

# APPENDIX

## APPENDIX DATED 14 APRIL 2025

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

**This Appendix is issued by Goodwill Entertainment Holding Limited (the “Company” and together with its subsidiaries, the “Group”). If you are in any doubt as to the contents of this Appendix or as to any action you should take, you should consult your broker, bank manager, accountant or other professional adviser(s) immediately.**

*Unless otherwise defined, capitalised terms appearing on the cover of this Appendix bear the same meanings as defined herein.*

This Appendix is circulated to shareholders of the Company (the “Shareholders”) together with the Company’s annual report for the financial year ended 31 December 2024 (the “Annual Report”). Its purpose is to explain to Shareholders the rationale and provide information relating to, and to seek Shareholder’s approval for, the proposed adoption of the Share Buyback Mandate (as defined herein) to be tabled at the AGM (as defined herein) to be held on Tuesday, 29 April 2025 at 2.30 p.m. at 8 Grange Road, #08-01 Cathay Cineleisure, Singapore 230695.

**A printed copy of this Appendix and the Annual Report will NOT be despatched to Shareholders.** The notice of AGM and the proxy form are enclosed with the Annual Report.

If you have sold or transferred all your issued and fully paid ordinary shares in the capital of the Company (“Shares”) held through The Central Depository (Pte) Limited (“CDP”), you need not forward this Appendix to the purchaser or transferee as arrangements will be made by CDP for a separate Appendix to be sent to the purchaser or transferee. If you have sold or transferred all your Shares represented by physical share certificate(s), you should immediately forward this Appendix, together with the Annual Report, the Notice of AGM and the accompanying Proxy Form to the purchaser or transferee or to the bank, stockbroker or agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

This Appendix 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 Singapore Exchange Securities Trading Limited (the “SGX-ST”).

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

The contact person for the Sponsor is Mr Jerry Chua (Registered Professional, Evolve Capital Advisory Private Limited), 160 Robinson Road, #20-01/02, SBF Center, Singapore 068914, tel: (65) 6241 6626.



## **GOODWILL ENTERTAINMENT HOLDING LIMITED**

(Company Registration No. 201633838K)  
(Incorporated in the Republic of Singapore)

### **APPENDIX TO THE ANNUAL REPORT**

#### **IN RELATION TO**

#### **THE PROPOSED ADOPTION OF THE SHARE BUYBACK MANDATE**

# APPENDIX

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## DEFINITIONS

In this Appendix, except where the context otherwise requires, the following definitions apply throughout unless otherwise stated:

<b>"ACRA"</b>	:	The Accounting and Corporate Regulatory Authority of Singapore
<b>"AGM"</b>	:	Annual general meeting of the Company to be held on Tuesday, 29 April 2025 at 2.30 p.m. at 8 Grange Road, #08-01 Cathay Cineleisure, Singapore 239695
<b>"Annual Report"</b>	:	The Company's annual report for the FY2024
<b>"Appendix"</b>	:	This appendix to the Annual Report dated 14 April 2025
<b>"Approval Date"</b>	:	Has the meaning ascribed to it in Section 2.3.1 of this Appendix
<b>"Board"</b>	:	The board of Directors of the Company for the time being
<b>"Catalist"</b>	:	the Catalist board of the SGX-ST
<b>"Catalist Rules"</b>	:	The SGX-ST Listing Manual Section B: Rules of Catalist, as amended, modified or supplemented from time to time
<b>"CDP"</b>	:	The Central Depository (Pte) Limited
<b>"Companies Act"</b>	:	The Companies Act 1967 of Singapore, as amended, supplemented or modified from time to time
<b>"Company"</b>	:	Goodwill Entertainment Holding Limited
<b>"Constitution"</b>	:	The constitution of the Company, as amended, modified or supplemented from time to time
<b>"Controlling Shareholder"</b>	:	A person who: (a) holds directly or indirectly 15% or more of the nominal of all voting shares in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a Controlling Shareholder; or (b) in fact exercises control of the Company
<b>"Director"</b>	:	A director of the Company for the time being
<b>"EPS"</b>	:	Earnings Per Share
<b>"FY"</b>	:	Financial year ended, or as the case may be, ending 31 December
<b>"FY2024"</b>	:	financial year ended 31 December 2024
<b>"GIH2023"</b>	:	Goodwill Investment Holdings 2023 Pte. Ltd.

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<b>"GIH2023 Concert Party Group"</b>	:	Collectively refers to GIH 2023 and Mr. Flint Lu, the Executive Chairman and Chief Executive Officer of the Company
<b>"Group"</b>	:	The Company and its subsidiaries
<b>"Latest Practicable Date"</b>	:	26 March 2025, being the latest practicable date prior to the date of this Appendix
<b>"Market Day"</b>	:	A day on which the SGX-ST is open for trading in securities
<b>"Market Purchases"</b>	:	Has the meaning ascribed to it in Section 2.3.3(a) of this Appendix
<b>"Maximum Percentage"</b>	:	Has the meaning ascribed to it in Section 2.3.1 of this Appendix
<b>"Maximum Price"</b>	:	Has the meaning ascribed to it in Section 2.3.4 of this Appendix
<b>"Mengkim"</b>	:	Mengkim Holdings Pte. Ltd.
<b>"Mengkim Concert Party Group"</b>	:	Collectively refers to Mengkim, Mr. Thang Teck Jong, the Vice Chairman and Non-Executive Director of the Company, and Ms. Kong Ling Ting @ Kang Ling Ting
<b>"Mr. Flint Lu"</b>	:	Mr, Lu Mang, the Executive Chairman and Chief Executive Officer of the Company
<b>"NTA"</b>	:	Net Tangible Assets
<b>"Off-Market Purchases"</b>	:	Has the meaning ascribed to it in Section 2.3.3(b) of this Appendix
<b>"Relevant Period"</b>	:	The period commencing from the date on which the resolution in relation to the adoption of the Share Buyback Mandate is passed at a general meeting and expiring on the earliest of the date the next annual general meeting of the Company is held or is required by law to be held, or the date on which the Share Buyback is carried out to the full extent mandated, or the date the said mandate is revoked or varied by the Company in a general meeting
<b>"RF Concert Party Group"</b>	:	Collectively refers to RF Dynamic Fund and Mr. Ng Tse Meng, Independent Non-Executive Director of the Company
<b>"RF Dynamic Fund"</b>	:	RF Dynamic Fund (a sub-fund under RFWM VCC)
<b>"SFA"</b>	:	Securities and Futures Act 2001 of Singapore, as amended, supplemented or modified from time to time
<b>"SGXNET"</b>	:	Singapore Exchange Network, a system network used by listed companies in sending information and announcements to the SGX-ST or any other system networks prescribed by the SGX-ST
<b>"SGX-ST"</b>	:	Singapore Exchange Securities Trading Limited

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<b>"Share Buyback"</b>	:	The purchase or acquisition of issued Share(s) by the Company pursuant to the Share Buyback Mandate
<b>"Share Buyback Mandate"</b>	:	The general mandate given by Shareholders to authorise the Directors to purchase or otherwise acquire Shares on behalf of the Company in accordance with the terms set out in this Appendix and the rules and regulations set forth in the Companies Act and the Catalist Rules
<b>"Shareholders"</b>	:	Registered holders of Shares, except where the registered holder is CDP, the term <b>"Shareholders"</b> shall, in relation to such Shares, mean the Depositors whose securities accounts maintained with CDP are credited with the Shares
<b>"Shares"</b>	:	Ordinary shares in the capital of the Company
<b>"SIC"</b>	:	The Securities Industry Council of Singapore
<b>"Sponsor"</b>	:	The Company's sponsor, Evolve Capital Advisory Private Limited
<b>"Substantial Shareholder(s)"</b>	:	A person who holds directly or indirectly 5% or more of the total number of voting Shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company
<b>"Take-over Code"</b>	:	The Singapore Code on Take-overs and Mergers, as amended, supplemented or modified from time to time
<b>"TOC Appendix 2"</b>	:	Appendix 2 of the Take-over Code
<b>"treasury shares"</b>	:	Issued Shares of the Company which were (or are treated as having been) purchased by the Company under circumstances in which Section 76H of the Companies Act applies and have since purchase been continuously held by the Company
<b>"S\$" and "cents"</b>	:	Singapore dollars and cents respectively
<b>"%" or "percent"</b>	:	Percentage or per centum

The terms **"Depositor"**, **"Depository Agent"** and **"Depository Register"** shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act 2001 of Singapore (as amended, supplemented or modified from time to time).

The term **"subsidiary"** shall have the same meaning ascribed to it in Section 5 of the Companies Act. The term **"treasury shares"** shall have the same meaning ascribed to it in Section 4 of the Companies Act. The term **"subsidiary holdings"** is defined in the Catalist Rules to mean shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*.

References to persons shall include corporations.

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Any reference in this Appendix to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act or any statutory modification thereof and not otherwise defined in this Appendix shall have the same meaning assigned to it under the Companies Act or any statutory modification thereof, as the case may be.

Any reference to a time of day in this Appendix is made by reference to Singapore time unless otherwise stated.

Any discrepancies in the tables in this Appendix between the sum of listed amounts and the totals thereof shown are due to rounding.

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## CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements other than statements of historical facts included in this Appendix are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “expect”, “anticipate”, “believe”, “estimate”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “if”, “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect the Company’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders should not place undue reliance on such forward-looking statements. Further, the Company disclaim any responsibility to update or revise any forward-looking statements for any reason, even if new information becomes available or other events occur in the future, subject to compliance with all applicable laws and regulations and/or the rules of the SGX-ST and/or any other regulatory or supervisory body or agency.

# APPENDIX

## LETTER TO SHAREHOLDERS

### GOODWILL ENTERTAINMENT HOLDING LIMITED

(Company Registration No. 201633838K)  
(Incorporated in the Republic of Singapore)

#### Directors:

Mr. Flint Lu (Executive Chairman and Chief Executive Officer)  
Mr. Thang Teck Jong (Vice Chairman and Non-Executive Director)  
Mr. Huang Junli, Christopher (Lead Independent Non-Executive Director)  
Mr. Ng Tse Meng (Independent Non-Executive Director)  
Mr. Foong Daw Ching (Independent Non-Executive Director)

#### Registered Office:

33 Ubi Avenue 3  
#05-16 Vertex  
Singapore 408868

14 April 2025

To: The Shareholders of Goodwill Entertainment Holding Limited

Dear Sir/Madam,

#### PROPOSED ADOPTION OF THE SHARE BUYBACK MANDATE

##### 1. INTRODUCTION

- 1.1. The Directors refer to the Notice of AGM dated 14 April 2025 accompanying the Annual Report of the Company for FY2024, and the ordinary resolutions set out in the Notice of AGM in relation to the proposed adoption of a share buyback mandate (the "**Share Buyback Mandate**").
- 1.2. The purpose of this Appendix is to provide the Shareholders with the relevant information relating to, and to explain the rationale for, the proposed adoption of the Share Buyback Mandate and to seek the Shareholders' approval for the resolution in respect thereof to be tabled at the AGM to be held on Tuesday, 29 April 2025 at 2.30 p.m. at 8 Grange Road, #08-01 Cathay Cineleisure, Singapore 239695.
- 1.3. This Appendix has been prepared solely for the purpose set out herein and may not be relied on by any persons (other than the Shareholders) nor for any other purpose.
- 1.4. Icon Law LLC is the legal adviser to the Company in relation to the proposed adoption of the Share Buyback Mandate to be tabled at the AGM.
- 1.5. The SGX-ST assumes no responsibility for the contents of this Appendix, including the correctness of any of the statements made, opinions expressed, or reports contained in this Appendix.

##### 2. THE PROPOSED ADOPTION OF THE SHARE BUYBACK MANDATE

###### 2.1. Background

Any purchase or acquisition of Shares by the Company must be made in accordance with, and in the manner prescribed by the Companies Act, the Catalist Rules, the Constitution, and such other laws and regulations as may, for the time being, be applicable.

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Regulation 13(b) of the Company's Constitution expressly permits the Company to purchase or otherwise acquire its issued Shares on such terms as the Company may think fit, and in the manner prescribed by the Companies Act. The Company is also required to obtain approval of Shareholders at a general meeting if it wishes to purchase or acquire its own Shares. As the Company is listed on the Catalist, apart from the Companies Act and its Constitution, the Company is also required to comply with Part XI of Chapter 8 of the Catalist Rules, which relates to the purchase or acquisition by an issuer of its own shares.

Accordingly, approval is being sought from Shareholders at the AGM for the proposed adoption of the Share Buyback Mandate. The Share Buyback Mandate is a general mandate to be given by Shareholders that allows the Company to purchase or acquire its issued Shares at any time during the Relevant Period and on the terms of the Share Buyback Mandate.

If the Share Buyback Mandate is approved by Shareholders at the AGM, the authority conferred by the Share Buyback Mandate will take effect from the date of the AGM at which the proposed adoption of the Share Buyback Mandate is approved and continues to be in force for the duration of the Relevant Period, which is until the earliest of the date on which the next annual general meeting of the Company is held or is required by law to be held, or when Share Buybacks pursuant to a Share Buyback Mandate are carried out to the full extent mandated, or the date the said mandate is varied or revoked by the Company in general meeting (whereupon it will lapse, unless renewed at such meeting).

## **2.2. Rationale for the Share Buyback Mandate**

The proposed adoption of the Share Buyback Mandate would give the Company the flexibility to purchase or acquire Shares of the Company if and when circumstances permit, up to the 10% limit described in Section 2.3.1 below at any time as and when appropriate, subject to market conditions, during the period when the Share Buyback Mandate is in force.

The rationale for the adoption of the Share Buyback Mandate to allow the Company to undertake a purchase or acquisition of its Shares is as follows:

- (a) the Share Buyback Mandate would give the Company the flexibility to undertake purchases or acquisitions of its Shares at any time, subject to market conditions, during the period when the Share Buyback Mandate is in force;
- (b) the Share Buyback Mandate would provide the Company with a mechanism to facilitate the return of surplus cash over and above its ordinary capital requirements in an expedient and cost-efficient manner;
- (c) the Share Buyback Mandate will allow the Directors to exercise greater control over the Company's share capital structure, dividend policy and cash reserves, with a view to enhancing the net tangible assets and/or earnings per Share; and
- (d) the Share Buyback Mandate would help to mitigate short-term share price volatility by stabilising the supply and demand of issued Shares and offset the effects of short-term share price speculation, thereby supporting the fundamental value of the issued Shares and bolstering Shareholders' confidence.

The purchase or acquisition of Shares will only be undertaken if the Directors believe that it can benefit the Company and Shareholders, taking into consideration factors such as the amount of surplus cash available and the prevailing market conditions. Shareholders should note that purchases or acquisitions of Shares pursuant to the Share Buyback Mandate may not be carried out at all, or to the full 10% limit as authorised. No purchase or acquisition of Shares will be made in circumstances which would have or may have a material adverse effect on the liquidity of Shares or the financial position of the Company and the Group or result in the Company being delisted.

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The Directors will use their best efforts to ensure that after a purchase or acquisition of Shares pursuant to the Share Buyback Mandate, the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or adversely affect the orderly trading and listing status of the Shares on the SGX-ST.

It should be noted that there can be no assurance that the proposed Share Buyback Mandate will achieve any desired effect, and there can be no assurance that such effect (if achieved) can be sustained in the longer term.

## 2.3. Authority and Limits of the Share Buyback Mandate

The authority and limitations placed on purchases or acquisitions of Shares by the Company under the Share Buyback Mandate, if approved at the AGM, are as follows.

### 2.3.1. Maximum Number of Shares

The Company may only purchase or acquire Shares which are issued and fully paid-up. The total number of Shares that may be purchased or acquired by the Company pursuant to the Share Buyback Mandate is limited to the number of Shares representing not more than 10% of the issued Shares (excluding any treasury shares and subsidiary holdings) ("**Maximum Percentage**") as at the date of the forthcoming AGM at which the proposed adoption of the Share Buyback Mandate is approved (the "**Approval Date**"), unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the total number of Shares of the Company shall be taken to be the total number of Shares of the Company as altered. Any Shares which are held as treasury shares will be disregarded for the purpose of computing the 10% limit.

**For illustrative purposes only**, based on the issued share capital of the Company as at the Latest Practicable Date of 400,000,000 Shares (excluding treasury shares and subsidiary holdings), and assuming that the number of Shares (excluding treasury shares and subsidiary holdings) of the Company remains unchanged up to the date of the AGM, not more than 40,000,000 Shares, representing 10% of the issued Shares (excluding treasury shares and subsidiary holdings) as at that date, may be purchased or acquired by the Company pursuant to the Share Buyback Mandate. As at the Latest Practicable Date, the Company does not have any treasury shares and subsidiary holdings.

The Company may not acquire its own Shares if as a result thereof, the issued share capital of the Company would be reduced below the minimum subscribed capital specified in the Constitution, or if the Share Buyback is carried out to such an extent that it affects the listing status of the Company on the Catalist or causes the Company to be unable to meet the minimum free float requirement as set out in Section 2.8.2 of this Appendix.

Based on the total number of issued Shares held by the public as at the Latest Practicable Date of 60,872,471 Shares representing approximately 15.22% of the total number of issued Shares of the Company (there being no treasury shares held by the Company as at the Latest Practicable Date), the maximum number of Shares that the Company may acquire or purchase pursuant to the Share Buyback Mandate in order to remain compliant with the minimum free float requirement (of not less than 10%) would be 20,000,000, representing not more than approximately 5% of the issued and paid-up share capital of the Company.

### 2.3.2. Duration of Authority

Purchases or acquisitions of Shares may be made, at any time and from time to time, from the Approval Date up to the earliest of:

- (a) the date on which the next annual general meeting of the Company is held or required by law to be held;

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- (b) the date on which purchases or acquisitions have been carried out to the full extent of the Share Buyback Mandate; or
- (c) the date on which the authority conferred by the Share Buyback Mandate is varied or revoked by an ordinary resolution of Shareholders in a general meeting.

The authority conferred on the Directors by the Share Buyback Mandate may be renewed at each subsequent annual general meeting or other general meeting(s) of the Company.

When seeking the approval of Shareholders for the renewal of the Share Buyback Mandate, the Company is required to disclose details pertaining to purchases or acquisitions of Shares pursuant to the Share Buyback Mandate made during the previous 12 months, including the total number of Shares purchased or acquired, the purchase or acquisition price per Share or the highest and lowest prices paid for such purchases or acquisitions of Shares, where relevant, and the total consideration paid for such purchases or acquisitions of Shares, as well as any other requirements prescribed under the Catalist Rules.

## 2.3.3. Manner of Share Buybacks

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

- (a) on-market purchases ("**Market Purchases**") transacted on the SGX-ST transacted through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or
- (b) off-market purchases ("**Off-Market Purchases**") effected otherwise than on the SGX-ST in accordance with any equal access scheme(s) as may be determined or formulated by the directors of the Company as they consider fit, such scheme(s) shall satisfy all the conditions prescribed by the Companies Act and the Catalist Rules.

Under the Companies Act, an Off-Market Purchase must satisfy all the following conditions:

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

In addition, Rule 870 of the Catalist Rules provides that, in making an Off-Market Purchase, the Company must issue an offer document to all Shareholders, which must contain at least the following information:

- (A) the terms and conditions of the offer;
- (B) the period and procedures for acceptances;

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- (C) the reasons for the proposed purchase or acquisition of Shares;
- (D) the consequences, if any, of Share Buyback by the Company that will arise under the Take-over Code or other applicable take-over rules;
- (E) whether the purchase or acquisition of Shares, if made, would have any effect on the listing of the Shares on the SGX-ST;
- (F) details of any purchase or acquisition of Shares made by the Company in the previous 12 months (whether Market Purchases or Off-Market Purchases), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases; and
- (G) whether the Shares purchased or acquired by the Company will be cancelled or kept as treasury shares.

## 2.3.4. **Maximum Purchase or Acquisition Price**

The purchase or acquisition price (excluding brokerage, commissions, stamp duties, applicable goods and services tax and other related expenses) to be paid for a Share purchased or acquired pursuant to the Share Buyback Mandate will be determined by the Directors, provided that such purchase price must not exceed:

- (a) in the case of a Market Purchase, 105% of the Average Closing Price of the Shares; and
- (b) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120% of the Average Closing Price of the Shares,

(the "**Maximum Price**") in either case, excluding brokerage, stamp duties, applicable goods and services tax and other related expenses of the purchase and acquisition.

For the above purposes of determining the Maximum Price:

"**Average Closing Price**" means the average of the closing market prices of a Share over the last five (5) Market Days on which transactions in Shares were recorded, immediately preceding the day of the Market Purchase by the Company; or, as the case may be, the day of the making of the offer (as defined below) pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after such five (5) Market Day period;

"**day of the making of the offer**" means the day on which the Company announces its intention to make an offer for the purchase of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

## 2.4. **Status of Purchased or Acquired Shares under the Share Buyback Mandate**

Under the Companies Act, any Share which is purchased or acquired by the Company is deemed cancelled immediately on such purchase or acquisition (and all rights and privileges attached to that Share will expire on such cancellation) unless such Share is held by the Company as a treasury share.

At the time of each purchase or acquisition of Shares by the Company, the Directors will decide whether the Shares purchased or acquired will be cancelled or held as treasury shares, or partly cancelled and partly kept as treasury shares, depending on the needs of the Company and as the Directors deem fit in the interests of the Company at that time

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## 2.4.1. Cancelled Shares

Where Shares purchased or acquired by the Company are cancelled, the Company shall:

- (a) reduce the amount of its share capital where the Shares were purchased or acquired out of the capital of the Company;
- (b) reduce the amount of its profits where the Shares were purchased or acquired out of the profits of the Company; or
- (c) reduce the amount of its share capital and profits proportionately where the Shares were purchased or acquired out of both the capital and the profits of the Company,

by the total amount of the purchase price paid by the Company for the Shares cancelled.

Shares which are cancelled will be automatically delisted by the SGX-ST, and certificates in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following such cancellation. The total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company which are cancelled and not held as treasury shares.

## 2.4.2. Treasury Shares

Under the Companies Act, Shares purchased or acquired by the Company may be held or dealt with as treasury shares. According to the key provisions on treasury shares under the Companies Act:

### (a) Maximum Holdings

Under the Companies Act, the number of Shares held as treasury shares cannot at any time exceed 10% of the total number of issued Shares.

In the event that the Company holds more than 10% of the total number of its issued Shares as treasury shares, the Company shall dispose of or cancel the excess treasury shares in the manner set out under Section 2.4.2(c) below within six (6) months beginning with the day on which that contravention occurs, or such further period as the Registrar of Companies may allow.

The Company has no Shares held as treasury shares as at the Latest Practicable Date.

### (b) Voting and Other Rights

If the Company holds Shares as treasury shares, the Company shall be entered in the register of members as the member holding the Shares. However, the Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at general meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distributions of assets to members on a winding up) may be made to the Company in respect of treasury shares.

However, the allotment of Shares as fully paid bonus shares in respect of treasury shares is allowed. Also, a subdivision or consolidation of any treasury share into treasury shares of a smaller amount is allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

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## (c) Disposal and Cancellation

Pursuant to Section 76K of the Companies Act, where Shares are held as treasury shares, the Company may at any time, but subject always to the Take-over Code:

- (i) sell the treasury shares (or any of them) for cash;
- (ii) transfer the treasury shares for the purposes of or pursuant to any share scheme, performance share plan or share incentive scheme of the Company then in force, whether for employees, directors or other persons;
- (iii) transfer the treasury shares (or any of them) as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (iv) cancel the treasury shares (or any of them); or
- (v) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance of Singapore.

Under Rule 704(31) of the Catalist Rules, an immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares (in each case, the “usage”). Such announcement must include details such as the date of the usage, the purpose of the usage, the number of Treasury Shares comprised in the usage, the number of treasury shares before and after the usage, the percentage of the number of treasury shares comprised in the usage against the total number of shares outstanding in a class that is listed before and after the usage and the value of the treasury shares comprised in the usage.

## 2.5. Reporting Requirements

Within 30 days of the passing of the Shareholders’ resolution to approve any purchase or acquisition of Shares by the Company, the Company shall lodge a copy of such resolution with ACRA. The Company shall notify ACRA within 30 days of a purchase or acquisition of Shares on the Catalist or otherwise. Such notification shall include details of the purchase, including the date of the purchase or acquisition, the total number of Shares purchased or otherwise acquired by the Company, the number of Shares cancelled, the number of Shares held as treasury shares, the Company’s issued ordinary share capital before the purchase or acquisition of Shares and after the purchase or acquisition of Shares, the amount of consideration paid by the Company for the purchase or acquisition, whether the Shares were purchased or acquired out of the profits or the capital of the Company and such other particulars as may be required by ACRA.

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

In addition, under Rule 704(31) of the Catalist Rules, an immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares. Such announcement must include details such as:

- (a) the date of the sale, transfer, cancellation and/or use of such treasury shares;
- (b) the purpose of such sale, transfer, cancellation and/or use of such treasury shares;
- (c) the number of treasury shares which have been sold, transferred, cancelled and/or used;
- (d) the number of treasury shares before and after such sale, transfer, cancellation and/or use;

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- (e) the percentage of the number of treasury shares against the total number of issued Shares (of the same class as the treasury shares) which are listed before and after such sale, transfer, cancellation and/or use; and
- (f) the value of the treasury shares if they are used for a sale or transfer, or cancelled.

Further to these reporting obligations, the Catalist Rules specifies that a listed company shall announce on the SGXNET all purchases or acquisitions of its shares no later than 9.00 a.m.:

- (i) in the case of a Market Purchase, on the Market Day following the day on which the Market Purchase was made; and
- (ii) in the case of an Off-Market Purchase, on the second Market Day after the close of acceptance of the offer for the Off-Market Purchase.

Such announcement shall be in the form of Appendix 8D (Daily Share Buyback Notice) prescribed by the Catalist Rules. The Company shall make arrangements with its stockbrokers to ensure that they provide to the Company in a timely fashion the necessary information which will enable the Company to make the necessary announcements.

## **2.6. Source of Funds**

In purchasing or acquiring Shares under the Share Buyback Mandate, the Company may only apply funds legally available for such purchase in accordance with its Constitution and the applicable laws in Singapore. The Company may not purchase or acquire Shares for a consideration other than cash or, in the case of a Market Purchase, for settlement otherwise than in accordance with the Catalist Rules.

The Companies Act permits the Company to purchase or acquire its Shares out of capital or distributable profits so long as the Company is solvent. Pursuant to Section 76F(4) of the Companies Act, the Company is solvent if at the date of the payment for the Shares purchased or acquired, the following conditions are satisfied:

- (a) there is no ground on which the Company could be found to be unable to pay its debts;
- (b) if (i) it is intended to commence winding up of the Company within the period of 12 months immediately after the date of the payment, the Company will be able to pay its debts in full within the period of 12 months after the date of commencement of the winding up; or (ii) it is not intended so to commence winding up, the Company will be able to pay its debts as they fall due during the period of 12 months immediately after the date of the payment; and
- (c) the value of the Company's assets is not less than the value of its liabilities (including contingent liabilities) and will not, after the purchase or acquisition of Shares, become less than the value of its liabilities (including contingent liabilities).

The Company will use internal sources of funds, or a combination of internal resources and external borrowings, to finance purchases or acquisitions of its Shares pursuant to the Share Buyback Mandate.

The Directors will only make purchases or acquisitions pursuant to the Share Buyback Mandate in circumstances which they believe will not result in any material adverse effect to the financial position of the Company or the Group.

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## 2.7. **Financial Effects of the Share Buyback Mandate**

**Shareholders should note that the financial effects illustrated set out in Section 2.7 herein are based on certain assumptions and purely for illustrative purposes only. In particular, it is important to note that the financial analyses set out below are based on the audited accounts of the Company and the Group for FY2024 and are not necessarily representative of the Company's actual financial position or future financial performance of the Company or the Group.**

**Although the Share Buyback Mandate would authorise the Company to buy back up to 10% of the Company's issued Shares, the Company may not necessarily buy back or be able to buy back the entire 10% of the issued Shares subject to the minimum free float requirement as set out in Section 2.8.2 of this Appendix. In addition, the Company may cancel all or part of the Shares repurchased or hold all or part of the Shares repurchased in treasury.**

It is not possible for the Company to realistically calculate or quantify the impact of purchases or acquisitions that may be made pursuant to the Share Buyback Mandate on the Company and Group's NTA and EPS as the resultant effect would depend on factors such as the aggregate numbers of Shares purchased or otherwise acquired, whether the purchase or acquisition is made out of capital or profits, the purchase price paid for such Shares and the amount (if any) borrowed by the Company to fund the purchase or acquisition and whether the Shares purchased or otherwise acquired are cancelled or held as treasury shares.

### 2.7.1. **Purchase or Acquisition made out of capital and/or profits**

Under the Companies Act, purchases or acquisitions of Shares by the Company may be made out of the Company's capital or profits so long as the Company is solvent.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of distributable profits, such consideration (including related brokerage, commission, goods and services tax, stamp duties, clearance fees and other related expenses) will correspondingly reduce the amount available for the distribution of cash dividends by the Company.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, such consideration (including related brokerage, commission, goods and services tax, stamp duties, clearance fees and other related expenses) will not affect the amount available for distribution in the form of cash dividends by the Company.

In determining whether the Company is solvent, the Directors must have regard to the most recently audited financial statements, other relevant circumstances, and may rely on valuations of assets or estimates of liabilities. In determining the value of the contingent liabilities, the Directors may take into account the likelihood of the contingency occurring, as well as any counter-claims by the Company.

### 2.7.2. **Number of Shares purchased or acquired**

As at the Latest Practicable Date, based on the issued and paid-up share capital of the Company of 400,000,000 Shares, and assuming no further Shares are issued on or prior to the AGM and that the Company has sufficient free float of at least 10%, the purchase or acquisition by the Company of not more than the Maximum Percentage will result in the purchase or acquisition of 40,000,000 Shares.

The aforesaid Maximum Percentage does not take into account the current level of free float of the Company of approximately 15.22%, and is on the assumption that the Company's current level of free float has increased to allow for Share Buybacks up to the Maximum Percentage of 10%. For the avoidance of doubt, Shareholders should note that the total number of Shares that may be purchased or acquired by the Company pursuant to the Share Buyback Mandate is limited to that number of Shares representing not more than 10% of the issued Shares, subject to the free float requirement as set out in Section 2.8.2 of this Appendix.

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## 2.7.3. Maximum Price paid for Shares purchased or acquired

Assuming that the Company purchases or acquires or makes an offer to 40,000,000 Shares, the maximum amount of funds (excluding related expenses of the purchase or acquisition) required for the purchase or acquisition of the 40,000,000 Shares, representing 10% of its issued Shares as at the Latest Practicable Date:

- (a) in the case of Market Purchases, assuming that the Company purchases or acquires 40,000,000 Shares at the Maximum Price of S\$0.170 for each Share (being 105% of the Average Closing Price of the Shares over the last five (5) Market Days on which the Shares are transacted on the SGX-ST immediately preceding the Latest Practicable Date) and accordingly the maximum amount of funds required for effecting such On-Market Purchases (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses), would amount to approximately S\$6,800,000; and
- (b) in the case of Off-Market Purchases, assuming that the Company purchases or acquires 40,000,000 Shares at the Maximum Price of S\$0.194 for each Share (being 120% of the Average Closing Price of the Shares over the last five (5) Market Days on which the Shares are transacted on the SGX-ST immediately preceding the Latest Practicable Date) and accordingly the maximum amount of funds required for effecting such Off-Market Purchases (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses), would amount to approximately S\$7,760,000.

the financial effects of Share Buyback by the Company pursuant to the Share Buyback Mandate on the audited consolidated financial statements of the Group for the FY2024, are set out below.

## 2.7.4. Illustrative Financial Effects

**The financial effects of the purchases and acquisitions of Shares as set out below are purely for illustrative purposes only and do not reflect the actual financial performance or position of the Group. In particular, it is important to note that the financial analysis set out below are based on the audited consolidated financial statements for FY2024 and are not necessarily representative of the future financial performance of the Group.**

The financial effects of the acquisition of Shares by the Company pursuant to the Share Buyback Mandate by way of purchases made out of profits are similar to that of purchases made out of capital. Therefore, for illustrative purposes, only the financial effects of the acquisition of Shares pursuant to the Share Buyback Mandate by way of purchases made out of capital are set out in this Appendix.

On the basis of the key assumptions set out in the Sections 2.7.1, 2.7.2 and 2.7.3 above and assuming the following:

- (a) the purchase or acquisition of Shares is made entirely out of capital and financed solely by internal sources of funds;
- (b) the Share Buyback Mandate had been effective on 1 January 2024;
- (c) the Company had purchased or acquired 40,000,000 Shares (representing 10% of its issued Shares (excluding treasury shares and subsidiary holdings) at the Latest Practicable Date) on 1 January 2024; and
- (d) transaction and finance costs are assumed to be insignificant and have thus been ignored for the purpose of computing the financial effects;

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the financial effects of:

- (i) Market Purchase of 40,000,000 Shares by the Company pursuant to the Share Buyback Mandate which is made entirely out of capital and held as treasury shares;
- (ii) Market Purchase of 40,000,000 Shares by the Company pursuant to the Share Buyback Mandate which is made entirely out of capital and cancelled;
- (iii) Off-Market Purchase of 40,000,000 Shares by the Company pursuant to the Share Buyback Mandate which is made entirely out of capital and held as treasury shares; and
- (iv) Off-Market Purchase of 40,000,000 Shares by the Company pursuant to the Share Buyback Mandate which is made entirely out of capital and cancelled,

on the audited financial statements of the Company and the Group for FY2024 pursuant to the Share Buyback Mandate and on the assumption that the Company has sufficient free float of at least 10%, in a Market Purchase or Off-Market Purchase pursuant to the Share Buyback Mandate, are summarised in the following tables:

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## (1) Market Purchase or Off-Market Purchases made entirely out of capital and held as treasury shares

As at 31 December 2024	Group			Company		
	Before Share Buyback	After Market Purchase	After Off-Market Purchase	Before Share Buyback	After Market Purchase	After Off-Market Purchase
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Profit attributable to the owners of the Company	4,410	4,410	4,410	2,108	2,108	2,108
Share capital	17,005	17,005	17,005	17,005	17,005	17,005
Other reserves	633	633	633	(102)	(102)	(102)
Treasury shares	–	(6,800)	(7,760)	–	(6,800)	(7,760)
Retained earnings	2,465	2,465	2,465	2,039	2,039	2,039
Shareholders' funds/ Total Equity	20,103	13,303	12,343	18,942	12,142	11,182
NTA <sup>(1)</sup>	20,100	13,300	12,340	18,939	12,139	11,179
Current assets	23,931	17,131	16,171	23,588	16,788	15,828
Current liabilities	17,396	17,396	17,396	10,731	10,731	10,731
Working capital	6,535	(265)	(1,225)	12,857	6,057	5,097
Total liabilities	31,653	31,653	31,653	14,995	14,995	14,995
Total borrowing <sup>(2)</sup>	22,784	22,784	22,784	6,633	6,633	6,633
Cash and cash equivalents	18,807	25,607	26,567	9,976	3,176	2,216
Number of Shares ('000)	400,000	400,000	400,000	400,000	400,000	400,000
Number of Treasury Shares ('000)	–	40,000	40,000	–	40,000	40,000
Number of Shares Excluding Treasury Shares ('000)	400,000	360,000	360,000	400,000	360,000	360,000
Weighted Average Number of Shares ('000)	362,187	322,187	322,187	362,187	322,187	322,187
<b>Financial Ratios</b>						
NTA per Share <sup>(1)</sup> (cents)	5.03	3.69	3.43	4.73	3.37	3.11
Gearing ratio <sup>(3)</sup> (times)	1.13	1.71	1.85	0.35	0.55	0.59
Current ratio <sup>(4)</sup> (times)	1.38	0.98	0.93	2.20	1.56	1.47
Basic EPS <sup>(5)</sup> (cents)	1.22	1.37	1.37	0.58	0.65	0.65

### Notes:

- (1) NTA equals total equity less intangible assets and non-controlling interests. NTA per Share equals NTA divided by the number of Shares (excluding treasury shares) as at 31 December 2024.
- (2) Total borrowings comprise of external bank borrowings and lease liabilities as at 31 December 2024.
- (3) Gearing ratio equals total borrowings divided by shareholders' funds (excluding non-controlling interest).
- (4) Current ratio equals current assets divided by current liabilities.
- (5) Basic EPS equals profit attributable to owners of the Group and Company divided by the weighted average number of Shares (excluding treasury shares) as at 31 December 2024.

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## (2) Market Purchase or Off-Market Purchase of Shares and cancelled

As at 31 December 2024	Group			Company		
	Before Share Buyback	After Market Purchase	After Off-Market Purchase	Before Share Buyback	After Market Purchase	After Off-Market Purchase
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Profit Attributable to the Owners of the Company	4,410	4,410	4,410	2,108	2,108	2,108
Share Capital	17,005	10,205	2,445	17,005	10,205	9,245
Other Reserves	633	633	633	633	633	633
Treasury Shares	–	–	–	–	–	–
Retained Earnings	2,466	2,466	2,466	2,040	2,040	2,040
Shareholders' Funds/ Total Equity	20,104	13,304	5,544	19,678	12,878	11,918
NTA <sup>(1)</sup>	20,101	12,341	12,341	19,675	11,915	11,915
Current assets	23,931	17,131	16,171	23,588	16,788	15,828
Current liabilities	17,396	17,396	17,396	10,731	10,731	10,731
Working capital	6,535	(265)	(1,225)	12,857	6,057	5,097
Total liabilities	31,653	31,653	31,653	14,995	14,995	14,995
Total borrowing <sup>(2)</sup>	22,784	22,784	22,784	6,633	6,633	6,633
Cash and cash equivalents	18,807	12,007	11,047	9,976	3,176	2,216
Number of Shares <sup>(2)</sup> ('000)	400,000	360,000	360,000	400,000	360,000	360,000
Number of Treasury Shares ('000)	–	–	–	–	–	–
Number of Shares Excluding Treasury Shares ('000)	400,000	360,000	360,000	400,000	360,000	360,000
Weighted Average Number of Shares ('000)	362,187	322,187	322,187	362,187	322,187	322,187
<b>Financial Ratios</b>						
NTA per Share <sup>(1)</sup> (cents)	5.03	3.43	3.43	4.92	3.31	3.31
Gearing ratio <sup>(3)</sup> (times)	0.44	0.67	1.61	0.33	0.51	0.55
Current ratio <sup>(4)</sup> (times)	1.38	0.98	0.93	2.20	1.56	1.47
Basic EPS <sup>(5)</sup> (cents)	1.22	1.37	1.37	0.58	0.65	0.65

### Notes:

- (1) NTA equals total equity less intangible assets and non-controlling interests. NTA per Share equals NTA divided by the number of Shares (excluding treasury shares) as at 31 December 2024.
- (2) Computed based on the total number of 360,000,000 Shares following the Share Buyback by the Company.
- (3) Gearing ratio equals total borrowings divided by shareholders' funds (excluding non-controlling interest).
- (4) Current ratio equals current assets divided by current liabilities.
- (5) Basic EPS equals profit attributable to owners of the Group and Company divided by the weighted average number of Shares (excluding treasury shares) as at 31 December 2024.

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The actual impact will depend on the number and price of the Shares bought back. The Directors do not propose to exercise the Share Buyback Mandate to such an extent that it would have a material adverse effect to the financial position of the Company or the Group. The purchase of Shares will only be effected after assessing the relative impact of a share buyback taking into consideration both financial factors (such as cash surplus, debt position and working capital requirements) and non-financial factors (such as trading liquidity, share market conditions and performance of the Shares).

## **2.8. Other Applicable Catalyst Rules and Legislation**

### **2.8.1. Restrictions of Share Buybacks**

While the Catalyst Rules do not expressly prohibit any purchase of shares by a listed company during any particular time or times, because the listed company would be regarded as an “insider” in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the proposed Share Buyback Mandate at any time after a price sensitive development has occurred or has been the subject of a decision until the price sensitive information has been publicly announced.

In particular, in observing the best practices recommended in the Catalyst Rules on dealings in securities, the Company will not purchase or acquire any Shares pursuant to the proposed Share Buyback Mandate during the period commencing two (2) weeks immediately preceding the announcement of the Company’s financial statements for each of the first three quarters of its financial year and one (1) month immediately preceding the announcement of the Company’s financial statements of its full-year and ending on the date of the announcement of the relevant results.

### **2.8.2. Free Float**

The Company is required under Rule 723 of the Catalyst Rules to ensure that at least 10% of its issued Shares (excluding treasury shares and subsidiary holdings, if any) are in the hands of the public, and “public” is defined as persons other than the Directors, Chief Executive Officer, Substantial Shareholders and Controlling Shareholders of the Company or its subsidiaries, as well as the associates (as defined in the Catalyst Rules) of such persons.

As at the Latest Practicable Date, there were approximately 60,872,471 issued Shares in the hands of the public (as defined above), representing approximately 15.22% of the total number of issued Shares of the Company (there being no treasury shares held by the Company as at the Latest Practicable Date). In the event that the Company purchases the maximum of 10% limit pursuant to the Share Buyback Mandate from such public Shareholders, the resultant percentage of the issued Shares held by the public Shareholders would be reduced to approximately 5.22%.

Having regard to the current level of free float of the Company of approximately 15.22%, the Company shall only undertake Share Buybacks up to the Maximum Percentage of 10% if and when the Company’s level of free float subsequently increases to allow for the Company to maintain at least 10% of its listed securities in the hands of public Shareholders and that the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or to affect orderly trading. In particular, during the Relevant Period, in the event the Company undertakes Share Buybacks up to 5% of the issued Shares as at the Approval Date (and assuming the current level of free float of the Company of approximately 15.22%, remains unchanged), any further Share Buybacks shall only be undertaken upon the prior approval and written confirmation of the Board that the Company has sufficient free float subsequent to such Share Buyback.

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The Directors will at all times ensure that when purchasing any Shares pursuant to the Share Buyback Mandate, the Company will not carry out any purchase or acquisition of Shares unless at least 10% of its listed securities can be maintained in the hands of public Shareholders and that the number of Shares remaining in the hands of the public will not fall to such a level as to affect the listing status of the Company, cause market illiquidity of the Shares or to affect orderly trading of the Shares.

The Company will ensure that, during the Relevant Period, in the event the Company undertakes Share Buybacks up to 5% of the issued Shares as at the Approval Date (and assuming no change in the current free float of approximately 15.22%), any further Share Buybacks shall only be undertaken upon the prior approval and written confirmation of the Board that the Company has sufficient free float subsequent to such Share Buyback.

## **2.9. Tax Implications**

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

## **2.10. Interested Persons**

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

## **2.11. Implications of the Take-Over Code**

The TOC Appendix 2 contains the Share Buy-Back Guidance Note applicable as at the Latest Practicable Date. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below.

### **2.11.1. Obligation to Make a Take-over Offer**

Rule 14 of the Take-over Code provides that unless exempted (or if exempted, such exemption is subsequently revoked), any person will incur an obligation to make a take-over offer if, as a result of a purchase of Shares by the Company:

- (a) the percentage of voting rights held by such person (taken together with shares held or acquired by persons acting in concert with him) in the Company increases to 30% or more; or
- (b) if they together hold between 30% and 50% of the Company's voting rights, their voting rights increase by more than 1% in any period of six (6) months.

If as a result of any purchase or acquisition by the Company of its Shares, a Shareholder's proportionate interest in the voting capital of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. If such increase results in a change in control, or as a result of such increase a Shareholder or group of Shareholders acting in concert obtain or consolidate control, it may in certain circumstances give rise to an obligation on the part of such Shareholder or Shareholders to make a take-over offer under Rule 14 of the Take-over Code.

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## 2.11.2. Persons Acting in Concert

Under the Take-over Code, persons acting in concert ("**concert parties**") comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal) co-operate, through the acquisition by any of them of shares in a company to obtain or consolidate control of that company.

Unless the contrary is established, the following persons, *inter alia*, will be presumed to be acting in concert:

- (a) a company with its parent company, its subsidiaries, its fellow subsidiaries, any associated companies of the foregoing companies, any company whose associated companies include any of the foregoing companies, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing for the purchase of voting rights;
- (b) a company with any of its directors (together with their close relatives, related trusts and any companies controlled by any of the directors, their close relatives and related trust);
- (c) a company with any of its pension funds and employee share schemes;
- (d) a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;
- (e) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of the adviser and the persons controlling, controlled by or under the same control as the adviser and all the funds which the adviser manages on a discretionary basis, where the shareholdings of the adviser and any of those funds in the client total 10% or more of the client's equity share capital;
- (f) directors of a company, together with their close relatives, related trusts and companies controlled by any of them, which is subject to an offer or where they have reason to believe a bona fide offer for their company may be imminent;
- (g) partners; and
- (h) an individual, his close relatives, his related trusts, any person who is accustomed to act in accordance with the instructions of the individual, companies controlled by any of the foregoing persons, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing persons and/or entities for the purchase of voting rights.

For this purpose, ownership or control of 20% but not more than 50% of the equity share capital of a company will be regarded as the test of associated company status.

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

## 2.11.3. Effect of Rule 14 and TOC Appendix 2

In general terms, the effect of Rule 14 of the Take-over Code and TOC Appendix 2 is that, unless exempted, Directors and their concert parties will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code if, as a result of any purchase or acquisition by the Company of its Shares, the voting rights of such Directors and their concert parties respectively would increase to 30% or more, or if the voting rights of such Directors and their concert parties hold between 30% and 50% of the Company's voting rights, if the voting rights of such Directors and their concert parties would increase by more than 1% in any period of six (6) months.

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Under TOC Appendix 2, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 of the Take-over Code if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder would increase to 30% or more, or, if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of six (6) months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Buyback Mandate.

The details of the shareholdings of the Directors and Substantial Shareholders of the Company as at the Latest Practicable Date are set out in Section 3 below. Save as disclosed in Section below, the Directors and the Substantial Shareholders of the Company do not have any interest, whether direct or indirect, in the Shares.

## 2.11.4. **Exemption under TOC Appendix 2 and conditions for exemption from having to make a general offer under Rule 14 of the Take-Over Code**

Section 3(a) of TOC Appendix 2 sets out the following conditions for exemption from the obligation to make a general offer under Rule 14 of the Take-over Code in the case of directors and persons acting in concert with them incurring such an obligation as a result of a market acquisition under Section 76E of the Companies Act or an off-market acquisition on an equal access scheme under Section 76C of the Companies Act:

- (a) the circular to shareholders on the resolution to authorise a buy-back to contain advice to the effect that by voting for the buy-back resolution, shareholders are waiving their right to a general offer at the required price from directors and parties acting in concert with them who, as a result of the company buying back its shares, would increase their voting rights to 30% or more, or, if they together hold between 30% and 50% of the company's voting rights, would increase their voting rights by more than 1% in any period of six (6) months; and the names of such directors and persons acting in concert with them, their voting rights at the time of the resolution and after the proposed buy-back to be disclosed in the same circular;
- (b) the resolution to authorise a share buy-back to be approved by a majority of those shareholders present and voting at the meeting on a poll who could not become obliged to make an offer as a result of the share buy-back;
- (c) directors and/or persons acting in concert with them to abstain from voting for and/or recommending shareholders to vote in favour of the resolution to authorise the share buy-back;
- (d) within seven (7) days after the passing of the resolution to authorise a buy-back, each of the directors to submit to the SIC a duly signed form as prescribed by the SIC;
- (e) directors and/or persons acting in concert with them not to have acquired and not to acquire any shares between the date on which they know that the announcement of the share buy-back proposal is imminent and the earlier of: (i) the date on which the authority of the share buy-back expires; and (ii) the date on which the company announces it has bought back such number of shares as authorised by shareholders at the latest general meeting or it has decided to cease buying back its shares, as the case may be, if such acquisitions, taken together with the buy-back, would cause their aggregate voting rights to increase to 30% or more; and
- (f) directors and/or persons acting in concert with them, together holding between 30% and 50% of the company's voting rights, not to have acquired and not to acquire any shares between the date on which they know that the announcement of the share buy-back proposal is imminent and the earlier of: (i) the date on which the authority of the share buy-back expires; and (ii) the date on which the company announces it has bought back such number of shares as authorised by shareholders at the latest general meeting or it has decided to cease buying back its shares, as the case may be, if such acquisitions, taken together with the buy-back, would cause their aggregate voting rights to increase by more than 1% in the preceding six (6) months.

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It follows that where the aggregate voting rights held by a director and persons acting in concert with him increase by more than 1% solely as a result of the share buy-back and none of them has acquired any shares during the relevant six (6) months period, then such director and/or persons acting in concert with him would be eligible for the SIC's exemption from the requirement to make a general offer under Rule 14 of the Take-over Code, or where already exempted, would continue to be exempted.

## 2.11.5. Application of the Take-over Code

As at the Latest Practicable Date, the following parties are presumed to be acting in concert with the Directors:

(a) GIH2023 Concert Party Group

As at the Latest Practicable Date, GIH2023 is a controlling Shareholder of the Company holding 35.67% of the issued share capital of the Company, for which Mr. Flint Lu, the Executive Chairman and Chief Executive Officer of the Company, is deemed interested in pursuant to Section 4 of the SFA. In addition, Mr. Flint Lu has a direct interest in 28.38% of the issued share capital of the Company. As such, GIH2023 and Mr. Flint Lu are deemed parties acting in concert with each other under the Take-over Code, with a total aggregate of 256,238,881 Shares, representing 64.05% of the issued share capital of the Company.

As GIH2023 and Mr. Flint Lu have an aggregate shareholding interest of more than 50% in the Company, the increase in the shareholding of the GIH2023 Concert Party Group in the event that the Company purchases the maximum number of Shares permissible under the Share Buyback Mandate **will not** require a general offer to be made under Rule 14 of the Take-over Code.

(b) Mengkim Concert Party Group

As at the Latest Practicable Date, Mengkim holds 18.77% of the issued share capital of the Company for which Mr. Thang Teck Jong, the Vice Chairman and Non-Executive Director, is deemed interested pursuant to Section 4 of the SFA. As such, Mengkim is presumed to be acting in concert with Mr. Thang Teck Jong, with a total aggregate of 75,099,724 Shares, representing 18.77% of the issued share capital of the Company.

Assuming that the Company purchases the maximum of 40,000,000 Shares (being 10% of its issued Shares excluding treasury shares and subsidiary holdings) pursuant to the Share Buyback Mandate and that such Shares are cancelled upon purchase, and assuming further that there is no change in the number of Shares held by Mengkim, the aggregate interests of Mengkim Concert Party Group would increase from 18.77% to 20.86% of the issued share capital of the Company. Accordingly, under the Take-over Code, the increase in the shareholding of the Mengkim Concert Party Group in the event that the Company purchases the maximum number of Shares permissible under the Share Buyback Mandate **will not** require a general offer to be made under Rule 14 of the Take-over Code.

(c) RF Concert Party Group

RF Dynamic Fund holds in aggregate 4,150,000 Shares, representing 1.04% of the of the Company's voting rights. Mr. Ng Tse Meng, the Independent Non-Executive Director of the Company, is the sibling of the executive director of RFWM VCC and Ruifeng Wealth Management Pte. Ltd., the fund manager of RF Dynamic Fund. Mr. Ng Tse Meng does not have any direct or deemed interest in RFWM VCC and Ruifeng Wealth Management Pte. Ltd.

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Assuming that the Company purchases the maximum of 40,000,000 Shares (being 10% of its issued Shares excluding treasury shares and subsidiary holdings) pursuant to the Share Buyback Mandate and that such Shares are cancelled upon purchase, and assuming further that there is no change in the number of Shares held by RF Dynamic Fund, the aggregate interests of RF Concert Party Group would increase from 1.04% to 1.15% of the issued share capital of the Company. Accordingly, under the Take-over Code, the increase in the shareholding of the RF Concert Party Group in the event that the Company purchases the maximum number of Shares permissible under the Share Buyback Mandate **will not** require a general offer to be made under Rule 14 of the Take-over Code.

Accordingly, the present total shareholding of each of the GIH2023 Concert Party Group, Mengkim Concert Party Group, and RF Concert Party Group as at the Latest Practicable Date would not require each of Mr. Flint Lu, Mr. Thang Teck Jong, and Mr. Ng Tse Meng and their concert parties (including the GIH2023 Concert Party Group, Mengkim Concert Party Group, and RF Concert Party Group) to make a general offer under Rule 14 of the Take-over Code as a result of the Company purchasing or acquiring the maximum of Shares (being 10% of its issued Shares excluding treasury shares and subsidiary holdings) pursuant to the Share Buyback Mandate.

To the best of the Directors' knowledge, save as disclosed above, there are no persons who may incur an obligation to make a take-over offer as a result of any purchase or acquisition of Shares by the Company pursuant to the Share Buyback Mandate as a result of Share Buybacks up to the Maximum Percentage as at the Latest Practicable Date. Further details of the interests of the Directors and Substantial Shareholders of the Company in Shares as at the Latest Practicable Date are set out in Section 3 of this Appendix.

**Shareholders should note that the statements in this Appendix do not purport to be a comprehensive or exhaustive description of all implications that may arise under the Take-over Code. Shareholders who are in doubt as to whether they would incur any obligation to make a take-over offer as a result of any purchase of Shares by the Company pursuant to the Share Buyback Mandate are advised to consult their professional advisers and/or the SIC and/or other relevant authorities at the earliest opportunity.**

## 2.12. Share Buyback in the Previous 12 Months

The Company does not currently have in force a Share Buyback Mandate and accordingly, has not made any purchase or acquisition of Shares in the 12 months preceding the Latest Practicable Date.

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## 3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at the Latest Practicable Date, the interests of the Directors and Substantial Shareholders in the share capital of the Company, as extracted from the Register of Directors' Shareholdings and the Register of Substantial Shareholders kept by the Company, are as follows:

	Direct Interest		Deemed Interest		Total Interest	
	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>
<b>Directors</b>						
Mr. Flint Lu <sup>(2)</sup>	113,538,957	28.38	142,699,924	35.67	256,238,881	64.05
Mr. Thang Teck Jong <sup>(3)</sup>	–	–	75,099,724	18.77	75,099,724	18.77
Mr. Huang Junli, Christopher	–	–	–	–	–	–
Mr. Ng Tse Meng	–	–	–	–	–	–
Mr. Foong Daw Ching	–	–	–	–	–	–
<b>Substantial Shareholders (other than Directors)</b>						
GIH 2023	142,699,924	35.67	–	–	142,699,924	35.67
Mengkim	75,099,724	18.77	–	–	75,099,724	18.77
Ms. Kong Ling Ting @ Kang Ling Ting <sup>(4)</sup>	–	–	75,099,724	18.77	75,099,724	18.77

### Notes:

- (1) The percentages of issued share capital are calculated based on 400,000,000 Shares in the capital of the Company as at the Latest Practicable Date.
- (2) Mr. Flint Lu is the sole shareholder of GIH2023, and pursuant to Section 4 of the SFA, he deemed to be interested in the Shares held by GIH2023.
- (3) Mr. Thang Teck Jong has an interest in 90.0% of the shares in Mengkim, and pursuant to Section 4 of the SFA, he is deemed to be interested in the Shares held by Mengkim. Mr. Thang Teck Jong is the spouse of Ms. Kong Ling Ting @ Kang Ling Ting.
- (4) Ms. Kong Ling Ting @ Kang Ling Ting has an interest in 10% of the shares in Mengkim, and pursuant to Section 4 of the SFA, she is deemed to be interested in the Shares held by Mengkim. Ms. Kong Ling Ting @ Kang Ling Ting is the spouse of Mr. Thang Teck Jong.

Save as disclosed in this Appendix, other than through their respective shareholdings in the Company, none of the Directors, Controlling Shareholder and, as far as the Directors are aware, the Substantial Shareholders, has any interest, direct or indirect, in the proposed adoption of the Share Buyback Mandate.

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## 4. DIRECTORS' RECOMMENDATION

Having fully considered, *inter alia*, the rationale, benefit and the information relating to the proposed adoption of the Share Buyback Mandate (including the terms and the rationale thereof as set out in this Appendix), the Directors are of the opinion that the proposed adoption of Share Buyback Mandate is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of the ordinary resolution set out in the Notice of AGM relating to the proposed adoption of Share Buyback Mandate.

## 5. ANNUAL GENERAL MEETING

The AGM, notice of which is set out in the Annual Report of the Company, will be held on Tuesday, 29 April 2025 at 2.30 p.m. at 8 Grange Road, #08-01 Cathay Cineleisure, Singapore 239695 for the purpose of considering and, if thought fit, passing with or without any modifications, the ordinary resolution relating to the proposed adoption of the Share Buyback Mandate as set out in the Notice of AGM.

## 6. NO DESPATCH OF PRINTED COPIES OF THE APPENDIX AND THE ANNUAL REPORT

Printed copies of this Appendix and the Annual Report will NOT be despatched to Shareholders. Copies of this Appendix and the Annual Report have been uploaded on SGXNet and are also available on the Company's website at the URL <https://goodwill.sg>.

A Shareholder will need an Internet browser and PDF reader to view these documents on SGXNet and the Company's designated website. Shareholders are advised to read this Appendix carefully in order to decide whether they should vote in favour of or against the resolution to be proposed at the AGM.

## 7. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders should note that the AGM will be convened in a physical format only. Shareholders will not be able to participate electronically in any manner whatsoever. Shareholders who are unable to attend the AGM and who wish to appoint a proxy to attend on their behalf are requested to complete, sign and return the Proxy Form attached to the Notice of AGM in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the office of Company's Share Registrar, B.A.C.S. Private Limited, located at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, or if submitted electronically, be submitted via email to the Company's Share Registrar, B.A.C.S. Private Limited at [main@zicoholdings.com](mailto:main@zicoholdings.com), not less than 72 hours before the time fixed for the AGM. The completion and return of the Proxy Form by a Shareholder will not prevent him from attending and voting at the AGM should he subsequently decide to do so, although the appointment of the proxy shall be deemed to be revoked by such attendance.

A Depositor shall not be regarded as a member of the Company entitled to attend the AGM and to speak and vote thereat unless his name appears on the Depository Register as at 72 hours before the AGM.

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## 8. DIRECTORS' RESPONSIBILITY STATEMENT

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

## 9. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are available for inspection at the registered office of the Company at 33 Ubi Avenue 3, #05-16 Vertex, Singapore 408868 during normal business hours from the date of this Appendix up to the date of the AGM:

- (a) the Annual Report; and
- (b) the Constitution.

This Appendix, Annual Report and the Constitution of the Company are available for inspection at the registered office of the Company at 33 Ubi Avenue 3 #05-16 Vertex Singapore 408868, during normal business hours from the date of this Appendix up to and including the date of the AGM.

Yours faithfully

For and on behalf of the Board of Directors of  
**GOODWILL ENTERTAINMENT HOLDING LIMITED**

**Mr. Flint Lu**  
**Executive Chairman and Chief Executive Officer**