender |
|----------------|--|
| Lim Beng Chew | Lim Beng Chew is a Singapore citizen. He is a businessman who is involved in trading distribution and property development. |
| Tang Yao Zhi | Tang Yao Zhi is a Singapore citizen. He is a businessman who handles his own family office and engages in investments both locally and abroad. |

LETTER TO SHAREHOLDERS

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| Tan Soo Kia | Tan Soo Kia is a Singapore citizen. He is an entrepreneur who runs businesses in different industries. He also invests in startup companies. |
| Lee Teck | Lee Teck is a Singapore citizen. He is an entrepreneur who focuses on investments and private equity. |

As disclosed in the Loan Announcement, the Lenders were introduced by the Introducer as lenders who granted the Loan to the Company. Please refer to the Loan Announcement released on SGXNET at <https://www.sgx.com/securities/company-announcements> for more information on the above.

Details of the Introducer are as follows:

| Name of Introducer | Background of Introducer |
|--------------------|--|
| Cedric Yap Kun Hao | Cedric Yap Kun Hao is a Singapore citizen. He manages companies in various industries. |

The Introducer had independently approached the Company when the Company was sourcing in the market for external financing opportunities and had introduced the Lenders to the Company for the extension of the Loan.

As at the Latest Practicable Date, the Lenders and/or the Introducer do not hold, directly or indirectly, any shares in the Company. The Lenders and the Introducer are not interested persons as defined under Chapter 9 of the Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") of the Singapore Exchange Securities Trading Limited and do not fall under the class of restricted persons as specified in Rule 812 (1) of the Catalist Rules.

Each of the Lenders and the Introducer has confirmed that he is subscribing for the Settlement Shares and/or the Introducer Shares as principal and for his own benefit and is not acting in concert with any other person or company, and have not entered into any agreement, arrangement or understanding (whether oral or in writing) with any person or company to act as parties in concert in relation to the Company's shares, within the definition of the Take-over Code.

To the best of the knowledge of the Directors and save as disclosed above, the Lenders and the Introducer do not have any other connections (including business relationships) with the Company, the Group, the Directors and substantial shareholders of the Company.

3. CONDITIONS PRECEDENT OF THE PROPOSED TRANSACTIONS

3.1. Conditions

The Proposed Transactions are conditional upon, and subject to, *inter alia*, the following:

- (a) the receipt of the listing and quotation notice ("**LQN**") from the Singapore Exchange Securities Trading Limited ("**SGX-ST**") (and such notice not having been withdrawn or revoked on or prior to the completion of the Settlement Share Issue and/or the Introducer Share Issue) for the dealing in, listing of and quotation for the Settlement Shares and/or the Introducer Shares on the Catalist and, if such approval is granted subject to conditions, to the extent that any conditions for the listing and quotation of the Settlement Shares and/or the Introducer Shares on the Catalist are required to be fulfilled on or before Completion, they are so fulfilled;
- (b) the approval of the Shareholders in a general meeting having been obtained for:
 - (i) the issuance and allotment of the Settlement Shares to the Lenders;
 - (ii) the issuance and allotment of the Introducer Shares to the Introducer; and

LETTER TO SHAREHOLDERS

(iii) any other resolution in connection thereto as may be required to ensure that the Proposed Settlement, the Settlement Share Issue and the Introducer Share Issue are:

(A) in compliance with all relevant laws and the Take-over Code; and

(B) do not impose any other obligation on the Lenders or the Introducer to acquire the shares of any other Shareholder;

(c) all other approvals, confirmations, authorisations, registrations, licences, waivers, rulings, opinions and/or consents (whether governmental, statutory, corporate or otherwise or from financial institutions or any entitled third parties) which are necessary to be obtained in respect of or in connection with the Proposed Transactions being granted or obtained or which are required to ensure that the Proposed Transactions, the Settlement Share Issue and/or the Introducer Share Issue are:

(i) in compliance with all relevant laws and the Take-over Code; and

(ii) do not impose any other obligation on the Lenders or the Introducer to acquire the shares of any other Shareholder,

and the same remaining in full force and effect and not being withdrawn or amended on or before Completion (as defined herein), and to the extent that such approvals, confirmations, authorisations, registrations, licences, waivers, rulings and/or consents are subject to any conditions required to be fulfilled before Completion, all such conditions having been duly so fulfilled; and

(d) (in respect of the Proposed Settlement only) none of the Company or the Lenders having received notice of any injunction or other order, directive or notice restraining or prohibiting the consummation of the transactions contemplated by the Settlement Deeds, and there being no action seeking to restrain or prohibit the consummation thereof, or seeking damages in connection therewith, which is pending or any such injunction, other order or action which is threatened,

(collectively, the "**Settlement Conditions**").

3.2. Completion

Completion of the Proposed Transactions ("**Completion**") is expected to take place within five (5) business days from the date on which all of the Settlement Conditions (where applicable) have been fulfilled (unless waived) and at such place and time as shall be mutually agreed in writing between the Company and the Lenders.

4. OVERVIEW OF THE SETTLEMENT SHARE ISSUE AND THE INTRODUCER SHARE ISSUE

4.1. General Terms of the Settlement Shares and the Introducer Shares

(a) Settlement Shares

An aggregate of 2,427,293,288 Settlement Shares will be issued to the Lenders. Please refer to Appendix A of this Circular for the shareholding interests of the Lenders, Introducer, the Directors and Substantial Shareholders of the Company, prior to and upon Completion.

The Settlement Shares represent approximately 145.87% of the existing issued and paid-up share capital (excluding treasury shares and subsidiary holdings) of the Company of 1,663,993,116 Shares as at the Latest Practicable Date and approximately 56.87% of the enlarged share capital (excluding treasury shares and subsidiary holdings) of the Company of 4,267,460,901 Shares following Completion.

LETTER TO SHAREHOLDERS

The Settlement Shares shall be issued free from any and all claims, charges, liens, mortgages, securities, pledges, equities, encumbrances or other interests whatsoever and shall rank *pari passu* with and shall carry all rights similar to the existing Shares except that the Settlement Shares will not rank for any dividends, rights, allotments, or other distributions, the record date for which falls on or before the date of the allotment and issue of the Settlement Shares.

(b) Introducer Shares

An aggregate of 176,174,497 Introducer Shares will be issued to the Introducer. Please refer to Appendix A of this Circular for the shareholding interests of the Lenders, Introducer, Directors and Substantial Shareholders of the Company, prior to and upon Completion.

The Introducer Shares represent approximately 10.59% of the existing issued and paid-up share capital (excluding treasury shares and subsidiary holdings) of the Company of 1,663,993,116 Shares as at the Latest Practicable Date and approximately 4.13% of the enlarged share capital (excluding treasury shares and subsidiary holdings) of the Company of 4,267,460,901 Shares following Completion.

The Introducer Shares shall be issued free from any and all claims, charges, liens, mortgages, securities, pledges, equities, encumbrances or other interests whatsoever and shall rank *pari passu* with and shall carry all rights similar to the existing Shares except that the Introducer Shares will not rank for any dividends, rights, allotments, or other distributions, the record date for which falls on or before the date of the allotment and issue of the Introducer Shares.

(c) Issue Price

The Issue Price of the Settlement Shares and the Introducer Shares is S\$0.00149.

The Issue Price of S\$0.00149 per Settlement Share/Introducer Share represents a discount of approximately 75.17% to the VWAP of the Shares of S\$0.006 per Share for trades done on the SGX-ST on 29 December 2020, being the preceding market date on which the Shares were traded up to the date of the Settlement Deeds.

The Issue Price was commercially agreed between the Company and the Lenders after arm's length negotiations, taking into consideration the prevailing market conditions and future prospects of the Group. Further, the Issue Price of S\$0.00149 represents a 2,123.88% premium to the net tangible assets per share of the Company of RM0.0002 (approximately S\$0.000067 at an exchange rate of S\$1.00:RM3:00) as at 30 June 2020.

Please refer to section 5 for further details on the rationale for, *inter alia*, the allotment and issuance of the Settlement Shares and/or the Introducer Shares at the Issue Price.

(d) Appointment of Board observer

Under the Settlement Deed entered into between the Company and Lim Beng Chew, Lim Beng Chew will, upon execution of the Settlement Deeds, have the right to appoint a representative to attend as an observer at all meetings of the Board who will be entitled to speak at any such meetings, but will not be entitled to vote.

(e) Appointment of director

Under the Settlement Deed entered into between the Company and Lim Beng Chew, on and following Completion, Lim Beng Chew shall be appointed as a director of the Company, subject to satisfactory due diligence by the Sponsor and the clearance of the Board (such clearance not to be unreasonably withheld) on the suitability of his nomination in accordance with the Catalist Rules.

As the Settlement Shares and the Introducer Shares will be issued in settlement of the Total Debt and the Introducer Fee respectively, no proceeds will be raised from the Proposed Transactions

LETTER TO SHAREHOLDERS

4.2. Approvals

(a) Compliance with Catalist Rules

The issue of Settlement Shares to Lim Beng Chew will transfer a controlling interest to Lim Beng Chew ("**Transfer of Controlling Interest**"). As at the Latest Practicable Date, Lim Beng Chew does not hold any Shares.

For illustrative purposes only, upon the completion of the Settlement Share Issue, Lim Beng Chew will subscribe for 1,234,452,015 Settlement Shares representing approximately 28.93% of the enlarged share capital (excluding treasury shares and subsidiary holdings) of the Company of 4,267,460,901 Shares following the completion of the Proposed Transactions.

For illustrative purposes, Appendix A to this Circular sets out the indicative shareholding interests of the Lenders, the Introducer, the Directors and Substantial Shareholders of the Company as at the Latest Practicable Date and immediately after the Proposed Transactions.

Pursuant to Rule 803 of the Catalist Rules, an issuer cannot issue securities to transfer a controlling interest without prior approval of shareholders in a general meeting.

Accordingly, the Company will be seeking the approval of the Shareholders for the Transfer of Controlling Interest in connection with the Settlement Share Issue under Rule 803 of the Catalist Rules.

(b) Additional Listing Application

The Company has made an application to the SGX-ST through its sponsor, UOB Kay Hian Private Limited ("**Sponsor**") for the dealing in, listing and quotation of the Settlement Shares and/or the Introducer Shares on the Catalist. The Company will make the necessary announcement upon the receipt of the LQN from the SGX-ST.

5. RATIONALE FOR THE PROPOSED TRANSACTIONS

As announced by the Company on 16 October 2020, the Loan was extended to the Company by the Lenders for the purposes of (i) repayment of the guaranteed non-convertible bonds with an aggregate principal amount of S\$1,903,000 issued by the Company to Mr Tan Ong Huat; (ii) settlement of directors' and professional fees; and (iii) working capital purposes.

As at the Latest Practicable Date, the Loan Amount has been utilised in accordance with the intended purposes in the following manner:

| Purpose | Amount allocated (S\$'000) | Amount utilised (S\$'000) | Balance (S\$'000) |
|---|-------------------------------|------------------------------|----------------------|
| Settlement of outstanding bonds issued to Tan Ong Huat ⁽¹⁾ | 1,903 | 1,903 | - |
| Directors' and professional fees | 1,345 | 1,123 | 222 |
| Working capital | 252 | 50 | 202 |
| Total | 3,500 | 3,076 | 424 |

Note:-

LETTER TO SHAREHOLDERS

(1) As detailed in the Company's announcement dated 19 October 2020 released on SGXNET.

The Proposed Settlement represents a means for the Company to settle the outstanding liabilities owed to the Lenders pursuant to the Loan Agreement. The Introducer Share Issue is also a means for the Company to settle the payment of the Introducer Fee owed to the Introducer pursuant to the Loan Agreement. The steep discount of the Issue Price from the last transacted price of the Company's shares should be viewed in the context of the above settlement arrangements that the Company has been able to negotiate for with the Lenders and the Introducer and represents the settlement of a substantial portion of the Company's outstanding liabilities. Further, the Issue Price of S\$0.00149 represents a 2,123.88% premium to the net tangible assets per share of the Company of RM0.0002 (approximately S\$0.000067 at an exchange rate of S\$1.00:RM3:00) as at 30 June 2020. If the Proposed Transactions are completed, the Group's current *pro forma* net liability position of approximately RM3,851,000 as at 30 June 2020 will also improve significantly. Please refer to section 6 of this Circular for further details of, *inter alia*, the *pro forma* financial effects of the Proposed Transactions.

As disclosed in section 4.1(e) above, conditional upon the completion of the Proposed Settlement, Mr Lim Beng Chew will be appointed as a director of the Board. His appointment will bring a fresh perspective to the Board. The current Board understands that at that point, the newly constituted board intends to undertake a strategic review of investment and divestment opportunities with a view to improve the Group's financial position, unlock shareholder value and at the same time streamline its activities and businesses. This may potentially involve diversifying the Company's business into new business segments, so as to provide additional revenue streams for the Group and build a stronger income base for future growth.

The Management of the Company, in consultation with the Board and together with Mr Lim Beng Chew, will focus on developing and growing the business of the Group, and the Company will make such necessary announcements to update the Shareholders on any future steps that the Group intends to embark on.

The Proposed Transactions will also allow the Company to conserve its cash for its remaining business activities.

Taking in all of the above considerations in totality, the Board is of the view that the Proposed Transactions are in the best interests of the Shareholders.

6. FINANCIAL EFFECTS OF THE PROPOSED TRANSACTIONS

6.1. Bases and assumptions

The *pro forma* financial effects of the Proposed Transactions are for illustration only and do not reflect the actual financial effects or the future financial performance and condition of the Group after the Proposed Transactions.

The financial effects are based on the following assumptions:

- (a) that an aggregate of 136,363,636 new Shares have been issued to Koh Kai Jok and Tan Beng Kiat as detailed in the Company's announcement dated 12 July 2020;
- (b) that 207,666,667 new Shares have been issued to Luminor Pacific Fund 2 Ltd ("**Luminor 2**") as detailed in the Company's announcements dated 29 April 2020 and 28 December 2020 and circular to shareholders dated 11 December 2020;
- (c) that the Company had disposed of 100% of the issued share capital of Angka Alamjaya Sdn. Bhd. as detailed in the Company's announcements dated 29 April 2020 and 28 December 2020 and circular to shareholders dated 11 December 2020;
- (d) the expenses incurred in connection with the Proposed Transactions amount to approximately S\$37,000; and

LETTER TO SHAREHOLDERS

- (e) an exchange rate of S\$1.00 to RM3.00.

6.2. Share Capital

| | Before the Proposed Transactions | After the Proposed Transactions |
|-------------------------------|----------------------------------|---------------------------------|
| Total number of issued Shares | 1,663,993,116 | 4,267,460,901 |

6.3. Net Gearing

The illustrative financial effects of the Proposed Transactions on the gearing ratio of the Group as at 30 June 2020 are as follows:

| | Before the Proposed Transactions ⁽¹⁾⁽²⁾ | After the Proposed Transactions |
|--|--|---------------------------------|
| Total borrowings (RM'000) ⁽³⁾ | 12,199 | 1,699 |
| Net Assets / (Liabilities) (RM'000) | (3,851) | 6,538 |
| Net gearing ratio ⁽⁴⁾ (times) | Not meaningful | 0.26 |

Notes:-

- (1) Assuming that the bonds issued to Tan Ong Huat have been fully redeemed in cash as detailed in the Company's announcement dated 19 October 2020.
- (2) Assuming that the Company has obtained a S\$3.5 million loan from the Lenders as detailed in the Company's announcement dated 16 October 2020.
- (3) Total borrowings include lease liabilities and borrowings.
- (4) Net gearing ratio is defined as total borrowings divided by Net Assets/Liabilities.

7. DIRECTORS' CONFIRMATION

7.1. Directors' Confirmation

As at the Latest Practicable Date, the Directors are of the opinion that, after taking into consideration:

- (a) the Proposed Settlement;
- (b) the Introducer Share Issue;
- (c) the Group's present bank facilities;
- (d) the fact that the Proposed Transactions will result in the settlement of a substantial proportion of the Company's outstanding liabilities; and
- (e) the undertakings provided by Mr. Lim Chiau Woei, the managing director of the Company to provide adequate funds to enable the Group to meet its payment obligations as they fall due,

the working capital available to the Group is sufficient to meet its present requirements. Based on the eighteen (18) months cash-flow forecast prepared by the Group's management, the Board is of the view that the Group will be able to continue operating as a going concern.

LETTER TO SHAREHOLDERS

8. 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 set out in Appendix A of this Circular.

Save as disclosed herein, none of the Directors or Substantial Shareholders of the Company or their respective associates have any interest, direct or indirect in the Proposed Transactions, other than in their capacity as Director or Shareholder of the Company.

9. DIRECTORS' RECOMMENDATION

9.1. The proposed allotment and issue of 1,234,452,015 Settlement Shares to Lim Beng Chew at the Issue Price pursuant to the Settlement Share Issue and Transfer of Controlling Interest to Lim Beng Chew

Having fully considered, *inter alia*, the terms, the rationale and the benefits of the proposed allotment and issue of 1,234,452,015 Settlement Shares to Lim Beng Chew pursuant to the Settlement Share Issue, the Transfer of Controlling Interest and the financial effects thereof, the Directors are of the opinion that the proposed allotment and issuance of 1,234,452,015 Settlement Shares to Lim Beng Chew is in the best interests of the Company and accordingly the Directors recommend that the Shareholders vote in favour of the aforementioned proposed allotment and issuance of shares to Lim Beng Chew and the Transfer of Controlling Interest at the EGM to be convened.

9.2. The proposed allotment and issue of 617,226,008 Settlement Shares to Tang Yao Zhi at the Issue Price pursuant to the Settlement Share Issue

Having fully considered, *inter alia*, the terms, the rationale and the benefits of the proposed allotment and issue of 617,226,008 Settlement Shares to Tang Yao Zhi pursuant to the Settlement Share Issue and the financial effects thereof, the Directors are of the opinion that the proposed allotment and issuance of 617,226,008 Settlement Shares to Tang Yao Zhi is in the best interests of the Company and accordingly the Directors recommend that the Shareholders vote in favour of the aforementioned proposed allotment and issuance of shares to Tang Yao Zhi at the EGM to be convened.

9.3. The proposed allotment and issue of 426,510,106 Settlement Shares to Tan Soo Kia at the Issue Price pursuant to the Settlement Share Issue

Having fully considered, *inter alia*, the terms, the rationale and the benefits of the proposed allotment and issue of 426,510,106 Settlement Shares to Tan Soo Kia pursuant to the Settlement Share Issue and the financial effects thereof, the Directors are of the opinion that the proposed allotment and issuance of 426,510,106 Settlement Shares to Tan Soo Kia is in the best interests of the Company and accordingly the Directors recommend that the Shareholders vote in favour of the aforementioned proposed allotment and issuance of shares to Tan Soo Kia at the EGM to be convened.

9.4. The proposed allotment and issue of 149,105,159 Settlement Shares to Lee Teck at the Issue Price pursuant to the Settlement Share Issue

Having fully considered, *inter alia*, the terms, the rationale and the benefits of the proposed allotment and issue of 149,105,159 Settlement Shares to Lee Teck pursuant to the Settlement Share Issue and the financial effects thereof, the Directors are of the opinion that the proposed allotment and issuance of 149,105,159 Settlement Shares to Lee Teck is in the best interests of the Company and accordingly the Directors recommend that the Shareholders vote in favour of the aforementioned proposed allotment and issuance of shares to Lee Teck at the EGM to be convened.

9.5. The proposed allotment and issue of 176,174,497 Introducer Shares to Cedric Yap Kun Hao pursuant to the Introducer Share Issue

LETTER TO SHAREHOLDERS

Having fully considered, *inter alia*, the terms, the rationale and the benefits of the proposed allotment and issue of 176,174,497 Introducer Shares to Cedric Yap Kun Hao pursuant to the Introducer Share Issue and the financial effects thereof, the Directors are of the opinion that the proposed allotment and issue of 176,174,497 Introducer Shares to Cedric Yap Kun Hao pursuant to the Introducer Share Issue is in the best interests of the Company and accordingly the Directors recommend that the Shareholders vote in favour of the Introducer Share Issue at the EGM to be convened.

Shareholders are advised to read this Circular in its entirety, in particular, the terms and conditions, rationale, details and financial effects of the Proposed Transactions. Shareholders who may require advice in the context of his specific investment should consult his stockbroker, bank manager, solicitor, accountant or other professional adviser.

10. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages N-1 to N-5 of this Circular, will be held on 9 February 2021 at 10:00 a.m. by way of electronic means, for the purpose of considering, and if thought fit, passing with or without any modifications, the ordinary resolutions set out in the aforementioned notice.

11. NO PROSPECTUS OR OFFER INFORMATION STATEMENT

The Settlement Shares are offered to the Lenders and the Introducer Shares are offered to the Introducer for subscription by way of a private placement pursuant to an exempted offer under Section 272B of the SFA. Hence, no prospectus or offer information statement will be lodged with the Monetary Authority of Singapore or the SGX-ST in connection with the issue of the Settlement Shares and/or the Introducer Shares.

12. ACTIONS TO BE TAKEN BY SHAREHOLDERS

12.1. No Attendance at EGM

Due to the current COVID-19 restriction orders in Singapore, Shareholders will not be able to attend the EGM in person.

12.2. Alternative Arrangements

Instead, alternative arrangements have been put in place to allow Shareholders who pre-register to participate at the EGM by (a) observing and/or listening to the EGM proceedings via "live" audio-visual webcast or "live" audio-only stream; (b) submitting questions related to the resolutions tabled for approval, in advance of the EGM; and/or (c) appointing the Chairman of the EGM as proxy to attend, speak and vote on their behalf at the EGM.

Shareholders are to pre-register at <https://www.bigmarker.com/AAP/ARL-EGM-2021-Shareholder-Registration> for the "live" audio-visual webcast or "live" audio-only stream of the EGM proceedings by 10:00 a.m. on 6 February 2021. Shareholders who do not pre-register to observe and/or listen to the EGM proceedings by the deadline stated above will not be able to participate at the EGM.

Shareholders may also submit any questions that are related to the resolutions tabled for approval via (i) the pre-registration website at <https://www.bigmarker.com/AAP/ARL-EGM-2021-Shareholder-Registration>; (ii) in hard copy by sending by post and lodging the same at the registered office of the Company at 80 Robinson Road #17-02, Singapore 068898 or (iii) by email to info@anchorresources.com.sg by 10:00 a.m. on 6 February 2021. Shareholders will not be able to ask any questions during the "live" audio-visual webcast or "live" audio-only stream of the EGM proceedings. The Company will endeavour to answer all of the questions which have been submitted by the Shareholders during EGM and will make further announcements detailing the Company's responses to the questions submitted by the Shareholders.

LETTER TO SHAREHOLDERS

Please refer to the Company's announcement entitled "Important Notice to Shareholders Regarding the Company's Extraordinary General Meeting on 9 February 2021" which has been uploaded together with this Circular and the Notice of EGM on SGXNET on the same day for further details on the alternative arrangements for the EGM as set out above.

13. 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 Proposed Transactions, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this 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 this Circular in its proper form and context.

14. DOCUMENTS AVAILABLE FOR INSPECTION

Subject to prevailing regulations, orders, advisories and guidelines relating to safe distancing which may be issued by the relevant authorities, a copy of the following documents will be made available for inspection by Shareholders during normal business hours from 9:00 a.m. to 5:00 p.m. at the Company's registered office at 80 Robinson Road, #17-02, Singapore 068898, for a period of three (3) months from the date of this Circular:

- (a) each Settlement Deed entered into with each Lender;
- (b) the annual report of the Company for FY2019; and
- (c) the constitution of the Company;

Yours faithfully

For and on behalf of the Board of Directors of
ANCHOR RESOURCES LIMITED

Mr. Chua Ser Miang
Non-Executive Chairman and Lead Independent Director

APPENDIX A

Interests of Directors, Substantial Shareholders, the Lenders and the Introducer as at the Latest Practicable Date

| | Number of Shares | | | Total Percentage Interest (%) ⁽¹⁾ |
|--|------------------|----------------------------|-------------|---|
| | Direct | Deemed | Total | |
| Directors | | | | |
| Mr. Chua Ser Miang | - | - | - | - |
| Mr. Lim Chiau Woei | 306,263,319 | 115,415,862 ⁽²⁾ | 421,679,181 | 25.34 |
| Mr. Gavin Mark McIntyre | - | - | - | - |
| Ms. Lee Kim Lian, Juliana | - | - | - | - |
| Substantial shareholders (other than Directors) | | | | |
| Luminor Pacific Fund 1 Ltd | 217,651,724 | - | 217,651,724 | 13.08 |
| WA Consolidated Private Limited | 115,415,862 | - | 115,415,862 | 6.94 |
| Chua Chye Joo Andrew | 207,666,667 | - | 207,666,667 | 12.48 |
| Lenders | | | | |
| Lim Beng Chew | - | - | - | - |
| Tang Yao Zhi | - | - | - | - |
| Tan Soo Kia | - | - | - | - |
| Lee Teck | - | - | - | - |
| Introducer | | | | |
| Cedric Yap Kun Hao | - | - | - | - |

Notes:-

- (1) The percentage of shareholdings is computed based on the present issued and paid up share capital of the Company comprising 1,663,993,116 Shares.
- (2) WA Consolidated Private Limited is a private investment holding company incorporated in Singapore wholly owned by Mr. Lim Chiau Woei. As such, Mr. Lim Chiau Woei is deemed interested in all the shares held by WA Consolidated Private Limited.

Interests of Directors, substantial shareholders, the Lenders and the Introducer after the Proposed Transactions

| | Number of Shares | | | Total Percentage Interest (%) ⁽¹⁾ |
|--|------------------|----------------------------|-------------|---|
| | Direct | Deemed | Total | |
| Directors | | | | |
| Mr. Chua Ser Miang | - | - | - | - |
| Mr. Lim Chiau Woei | 306,263,319 | 115,415,862 ⁽²⁾ | 421,679,181 | 9.88 |
| Mr. Gavin Mark McIntyre | - | - | - | - |
| Ms. Lee Kim Lian, Juliana | - | - | - | - |
| Substantial shareholders (other than Directors) | | | | |
| Luminor Pacific Fund 1 Ltd | 217,651,724 | - | 217,651,724 | 5.10 |
| WA Consolidated Private Limited | 115,415,862 | - | 115,415,862 | 2.70 |
| Chua Chye Joo Andrew | 207,666,667 | - | 207,666,667 | 4.87 |
| Lenders | | | | |

APPENDIX A

| | | | | |
|---------------|---------------|---|---------------|-------|
| Lim Beng Chew | 1,234,452,015 | - | 1,234,452,015 | 28.93 |
| Tang Yao Zhi | 617,226,008 | - | 617,226,008 | 14.46 |
| Tan Soo Kia | 426,510,106 | - | 426,510,106 | 9.99 |
| Lee Teck | 149,105,159 | - | 149,105,159 | 3.49 |

Introducer

| | | | | |
|--------------------|-------------|---|-------------|------|
| Cedric Yap Kun Hao | 176,174,497 | - | 176,174,497 | 4.13 |
|--------------------|-------------|---|-------------|------|

Notes:-

- (1) The percentage of shareholdings is computed based on the enlarged issued and paid up share capital of the Company comprising 4,267,460,901 Shares.
- (2) WA Consolidated Private Limited is a private investment holding company incorporated in Singapore wholly owned by Mr. Lim Chiau Woei. As such, Mr. Lim Chiau Woei is deemed interested in all the shares held by WA Consolidated Private Limited.

NOTICE OF EXTRAORDINARY GENERAL MEETING

ANCHOR RESOURCES LIMITED

(Company Registration Number: 201531549N)
(Incorporated in the Republic of Singapore)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the "**EGM**") of Anchor Resources Limited (the "**Company**") will be held by way of electronic means on 9 February 2021 at 10:00 a.m. for the purpose of considering and, if thought fit, passing (with or without modifications) the following ordinary resolutions, as set out below.

This Notice has been made available on SGXNET and the Company's website and may be accessed at the URL <https://www.angkaalam.com/investor-relations.php>. A printed copy of this Notice will NOT be despatched to Shareholders.

*Unless otherwise defined or the context otherwise requires, all capitalised terms herein shall bear the same meaning as used in the circular to the Shareholders of the Company dated 25 January 2021 (the "**Circular**").*

ORDINARY RESOLUTION 1 – APPROVAL OF (A) THE PROPOSED ALLOTMENT AND ISSUE OF 1,234,452,015 SETTLEMENT SHARES TO LIM BENG CHEW AT AN ISSUE PRICE PER SETTLEMENT SHARE OF S\$0.00149 PURSUANT TO THE SETTLEMENT SHARE ISSUE AND (B) THE TRANSFER OF A CONTROLLING INTEREST TO LIM BENG CHEW IN CONNECTION WITH THE SETTLEMENT SHARE ISSUE UNDER RULE 803 OF THE CATALIST RULES

RESOLVED THAT:-

- (1) Pursuant to Section 161 of the Companies Act and Rule 805(1) of the Catalist Rules, approval be and is hereby given for the creation, allotment and issuance by the Company of 1,234,452,015 Settlement Shares to Lim Beng Chew at an issue price of S\$0.00149, subject to and otherwise in accordance with the terms and conditions of the Settlement Deed entered into between the Company and Lim Beng Chew.
- (2) Pursuant to Rule 803 of the Catalist Rules, approval be and is hereby given for the transfer of a controlling interest to Lim Beng Chew in connection with the Settlement Share Issue, subject to and otherwise in accordance with the terms and conditions of the Settlement Deed entered into between the Company and Lim Beng Chew.
- (3) The Directors (or any one of them) be and are hereby authorised to take such steps and do all such acts and things (including without limitation, to sign, seal, execute and deliver all such documents and deeds), and to exercise such discretion in relation to this resolution as they or each of them may deem fit, with such modifications thereto (if any) as they or each of them may consider necessary, desirable or expedient, in order to give full effect to this resolution.

ORDINARY RESOLUTION 2 – APPROVAL OF THE PROPOSED ALLOTMENT AND ISSUE OF 617,226,008 SETTLEMENT SHARES TO TANG YAO ZHI AT AN ISSUE PRICE PER SETTLEMENT SHARE OF S\$0.00149 PURSUANT TO THE SETTLEMENT SHARE ISSUE

RESOLVED THAT:-

- (1) Pursuant to Section 161 of the Companies Act and Rule 805(1) of the Catalist Rules, approval be and is hereby given for the creation, allotment and issuance by the Company of 617,226,008 Settlement Shares to Tang Yao Zhi at an issue price of S\$0.00149, subject to and otherwise in accordance with the terms and conditions of the Settlement Deed entered into between the Company and Tang Yao Zhi.
- (2) The Directors (or any one of them) be and are hereby authorised to take such steps and do all such acts and things (including without limitation, to sign, seal, execute and deliver all such documents and deeds), and to exercise such discretion in relation to this resolution as they or each of them may deem fit, with such modifications thereto (if any) as they or each of them may consider necessary, desirable or expedient, in order to give full effect to this resolution.

NOTICE OF EXTRAORDINARY GENERAL MEETING

ORDINARY RESOLUTION 3 – APPROVAL OF THE PROPOSED ALLOTMENT AND ISSUE OF 426,510,106 SETTLEMENT SHARES TO TAN SOO KIA AT AN ISSUE PRICE PER SETTLEMENT SHARE OF S\$0.00149 PURSUANT TO THE SETTLEMENT SHARE ISSUE

RESOLVED THAT:-

- (1) Pursuant to Section 161 of the Companies Act and Rule 805(1) of the Catalist Rules, approval be and is hereby given for the creation, allotment and issuance by the Company of 426,510,106 Settlement Shares to Tan Soo Kia at an issue price of S\$0.00149, subject to and otherwise in accordance with the terms and conditions of the Settlement Deed entered into between the Company and Tan Soo Kia.
- (2) The Directors (or any one of them) be and are hereby authorised to take such steps and do all such acts and things (including without limitation, to sign, seal, execute and deliver all such documents and deeds), and to exercise such discretion in relation to this resolution as they or each of them may deem fit, with such modifications thereto (if any) as they or each of them may consider necessary, desirable or expedient, in order to give full effect to this resolution.

ORDINARY RESOLUTION 4 – APPROVAL OF THE PROPOSED ALLOTMENT AND ISSUE OF 149,105,159 SETTLEMENT SHARES TO LEE TECK AT AN ISSUE PRICE PER SETTLEMENT SHARE OF S\$0.00149 PURSUANT TO THE SETTLEMENT SHARE ISSUE

RESOLVED THAT:-

- (1) Pursuant to Section 161 of the Companies Act and Rule 805(1) of the Catalist Rules, approval be and is hereby given for the creation, allotment and issuance by the Company of 149,105,159 Settlement Shares to Lee Teck at an issue price of S\$0.00149, subject to and otherwise in accordance with the terms and conditions of the Settlement Deed entered into between the Company and Lee Teck.
- (2) The Directors (or any one of them) be and are hereby authorised to take such steps and do all such acts and things (including without limitation, to sign, seal, execute and deliver all such documents and deeds), and to exercise such discretion in relation to this resolution as they or each of them may deem fit, with such modifications thereto (if any) as they or each of them may consider necessary, desirable or expedient, in order to give full effect to this resolution.

ORDINARY RESOLUTION 5 – APPROVAL OF THE PROPOSED ALLOTMENT AND ISSUE OF 176,174,497 INTRODUCER SHARES TO CEDRIC YAP KUN HAO AT AN ISSUE PRICE PER INTRODUCER SHARE OF S\$0.00149 PURSUANT TO THE INTRODUCER SHARE ISSUE

RESOLVED THAT:-

- (1) Section 161 of the Companies Act and Rule 805(1) of the Catalist Rules, approval be and is hereby given for the creation, allotment and issuance by the Company of 176,174,497 Introducer Shares to Cedric Yap Kun Hao at an issue price of S\$0.00149 pursuant to the Introducer Share Issue.
- (2) The Directors (or any one of them) be and are hereby authorised to take such steps and do all such acts and things (including without limitation, to sign, seal, execute and deliver all such documents and deeds), and to exercise such discretion in relation to this resolution as they or each of them may deem fit, with such modifications thereto (if any) as they or each of them may consider necessary, desirable or expedient, in order to give full effect to this resolution.

NOTICE OF EXTRAORDINARY GENERAL MEETING

BY ORDER OF THE BOARD
ANCHOR RESOURCES LTD.

Mr. Chua Ser Miang
Non-Executive Chairman and Lead Independent Director
25 January 2021

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

1. Alternative arrangements relating to, among others, attendance, submission of questions in advance and/or voting by proxy at the EGM are set out in the Company's announcement dated 25 January 2021 entitled "Important Notice to Shareholders Regarding the Company's Extraordinary General meeting on 9 February 2021" which has been uploaded together with this Notice of EGM on SGXNet on the same day. This announcement may also be accessed at the URL <https://www.angkaalam.com/investor-relations.php>.

In particular, the EGM will be held by way of electronic means and a member will be able to watch the proceedings of the EGM through a "live" webcast via his/her/its mobile phones, tablets or computers or listen to these proceedings through a "live" audio feed via telephone. In order to do so, a member who wishes to watch the "live" webcast or listen to the "live" audio feed must pre-register by 10:00 a.m. on 6 February 2021, at the URL <https://www.bigmarker.com/AAP/ARL-EGM-2021-Shareholder-Registration>. Following authentication of his/her/its status as members, authenticated members will receive email instructions on how to access the webcast and audio feed of the proceedings of the EGM by 10:00 a.m. on 8 February 2021. Members who have received the email instructions must not forward the email instructions to other persons who are not members or who are not entitled to attend the EGM. This is to avoid any technical disruption or overload to the "live" webcast or "live" audio feed.

Members may also submit questions related to the resolutions to be tabled for approval at the EGM. To do so, all questions must be submitted by 10:00 a.m. on 6 February 2021:

- (a) via the pre-registration website at the URL <https://www.bigmarker.com/AAP/ARL-EGM-2021-Shareholder-Registration>;
- (b) in hard copy by sending by post and lodging the same at the Registered Office of the Company at 80 Robinson Road #17-02, Singapore 068898; or
- (c) by email to info@anchoresources.com.sg.

Members will need to identify themselves when posing questions by email or by post by providing the following details:

- (a) the member's full name as it appears on his/her/its CDP/CPF/SRS share records;
- (b) the member's NRIC/Passport/UEN number;
- (c) the member's contact number and email address; and
- (d) the manner in which the member holds his/her/its Shares in the Company (e.g. via CDP, CPF or SRS).

The Company will not be able to answer questions from persons who provide insufficient details to enable the Company to verify his/her/its shareholder status.

The Company will address substantial and relevant questions relating to the resolutions to be tabled for approval at the EGM as received from members either before or during the EGM.

Please note that members will not be able to ask questions at the EGM "live" during the webcast and the audio feed, and therefore it is important for members to submit their questions in advance of the EGM.

2. A member will not be able to attend the EGM in person. If a member (whether individual or corporate) wishes to exercise his/her/its voting rights at the EGM, he/she/it must appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM. In appointing the Chairman of the EGM as proxy, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid. The accompanying proxy form for the EGM may be accessed at the Company's website at the URL <https://www.angkaalam.com/investor-relations.php> and has also been made available on SGXNet
3. The Chairman of the EGM, as proxy, need not be a member of the Company. The instrument appointing the Chairman of the EGM as proxy, together with the power of attorney or other authority under which it is signed (if applicable) or a notarially certified copy thereof, must:
 - (a) if sent by post, be deposited at the Share Registrar's Office, B.A.C.S Private Limited, 8 Robinson Road #03-00, ASO Building, Singapore 048544; or
 - (b) if submitted by email, be received by the Share Registrar's Office at main@zicoholdings.com,

in either case, not less than 48 hours before the time for holding the EGM, and in default the instrument of proxy shall not be treated as valid.

A member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.

NOTICE OF EXTRAORDINARY GENERAL MEETING

4. The instrument appointing the Chairman of the EGM as proxy must be signed by the appointor or his attorney duly authorised in writing. Where the instrument appointing the Chairman of the EGM as proxy is executed by a Company, it must be either under its common seal or signed on its behalf by a duly authorised officer or attorney.
5. In the case of a member whose shares are entered against his/her/its name in the Depository Register, the Company may reject any instrument appointing the Chairman of the EGM as proxy lodged if such member, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.
6. Persons who hold shares through relevant intermediaries (as defined in Section 181 of the Companies Act, Chapter 50 of Singapore), including CPF and SRS investors, and who wish to participate in the EGM ("**Relevant Intermediary Participants**") by (a) observing and/or listening to the EGM proceedings via the "live" webcast or the "live" audio feed in the manner provided in Note 1 above; (b) submitting questions in advance of the EGM in the manner provided in Note 1 above; and/or (c) appointing the Chairman of the EGM as proxy to attend, speak and vote on their behalf at the EGM, should contact the relevant intermediary (which would include, in the case of CPF and SRS investors, their respective CPF Agent Banks and SRS Operators) through which they hold such shares as soon as possible in order to facilitate the necessary arrangements for them to participate in the EGM. CPF or SRS investors who wish to appoint the Chairman of the EGM as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 10:00 a.m. on 28 January 2021.

* A Relevant Intermediary is:
 - (i) a banking corporation licensed under the Banking Act (Cap. 19) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
 - (ii) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Cap. 289) and who holds shares in that capacity; or
 - (iii) the Central Provident Fund Board established by the Central Provident Fund Act (Cap. 36), in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
7. The Circular may be accessed at the Company's website at the URL <https://www.angkaalam.com/investor-relations.php>, and have also been made available on SGXNet.

Personal Data Protection:

By attending the EGM and/or any adjournment thereof or submitting an instrument appointing the Chairman of the EGM as proxy to attend, speak and vote at the EGM and/or any adjournment thereof or submitting any details of Relevant Intermediary Participants in connection with the EGM, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of the appointment of the Chairman as proxy for the EGM (including any adjournment thereof), and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof) and the publication of the names and the comments of the members of the EGM, and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the Relevant Intermediary Participants to the Company (or its agents or service providers), the member has obtained the prior consent of such Relevant Intermediary Participants for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of the Relevant Intermediary Participants for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

PROXY FORM

ANCHOR RESOURCES LIMITED

(Company Registration Number: 201531549N)
(Incorporated in the Republic of Singapore)

PROXY FORM - EXTRAORDINARY GENERAL MEETING

(Please see notes overleaf before completing this Form)

This form of proxy has been made available on SGXNet and the Company's website and may be accessed at the URL <https://angkaalam.com/investor-relations.php>. A printed copy of this form will NOT be despatched to members.

IMPORTANT:

1. Alternative arrangements relating to, among others, attendance, submission of questions in advance and/or voting by proxy at the Extraordinary General Meeting are set out in the Company's announcement dated 25 January 2021 entitled "Important Notice to Shareholders Regarding the Company's Extraordinary General Meeting on 9 February 2021" which has been uploaded together with the Notice of Extraordinary General Meeting dated 25 January 2021 on SGXNet on the same day. This announcement may also be accessed at the URL <https://www.angkaalam.com/investor-relations.php>.
2. A member will not be able to attend the Extraordinary General Meeting in person. If a member (individual or corporate) wishes to exercise his/her/its voting rights at the Extraordinary General Meeting, he/she/it must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the Extraordinary General Meeting. In appointing the Chairman as proxy, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid.
3. This Proxy Form is not valid for use by CPF/SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
4. CPF/SRS investors who wish to vote should contact their respective CPF Agent Banks or SRS Operators to submit their votes by 10:00 a.m. on 28 January 2021.

*I/We, _____ (Name), *NRIC/Passport/Company Number _____ of _____ (Address)

being a member/members of **ANCHOR RESOURCES LIMITED** (the "Company"), hereby appoint the Chairman of the Extraordinary General Meeting ("EGM") as my/our proxy to attend, speak and to vote for me/us on my/our behalf at the EGM of the Company to be held by way of electronic means on 9 February 2021 at 10:00 a.m. and at any adjournment thereof.

I/We direct the Chairman of the EGM as my/our proxy to vote for or against the Resolutions, or to abstain from voting on the Resolutions, to be proposed at the EGM as indicated hereunder.

| No. | Ordinary Resolutions | For | Against | No. of votes abstaining |
|-----|---|-----|---------|-------------------------|
| 1. | To approve the proposed allotment and issue of 1,234,452,015 Settlement Shares to Lim Beng Chew at the Issue Price pursuant to the Settlement Share Issue, and the Transfer of Controlling Interest (Resolution 1) | | | |
| 2. | To approve the proposed allotment and issue of 617,226,008 Settlement Shares to Tang Yao Zhi at the Issue Price pursuant to the Settlement Share Issue (Resolution 2) | | | |
| 3. | To approve the proposed allotment and issue of 426,510,106 Settlement Shares to Tan Soo Kia at the Issue Price pursuant to the Settlement Share Issue (Resolution 3) | | | |
| 4. | To approve the proposed allotment and issue of 149,105,159 Settlement Shares to Lee Teck at the Issue Price pursuant to the Settlement Share Issue (Resolution 4) | | | |
| 5. | To approve the Introducer Share Issue (Resolution 5) | | | |

* If you wish to exercise all your votes "For" or "Against" the relevant resolution or to abstain from voting on the resolution in respect of all your votes, please tick (✓) within the relevant box provided. Alternatively, if you wish to exercise some and not all of your votes "For" and/or "Against" the relevant resolution and/or to abstain from voting in respect of the resolution, please indicate the number of shares in the boxes provided.

Dated this _____ day of _____ 2021

| | |
|-----------------------------|--|
| Total Number of Shares held | |
|-----------------------------|--|

Signature(s) of Member(s)
or Common Seal of Corporate Shareholder

o/o

PROXY FORM

IMPORTANT (PLEASE READ THE NOTES)

Notes:

1. A member will not be able to attend the EGM in person. If a member (individual or corporate) wishes to exercise his/her/its voting rights at the EGM, he/she/it must appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM. In appointing the Chairman as proxy, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid.
2. The Chairman of the EGM, as proxy, need not be a member of the Company.
3. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by you.
4. The instrument appointing a proxy, must:
 - (a) if sent by post, be deposited at the Share Registrar's Office, B.A.C.S. Private Limited, 8 Robinson Road #03-00, ASO Building, Singapore 048544; or
 - (b) if submitted by email, be received by the Share Registrar's Office at main@zicoholdings.com,

in either case, not less than 48 hours before the time for holding the EGM, and in default the instrument of proxy shall not be treated as valid.

A member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.

5. If sent by post, the instrument appointing the Chairman of the EGM as proxy of an individual must be under the hand of the appointor or of his/her attorney duly authorised in writing and the instrument appointing the Chairman of the EGM as proxy of a corporation must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.

Where an instrument appointing the Chairman of the EGM as proxy is submitted by email, it must be authorised in the following manner:

 - (a) by way of the affixation of an electronic signature by the appointor or his/her duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation; or
 - (b) by way of the appointor or his duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation signing the instrument under hand and submitting a scanned copy of the signed instrument by email.
6. Where an instrument appointing the Chairman of the EGM as proxy is signed or, as the case may be, authorised on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument appointing the Chairman of the EGM as proxy, failing which the instrument may be treated as invalid.

General:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.

Personal data privacy:

By submitting an instrument appointing a proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 25 January 2021.