

BEVERLY JCG LTD.
(Incorporated in the Republic of Singapore)
(Company Registration No. 200505118M)

- (1) **PROPOSED SHARE CONSOLIDATION OF EVERY FIFTY (50) EXISTING ORDINARY SHARES IN THE CAPITAL OF THE COMPANY INTO ONE (1) ORDINARY SHARE**

 - (2) **PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS CUM WARRANTS ISSUE OF UP TO 222,590,722 RIGHTS SHARES (ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY THREE (3) ORDINARY SHARES AS HELD BY THE ENTITLED SHAREHOLDERS AS AT THE RECORD DATE TO BE DETERMINED) AND UP TO 222,590,722 RIGHTS WARRANT (ON THE BASIS OF ONE (1) RIGHTS WARRANT FOR EVERY ONE (1) RIGHTS SHARE SUBSCRIBED), FRACTIONAL ENTITLEMENTS TO BE DISREGARDED**
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1. **INTRODUCTION**

- 1.1. The Board of Directors (the “**Board**” or the “**Directors**”) of Beverly JCG Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company is proposing to undertake:
 - (a) a share consolidation of every fifty (50) ordinary shares (the “**Shares**”) of the Company (including treasury shares) as at the date of the Share Consolidation Book Closure Date (as defined below) into one (1) ordinary share (the “**Consolidated Share**”), with any fractional entitlements to be disregarded (the “**Proposed Share Consolidation**”); and
 - (b) upon the completion of the Proposed Share Consolidation, a renounceable non-underwritten rights cum warrants issue (the “**Proposed Rights Cum Warrants Issue**”) of:
 - (i) up to 222,590,722 new ordinary shares in the capital of the Company (the “**Rights Shares**”) at an issue price of S\$0.05 (the “**Issue Price**”) per Rights Share on the basis of one (1) Rights Share for every three (3) Consolidated Shares held by the Entitled Shareholders (as defined below) as at a record date to be determined by the Directors (the “**Record Date**”), with any fractional entitlements to be disregarded; and
 - (ii) up to 222,590,722 free detachable warrants in the capital of the Company (the “**Rights Warrants**”) with an exercise price of S\$0.06 on the basis of one (1) Warrant for every one (1) Rights Share subscribed, with any fractional entitlements to be disregarded.
- 1.2. The Proposed Share Consolidation and the Proposed Rights Cum Warrants Issue (collectively, the “**Proposed Corporate Actions**”) are subject to, *inter alia*, the approval of shareholders of the Company (the “**Shareholders**”), which will be sought at the extraordinary general meeting of the Company (the “**EGM**”) to be convened.
- 1.3. For the avoidance of doubt, the Proposed Rights Cum Warrants Issue cannot be withdrawn after the commencement of ex-rights trading.
- 1.4. The Company has appointed Evolve Capital Advisory Private Limited as the manager for the Proposed Rights Cum Warrants Issue (the “**Issue Manager**”).
- 1.5. A circular (the “**Circular**”) to Shareholders containing further information on the Proposed Corporate Actions, together with the notice of the EGM, will be despatched to Shareholders in due course.

2. THE PROPOSED SHARE CONSOLIDATION

2.1. Overview of the Proposed Share Consolidation

Subject to Shareholders' approval being obtained for the Proposed Share Consolidation at the EGM, the Register of Members and the transfer books of the Company will be closed to determine the entitlements of Shareholders to the Consolidated Shares at a time and date (to be determined and announced by the Company) (the "**Share Consolidation Book Closure Date**"). With effect from 9.00 a.m. on the market day immediately following the Share Consolidation Books Closure Date, every fifty (50) Shares registered in the name of each Shareholder will be consolidated to constitute one (1) Consolidated Share, with any fractional entitlements to be disregarded.

Each Consolidated Share will rank *pari passu* with each other, except that the Consolidated Shares which are held as treasury shares by the Company will be subject to the provisions of the Companies Act 1967 on treasury shares. The Consolidated Shares will be traded in board lots of one hundred (100) Consolidated Shares.

Shareholders should note that the number of Consolidated Shares which they will be entitled to pursuant to the Proposed Share Consolidation, based on their holdings of the Shares as at the Share Consolidation Books Closure Date for the Proposed Share Consolidation, will be rounded down to the nearest whole Consolidated Share and any fractions of Consolidated Shares arising from the Proposed Share Consolidation will be disregarded. All fractional entitlements arising from the implementation of the Proposed Share Consolidation will be dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company, including (i) aggregating and cancelling the same, or (ii) aggregating and selling the same and retaining the net proceeds for the benefit of the Company. Shareholders should also note that in the event the Directors, in their absolute discretion, decide to cancel the aggregated fractions of Consolidated Shares arising from the Proposed Share Consolidation, affected Shareholders will not be paid for any fractional shares cancelled and not issued.

2.2. Rationale for the Proposed Share Consolidation

The proposed consolidation ratio of 50:1 was derived, having taken into consideration the following factors:

(a) Satisfaction of the minimum bid size prescribed by Singapore Exchange Securities Trading Limited (the "SGX-ST")

The Company may, from time to time, undertake corporate actions which may involve the issue of new Shares. The volume-weighted average price (the "**VWAP**") of the Shares for the period of six (6) months prior to the date of this announcement was S\$0.001, being the minimum bid size prescribed by the SGX-ST. Following the Proposed Share Consolidation, the commercial terms of any corporate action which the Company may undertake in the near future may require the issue of new Shares at a discount to the prevailing trading price of the Shares. Accordingly, to facilitate any such future corporate action, the Company proposes to carry out the Proposed Share Consolidation on a 50:1 basis.

(b) Reduction of the volatility of the Share price

The absolute price of the Shares of the Company traded on the Catalist Board of the SGX-ST has been closing at a low level in the past six (6) months before the date of this announcement, with the last traded Share price being S\$0.001. As share trading may involve certain minimum fixed expenses (such as minimum brokerage fees), trading in lowly-priced shares may translate to higher transaction costs, relative to the trading price, for each board lot of Shares. In addition, lowly-priced shares are generally more prone to speculation and market manipulation. Given their susceptibility to speculation and market manipulation, lowly-priced shares are generally more volatile as compared to higher-priced shares. The Board believes that the Proposed Share Consolidation may serve to reduce

the volatility of its Share price, reduce fluctuations in the Company's market capitalisation and reduce the percentage transaction cost for trading in each board lot of Shares.

(c) Increase in the market interest and attractiveness of the Company and its Shares

The Proposed Share Consolidation will rationalise the share capital of the Company by reducing the number of Shares outstanding. It is expected that, all other things being equal, the theoretical trading price and net tangible asset (the "NTA") of each Consolidated Share following the decrease in the number of Shares in issue after the Proposed Share Consolidation would be higher than the current trading price and NTA of each existing Share. In addition, the Proposed Share Consolidation may facilitate corporate actions and also increase market interest and activity in the Shares, and generally make the Shares more attractive to investors, including institutional investors, thus providing a more diverse shareholder base. Please refer to paragraph 3.2 for details on future corporate actions.

Shareholders should note, however, that there can be no assurance that the Proposed Share Consolidation will achieve the aforesaid desired results, nor is there assurance that such results (if achieved) can be sustained in the longer term.

2.3. Conditions of the Proposed Share Consolidation

The implementation of the Proposed Share Consolidation is subject to, *inter alia*:

- (a) the approval of Shareholders at the EGM; and
- (b) the Company obtaining the in-principle approval of the SGX-ST for the listing of, and quotation for, the Consolidated Shares on the Catalist Board of the SGX-ST and such approval not having been withdrawn or revoked on or prior to the completion of the Proposed Share Consolidation.

2.4. Shareholders are not required to make any payment to the Company in respect of the Proposed Share Consolidation.

2.5. The Proposed Share Consolidation is not expected to cause any changes to the percentage shareholding of each Shareholder in the Company other than non-material changes due to fractional rounding. The Proposed Share Consolidation will not involve the diminution of any liability in respect of unpaid capital or the payment to any Shareholder of any paid-up capital of the Company and has no effect on the equity of the Company and its subsidiaries.

3. THE PROPOSED RIGHTS CUM WARRANTS ISSUE

3.1. Overview of the Proposed Rights Cum Warrants Issue

The Proposed Rights Cum Warrants Issue is intended to be undertaken immediately after the completion of the Proposed Share Consolidation.

Under the Proposed Rights Cum Warrants Issue, each Entitled Shareholder will be entitled to one (1) Rights Share for every three (3) Consolidated Shares held by such Entitled Shareholder, based on its shareholding in the Company as at the Rights Issue Book Closure Date, with any fractional entitlements to be disregarded.

3.2. Rationale of the Proposed Rights Cum Warrants Issue

As disclosed in the Company's annual report for the financial year ending 31 December 2022 (the "Annual Report"), the Company intends to raise funds to make profitable acquisitions to support the Company further to operate as a going concern. The Company is presently exploring alternative means of fundraising in addition to external borrowings and is undertaking the Proposed Rights Cum Warrants Issue to raise funds to strengthen the financial position and capital base of the Group. The Group is cautiously confident that, with an effective strategic plan and a strong management team to execute its plan, the Group is poised to grow successfully and steadily. Post-COVID-19, it is expected that acquisition opportunities may arise involving smaller medical aesthetics companies, which may be suitable for collaboration

or may take place beyond Malaysia, where the Group is currently operating. For example, on 25 September 2023, the Group announced the proposed acquisition of the assets owned by BK Hospital Pte. Ltd. This direction is in line with the Company's growth strategy to leverage such opportunities to expand its range of services or provide complementary offerings within the healthcare and wellness industry.

The Proposed Rights Cum Warrants Issue will allow the Group to pursue this growth strategy, in addition to providing the Shareholders with an opportunity to further participate in the equity of the Company.

The net proceeds arising from the allotment and issue of the Rights Shares only (the "**Net Proceeds**") (without taking into account the proceeds from the exercise of the Warrants) will be used for future expansion of the Group, as well as for the working capital needs of the Group, which includes the administrative expenses, manpower costs, compliance costs, continuing listing expenses such as professional fees of the Group and settlement of head office expenses for the year. The Net Proceeds, after deducting estimated costs and expenses of S\$300,000 relating to the Proposed Rights Cum Warrants Issue, are expected to be approximately S\$10,800,000 in the Maximum Subscription Scenario (as defined below).

As disclosed in the Annual Report, the Company intends to use the Net Proceeds in the following manner:

Use of Net Proceeds	Amount (S\$'000)	Percentage of Net Proceeds (%)
For general working capital needs	S\$5,400	50%
For the future expansion of the Group (including mergers and acquisitions and organic growth)	S\$5,400	50%
Total	S\$10,800	100%

Pending the deployment of the Net Proceeds for the abovementioned purposes, such proceeds may be deposited with banks and/or financial institutions, invested in short-term money markets instruments and/or marketable securities, and/or used for any other purposes on a short-term basis as the Directors may, in their absolute discretion, deem appropriate in the interests of the Company.

The Company will make periodic announcements on the utilisation of the Net Proceeds as and when such proceeds are materially disbursed and whether such disbursements are in accordance with the use of proceeds and provide a status report on the use of the Net Proceeds in the interim and full year financial statements and in the annual report(s) of the Company, until such time such proceeds have been fully utilised. Where the Net Proceeds have been used for general corporate and/or working capital purposes, the Company will also provide a breakdown with specific details on the use of the Net Proceeds in the financial statements and annual reports.

Where there is a material deviation in the use of the Net Proceeds, the Company will announce the reasons for such deviation.

3.3. Terms of the Proposed Rights Cum Warrants Issue

The terms and conditions of the Proposed Rights Issue are subject to such changes as the Directors, after consultation with the Issue Manager and the Sponsor (as defined below), may deem fit, in the interests of the Company.

The final terms and conditions of the Proposed Rights Issue will be contained in an offer information statement (the "**Offer Information Statement**") and its accompanying documents to be issued by the Company and lodged with SGX-ST, acting as an agent on behalf of the Monetary Authority of Singapore and despatched by the Company to the Entitled Shareholders, in due course after, amongst others, the receipt of the listing and quotation notice from the

SGX-ST for the dealing in, listing of and quotation for the Rights Shares, Rights Warrants and Warrant Shares on Catalist of the SGX-ST.

Principal Terms of the Issue	Description
Price	Issue price of S\$0.05 per Rights Share and exercise price of S\$0.06 per Rights Warrant.
Discount	There is no discount to the Issue Price when benchmarked against the theoretical trading price of S\$0.05 per Consolidated Share (based on the last traded price of S\$0.001 per Share for Shares traded on the Catalist of the SGX-ST on 22 September 2023, being the full market day immediately preceding the date of this announcement on which Shares were traded on the Catalist of the SGX-ST).
Allotment Ratio	One (1) Rights Share for every three (3) Consolidated Shares held by Shareholders as at the Record Date and one (1) Rights Warrant for every one (1) Rights Share subscribed, with any fractional entitlements to be disregarded.
Use of Proceeds	For (i) general working capital needs and (ii) future expansion of the Group. Please refer to paragraph 3.2 above for more details.
Purpose of Issue	The Company is undertaking the Proposed Rights Cum Warrants Issue to raise funds to strengthen the financial position and capital base of the Group. Please refer to paragraph 3.2 above for more details.
Number of Rights Shares	Under the Maximum Subscription Scenario (as defined below), up to 222,590,722 Rights Shares will be issued under the Proposed Rights Cum Warrants Issue. Please see paragraph 3.3(b) of this announcement for further details.

(a) Basis of Provisional Allotment

The Company is offering up to 222,590,722 Rights Shares to the Entitled Shareholders (as defined below) at an Issue Price of S\$0.05 per Rights Share, and up to 222,590,722 Warrants, with each Rights Warrant carrying the right to subscribe for one (1) new Share (the “**Warrant Share**”) at the exercise price of S\$0.06 per Rights Warrant (the “**Exercise Price**”), on a renounceable non-underwritten basis of one (1) Rights Share for every three (3) Consolidated Shares held by Shareholders as at the Record Date and one (1) Rights Warrant for every one (1) Rights Share subscribed, with any fractional entitlements to be disregarded,

(b) Size of the Proposed Rights Cum Warrants Issue

As at the date of this announcement:

- (i) the issued and paid-up share capital of the Company (excluding treasury shares) comprises 29,107,775,223 Shares (the “**Existing Share Capital**”)
- (ii) the Company has 4,242,345,562 outstanding, unexercised warrants, in aggregate, which consist of:
 - (1) 952,380,952 outstanding, unexercised warrants issued pursuant to the deed poll issued by the Company on 3 December 2018 (the “**Rest Investments Deed Poll**”)¹;

¹ The warrants issued pursuant to the Rest Investments Deed Poll have a five (5) year term and expire on 9 January 2024.

- (2) 310,185,185 outstanding, unexercised warrants issued pursuant to the deed poll issued by the Company on 11 April 2019 (the “**Tan Suying Deed Poll**”)²;
- (3) 250,000,000 outstanding, unexercised warrants issued pursuant to the deed poll issued by the Company on 11 July 2019 (the “**DFN Deed Poll**”)³;
- (4) 162,000,000 outstanding, unexercised warrants issued pursuant to the deed poll issued by the Company on 23 September 2019 (the “**BW Deed Poll**”)⁴;
- (5) 2,112,779,425 outstanding, unexercised warrants issued pursuant to the deed poll issued by the Company on 28 April 2021 (the “**2021 Deed Poll**”)⁵;
- (6) 245,000,000 outstanding, unexercised warrants issued pursuant to the deed poll issued by the Company on 6 December 2021 (the “**Dec 2021 Deed Poll**”)⁶; and
- (7) 210,000,000 outstanding, unexercised warrants issued pursuant to the deed poll issued by the Company on 10 March 2022 (the “**2022 Deed Poll**”)⁷,

(collectively, the “**Relevant Outstanding Warrants**”);

- (iii) the Company has 38,487,500 outstanding options under the Company’s employee share option scheme (the “**ESOS**”) (the “**Relevant Outstanding Options**”).

In the event all the Relevant Outstanding Warrants and Relevant Outstanding Options are exercised, the issued share capital of the Company (excluding treasury shares) will increase to 33,388,608,285 Shares (on a pre-consolidation basis).

Based on the Existing Share Capital, and assuming that (i) all of the Relevant Outstanding Warrants and Relevant Outstanding Options are exercised and new Shares are issued pursuant thereto on or prior to the Record Date, and (ii) all the Entitled Shareholders (as defined below) subscribe and pay for their pro rata entitlements of the Rights Shares with Warrants (the “**Maximum Subscription Scenario**”), the Company will allot and issue 222,590,722 Rights Shares and 222,590,722 Warrants under the Proposed Rights Cum Warrants Issue (on a post-consolidation basis).

For illustration purposes only, assuming that (i) the total Rights Shares of 222,590,722 are fully subscribed under the Maximum Subscription Scenario; and that (ii) all the Rights Warrants are exercised and converted into Warrant Shares, the issued and paid-up share capital of the Company will increase from its Existing Share Capital of 582,155,504 (on a consolidated basis) to 1,112,953,610.

(c) **Terms of Rights Warrants**

The Rights Warrants are immediately detachable from the Rights Shares upon the issue and will be issued in registered form and, subject to a sufficient spread of holdings, will be listed and traded separately on the Catalist of the SGX-ST under the book-entry (scripless) settlement system, upon the listing and quotation of the Rights Warrants on the Catalist of the SGX-ST, subject to, *inter alia*, there being an adequate spread of holdings of the Rights Warrants to provide for an orderly market in the Rights Warrants.⁸

² The warrants issued pursuant to the Tan Suying Deed Poll have a five (5) term and expire on 14 April 2024.

³ The warrants issued pursuant to the DFN Deed Poll have a five (5) year term and expire on 17 July 2024.

⁴ The warrants issued pursuant to the BW Deed Poll have a five (5) year term and expire on 6 November 2024.

⁵ The warrants issued pursuant to the 2021 Deed Poll have a three (3) year term and expire on 1 June 2024.

⁶ The warrants issued pursuant to the Dec 2021 Deed Poll have a three (3) year term and expire on 8 December 2024.

⁷ The warrants issued pursuant to the 2022 Deed Poll have a three (3) year term and expire on 9 March 2025.

⁸ Pursuant to rule 826 of the Catalist Rules, as a guide, the SGX-ST expects at least 100 warrant holders for a class of company warrants.

For the avoidance of doubt, the Proposed Rights Cum Warrants Issue is not conditional upon the listing and trading of the Rights Warrants. If the Company is unable to ensure a sufficient spread of holdings to provide for an orderly market in the Rights Warrants, the Proposed Rights Cum Warrants Issue shall proceed without the listing and trading of the Rights Warrants and the Rights Warrants shall be transferable only in accordance with the terms and conditions of the 2023 Deed Poll (as defined below).

Subject to the terms and conditions governing the Rights Warrants to be set out in an instrument by way of a deed poll (the “**2023 Deed Poll**”), each Rights Warrant will carry the right to subscribe for one (1) Warrant Share at the Exercise Price at any time during the period commencing on the date of issue of the Rights Warrants and expiring on the day immediately preceding the third (3rd) anniversary of the date of issue of the Rights Warrants (the “**Rights Warrants Exercise Period**”). The Rights Warrants that remain unexercised at the expiry of the Rights Warrants Exercise Period shall lapse and cease to be valid for any purpose.

The Exercise Price and the number of Rights Warrants to be held by each holder of Rights Warrants will be subject to adjustments under certain circumstances as provided for in the 2023 Deed Poll, and appropriate announcements on the adjustments will be made by the Company.

The Warrant Shares arising from the exercise of the Rights Warrants will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares, save for any dividends, rights, allotments or other distributions, the record date for which falls before the date of issue of the Warrant Shares.

The Company shall, not later than one (1) month before the expiry of the Rights Warrants Exercise Period (the “**Expiry Date**”), announce the expiry of the Rights Warrants Exercise Period on SGXNET. In addition, the Company shall, not later than one (1) month before the Expiry Date, take reasonable steps to notify all holders of the Rights Warrants in writing of the Expiry Date, and such notice shall be delivered by post to the address of the relevant holders of the Rights Warrant(s).

(d) Ranking of the Rights Shares and Warrant Shares

The Rights Shares and the Warrant Shares will be payable in full upon acceptance and/or application and, when allotted and issued, will rank *pari passu* in all respects with the then existing Shares for any dividends, rights, allotments or other distributions, the record date for which falls before the date of issue of the Rights Shares or the Warrant Shares (as the case may be).

For this purpose, a “**record date**” means, in relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time as may have been notified by the Company) on which the Shareholders must be registered with the Company with their registered address provided to the Company’s share registrar, BoardRoom Corporate & Advisory Services Pte Ltd, (the “**Share Registrar**”) or The Central Depository (Pte) Limited (the “**CDP**”), as the case may be, in order to participate in such dividends, rights, allotments or other distributions. For details, please refer to paragraph 3.6 (*Eligibility to Participate in the Proposed Rights Cum Warrants Issue*) below.

(e) Non-Underwritten Rights Cum Warrants Issue

The Directors are of the opinion that there is no minimum amount which must be raised from the Proposed Rights Cum Warrants Issue. Hence, in view of the aforesaid and the savings arising since there are no underwriting fees, the Company has decided to proceed with the Proposed Rights Cum Warrants Issue on a non-underwritten basis.

(f) Provisional Allotments and Excess Application

Entitled Shareholders (as defined below) will be at liberty to accept (in full or in part), decline, or otherwise renounce or trade (during the provisional allotment trading period

prescribed by SGX-ST) their provisional allotments of the Rights Shares with Warrants and will be eligible to apply for additional Rights Shares with Warrants in excess of their provisional allotments under the Proposed Rights Cum Warrants Issue (the “**Excess Rights Shares**”).

Fractional entitlements to the Rights Shares with Warrants will be disregarded in arriving at the Entitled Shareholders’ (as defined below) provisional allotments of Rights Shares with Warrants and will, together with such Rights Shares with Warrants that are not validly taken up by the Entitled Shareholders (as defined below), the original allottees or their respective renounee(s) or the purchasers of such provisional allotment of Rights Shares with Warrants, any unsold “nil-paid” provisional allotments of Rights Shares with Warrants of Foreign Shareholders (as defined below) and any Rights Shares with Warrants which are not validly taken up or allotted for any reason, be aggregated and allotted to satisfy excess applications for Rights Shares with Warrants (if any), or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interest of the Company.

In the allotment of Excess Rights Shares with Warrants, preference will be given to the rounding of odd lots, and the Directors and substantial Entitled Shareholders (as defined below) who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Proposed Rights Cum Warrants Issue, or have representation (direct or through a nominee) on the Board of the Company, will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares with Warrants. The Company will also not make any allotment and issue of any Excess Rights Shares with Warrants that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in a general meeting.

(g) Scaling down of Subscription

The Singapore Code on Take-overs and Mergers (the “**Code**”) regulates the acquisition of ordinary shares of, among others, corporations with a primary listing on the SGX-ST, including the Company. Except with the consent of the Securities Industry Council, any person acquiring an interest, either on his own or together with parties acting in concert with him, in 30.0% or more of the voting rights in the Company or if such person holds, either on his own or together with parties acting in concert with him, between 30.0% and 50.0% (both inclusive) of the voting rights in the Company, and acquires additional Shares representing more than 1.0% of the voting rights in the Company in any six (6)-month period, must extend a mandatory general offer for the remaining Shares in the Company in accordance with the provisions of the Code.

Depending on the level of subscription for the Rights Shares with Warrants, the Company will, if necessary, scale down the subscription for the Rights Shares with Warrants by any of the Entitled Shareholders (as defined below) to avoid placing the relevant Entitled Shareholder (as defined below) in the position of incurring a mandatory general offer obligation under the Code as a result of other Shareholders not taking up their Rights Shares with Warrants entitlements fully.

(h) Trading of Odd Lots

For the purposes of trading on the Catalist of the SGX-ST, each board lot of Rights Shares will comprise one hundred (100) Shares. Following the Proposed Rights Cum Warrants Issue, Shareholders who hold odd lots of Shares (that is, lots other than board lots of one hundred (100) Shares) and who wish to trade in odd lots on the Catalist Board of the SGX-ST are able to trade odd lots of Shares in board lots of one (1) Share on the SGX-ST’s Unit Share Market. The Unit Share Market is a ready market for trading of odd lots of Shares with a minimum size of one (1) Share. Shareholders should note that the market for trading of such odd lots of Shares may be illiquid. There is no assurance that Shareholders who hold odd lots of Shares will be able to acquire such number of Shares required to make up a board lot or to dispose of their odd lots (whether in part or in whole) on the SGX-ST’s Unit Share Market.

3.4. **Conditions for the Proposed Rights Cum Warrants Issue**

The Proposed Rights Cum Warrants Issue is subject to, *inter alia*, the following:

- (a) completion of the Proposed Share Consolidation;
- (b) the receipt of the in-principle approval of the SGX-ST for the listing of, and quotation for, the Rights Shares, the Rights Warrants and the Warrant Shares on the Catalist Board of the SGX-ST (and such approval not having been withdrawn or revoked on or prior to the completion of the Proposed Rights Cum Warrants Issue) and if such approval is granted subject to conditions, such conditions being acceptable to the Company;
- (c) the issue and allotment of the Rights Shares, the Warrants and the Warrant Shares having been approved by Shareholders at the EGM; and
- (d) the lodgment of the Offer Information Statement, together with all other accompanying documents (if applicable) in respect of the Proposed Rights Cum Warrants Issue with the SGX-ST, acting as agent on behalf of the Monetary Authority of Singapore.

The Company will be making an application to the SGX-ST through its Continuing Sponsor, Evolve Capital Advisory Private Limited, for permission to deal in and for the listing of, and quotation for, the Rights Shares, the Rights Warrants and the Warrant Shares on the Catalist Board.

An announcement on the outcome of such application will be made in due course.

3.5. **Opinion of the Directors**

For the purposes of Rule 814(1)(f) of the SGX-ST Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”), the Directors are of the opinion that, after taking into consideration the Group’s present bank facilities, the working capital available to the group is sufficient to meet its present requirements. Notwithstanding the present sufficiency of working capital, the Directors are of the opinion that the Proposed Rights Cum Warrants Issue shall be undertaken for the reasons stated in paragraph 3.2 of this announcement.

The Directors are of the opinion, after taking into consideration the rationale for the respective Proposed Corporate Actions as set out above, that undertaking the Proposed Corporate Actions is in the interests of the Company.

3.6. **Eligibility to Participate in the Proposed Rights Cum Warrants Issue**

(a) **Eligibility to Participate**

The Company will provisionally allot the Rights Shares with Warrants to the Entitled Shareholders (as defined below), comprising Entitled Depositors and Entitled Scripholders (each as defined below), on the basis of their shareholdings as at the Record Date. Entitled Shareholders (as defined below) will be entitled to participate in the Proposed Rights Cum Warrants Issue and receive the Offer Information Statement together with the appropriate application forms and accompanying documents at their respective Singapore addresses as maintained with the records of the CDP or the Share Registrar, as the case may be.

(b) **Entitled Depositors**

Entitled Depositors are Shareholders with Shares standing to the credit of their securities accounts (the “**Securities Account**”) with CDP and (i) whose registered addresses with CDP are in Singapore as at the Record Date; or (ii) who have provided CDP with addresses in Singapore for the service of notices and documents not later than 5.00 p.m. (Singapore time) on the date falling three (3) market days prior to the Record Date (the “**Entitled Depositors**”). Entitled Depositors will be provisionally allotted the Rights Shares with Warrants on the basis of the number of Shares standing

to the credit of their Securities Accounts as at 5.00 p.m. (Singapore time) on the Record Date.

(c) Entitled Scripholders

Entitled Scripholders are Shareholders whose share certificates have not been deposited with CDP and who have tendered to the Share Registrar valid transfers of their Shares and the certificates relating thereto for registration up to the Record Date and (i) whose registered addresses with the Company or the Share Registrar are in Singapore as at the Record Date; or (ii) who have provided the Company or the Share Registrar with addresses in Singapore for the service of notices and documents not later than 5.00 p.m. (Singapore time) on the date falling three (3) market days prior to the Record Date (the “**Entitled Scripholders**” and together with the Entitled Depositors, the “**Entitled Shareholders**”).

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

(d) CPF Investment Scheme

Shareholders who have previously purchased Shares using their Central Provident Fund (the “**CPF**”) account savings (the “**CPF Funds**”) under the Central Provident Fund Investment Scheme (the “**CPFIS**”) may only use their CPF Funds for the payment to subscribe for their provisional allotments of nil-paid Rights Shares with Warrants and (if applicable) to apply for excess Rights Shares with Warrants, subject to the applicable CPF rules and regulations. Such Shareholders who wish to accept provisional allotments of the Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants using CPF Funds will need to instruct their respective approved CPF agent banks with whom they hold their CPF investment accounts to accept the provisional allotments of the Rights Shares with Warrants and (if applicable) apply for excess Rights Shares with Warrants on their behalf in accordance with the terms and conditions in the Offer Information Statement. CPF Funds may not be used to purchase provisional allotments of nil-paid Rights Shares with Warrants directly from the market.

(e) Foreign Shareholders

For practicable reasons and to avoid any violation of securities legislation applicable in countries other than Singapore, the Rights Shares with Warrants will not be offered to Shareholders with registered addresses outside Singapore as at the Record Date and who have not, before 5.00 p.m. at least three (3) market days prior to the Record Date, provided to CDP or the Share Registrar, as the case may be, addresses in Singapore for the service of notices and documents (the “**Foreign Shareholders**”). As such, no provisional allotments of the Rights Shares will be made to, and no purported acceptance thereof or application therefor by, Foreign Shareholders will be valid.

Shareholders with registered addresses outside Singapore who wish to participate in the rights issue should provide CDP or the Share Registrar, as the case may be, with addresses in Singapore for the service of notices and documents, at least three (3) market days prior to the Record Date.

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

3.7. **Previous Equity Fund Raising in the Past 12 Months**

The Company has not undertaken any equity fundraising in the past twelve (12) months prior to the date of this announcement.

4. **ADJUSTMENTS TO RELEVANT WARRANTS AND RELEVANT OPTIONS**

4.1. As of the date of this announcement, the Company has the following securities that are convertible into ordinary shares in the Company:

(a) in aggregate 4,242,345,562 unexercised warrants pursuant to the various deed polls as set out in paragraph 3.3(b)(ii) above; and

(b) 38,487,500 unexercised options pursuant to the Company's ESOS.

Pursuant to the terms and conditions of each of the Rest Investments Deed Poll, the Tan Suing Deed Poll, the DFN Deed Poll, the BW Deed Poll, the 2021 Deed Poll, the Dec 2021 Deed Poll, the 2022 Deed Poll (collectively, the "**Relevant Outstanding Deed Polls**") and the ESOS, the Proposed Share Consolidation constitutes an event giving rise to adjustments to the exercise price payable for each new Share on the exercise of the Relevant Outstanding Warrants and the number of Relevant Outstanding Warrants.

4.2. Copies of the (i) Relevant Outstanding Deed Polls, (ii) a certificate to be signed by the auditors of the Company stating that the adjustments are in accordance with the respective conditions of the Relevant Outstanding Deed Polls, and (iii) a certificate to be signed by a Director setting out particulars of the adjustments (as required under the terms of the Relevant Outstanding Deed Polls) will in due course be made available for inspection at the registered office of the Company.

4.3. The Company will make further announcements in relation to these adjustments when appropriate. Shareholders are advised that the adjustments to the Relevant Outstanding Warrants arise as a result of the Proposed Share Consolidation (in accordance with the terms of the Relevant Outstanding Deed Polls). There will be no adjustments to the Relevant Outstanding Warrants if the Proposed Share Consolidation is not effected.

5. **INTERESTS OF DIRECTORS, EXECUTIVE OFFICERS AND SUBSTANTIAL SHAREHOLDERS**

None of the Directors has any interests, direct or indirect, in the Proposed Corporate Actions (other than through each of their respective shareholding interests in the Company, if any). To the best of the knowledge of the Directors, none of the executive officers or substantial shareholders has any interests, direct or indirect, in the Proposed Corporate Actions (other than through each of their respective shareholding interests in the Company, if any).

6. **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 Corporate Actions, 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 the announcement in its proper form and context.

7. **CAUTIONARY STATEMENT**

Shareholders and potential investors are advised to exercise caution when dealing or trading in the Shares. The Proposed Corporate Actions are subject to certain conditions. As at the date of this announcement, there is no certainty or assurance that the Proposed

Corporate Actions will materialise or that no changes will be made to the terms thereof. The Company will make the necessary announcements when there are further developments.

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, bank managers, solicitors, accountants, tax advisers or other professional advisers if they have any doubt about the actions they should take.

8. FORWARD-LOOKING STATEMENTS

Some of the statements in this announcement constitute “forward-looking statements” that do not directly or exclusively relate to historical facts. These forward-looking statements reflect the Group’s current intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors, many of which are outside the Group’s control. Important factors that could cause actual results to differ materially from the expectations expressed or implied in the forward-looking statements include known and unknown risks and factors such as general economic and business conditions, including the timing or delay in signing, commencement, implementation and performance of programmes, or the delivery of products or services under them or the implementation of the improved airtime package by the satellite operators; structural change in the satellite industry; relationships with customers; competition; and the ability to attract personnel. Because actual results could differ materially from the Group’s intentions, plans, expectations, assumptions and beliefs about the future, and any negative impacts arising from these issues will affect the performance of the Group’s businesses, undue reliance must not be placed on these statements.

9. FURTHER ANNOUNCEMENTS

Further announcements will be made by the Company in relation to the Proposed Corporate Actions as and when appropriate.

BY ORDER OF THE BOARD

Dato’ Ng Tian Sang @ Ng Kek Chuan
Deputy Chairman and Chief Executive Officer

25 September 2023

This announcement has been prepared by the Company and its contents have been reviewed by the Company’s Sponsor, Evolve Capital Advisory Private Limited (the “Sponsor”) for compliance with the relevant rules of the SGX-ST. It has not been examined or approved by the SGX-ST, and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The details of the contact person for the Sponsor are:

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