

## **ENTRY INTO JOINT VENTURE AGREEMENT**

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### **1. INTRODUCTION**

The board of directors (the “**Board**” or the “**Directors**”) of Forise International Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wish to announce that the Company has on 22 March 2022 entered into a joint venture agreement (the “**JVA**”) with Raffles Emi Pte. Ltd. (“**Remi**” and collectively with the Company, the “**Parties**”, with each being a “**Party**”). Under the JVA, the Parties intend to establish a joint venture company (“**JV Company**”), to be incorporated in Singapore to carry out the business of providing digital payment solution services in Singapore, Asia Pacific and other territories as the Parties may agree on from time to time (the “**Joint Venture**”).

### **2. INFORMATION ON THE JOINT VENTURE**

#### **2.1. Information on the Joint Venture partner**

- 2.1.1. Remi is an exempt private company limited by shares, incorporated in Singapore in 2007 and wholly owned by Mr. Martin Ong. Remi collaborates with various licensed digital bank and digital payment companies (platform providers), partners, continental and provincial representatives and merchants.
- 2.1.2. Remi is in the process of establishing a Merchant Membership Program (“**MMP**”) which shall incorporate Remi’s digital payment solutions system that is designed for merchants and their members in the entire ecosystem to enjoy recurrent rewards, benefits and privileges. Remi is currently involved in negotiations with vendors for the provision of digital financial solutions to intended members of the MMP to secure and mobilise financial technology resources to eliminate the pain points of merchants.
- 2.1.3. Mr. Martin Ong, the founder and CEO of First Automobile Group, has more than 20 years of experience in the automobile trade and numerous other business ventures operating cross 20 countries. His latest stint included a South African project exploring opportunities in the digital economy.

#### **2.2. Framework and salient terms of the JVA**

##### **2.2.1. Incorporation and share capital of the JV Company**

The JV Company is intended to be incorporated in Singapore as a private company limited by shares with an issued and paid-up share capital of S\$100,000. The shareholding structure of the JV Company will be as follows:

<b>Party</b>	<b>Paid-up share capital (S\$)</b>	<b>Number of shares in the JV Company</b>	<b>% of interest in the JV Company</b>
The Company	51,000	51,000	51
Remi	49,000	49,000	49
<b>Total</b>	<b>100,000</b>	<b>100,000</b>	<b>100%</b>

##### **2.2.2. Conditions Precedent**

The JVA is conditional upon the necessary consents, approvals and permits having been obtained, including the approval of the shareholders of Remi and the Company in a general meeting for the Joint Venture, where necessary. As the aggregate value of the consideration given for the Company’s proposed shareholding in the JV Company does not exceed 20% of

the Company's market capitalisation based on the total number of issued shares excluding treasury shares, the Company need not obtain the approval of its shareholders for the Joint Venture.

In addition, the JVA is conditional upon the incorporation of the JV Company and the subscription of shares in the JV Company by the Company and Remi as set out in paragraph 2.2.1 above.

#### 2.2.3. Business of the JV Company

The principal business of the JV Company will be the provision of advisory and management services, market research, marketing and promotion services in merchant "neobanking" solutions and membership loyalty programs. In future, the JV Company may also provide advisory and management services on asset digitization, blockchain application, tokenized trade finance and commercial factoring etc, according to customers' need; as well as corporate finance advisory service or such other business in Singapore, Asia Pacific and other territories ("**Territories**") as the Parties may agree on from time to time.

#### 2.2.4. Roles and responsibilities of each Party

With a view to jointly manage the JV Company, the roles and responsibilities of each Party are as follows:

- (a) The Company shall be responsible for the overall daily operations including its strategic planning, business development and financial management;
- (b) Remi shall be responsible for the management and provision of advisory and management services in merchant neobanking solutions and membership loyalty programs, including recruiting, training, and evaluating of advisory staff who will secure, serve and satisfy the clients in the Territories; and
- (c) The Parties shall consult each other and be jointly responsible for all other matters not specified in (a) and (b) above which are essential or beneficial for the Business.

#### 2.2.5. Non-competition restrictions

Under the terms of the JVA, Company and Remi are prohibited from offering to customers of the JV Company goods or services similar to or competing with those of the JV Company unless it is with the prior written consent of the other, and each are prohibited from soliciting or enticing away any director or employee of the JV Company or its subsidiaries. However, the terms of the JVA expressly provide that nothing in the JVA shall preclude or restrict the Company and its subsidiaries from carrying on any activity carried on during the period of twelve (12) months immediately preceding the date of the JVA.

#### 2.2.6. Board composition and meetings

The JV Company's board of directors ("**JV Board**") shall comprise not more than two directors (each a "**JV Director**"). The Company and Remi shall each nominate one director to the JV Board and the ratio of JV Directors nominated by the Company to JV Directors nominated by Remi shall remain 1:1 at all times. Questions arising at any meeting of the JV Board shall be decided by a simple majority of votes of directors, present and voting provided always that it must include the affirmative votes of the JV Director appointed by Remi.

#### 2.2.7. Reserved matters and general meetings

The JVA sets out certain customary reserved matters which require the unanimous approval of all the shareholders of the JV Company ("**JV Shareholders**"), and the Company and Remi may agree from time to time for matters not currently marked as reserved matters to be deemed as such. Save as for such reserved matters, all resolutions of the JV Shareholders shall be decided

by a simple majority vote of the shareholders present and voting, on the basis that each share will carry one vote.

**2.2.8. Additional working capital**

In the event that the JV Board resolves that the JV Company requires additional working capital, such capital shall be provided, in sequence, by: (i) overdraft or other borrowings from banks; and (ii) loans from the JV Shareholders.

**3. RATIONALE FOR THE JOINT VENTURE**

The Board is of the view that market demand for digital payment services will increase rapidly in the future and that the Joint Venture will enable the Group to expand its involvement in the digital payment solution services business, which falls within the scope of the Group's principal activities. The Joint Venture will also allow the Group to leverage on Remi's business network, resources, expertise and know-how.

Accordingly, the Board believes that the entry into the JVA is in the best interests of the Company.

**4. FINANCIAL EFFECTS OF THE PROPOSED SUBSCRIPTION**

The proposed subscription of 51,000 shares in the JV Company will be funded through the Company's internal resources and, at present, is not expected to have any material impact on the net tangible assets and earnings per share of the Group for the financial year ending 31 December 2022.

**5. INTERESTS OF DIRECTORS, CONTROLLING SHAREHOLDERS AND SUBSTANTIAL SHAREHOLDERS**

None of the directors, controlling shareholders or substantial shareholders of the Company, and their respective associates, has any interest, direct or indirect, in the Joint Venture, other than through their respective shareholdings in the Company.

**6. DOCUMENTS AVAILABLE FOR INSPECTION**

A copy of the JVA, with commercially sensitive information redacted will be available for inspection during normal business hours at the Company's registered address at 15 Scotts, 15 Scotts Road, #04-08, Suite 22, Singapore 228218 for three months from the date of this announcement.

Shareholders who wish to inspect these documents at the Company's registered office are required to send an email request to [contact@foriseinternational.com](mailto:contact@foriseinternational.com) to make an appointment in advance. The inspection of documents will be arranged with each Shareholder to limit the number of people who are present at the registered office at any one time and such arrangements are subject to prevailing regulations, orders, advisories and guidelines relating to safe distancing which may be implemented by the relevant authorities from time to time.

**7. FURTHER ANNOUNCEMENTS**

Further announcements on the Joint Venture, including the incorporation of the JV Company, will be released as and when there are material developments or where appropriate.

**BY ORDER OF THE BOARD**

Peng Weile  
Executive Director  
22 March 2022