

## CIRCULAR DATED 27 NOVEMBER 2024

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

**IF YOU ARE IN DOUBT ABOUT THE CONTENTS OF THIS CIRCULAR OR THE ACTION THAT YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT, TAX OR OTHER PROFESSIONAL ADVISER(S) IMMEDIATELY.**

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

If you have sold or transferred all your Shares in the capital of GS Holdings Limited ("**Company**", and together with its subsidiaries, the "**Group**") held through The Central Depository (Pte) Limited ("**CDP**"), you need not forward this Circular with the enclosed Notice of EGM and the enclosed Proxy Form to the purchaser or transferee as arrangements will be made by CDP for a separate Circular with the enclosed Notice of EGM and the enclosed Proxy Form to be sent to the purchaser or transferee. If you have sold or transferred all your Shares in the capital of the Company represented by physical share certificate(s) which are not deposited with the CDP, you should at once forward this Circular with the enclosed Notice of EGM and the enclosed Proxy Form immediately to the purchaser or transferee or to the bank, stockbroker or agent through whom you effected the sale or transfer, for onward transmission to the purchaser or transferee.

This Circular has been reviewed by the Company's continuing Catalist sponsor, Evolve Capital Advisory Private Limited ("**Sponsor**"). This Circular has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this Circular, including the correctness of any of the statements or opinions made or reports contained in this Circular.

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

This Circular has been made available on SGXNet which may be accessed at the URL: <https://www.sgx.com/securities/company-announcements> and the Company's website and may be accessed at the URL: <https://gsholdings.com.sg/>. A printed copy of this Circular, the Notice of EGM and the Proxy Form will be despatched to Shareholders.



### GS HOLDINGS LIMITED

(Company Registration Number: 201427862D)  
(Incorporated in the Republic of Singapore)

#### CIRCULAR TO SHAREHOLDERS IN RELATION TO:

- I. **PROPOSED ACQUISITION OF THE ENTIRE ISSUED AND FULLY PAID-UP SHARE CAPITAL OF OCTOPUS DISTRIBUTION NETWORKS PTE. LTD.;**
- II. **PROPOSED ALLOTMENT AND ISSUANCE OF 166,226,912 CONSIDERATION SHARES TO THE VENDOR FOR THE PROPOSED ACQUISITION AT THE ISSUE PRICE OF S\$0.0379 FOR EACH CONSIDERATION SHARE;**
- III. **PROPOSED ALLOTMENT AND ISSUANCE OF 14,567,901 INTRODUCER SHARES TO THE INTRODUCER IN CONNECTION WITH THE PROPOSED ACQUISITION AT THE ISSUE PRICE OF S\$0.0243 FOR EACH INTRODUCER SHARE;**
- IV. **PROPOSED ALLOTMENT AND ISSUANCE OF 652,173 AND 395,778 SPONSOR SHARES TO THE SPONSOR FOR THE PROPOSED ACQUISITION AT THE ISSUE PRICE OF S\$0.023 AND S\$0.0379 RESPECTIVELY FOR EACH SPONSOR SHARE, AND**
- V. **PROPOSED APPOINTMENT OF THE PROPOSED NEW DIRECTOR**

#### Financial Advisor to the Proposed Acquisition



#### EVOLVE CAPITAL ADVISORY PRIVATE LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 201718400R)

#### IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	11 December 2024 at 3.00 p.m.
Date and time of Extraordinary General Meeting	:	13 December 2024 at 3.00 p.m.
Place of Extraordinary General Meeting	:	Surbana Jurong Campus, 38 Cleantech Loop, Tower 8 Lift Lobby, Basement 1, Multi-purpose Room 2, Singapore 636741

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## CORPORATE INFORMATION

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<b>BOARD OF DIRECTORS</b>	:	Mr Lim Kee Way Irwin (Independent and Non-Executive Chairman) Mr Loo Hee Guan (Executive Director) Mr Tan Boon Hwa (Independent Director) Ms Pauline Teh @ Pauline Teh Abdullah (Independent Director)
<b>COMPANY SECRETARY</b>	:	Mr Tan Wei Yang
<b>REGISTERED OFFICE</b>	:	22 Sin Ming Lane Midview City #04-73 Singapore 573969
<b>SHARE REGISTRAR &amp; SHARE TRANSFER OFFICE</b>	:	<b>In.Corp Corporate Services Pte. Ltd.</b> 30 Cecil Street #19-08 Prudential Tower Singapore 049712

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## DEFINITIONS

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In this Circular, the following definitions shall apply throughout unless the context otherwise requires or otherwise stated:

<b>“Act”</b>	:	The Companies Act 1967 of Singapore
<b>“Agreement”</b>	:	The sale and purchase agreement entered into between the Parties dated 23 October 2024 in respect of the Proposed Acquisition
<b>“Announcement”</b>	:	The Company’s announcement of 23 October 2024 on SGXNet in relation to <i>inter alia</i> , the Proposed Acquisition
<b>“Appraised Value”</b>	:	Has the meaning defined in Section 2.3.4
<b>“Board”</b>	:	The board of Directors of the Company
<b>“Business”</b>	:	Has the meaning defined in Section 2.1
<b>“Cash Consideration”</b>	:	Has the meaning defined in Section 2.3.2(c)
<b>“Catalist”</b>	:	Catalist, the sponsor supervised board of the SGX-ST
<b>“Catalist Rules”</b>	:	The Listing Manual Section B: Rules of Catalist of the SGX-ST
<b>“CDP”</b>	:	The Central Depository (Pte) Limited
<b>“Circular”</b>	:	This circular to Shareholders dated 27 November 2024
<b>“Company”</b>	:	GS Holdings Limited
<b>“Completion”</b>	:	Has the meaning defined in Section 1.1(b)
<b>“Completion Date”</b>	:	Has the meaning defined in Section 2.3.8(c)
<b>“Conditions Precedent”</b>	:	Has the meaning defined in Section 2.3.5
<b>“Conditional Resolutions”</b>	:	The conditional resolutions in this Circular being Ordinary Resolution 3 on the Proposed Issuance of Introducer Shares and Ordinary Resolution 4 on the Proposed Issuance of Sponsor Shares
<b>“Consideration Shares”</b>	:	Has the meaning defined in Section 1.1(b)
<b>“Cut-Off Time”</b>	:	Has the meaning defined in Section 11.1
<b>“Directors”</b>	:	The directors of the Company for the time being and the term <b>“Directors”</b> shall be construed accordingly
<b>“EGM” or “Extraordinary General Meeting”</b>	:	The extraordinary general meeting of the Company to be held at Surbana Jurong Campus, 38 Cleantech Loop, Tower 8 Lift Lobby, Basement 1, Multi-purpose Room 2, Singapore 636741, on 13 December 2024 at 3.00 p.m., notice of which is set on pages N-1 to N-5 of this Circular.
<b>“Enlarged Share Capital”</b>	:	The enlarged issued and paid-up share capital of the Company of 1,038,175,826 Shares immediately after

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## DEFINITIONS

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	Completion, including the Consideration Shares, Introducer Shares and Sponsor Shares
<b>“F&amp;B”</b>	: Food and beverage
<b>“FY”</b>	: The relevant financial year ended 31 December
<b>“Group”</b>	: The Company and its subsidiaries, collectively and each a <b>“Group Company”</b>
<b>“GSV”</b>	: Global Spirits Ventures Pte. Ltd. (UEN 202333014Z), a private company limited by shares incorporated under the laws of the Republic of Singapore, with its registered address at 361 Ubi Road 3, #03-02, Octopus Building, Singapore 408664
<b>“Introducer”</b>	: Accura Advisory Pte. Ltd. (UEN 202210497D), an exempt private company limited by shares incorporated under the laws of the Republic of Singapore, with its registered address at 212 Telok Kurau Road, #01-216 Bright Centre, Singapore 423835
<b>“Introducer Issue Price”</b>	: Has the meaning defined in Section 1.1(c)
<b>“Introducer Shares”</b>	: Has the meaning defined in Section 1.1(c)
<b>“Introducer Services”</b>	: Has the meaning in Section 3
<b>“Independent Valuer”</b>	: FHMH Corporate Advisory Sdn Bhd
<b>“Issue Price”</b>	: Has the meaning defined in Section 1.1(b)
<b>“Key Resolutions”</b>	: The key resolutions in this Circular being Ordinary Resolution 1 on the Proposed Acquisition, Ordinary Resolution 2 on the Proposed Issuance of Consideration Shares and Ordinary Resolution 5 on the Proposed Appointment of the Proposed New Director
<b>“Latest Practicable Date”</b>	: 15 November 2024, being the latest practicable date prior to the printing of this Circular
<b>“Long-Stop Date”</b>	: 28 February 2025 or such other date as the Parties may agree to in writing
<b>“LPS”</b>	: Loss per Share
<b>“Notice of EGM”</b>	: The notice of EGM as set out on pages N-1 to N-5 of this Circular, for the purposes of considering and, if thought fit, passing with or without modifications, the resolutions as set out therein
<b>“NTA”</b>	: Net tangible assets
<b>“Ordinary Resolutions”</b>	: The ordinary resolutions set out in the Notice of EGM
<b>“Parties”</b>	: The Company and the Vendor collectively, and <b>‘Party’</b> shall mean any one of them

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## DEFINITIONS

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<b>“Proposed Acquisition”</b>	:	The proposed acquisition by the Company of the entire issued and fully paid-up share capital of the Target subject to the terms and conditions of the Agreement
<b>“Proposed Appointment of the Proposed New Director”</b>	:	The proposed appointment of the Proposed New Director, as described in Section 7
<b>“Proposed Issuance of Consideration Shares”</b>	:	The proposed allotment and issuance of Consideration Shares to the Vendor at the Issue Price, as described in Section 2
<b>“Proposed Issuance of Introducer Shares”</b>	:	The proposed allotment and issuance of Introducer Shares to the Introducer at the Introducer Issue Price, as described in Section 3
<b>“Proposed Issuance of Sponsor Shares”</b>	:	The proposed allotment and issuance of Sponsor Shares at the Sponsor Issue Price, as described in Section 4
<b>“Proposed Resolutions”</b>	:	Collectively, the Proposed Acquisition, the Proposed Issuance of Consideration Shares, Proposed Issuance of Introducer Shares, Proposed Issuance of Sponsor Shares and the Proposed Appointment of the Proposed New Director
<b>“Professional Services”</b>	:	Has the meaning defined in Section 4
<b>“Proxy Form”</b>	:	The proxy form as set out on pages P-1 to P-4 of this Circular, for Shareholders to appoint proxy(ies) to attend and vote at the EGM on their behalf
<b>“Purchase Consideration”</b>	:	Has the meaning defined in Section 1.1(b)
<b>“Refundable Deposit”</b>	:	Has the meaning defined in Section 1.1(b)
<b>“Register of Members”</b>	:	Register of members of the Company
<b>“Sale Shares”</b>	:	Has the meaning defined in Section 2.1
<b>“Securities Accounts”</b>	:	Securities accounts maintained by Depositors with CDP, but not including securities sub-accounts maintained with a Depository Agent
<b>“SFA”</b>	:	The Securities and Futures Act 2001 of Singapore
<b>“SGX-ST”</b>	:	Singapore Exchange Securities Trading Limited
<b>“SGXNet”</b>	:	Singapore Exchange Network, a system network used by listed companies for sending information and making announcements to the SGX-ST or any other system networks prescribed by the SGX-ST for the purpose of making that information available to the market
<b>“Shareholder(s)”</b>	:	The registered holders of Shares in the Register of Members, except that where the registered holder is the CDP, the term <b>“Shareholders”</b> shall mean the Depositors into whose Securities Accounts are credited with Shares

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## DEFINITIONS

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“Shares”	:	Ordinary shares in the capital of the Company and each a “Share”
“Sponsor”	:	Evolve Capital Advisory Private Limited, the Company’s Catalyst continuing sponsor and the financial advisor to the Proposed Acquisition
“Sponsor Issue Price”	:	Has the meaning defined in Section 1.1(d)
“Sponsor Shares”	:	Has the meaning defined in Section 1.1(d)
“Substantial Shareholder”	:	A Shareholder who has an interest in not less than 5% of the issued voting Shares in the Company
“SRS”	:	Supplementary Retirement Scheme
“SRS Investors”	:	Investors who have purchased Shares using their SRS contributions pursuant to the SRS
“S\$” and “cents”	:	Singapore dollars and cents respectively, unless otherwise stated
“Target”	:	Octopus Distribution Networks Pte. Ltd. (UEN 201105345W), a private company limited by shares incorporated under the laws of the Republic of Singapore, with its registered address at 361 Ubi Road 3, #03-02 Octopus Building, Singapore 408664
“TCP” or “Proposed New Director”	:	Teh Chooi Peng, the director of the Target, the Vendor and the ultimate beneficial owner of the Vendor, and the proposed new Director to be appointed to the Board upon Completion
“Valuation Report”	:	Has the meaning defined in Section 2.3.4
“Valuation Summary Letter”	:	Has the meaning defined in Section 2.3.4
“Vendor”	:	Octopus Global Hldgs Pte. Ltd. (UEN 201725239M), a private company limited by shares incorporated under the laws of the Republic of Singapore, with its registered address at 27 Ubi Crescent, #04-00, Singapore 408581
“VWAP”	:	Has the meaning defined in Section 2.3.3
“%”	:	Per centum or percentage

The terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the meanings ascribed to them, respectively, in section 81SF of the SFA or any statutory modification thereof, as the case may be.

The term “**treasury shares**”, “**subsidiary**”, “**subsidiary holdings**” and “**related company**” shall have the meaning defined for them, respectively, in the Act.

Words importing the singular shall, where applicable, include the plural and *vice versa*, and words importing one gender shall, where applicable, include all other and neuter genders. References to natural persons shall, where applicable, include corporations.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any term defined under the Act, the SFA, Catalyst Rules or any statutory

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## DEFINITIONS

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modification thereof and used in this Circular shall, where applicable, have the meanings defined under the Act, the SFA, Catalist Rules or any modification thereof, as the case may be, unless otherwise provided.

Any reference to a time of day in this Circular shall be a reference to Singapore time unless otherwise stated.

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

Any reference to “**Section**” or “**Appendix**” shall be to a section of this Circular or to an appendix to this Circular, as the case may be.

Any discrepancies in the tables included herein between the amounts listed and the totals thereof are due to rounding and, accordingly, figures shown as totals in certain tables may not be arithmetic aggregation of the figures which precede them.

Altum Law Corporation has been appointed as the legal advisor to the Company as to Singapore law in relation to the Proposed Acquisition and the preparation of this Circular.



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## LETTER TO SHAREHOLDERS

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**GS HOLDINGS LIMITED**  
(Company Registration No. 201427862D)  
(Incorporated in the Republic of Singapore)

### Directors

Mr Lim Kee Way Irwin (Independent and Non-Executive Chairman)  
Mr Loo Hee Guan (Executive Director)  
Mr Tan Boon Hwa (Independent Director)  
Ms Pauline Teh @ Pauline Teh Abdullah (Independent Director)

### Registered Office

22 Sin Ming Lane  
Midview City #04-73  
Singapore 573969

27 November 2024

**To: The Shareholders of GS Holdings Limited**

Dear Shareholder

- I. **PROPOSED ACQUISITION OF THE ENTIRE ISSUED AND FULLY PAID-UP SHARE CAPITAL OF OCTOPUS DISTRIBUTION NETWORKS PTE. LTD.;**
  - II. **PROPOSED ALLOTMENT AND ISSUANCE OF 166,226,912 CONSIDERATION SHARES TO THE VENDOR IN CONNECTION WITH THE PROPOSED ACQUISITION AT THE ISSUE PRICE OF S\$0.0379 FOR EACH CONSIDERATION SHARE;**
  - III. **PROPOSED ALLOTMENT AND ISSUANCE OF 14,567,901 INTRODUCER SHARES TO THE INTRODUCER IN CONNECTION WITH THE PROPOSED ACQUISITION AT THE ISSUE PRICE OF S\$0.0243 FOR EACH INTRODUCER SHARE;**
  - IV. **PROPOSED ALLOTMENT AND ISSUANCE OF 652,173 AND 395,778 SPONSOR SHARES TO THE SPONSOR IN CONNECTION WITH THE PROPOSED ACQUISITION AT THE ISSUE PRICE OF S\$0.023 AND S\$0.0379 RESPECTIVELY FOR EACH SPONSOR SHARE, AND**
  - V. **PROPOSED APPOINTMENT OF THE PROPOSED NEW DIRECTOR**
1. **INTRODUCTION**
- 1.1. **Previous Announcements**

On 23 October 2024, the Company announced ("**Announcement**") *inter alia*, that:

- (a) the Company had on the same day entered into the Agreement with the Vendor in respect of the Proposed Acquisition;
- (b) pursuant to the Agreement, the Company will acquire all the shares representing the entire issued and fully paid-up share capital of the Target from the Vendor for an aggregate purchase consideration of S\$11.8 million ("**Purchase Consideration**") which shall be fully satisfied by the payment of an amount of S\$2.0 million in cash as earnest money ("**Refundable Deposit**") upon execution of the Agreement, the proposed allotment and issuance of 166,226,912 new Shares ("**Consideration Shares**") at the Issue Price of S\$0.0379 per Consideration Share to the Vendor ("**Issue Price**") and S\$3.50 million in cash on completion of the Proposed Acquisition ("**Completion**");
- (c) subject to Completion, the Company will also allot and issue 14,567,901 new Shares ("**Introducer Shares**") at S\$0.0243 per Share ("**Introducer Issue Price**"), credited as fully paid-up, to the Introducer for Introducer Services, and
- (d) subject to Completion, the Company will also allot and issue 652,173 new Shares at S\$0.023 per Share ("**Sponsor Issue Price**") and 395,778 new Shares at the Issue Price (collectively, "**Sponsor Shares**"), credited as fully paid-up, to the Sponsor in part-payment for the Sponsor's professional fees.

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## LETTER TO SHAREHOLDERS

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- 1.2. Further to the Announcement, the Company had consulted the SGX-ST through its Sponsor on the treatment of the relative figure for Rule 1006(b), as the relative figure computed pursuant to Rule 1006(b) was a negative figure, further details of which are set out in Section 2.7 below.

1.3. **Inter-Conditionality of Resolutions**

**Shareholders should note that:**

- (a) **The Key Resolutions are inter-conditional. This means that if any of the Key Resolutions are not passed, the other Key Resolutions would not be passed, and**
- (b) **Ordinary Resolution 3 relating to the Proposed Issuance of Introducer Shares and Ordinary Resolution 4 relating to the Proposed Issuance of Sponsor Shares are conditional upon the passing of the Key Resolutions.**

**In particular, Shareholders should note that:**

- (a) The following resolutions (collectively, the “**Key Resolutions**”) are inter-conditional as the subject matter of the Key Resolutions will facilitate the conduct of business of the Company and Target upon Completion:
  - (i) Ordinary Resolution 1 on the Proposed Acquisition;
  - (ii) Ordinary Resolution 2 on the Proposed Issuance of Consideration Shares, and
  - (iii) Ordinary Resolution 5 on the Proposed Appointment of the Proposed New Director.

This means that if any of the Key Resolutions are not approved, the other Key Resolutions would not be passed. The Proposed Acquisition, Proposed Issuance of Consideration Shares and Proposed Appointment of the Proposed New Director are inter-conditional as they are substantive terms agreed upon in the Agreement that are closely inter-connected with the Proposed Acquisition representing the commercial intentions of the Parties. Additionally, the Proposed Appointment of the Proposed New Director underscores her key involvement in the Target.

- (b) Each of the remaining resolutions are conditional upon the passing of the Key Resolutions (“**Conditional Resolutions**”):
  - (i) Ordinary Resolution 3 on the Proposed Issuance of Introducer Shares, and
  - (ii) Ordinary Resolution 4 on the Proposed Issuance of Sponsor Shares.

This means that if any of the Key Resolutions are not passed, the Conditional Resolutions would not be passed.

1.4. **Purpose of Circular**

The purpose of this Circular is to provide Shareholders with the relevant information in relation to (i) the Proposed Acquisition, (ii) the Proposed Issuance of Consideration Shares, Introducer Shares and Sponsor Shares and (iii) the Proposed Appointment of the Proposed New Director, and to seek the approval of Shareholders on these resolutions at the EGM.

This Circular has been prepared solely for the purposes set out herein and may not be relied on by any persons (other than the Shareholders to whom this Circular is despatched to by the Company) or for any other purpose.

1.5. **Disclaimer**

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## LETTER TO SHAREHOLDERS

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The SGX-ST assumes no responsibility for the accuracy or correctness of any statements or opinions made, or reports contained in this Circular. Shareholders who are in any doubt as to the course of action they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

### 2. THE PROPOSED ACQUISITION AND PROPOSED ISSUANCE OF CONSIDERATION SHARES

#### 2.1. Information on the Target

The Target is a private company limited by shares, incorporated in Singapore on 4 March 2011. As at the Latest Practicable Date, the Target has an issued and fully paid-up capital of S\$1.0 million comprising 1,000,000 ordinary shares ("**Sale Shares**") which are solely held by the Vendor. It is principally engaged in the business of wholesale trade of a variety of food and beverages goods, specialising in the import, distribution and marketing of beverages in Southeast Asia, with an extensive portfolio representing local and international brands that have a well-known provenance, heritage and history and resonate with all trade and consumer sectors, from high end cocktail bars to local retailers ("**Business**"). The directors of the Target are TCP and Ruscoe Matthew James.

As at the Latest Practicable Date, the Target has a wholly-owned subsidiary, GSV. GSV's principal business activity is the wholesale trade of a variety of goods without a dominant product. Upon Completion, the Target will become a wholly-owned subsidiary of the Company and GSV will become an indirect wholly-owned subsidiary of the Company.

#### 2.2. Information on the Vendor

The Vendor is a private company limited by shares, incorporated in Singapore on 5 September 2017. It is a holding company and the sole shareholder of the Target. As at the Latest Practicable Date, the Vendor does not hold any shares in the Company. The Vendor was introduced to the Company by the Introducer.

As at the Latest Practicable Date, the Vendor and its director, shareholder, and the Vendor's ultimate beneficial owner, TCP, have confirmed that it/she does not fall within the categories of persons set out under Rule 812(1)(a) to (d) of the Catalist Rules. The Vendor and its director, shareholder and TCP have further confirmed that save for TCP being acquainted with the director and shareholder of ZTS Holdings Pte. Ltd. from prior business transactions with third parties unrelated to the Proposed Acquisition, the Vendor and its director, shareholder and TCP have no connections (including any business relationship) with the Company and its Directors and Substantial Shareholders.

#### 2.3. Salient Terms of the Proposed Acquisition

##### 2.3.1 Sale and Purchase

Pursuant to the terms and subject to the conditions of the Agreement, the Vendor shall sell to the Company and the Company shall purchase from the Vendor, all of the Sale Shares, representing the Target's entire issued share capital together with all rights, benefits and entitlements attaching or accruing thereto (including, without limitation, the rights to any dividends or other distributions declared or payable thereon) as at Completion, free from all encumbrances, in exchange for the Purchase Consideration.

##### 2.3.2 Purchase Consideration

Pursuant to the Agreement, the Purchase Consideration is to be fully satisfied by the Company in the following manner:

- (a) upon execution of the Agreement, the Company has paid the Vendor the Refundable Deposit. The Parties expressly agreed that (i.) the Refundable Deposit shall be repaid in full, without any interest and charges accrued, by the Vendor to the Company forthwith in clear and immediately available funds, in the event the Proposed Acquisition

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## LETTER TO SHAREHOLDERS

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is not completed for any reason without prejudice to the Parties' respective rights under the Agreement, (ii.) the Vendor's obligation to repay the Refundable Deposit to the Company shall be secured by a personal guarantee furnished by TCP, and (iii.) the Company's right to repayment of the Refundable Deposit will continue to bind the Parties with full force and effect without limited in time;

- (b) on Completion, the allotment and issuance of 166,226,912 Consideration Shares by the Company to the Vendor at the Issue Price of \$0.0379 per Consideration Share, amounting to S\$6.3 million, and
- (c) on Completion, S\$3.50 million in cash ("**Cash Consideration**").

The Purchase Consideration for the Proposed Acquisition was determined by agreement between the Parties at arm's length, on a "willing-buyer, willing seller" basis, and on the basis that the Appraised Value based on income approach with reference to the market approach was in the range of S\$8.81 million to S\$13.28 million as at 30 September 2024.

The Consideration Shares shall be allotted and issued to the Vendor, credited as fully paid-up, free and clear of all encumbrances and will rank *pari passu* with all existing Shares, save that they do not rank for any dividend, rights, benefits, entitlements, allotments or other distributions, the record date of which falls on or before the date of issue of the Consideration Shares, Introducer Shares and Sponsor Shares, and approved by the SGX-ST to be listed and quoted on Catalist.

### 2.3.3 Issue Price

The Issue Price per Consideration Share shall be S\$0.0379, based on the average daily volume weighted average price ("**VWAP**") for the thirty (30) consecutive trading days immediately preceding the date of the Agreement, being 22 October 2024.

The Issue Price per Consideration Share represents a discount of 21.69% to the VWAP of S\$0.0484 per Share for trades done on the SGX-ST on 22 October 2024, being the full market day on which Shares were traded immediately preceding the date of the Agreement.

The Issue Price was commercially agreed between the Company and Vendor after arm's length negotiations and taking into account historical trading performance of the Company and prevailing market conditions.

### 2.3.4 Independent Valuation

For the purposes of the Proposed Acquisition, the Company had, in consultation with the Sponsor, commissioned the Independent Valuer to do a valuation of the Target and the Business ("**Appraised Value**").

The Independent Valuer has issued a valuation report in respect of the Appraised Value of the Target ("**Valuation Report**") and a valuation summary letter ("**Valuation Summary Letter**") is set out in Appendix A to this Circular. Shareholders are advised to read the Valuation Summary Letter in its entirety carefully.

Having reviewed the Valuation Summary Letter and the Valuation Report, the Board is of the view that the key assumptions and estimates used in the valuation exercise are reasonable, and the valuation conclusion and limitations as disclosed in the Valuation Summary Letter and Valuation Report are acceptable. The Board is further of the view that the valuation was conducted by qualified and competent valuation professionals with the relevant experience in performing valuation for the assets under consideration.

The excerpts of sections in the Valuation Summary Letter setting out the valuation approach and methodology and conclusion of value is extracted and set out in italics as follows and capitalised terms used within these reproduced statements bear the meanings defined in the Valuation Summary Letter.

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## LETTER TO SHAREHOLDERS

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### Basis of Valuation:

*“The basis of our opinion is the fair market value which is defined as the price a willing buyer would pay a willing seller in a transaction on the open market as defined by the International Valuation Standards. The concept of market value means the cash equivalent price of an asset being valued assuming the transaction took place under conditions existing at the date of valuation of the assets. The amount would not be considered market value if it was influenced by special motivations or characteristics of a buyer or seller.”*

### Valuation Methodology:

*“We had considered that the Cost Approach was not suitable for the valuation of the Target Company as the Target Company is engaged in imports, exports and general merchants in beers and various other beverages, provision of services relating to management fees and warehouse rental. The value of the Target Company will be derived from its future operating income and not its current assets. As such, we had determined that the Income Approach was the most appropriate valuation approach to value 100% equity interest of the Target Company. We have also adopted the Market Approach as a cross-check to the Income Approach.*

*Discounted cash flow to firm (“FCFF”) Methodology is a valuation method which considers both the time value of money and the projected net cash flow generated discounted at a specified discount rate to derive at the valuation of the subject matter. It is based on discounted cash flows, involving the application of an appropriately selected discount rate applied on the projected future cash flows to be earned by the equity holders of a company. We note that the Target Company does not have any surplus cash nor idle assets.*

*The projected FCFF as determined annually based on the projected Future Financials shall be discounted using the weighted average cost of capital (“WACC”). The WACC formula is as follows:*

$$WACC = \text{Cost of equity} \times \frac{\text{Equity}}{\text{Capital}} + \text{Cost of debt} \times \frac{\text{Debt} (1 - \text{Corporate Tax Rate})}{\text{Capital}}$$

*The cost of equity takes into account a combination of risk factors associated with the industry in which ODN is involved in, namely, the systematic risk, i.e. the inherent market risk such as the interest rate fluctuation, and the capital structure, i.e. the financing risk. These risks are translated into the cost of equity which is built upon the Capital Asset Pricing Model (“CAPM”). The cost of equity formula is as follows:*

$$\text{Cost of equity} = \text{Risk free rate} + (\text{Regeared Beta} \times (\text{Market return} \times \text{Risk free rate}))$$

*In arriving at the appropriate discount rate, we have applied the prevailing risk-free rate and market risk premium, as well as adopted the betas of available, and have been listed for more than one (1) year and are profit making (“Comparable Companies”) with relevant adjustments made taking into consideration the gearing and the risk profile as well as other risk factors that may affect the Target Company.”*

### Conclusion of Value:

*“In establishing our opinion on the fair market value of ODN, FHCA has considered various valuation methodologies, which are commonly used for valuation, taking into consideration the Target Company’s future earnings generating capabilities, projected future cash flows and its sustainability as well as various business considerations and risk factors affecting its business.*

*FHCA had used the Discounted FCFF Methodology to access the fair market value of ODN.*

- (i) Based on the Discounted FCFF Methodology, the fair market value of the entire equity interest in the Target Company range from SGD8.81 million to SGD13.28 million.*
- (ii) Based on the RVA, the implied EV/EBITDA Multiple is calculated based on EV divided by EBITDA of, is below the median but is within the range of EV/EBITDA of the*

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*Comparable Companies and the Implied PE Multiple based on the fair market value of ODN against FY 2024 PAT is below the median and range of PE Multiples of Comparable Companies.”*

Accordingly, Section 2.3.5(g) of this Circular in relation to the Conditions Precedent on the Appraised Value being in the range of S\$8.81 million to S\$13.28 million is satisfied. Please refer to Appendix A of this Circular titled “Valuation Summary Letter” for the summary of the Valuation Report. The full text of the Valuation Report will be made available for inspection at the principal place of business of the Company during normal business hours for a period of three (3) months from the date of this Circular.

### 2.3.5 Conditions Precedent and Completion of the Agreement

Completion of the Proposed Acquisition shall be subject to and conditional upon the fulfilment and satisfaction (or waiver in accordance with the terms of the Agreement) of certain conditions precedent (set out in their entirety in the Agreement), which include, *inter alia*, the following:

- (a) the Vendor being, on the Completion Date, (i.) the sole legal, beneficial and registered owner of the Sale Shares, free from all encumbrances, and not holding the same on trust for other beneficiaries, and (ii.) entitled to sell and transfer to the Company the full legal title and beneficial ownership of the Sale Shares together with all rights, benefits and entitlements attaching and accruing thereto (including, without limitation, the rights to any dividends or other distributions declared or payable thereon) as at the Completion Date;
- (b) the Sale Shares (i.) being duly authorised and validly allotted and issued, (ii.) being free from all encumbrances to be freely dealt with by the Company and there being no other claimants to and/or disputes relating to ownership of and/or title to the Sale Shares, and no circumstances likely to give rise to such claims or disputes, (iii.) ranking *pari passu* with all the then existing ordinary shares of the Target, and (iv.) being not subject to any rights of pre-emption or first refusal or any restriction on disposal placed by any Party or by contractual undertaking or otherwise or under any restrictions by any law or regulator restricting the sale and transfer of the Sale Shares;
- (c) the approval and such approval not having been qualified or withdrawn, of the Shareholders at the EGM for the entering into of the Agreement, all other transactions in connection therewith and incidental thereto, including without limitation:
  - (i.) the Proposed Acquisition;
  - (ii.) the Proposed Issuance of Consideration Shares in accordance with the terms of the Agreement, and
  - (iii.) the Proposed Appointment of the Proposed New Director;
- (d) the Target not being a party to any interested person transactions that do not comply with the requirements of the Catalist Rules;
- (e) the approval of the Target’s directors, Vendor’s directors and Vendor’s shareholder for the sale and transfer of the Sales Shares to the Company in accordance with the terms of the Agreement and the authorisation of the Target’s secretary to register the transfer of the Sale Shares from the Vendor to the Company, cancellation of the original share certificates representing all of the Sale Shares and issuance of a new share certificate representing all of the Sale Shares to and in the name of the Company, and any related transactions as may be required in relation thereto;
- (f) the conduct and completion of a legal, financial and technical due diligence exercise by the Company and/or their professional advisers on the Target and its subsidiary, Vendor and Business, and the results of such due diligence exercise being satisfactory to the Company in its reasonable opinion, with the substantive investigations for such due diligence exercise to be materially carried out by Completion;

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- (g) the issuance of the Valuation Report by the Independent Valuer and the Appraised Value being in the range of S\$8.81 million to S\$13.28 million;
- (h) the warranties being complied with, and being true and accurate in all material aspects on and as at the Completion Date with reference to the facts and circumstances prevailing at the Completion Date, and each Party having performed and complied with all their respective obligations, undertakings, covenants and agreements set out in the Agreement on or prior to the Completion Date and no fact or circumstance having occurred which would result in the warranties being untrue or inaccurate or misleading;
- (i) all actions, conditions and things required to be taken, fulfilled and done (including, without limitation, the obtaining of all necessary licenses, consents, permits, approvals, waivers, authorisations or other orders of and all notices, registrations, submissions or filings with all relevant regulators, entitled third-parties, counterparties, financing or facility providers of the Company, the Vendor and the Target and its subsidiary) (i.) in order to enable the Parties to lawfully enter into, exercise their rights and perform and comply with their respective obligations under the Agreement, and to ensure that those obligations are legally binding and enforceable, (ii.) for the Proposed Acquisition, (iii.) for the transfer of the Sale Shares to the Company, (iv.) for the allotment and issuance of Consideration Shares, and (v.) for the Proposed Appointment of the Proposed New Director, and all other transactions in connection therewith and incidental thereto having been taken, obtained, or made (as the case may be) and not having been withdrawn, revoked or amended and if subject to any conditions, such conditions being reasonably acceptable to the Parties and are fulfilled on or before the Completion Date, and all other actions having been taken by or on behalf of the Vendor and the Target to comply with all applicable legal and other requirements necessary to ensure that the transfer of the Sale Shares is in accordance with, and do not infringe any existing law, statute, regulation, decision, ruling, judgment, award, code, practice, direction, decree, order, contract or agreement, including without limitation, the issuance by the SGX-ST of a listing and quotation notice for the Consideration Shares on Catalist;
- (j) no relevant regulator taking, instituting, implementing or threatening to take, institute or implement any action, proceeding, suit, investigation, inquiry or reference, or made, proposed or enacted any law, statute, regulation, decision, ruling, judgment, award, code, practice, direction, decree or order or taken any steps, and there not continuing to be in effect or outstanding any law, statute, regulation, decision, ruling, judgment, award, code, practice, direction, decree or order which would or might:
  - (i.) make the Proposed Acquisition, the allotment and issuance of Consideration Shares, the Proposed Appointment of the Proposed New Director, all other transactions in connection therewith and incidental thereto, void, illegal and/or unenforceable or otherwise restrict, restrain, prohibit or otherwise frustrate or be adverse to the same, and/or
  - (ii.) render the Company unable to purchase all or any of the Sale Shares in the manner set out in the Agreement;
- (k) the Target and its subsidiary having preserved and maintained in full force and effect its existing corporate existence, organisation and share capital structure as at the date of the Agreement in the manner described in Schedule 1 of the Agreement and, save as required to effect the transactions contemplated in the Agreement, not having undertaken or effected any re-organisation, merger, amalgamation, restructuring, reconstruction, take-over or change in shareholding, or change in its share capital structure, including (without limitation) any increase, reduction, consolidation, sub-division, reclassification, cancellation, acquisition, redemption or re-purchase of shares, bonus or rights issues, stock split or do such other acts in relation to its share capital or reserve or allotted and issued shares or other securities or granted options over shares or securities or issued any warrants, convertible preference shares or other forms of convertible securities (howsoever called) which are convertible into shares or entered

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- into any agreement or undertaking to do the same or done or agreed or permitted to, or caused to be done, such acts;
- (l) the Target and its subsidiary not conducting or having any other businesses, activities, obligations, and/or undertakings other than the Business and having carried on and conducted the Business as described in Schedule 1 of the Agreement in the ordinary course since the balance sheet date to the Completion Date and consistent with past practices and having preserved and maintained the Business, its goodwill and relationships with suppliers, customers, employees, agents and others having relationships with the Target consistent with past practices;
  - (m) the Target and its subsidiary having not after the date of the Agreement, save with the Company's prior written consent (which should not be unreasonably withheld or delayed), entered into any material or long-term contracts other than in the ordinary course of the Business, changed its business activities, operations, properties or financial condition, commenced or carried on any type of business which is not ancillary, incidental to or an extension of the Business, acquired, diluted or disposed of any assets, businesses, undertakings or other entities or investments, entered into any financing, credit or banking arrangements with any third party or set up or acquire new or additional subsidiaries or associated companies;
  - (n) save as disclosed, there being no change or any development from the date of the Agreement to the Completion Date likely to result in a material adverse change in the operations, prospects or financial condition, or otherwise, of the Target and its subsidiary nor any breach of, nor the occurrence of any event or the discovery of any matter rendering untrue or inaccurate, any of the Vendor's warranties;
  - (o) all permits, licenses, consents, approvals, waivers, authorisations or other orders of and all notices, registrations, submissions or filings with all regulators that are required to enable the Target and its subsidiary to carry out the Business, having been obtained, renewed, extended or made (as the case may be), being in full force and effect and all conditions thereof (being acceptable to the Company in its reasonable opinion) having been fully complied with and all other actions having been taken by or on behalf of the Target and its subsidiary to comply with all legal and other requirements applicable to the Target and its subsidiary, necessary to ensure that the carrying out of the Business in the jurisdictions where the Business takes place are in accordance with, and do not infringe any existing law, statute, regulation, decision, ruling, judgment, award, code, practice, direction, decree, order, contract or agreement;
  - (p) save for contracts and obligations entered into in the ordinary course of the Business, there being no liabilities, including contingent and contractual liabilities and no present or future obligations, unpaid loans, guarantees, indemnities, performance bonds, liabilities under any service agreements or employment contracts, liabilities to trade creditors, liabilities in respect of unpaid fees, liabilities under claims, demands, causes of action, investigations, actions, suits or other proceedings (judicial, administrative, arbitration or otherwise), judgments, tax liabilities, accounts payables and other costs, debts, losses, financial indebtedness and obligations of the Target and its subsidiary since the balance sheet date;
  - (q) there being no current or pending claims, disputes, investigations, actions, suits or proceedings (including but not limited to litigation, arbitration, mediation, administrative, statutory, tribunal, regulatory, criminal or insolvency proceedings) against or affecting the Target, its subsidiary and/or the Vendor, there being no such claims, disputes, investigations, actions, suits or proceedings threatened or contemplated and there being no incidents, events, claims, disputes or circumstances known to the Vendor in respect of the Target and its subsidiary which are likely to give rise to any claim, dispute, investigations, actions, suits or proceedings, which in any such case may have or has an effect on the Proposed Acquisition, and all other transactions in connection therewith and incidental thereto;



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- (r) there being no unsatisfied award, judgment or court order outstanding against the Target, its subsidiary and/or the Vendor nor any distress, execution or other process that has been levied against the businesses, undertakings, properties, assets or goodwill of the Target, its subsidiary and/or the Vendor;
- (s) the Company, Vendor and Target and its subsidiary are each and all not the subject of any actual, pending or threatened insolvency event;
- (t) the Company, Target, its subsidiary and the Vendor being in compliance with all laws, rules, regulations, directives and orders that are applicable to them respectively;
- (u) the Vendor's nominee in respect of the Proposed Appointment of the Proposed New Director having entered into an executive service agreement with the Company on terms acceptable to the Parties and Sponsor, and
- (v) the Shares not being suspended by the SGX-ST from trading on the Catalist other than in relation to trading halts not exceeding three (3) market days pending announcements of the Company.

Completion is expected to take place within the time frame prescribed under the Agreement, which shall be the date falling ten (10) business days after the satisfaction of the conditions precedent or such other date as the Parties may agree in writing, but in every case, not later than the Long-Stop Date ("**Conditions Precedent**").

The Parties agree that they shall each take all actions and do all things necessary to cause or procure satisfaction of the Conditions Precedent.

### 2.3.6 Long-Stop Date

If any of the Conditions Precedent has not been fulfilled or waived in accordance with the Agreement before the Long-Stop Date, the Agreement shall ipso facto, cease and determine and the Parties shall be released and discharged from their respective obligations and liabilities under this Agreement, save in respect of (a) any claim by a Party against any other(s) for costs, damages, compensation or otherwise arising from any accrued liabilities, antecedent and/or existing breaches of the terms hereof, (b) the respective obligations, covenants or undertakings which, pursuant to the terms of this Agreement, are expressed to survive such termination, which shall continue in full force and effect to bind the Parties in the manner so expressed, and (c) for fees, costs and expenses as expressly provided for in accordance with the Agreement.

### 2.3.7 Source of Funds

The Refundable Deposit, Cash Consideration and all other costs and expenses incurred or to be incurred in connection with the Proposed Acquisition will be funded through the Company's internal resources.

### 2.3.8 Other Salient Terms of the Agreement

- (a) Changes to the Board. Subject to Completion, the Company shall procure the appointment of one (1) nominee of the Vendor as a director of the Company subject to his qualification under the Act and clearance by the Company's Nominating Committee, the Sponsor, and where applicable, the relevant regulator(s) ("**Proposed Appointment of the Proposed New Director**"). The Vendor's nominee will enter into a service agreement with the Company on terms acceptable to the Parties. Further details of the Proposed Appointment of the Proposed New Director are set out in Section 7 of this Circular.
- (b) Changes to Target's Board. Subject to Completion, the Vendor shall procure the appointment of one (1) nominee of the Company as a director of the Target subject to his qualification under the Act.

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- (c) Change of Existing Guarantors of the Target. Subject to Completion, the Parties shall, where applicable and within twelve (12) months from the date of Completion (“**Completion Date**”), make reasonable efforts to the extent practicable, and subject to agreement of the relevant bank counterparties, procure that the existing personal and corporate guarantors of all banking facilities to which the Target and/or GSV are borrowers, be replaced and substituted with the Company, and pending such replacement and substitution, the Company shall indemnify such personal and corporate guarantors from their respective obligations under all such banking facilities, from the Completion Date.
- (d) Representations and Warranties. Pursuant to the Agreement, the Parties have, respectively, furnished representations and warranties typical for transactions such as the Proposed Acquisition.

### 2.4. Rationale of the Proposed Acquisition

The Proposed Acquisition is part of the Group’s corporate strategy to diversify and expand into complementary business areas within the food and beverage industry. Through the Proposed Acquisition, the Company will be able to acquire a new operating business that is synergistic to the Group’s business model, and provide the Group with immediate access to a new customer base and operating scale within the beverage sector in Singapore’s F&B industry, allowing the Group to diversify and increase its revenue streams and improve profitability. The Board believes that the Proposed Acquisition will yield significant opportunities and has the potential to enhance Shareholders’ value in the Company and contribute positively to the growth, financial position and long-term prospects of the Group.

The partial satisfaction of the Purchase Consideration by way of the allotment and issuance of the Consideration Shares will also reduce the cash outlay to be incurred by the Company in relation to the Proposed Acquisition, thereby allowing the Group to conserve its cash to be utilised for other purposes such as its working capital and for other investment opportunities.

In view of the above, the Board is of the view that the Proposed Acquisition is in the best interest of the Company and the Shareholders.

### 2.5. PROFORMA FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION

#### 2.5.1. Bases and Assumptions

The proforma financial effects of the Proposed Acquisition on the share capital, LPS and NTA per Share of the Group have been prepared based on the latest audited consolidated financial results of the Group for FY2023 and the latest management accounts of the Target of 30 September 2024, without any adjustment to align the financial year end of the Group with that of the Target.

The proforma financial effects of the Proposed Acquisition are for illustrative purposes only and do not necessarily reflect the actual future results and financial position of the Group following Completion.

For the purposes of illustrating the financial effects of the Proposed Acquisition, the following key assumptions have been adopted:

- (a) the financial effects of the Proposed Acquisition on the NTA per Share of the Group are computed based on the assumption that the Proposed Acquisition was completed on 31 December 2023;
- (b) the financial effects of the Proposed Acquisition on the Group’s losses and losses per Share are computed assuming that the Proposed Acquisition was completed on 1 January 2023;
- (c) all of the Consideration Shares will be allotted and issued at the Issue Price upon Completion;

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- (d) 652,173 Sponsor Shares will be allotted and issued at the Sponsor Issue Price upon Completion;
- (e) 395,778 Sponsor Shares will be allotted and issued at the Issue Price upon Completion;
- (f) all of the Introducer Shares will be allotted and issued at the Introducer Issue Price upon Completion, and
- (g) expenses incurred by the Company in relation to the Proposed Acquisition are estimated to be approximately S\$240,000.

### 2.5.2 Share Capital

	Before the Proposed Acquisition	After the Proposed Acquisition
Issued and paid-up share capital of the Company (S\$'000)	33,570	40,254
Total number of issued Shares	856,333,062	1,038,175,826 <sup>(1)</sup>

**Note:**

- (1) Total number of issued Shares will be increased by the allotment and issuance of the Consideration Shares, Introducer Shares and Sponsor Shares to the Vendor, the Introducer and the Sponsor respectively, upon Completion of the Proposed Acquisition.

### 2.5.3. NTA per Share

	Before the Proposed Acquisition	After the Proposed Acquisition
NTA <sup>(1)</sup> as at 31 December 2023 (S\$'000)	(4,323)	3,795
Total number of Shares	188,993,260	370,836,024 <sup>(2)</sup>
NTA per Share (cents)	(2.29)	1.02

**Notes:**

- (1) NTA is based on the net asset value of the Group less intangible assets and goodwill.
- (2) This is calculated based on the Company's share capital of 188,993,260 Shares as at 31 December 2023 and assuming that the Proposed Acquisition, allotment and issuance of Consideration Shares, Introducer Shares and Sponsor Shares have been completed on 31 December 2023.

### 2.5.4. LPS

	Before the Proposed Acquisition	After the Proposed Acquisition
Net loss attributable to Shareholders (S\$'000)	(14,486)	(14,274)
Weighted average number of shares	188,993,260	370,836,024
LPS	(7.66)	(3.85) <sup>(1)</sup>

**Note:**

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- (1) This is calculated based on the Company's share capital of 188,993,260 Shares as at 1 January 2023 and assuming that the Proposed Acquisition, allotment and issuance of Consideration Shares, Introducer Shares and Sponsor Shares have been completed on 1 January 2023.

### 2.6. RELATIVE FIGURES UNDER RULE 1006 OF THE CATALIST RULES

For the purposes of Chapter 10 of the Catalist Rules, the relative figures computed on the bases set out in Rule 1006 of the Catalist Rules in respect of the Proposed Acquisition and based on the latest announced unaudited financial statements of the Group for the 6-month period ended 30 June 2024 and the unaudited financial statements of the Target for the 6-month period ended 30 June 2024 are as follows:

1006(a)	Net asset value of the assets to be disposed of, compared with the Group's net asset value.	Not applicable to acquisition of assets.
1006(b)	Net profits attributable to the assets acquired or disposed of, compared with the Group's net profits.	(151.69)% <sup>(1)</sup>
1006(c)	Aggregate value of the Purchase Consideration, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares.	32.68% <sup>(2)</sup>
1006(d)	Number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	19.41% <sup>(3)</sup>
1006(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.	Not applicable to the Proposed Acquisition.

#### Notes:

- (1) The net profits attributable to the Target for the 6-month period ended 30 June 2024 was approximately S\$810,000 and the Group's net loss for the 6-month period ended 30 June 2024 was approximately S\$534,000.
- (2) Based on (i.) the Purchase Consideration of S\$11.8 million to be fully satisfied by the Company by (a) the allotment and issuance of the Consideration Shares and (b) payment of the Refundable Deposit and Cash Consideration.

Rule 1003(3) of the Catalist Rules requires that, where the consideration is in the form of shares, the value of the consideration shall be determined by reference either to the market value of such shares or the net asset value represented by such shares, whichever is higher. In this instance, the volume weighted average price of the Shares of S\$0.0484 traded on the SGX-ST on 22 October 2024 is higher than the net asset value per Share of the Group of S\$(0.99) per Share (based on the latest unaudited financial statements of the Group as at 30 June 2024 of approximately S\$(2.16) million).

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Therefore, the calculation of Purchase Consideration for the purpose of Catalist Rule 1006(c) shall be based on the aggregate of the Refundable Deposit, Cash Consideration, and the Consideration Shares multiplied by the VWAP of S\$0.0484 on 22 October 2024, being the last market day on which the Shares were traded on the SGX-ST preceding the date of the Agreement i.e.  $166,226,912 \times S\$0.0484 = S\$8,045,383 + S\$2,000,000 + S\$3,500,000$ , and (ii.) the Company's entire issued and fully paid-up share capital of 856,333,062 Shares and the volume weighted average Share price of S\$0.0484 on 22 October 2024, being the last market day on which the Shares were traded on the SGX-ST preceding the date of the Agreement.

- (3) Based on (i.) the proposed issuance and allotment of 166,226,912 Consideration Shares pursuant to the Proposed Acquisition, and (ii.) the existing fully paid-up share capital of 856,333,062 Shares.

The figures above are based on the latest announced unaudited financial statements of the Group for the 6-month period ended 30 June 2024 and the unaudited financial statements of the Target for the 6-month period ended 30 June 2024, as the Agreement was entered into with the Vendor on 23 October 2024, prior to the release of the Group's condensed interim financial statements for the financial period ended 30 September 2024, on 12 November 2024.

- 2.7. Further to the Announcement, the Company had consulted the SGX-ST through its Sponsor on the treatment of the relative figure for Rule 1006(b), as the relative figure computed pursuant to Rule 1006(b) was a negative figure. Accordingly, the Sponsor have considered the following:
- (a) The Group is loss making during the 6-month period comparison period while the target is profitable during this period of time. In absolute figures, the numbers are not materially large.
  - (b) The business of the Target falls within the business scope of the Company, and thus, it is assessed that there is no change in the risk profile of the Company as mentioned in Paragraph 4.1 of the Announcement – Rationale of the Proposed Acquisition.
  - (c) The Group will be convening an EGM for the approval for the Proposed Acquisition, and it is subject to approval of Shareholders.
  - (d) The Announcement was prepared to the requirements of a major acquisition.
  - (e) Under Rule 1007(1) of the Catalist Rules, if any of the relative figures computed pursuant to Rule 1006 of the Catalist Rules involves a negative figure, Chapter 10 of the Catalist Rules may still be applicable to the transaction in accordance with the applicable circumstances in Practice Note 10A of the Catalist Rules ("**Practice Note 10A**").

As the computation of the relative figures in Rule 1006(b) above involves a negative figure, Rule 1007(1) shall be read with Practice Note 10A. The Proposed Acquisition falls within the situation in paragraph 4.4 of Practice Note 10A, in particular, paragraph 4.4(b) of Practice Note 10A as (i) the absolute relative figure computed on the basis of Rule 1006(c) and Rule 1006(d) does not exceed 75%; and (ii) the net profit attributable to the assets to be acquired exceeds 5% of the consolidated net loss of the Company (taking into account only the absolute value).

Accordingly, the Company is required to immediately announce the information required in Rule 1010, Rule 1011, Rule 1012 and Rule 1013 of the Catalist Rules in connection with the Proposed Acquisition pursuant to Practice Note 10A paragraph 4.4(b) of the Catalist Rules.

Notwithstanding the foregoing, the Company will, in any event, seek Shareholders' approval for the Proposed Acquisition at the EGM to be convened as, *inter alia*, it is seeking Shareholders' approval for the allotment and issuance of Consideration Shares in connection with the Proposed Acquisition.

### 3. PROPOSED ALLOTMENT AND ISSUANCE OF INTRODUCER SHARES

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The Introducer is a company incorporated under the laws of the Republic of Singapore and in the business of providing management consultancy and other business services. Pursuant to an agreement between the Company and the Introducer dated 22 January 2024, the Introducer shall be entitled to an introducer fee of 3.0% of the Purchase Consideration on a success basis for procuring the Target as a suitable acquisition target for the Company (“**Introducer Services**”), which shall be satisfied through the allotment and issuance of the Introducer Shares at the Introducer Issue Price.

As agreed between the Company and the Introducer and in accordance with the terms of the agreement between the Company and the Introducer dated 22 January 2024, the Introducer Issue Price is based on 90% of the 1-day VWAP per Share at the close of market trading of the Shares on SGX-ST on 23 January 2024, being the last full market day prior to the date on which the convertible loan agreement between Eliza Investment Pte. Ltd. and the Company was signed on which Shares were traded, further details of which are set out in the Company’s announcement of 26 January 2024.

The Company is seeking the approval of Shareholders for the allotment and issuance of 14,567,901 Introducer Shares at the Introducer Issue Price of S\$0.0243 per Share, credited as fully paid-up, to the Introducer, in satisfaction of the introducer fee for the Introducer Services. Subject to Completion, the Company shall allot and issue the Introducer Shares to the Introducer, representing approximately 1.94% of the Enlarged Share Capital.

The Introducer Shares, when allotted and issued, will be credited as fully paid-up, free and clear of all encumbrances and will rank *pari passu* with all existing Shares, save that they do not rank for any dividend, rights, benefits, entitlements, allotments or other distributions, the record date of which falls on or before the date of issue of the Consideration Shares, Introducer Shares and Sponsor Shares.

As at the Latest Practicable Date, the Introducer holds 5,555,553 Shares, representing 0.65% of the Company’s existing share capital. The Introducer and its sole director and shareholder has confirmed that it/he does not fall within the categories of persons set out under Rule 812(1)(a) to (d) of the Catalist Rules. The Introducer and its sole director and shareholder have further confirmed that save for the Introducer Services and previous introductory services to the Company, further details of which are set out in the Company’s circular to Shareholders dated 23 July 2024, it has no connections (including business relationship) with the Company and its Directors and Substantial Shareholders.

#### 4. PROPOSED ALLOTMENT AND ISSUANCE OF SPONSOR SHARES

The Sponsor is a company incorporated under the laws of the Republic of Singapore. It is a capital markets services licensee for dealing in capital markets products and advising on corporate finance and is authorised as a full sponsor by the SGX-ST. The Company and the Sponsor had on 15 May 2024 entered into an agreement (“**Sponsor Agreement**”) for the Sponsor to act as the Company’s financial advisor and sponsor for *inter alia*, the Company’s previous rights issue completed on 8 October 2024 and the Proposed Acquisition (“**Professional Services**”).

As agreed between the Company and the Sponsor and in accordance with the terms of the Sponsor Agreement, part of the professional fees for the Professional Services rendered by the Sponsor, being an amount of S\$30,000, shall be satisfied by way of the allotment and issuance of 652,173 new Shares at the Sponsor Issue Price and 395,778 new Shares at the Issue Price.

The Sponsor Issue Price was commercially agreed between the Parties after arm’s length negotiations and taking into account the historical trading performance of the Company and prevailing market conditions.

The Company is seeking the approval of the Shareholders for the allotment and issuance of 652,173 new Shares at Sponsor Issue Price of S\$0.023 per Share and 395,778 new Shares at the Issue Price per Share, credited as fully paid-up, to the Sponsor, in part-payment for the Sponsor’s professional fees. Subject to Completion, the Company shall allot and issue the Sponsor Shares to the Introducer, representing approximately 0.10% of the Enlarged Share Capital.

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## LETTER TO SHAREHOLDERS

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The Sponsor Shares, when allotted and issued, will be credited as fully paid-up, free and clear of all encumbrances and will rank *pari passu* with all existing Shares, save that they do not rank for any dividend, rights, benefits, entitlements, allotments or other distributions, the record date of which falls on or before the date of issue of the Consideration Shares, Introducer Shares and Sponsor Shares.

As at the Latest Practicable Date, the Sponsor does not hold any Shares. The Sponsor and its directors and shareholders have confirmed that it/he does not fall within the categories of persons set out under Rule 812(1)(a) to (d) of the Catalist Rules. The Sponsor and its directors and shareholders have further confirmed that save as disclosed above, it has no connections (including business relationship) with the Company and its Directors and Substantial Shareholders.

### 5. SHAREHOLDING EFFECTS

It is envisaged that upon Completion and the allotment and issuance of the Consideration Shares, Introducer Shares and Sponsor Shares, the shareholding interest of the Vendor, Introducer, Sponsor and other existing Shareholders will be as follows:

Shareholder	Before the Proposed Acquisition		After the Proposed Acquisition	
	Shares	%	Shares	%
Vendor	-	-	166,226,912	16.01%
Introducer	5,555,553	0.65%	20,123,454	1.94%
Sponsor	-	-	1,047,951	0.10%
Other existing Shareholders	850,777,509	99.35%	850,777,509	81.95%
<b>Total</b>	<b>856,333,062</b>	<b>100.00%</b>	<b>1,038,175,826</b>	<b>100.00%</b>

### 6. AUTHORITY FOR THE ALLOTMENT AND ISSUANCE OF CONSIDERATION SHARES, INTRODUCER SHARES AND SPONSOR SHARES

#### 6.1 Rule 803 of the Catalist Rules

Rule 803 of the Catalist Rules provides that an issuer must not issue securities to transfer a controlling interest without the prior approval of shareholders in general meeting. Under the Catalist Rules, a controlling interest refers to the interest of a controlling shareholder, being a person who (a) holds directly or indirectly 15.0% or more of the voting Shares in the Company, or (b) in fact exercises control over the Company.

The Vendor will hold approximately 16.01% of the enlarged issued share capital of the Company upon Completion as a result of the proposed allotment and issuance of the Consideration Shares, Introducer Shares and Sponsor Shares. Accordingly, Completion will result in the transfer of controlling interest in the Company pursuant to Rule 803 of the Catalist Rules.

#### 6.2 Rule 811 of the Catalist Rules

Rule 811(1) of the Catalist Rules provides that an issue of shares must not be priced at more than 10% discount to the VWAP for trades done on the SGX-ST for the full market day on which the placement or subscription agreement is signed, unless specific Shareholders' approval is obtained for the issue of shares pursuant to Rule 811(3) of the Catalist Rules. If trading in the issuer's shares is not available for a full market day, the VWAP must be based on the trades done on the preceding market day up to the time the placement agreement is signed.

The Issue Price of S\$0.0379, Introducer Issue Price of S\$0.0243 and Sponsor Issue Price of S\$0.023 represents a discount of approximately 21.69%, 49.79% and 52.48% respectively to the VWAP of S\$0.0484 per Share for trades done on the SGX-ST on 22 October 2024, being the full market day on which Shares were traded immediately preceding the date of the Agreement.

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## LETTER TO SHAREHOLDERS

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### 6.3 Section 161 of the Act and Rule 805 of the Catalist Rules

Section 161 of the Act and Rule 805 of the Catalist Rules provide, among others, that an issuer must obtain the prior approval of shareholders in general meeting for the issue of shares or convertible securities, unless such shares or convertible securities are issued under a general mandate obtained from shareholders in general meeting.

In view of the foregoing, the Company will seek the specific approval of Shareholders at the EGM for:

- (a) the allotment and issuance of the Consideration Shares in accordance with Rules 803, 805, 811 of the Catalist Rules and section 161 of the Act, and
- (b) the allotment and issuance of the Introducer Shares and Sponsor Shares in accordance with Rules 805 and 811 of the Catalist Rules and section 161 of the Act.

### 6.4 Securities and Futures Act 2001 of Singapore

The Consideration Shares, Introducer Shares and Sponsor Shares are to be allotted and issued to the Vendor, Introducer and Sponsor respectively pursuant to the “safe harbour” exemptions for a private placement under section 272B of the SFA and in compliance of with the conditions of these exemptions in the SFA. The Vendor, Introducer and Sponsor are not accepting the Company’s offer of the Consideration Shares, Introducer Shares and Sponsor Shares respectively with a view to such offer being subsequently offered to another person in Singapore, where such subsequent offer is contrary to the provisions of the SFA. No prospectus or offer information statement will be lodged with the SGX-ST acting as agent on behalf of the Monetary Authority of Singapore in connection with the proposed allotment and issuance of Consideration Shares, Introducer Shares or Sponsor Shares.

### 6.5 Additional Listing Application

Subject to the Company obtaining the necessary approval of its Shareholders at the EGM for the Proposed Acquisition and the allotment and issuance of Consideration Shares, Introducer Shares and Sponsor Shares, the Company will in due course make an application to the SGX-ST through its Sponsor for the listing and quotation of the Consideration Shares, Introducer Shares and Sponsor Shares on Catalist.

### 6.6 Directors Confirmation

The allotment and issuance of the Consideration Shares, Introducer Shares and Sponsor Shares will not result in any new cash proceeds being raised for the Company. The Directors are of the opinion that, after taking into consideration the Group’s present internal resources and present bank facilities available to the Group, the Group has sufficient working capital to meet its present requirements. The allotment and issuance of the Consideration Shares, Introducer Shares and Sponsor Shares is being undertaken for the reasons set out in Sections 2.4, 3 and 4 of this Circular respectively.

## 7. PROPOSED APPOINTMENT OF THE PROPOSED NEW DIRECTOR

### 7.1. Proposed appointment to the Board

Upon Completion, the Company proposes to appoint TCP as an Executive Director of the Company.

TCP has over 20 years of entrepreneurial experience having founded a mobile phone retail chain in Australia which was a major reseller of certain mobile phone brands prior to establishing the Vendor. As founder of the Vendor, TCP has led the Vendor and its subsidiaries to build circa 80 F&B operations in Singapore and went on to reinvent the group to become a supplier to the F&B industry in Singapore.

TCP holds a Bachelor of Arts, Economics and Japanese from the University of New South Wales, Australia. Apart from being an entrepreneur, TCP also serves the community via her



## LETTER TO SHAREHOLDERS

philanthropic interests where amongst other positions held, she also serves as a Board Member/Mentor of the Action Community Entrepreneurship, Singapore National Government under the office of Minister of Trade and Industry. In 2016, TCP also served as the President of the International Women's Federation of Commerce and Industry Malaysia.

TCP also received the following accolades amongst other accolades received, namely (i) Women Entrepreneur of the year in Singapore 2019, overall NOVA winner award, Singapore Spirit of Enterprise Award 2019, Singapore Enterprise in 2019 and Rotary District Awards 2014-2015 Outstanding Club President.

### 7.1.1. Experience as director of a listed company

TCP has no prior experience as a director of a company listed on the SGX-ST but she will be completing the applicable mandatory training as prescribed under Schedule 1 of Practice Note 4D of the Catalist Rules to familiarise herself with the roles and responsibilities of a director of a SGX-ST listed company.

### 7.1.2. Present and past directorships of the Proposed New Director

The list of present and past directorships in all jurisdictions of the Proposed New Director over the last five (5) years up to the Latest Practicable Date is set out below:

Name	Present Directorships in all jurisdictions	Past Directorships in all jurisdictions in the last five (5) years
Ms. Teh Chooi Peng	<ul style="list-style-type: none"> <li>• Etagreen Corp Pte. Ltd.</li> <li>• Global Spirits Ventures Pte. Ltd.</li> <li>• Nereus Cape Pte. Ltd.</li> <li>• Nereus Impex Pte. Ltd.</li> <li>• Octopus Asia Holdings Pte. Ltd.</li> <li>• Octopus Distribution Networks Pte. Ltd.</li> <li>• Octopus Global Hldgs Pte. Ltd.</li> <li>• Octopus Investment Pte. Ltd.</li> <li>• Plethora Ventures Pte. Ltd.</li> <li>• Singapore Beverages Pte. Ltd.</li> <li>• AEK Holdings Sdn. Bhd.</li> <li>• Etagreen Asset Sdn. Bhd.</li> <li>• Etagreen Biomass Energy Sdn. Bhd.</li> <li>• Etagreen Management Sdn. Bhd.</li> <li>• Lecca Holdings (M) Sdn. Bhd.</li> <li>• LHO Asia Sdn. Bhd.</li> <li>• Sheng Li Holdings Sdn Bhd.</li> <li>• Star Women Inspired Network Sdn. Bhd.</li> <li>• Australian Vintage Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>• Cronos Networks Pte. Ltd.</li> <li>• L Logistics Global Pte. Ltd.</li> <li>• SL Tec Pte. Ltd.</li> <li>• Lecca Properties (M) Sdn. Bhd.</li> <li>• Luen Heng F &amp; B Sdn. Bhd.</li> <li>• Cellabration &amp; Parties Sdn. Bhd.</li> </ul>

### 7.1.3. Relationships of the Proposed New Director

As at the Latest Practicable Date, the Proposed New Director does not have any familial relationship with the Substantial Shareholders and Directors of the Company.

### 7.1.4. Appointment of the Proposed New Director

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## LETTER TO SHAREHOLDERS

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Pursuant to the terms of the Agreement and subject to Completion, the Company shall be entitled to appoint one (1) nominee of the Vendor as director of the Company, subject to her qualification under the Act and clearance by the Company's Nominating Committee, the Sponsor, and where applicable, the relevant regulator(s). TCP is the Vendor's proposed director pursuant to the terms of the Agreement.

Save for TCP, there is no arrangement or understanding with any persons pursuant to which any of them or any person nominated by any of them will be appointed to the Board.

### 7.2. **Service Agreement**

As at the Latest Practicable Date, the Company has not entered into any service agreement with any person proposed to be appointed as a Director or executive officer of the Company in connection with the Proposed Acquisition. It is envisaged that the Company will, on or prior to Completion, enter into a service agreement with TCP in relation to her proposed appointment as an Executive Director of the Company.

### 7.3. **Material background information**

The Proposed New Director is not or was not involved in any of the following events:

- (a) during the last ten (10) years, an application or a petition under any bankruptcy laws of any jurisdiction filed against her or against a partnership of which she was a partner at the time when she was a partner or at any time within two (2) years after the dates she ceased to be a partner;
- (b) during the last ten (10) years, an application or a petition under any law of any jurisdiction filed against an entity (not being a partnership) of which she was a director or an equivalent person or a key executive, at the time when she was a director or an equivalent person or a key executive of that entity or at any time within two (2) years after the date she ceased to be a director or an equivalent person or a key executive of that entity, for the winding-up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency;
- (c) any unsatisfied judgment against her;
- (d) a conviction of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which she is aware) for such purpose;
- (e) a conviction of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which she is aware) for such breach;
- (f) during the last ten (10) years, judgment entered against her in any civil proceeding in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on her part, or has been the subject of any civil proceedings (including any pending civil proceedings of which she is aware) involving an allegation of fraud, misrepresentation or dishonesty on her part;
- (g) a conviction in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust;
- (h) disqualification from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust;

## LETTER TO SHAREHOLDERS

- (i) has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body permanently or temporarily enjoining her or her from engaging in any type of business practice or activity;
- (j) has ever, to her knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of affairs of:
- i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere;
  - ii. any business trust which has been investigated for breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere, or
  - iii. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,
- in connection with any matter occurring or arising during the period when she was so concerned with the entity or business trust, and
- (k) has ever been the subject of any current or past investigation or disciplinary proceedings or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere.

### 8. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

#### 8.1. Interests in Shares

As at the Latest Practicable Date, the interest of the Directors and Substantial Shareholders are as follows:

	Direct Interest		Deemed Interest	
	Number of Shares	%	Number of Shares	%
<b>Director</b>				
Lim Kee Way Irwin	-	-	-	-
Loo Hee Guan	-	-	-	-
Tan Boon Hwa	-	-	-	-
Pauline Teh @ Pauline Teh Abdullah	-	-	-	-
<b>Substantial Shareholder</b>				
Eliza Investment Pte. Ltd.	-	-	194,398,331	22.70
ZTS Holdings Pte. Ltd.	-	-	166,005,200	19.39
Pang Pok	43,439,115	5.07	171,526,667	20.03
Ang Siew Kiock	15,000,000	1.75	199,965,782	23.35

#### 8.2. Interests in the Proposed Resolutions

Save as disclosed in this Circular, none of the Directors or Substantial Shareholders have any interest, direct or indirect, in the Proposed Resolutions other than through their respective shareholdings in the Company (as the case may be).

### 9. DIRECTORS' RECOMMENDATIONS

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## LETTER TO SHAREHOLDERS

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Having considered and reviewed, amongst other things, the terms of the Agreement, the rationale for the Proposed Resolutions, and all other relevant facts set out in this Circular, the Directors are of the view that the Proposed Resolutions are in the best interests of the Company and its Shareholders, and they accordingly recommend that Shareholders vote in favour of all of the Proposed Resolutions as set out in the Notice of EGM.

### 10. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages N-1 to N-5 of this Circular, will be held at Surbana Jurong Campus, 38 Cleantech Loop, Tower 8 Lift Lobby, Basement 1, Multi-purpose Room 2, Singapore 636741, on 13 December 2024 at 3.00 p.m. for the purposes of considering and, if thought fit, passing with or without modifications the Proposed Resolutions as set out in the Notice of EGM.

### 11. ACTIONS TO BE TAKEN BY SHAREHOLDERS

#### 11.1. Submitting Questions in advance of the EGM

Shareholders may submit questions which are substantial and relevant to the Ordinary Resolutions tabled for approval at the EGM by writing to the Company in advance of the EGM. Substantial and relevant questions related to the Ordinary Resolutions must be submitted in the following manner:

- (a) by post to the registered office of the Company at 22 Sin Ming Lane, #04-73 Midview City, Singapore 573969, or
- (b) by email to the Company at [info@gsholdings.com.sg](mailto:info@gsholdings.com.sg),

in either case, by 3.00 p.m. on 4 December 2024 for the purposes of the EGM (“**Cut-Off Time**”).

Alternatively, Shareholders may also pose such questions during the EGM.

When submitting questions by post or via email, Shareholders are required to provide the following details: (i.) the Shareholder’s full name, (ii.) the Shareholder’s full address, and (iii.) the manner in which the Shareholder holds shares in the Company (e.g., via CDP, SRS and/or physical scrip), for verification purposes. All questions must be submitted by the Cut-Off Time and the Company will not be able to address questions received after the Cut-Off Time.

The Company will endeavour to address all substantial and relevant questions received from Shareholders by the Cut-Off Time and publish its response on the SGX website at <https://www.sgx.com/securities/company-announcements> and at the Company’s website at <https://gsholdings.com.sg/> not later than 3.00 p.m. on 9 December 2024. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.

The Directors will endeavour to address as many substantial and relevant questions as possible during the EGM. However, Shareholders should note that there may not be sufficient time available at the EGM to address all questions raised. Please note that individual responses will not be sent to Shareholders.

The Company will also publish the minutes of the EGM on the SGX website at <https://www.sgx.com/securities/company-announcements> and at the Company’s website at <https://gsholdings.com.sg/> within one (1) month after the date of the EGM. The minutes of the EGM will include the responses to substantial and relevant questions from Shareholders which are addressed during the EGM.

A physical copy of this Circular, the Notice of EGM and the Proxy Form will be mailed to Shareholders and an electronic copy of these documents will be uploaded on the SGX website and the Company’s website. This Circular has been made available on the SGX website. A Shareholder will need an internet browser and PDF reader to view these documents on the

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## LETTER TO SHAREHOLDERS

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SGX website.

### 11.2. Voting by Proxy(ies).

Shareholders should note that the EGM 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 EGM and who wish to appoint a proxy to attend and vote at the EGM on their behalf are requested to complete, sign and return the Proxy Form attached to the Notice of EGM in accordance with the instructions printed thereon as soon as possible and by completing and submitting the duly completed Proxy Form in the following manner:

- (a) If submitted by post, be deposited at the registered office of the Company at 22 Sin Ming Lane, #04-73 Midview City, Singapore 573969, or
- (b) if submitted electronically, be submitted via email to [info@gsholdings.com.sg](mailto:info@gsholdings.com.sg),

in either case, **not less than forty-eight (48) hours before the time fixed for holding the EGM**. The completion and return of the Proxy Form by a Shareholder will not prevent him from attending and voting at the EGM in person if he so wishes.

If no specific direction as to voting is given, (i) the proxy/proxies (except for the Chairman of the EGM) will vote or abstain from voting at his/her/their discretion on any matter arising at the EGM and at any adjournment thereof, or (ii) the appointment of Chairman of the EGM as proxy for the resolution will be treated as invalid at the EGM and at any adjournment thereof. A proxy need not be a member of the Company. If the appointor is a corporate, the Proxy Form must be executed under seal or the hand of its duly authorised officer or attorney.

The Company shall be entitled to reject the instrument appointing a proxy if it is incomplete, improperly complete, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the proxy (such as in the case the appointor submits more than one Proxy Form).

### 11.3. When Depositor regarded as Shareholder

A Depositor's name must appear on the Depository Register maintained by the CDP as at seventy-two (72) hours before the time fixed for holding the EGM in order for the Depositor to be entitled to vote on any or all of the resolution at the EGM by appointing the Chairman of the EGM as his/her proxy to do so on his/her behalf. In view of Section 81SJ(4) of the SFA, a Depositor shall not be regarded as a Shareholder of the Company entitled to attend the EGM and to speak and vote thereat unless his/her name appears in the Depository Register maintained by the CDP as at seventy-two (72) hours before the EGM. Any Shareholder who is holding his/her shares via the CDP but whose name is not registered with the CDP seventy-two (72) hours before the EGM will not be entitled to attend and vote at the EGM. Accordingly, even if such shareholder deposits his/her Proxy Form forty-eight (48) hours before the EGM, the Chairman of the EGM who is appointed as his/her proxy will not be entitled to vote on his/her behalf at the EGM.

**SHAREHOLDERS ARE ADVISED TO READ IN ITS ENTIRETY THIS CIRCULAR (TOGETHER WITH ALL DOCUMENTS ATTACHED THERETO) CAREFULLY AND THOROUGHLY BEFORE DECIDING WHETHER TO VOTE FOR OR AGAINST THE ORDINARY RESOLUTIONS AS SET OUT IN THE NOTICE OF EGM.**

## 12. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm, after making all reasonable enquiries, that to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Resolutions, the Company and its subsidiaries and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise

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## LETTER TO SHAREHOLDERS

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publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

### 13. FINANCIAL ADVISER'S RESPONSIBILITY STATEMENT

To the best of Evolve Capital Advisory Private Limited's knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Acquisition, the Company and its subsidiaries, and Evolve Capital Advisory Private Limited is not aware of any facts the omission of which would make any statement in this Circular misleading.

### 14. CONSENTS

- 14.1. Evolve Capital Advisory Private Limited, named as the financial advisor to the Company in respect of the Proposed Acquisition, has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name, and all references thereto in the form and context in which they appear in this Circular and to act in such capacity in relation to this Circular.
- 14.2. FHMH Corporate Advisory Sdn Bhd, the Independent Valuer commissioned by the Company to conduct a valuation of the Target has given and has not withdrawn its written consent to the issue of this Circular with the inclusion herein of its name, the Valuation Summary Letter as set out in Appendix A, the Valuation Report, and all references thereto in the form and context in which they appear in this Circular and to act in such capacity in relation to this Circular.
- 14.3. Altum Law Corporation, the legal adviser to the Company as to Singapore law in relation to the Proposed Acquisition and the preparation of this Circular, has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name and references thereto in the form and context in which they appear in this Circular and to act in such capacity in relation to this Circular.

Altum Law Corporation does not make or purport to make any statement in this Circular or any statement upon which a statement in this Circular is based and makes no representation, express or implied, regarding any statement in this Circular and, to the maximum extent permitted by law, expressly disclaim and take no responsibility for any liability to any persons which is based on, or arises out of any statement, information or opinion included or omitted from this Circular.

### 15. CAUTIONARY STATEMENT

Shareholders and potential investors are advised to exercise caution when dealing in the Shares, as there is no certainty or assurance, as at the date of this Circular, as to whether (i.) the terms and conditions of the Proposed Acquisition may be varied by agreement of the Parties in writing from those set out in the Agreement and this Circular, or (ii.) the Proposed Acquisition will proceed to Completion at all. Shareholders and potential investors of the Company should consult their stockbrokers, solicitors or other professional advisors if they have any doubts about the actions they should take.

### 16. DOCUMENTS AVAILABLE FOR INSPECTION

- 16.1. The following documents will be available for inspection during normal business hours at the Company's registered office at 22 Sin Ming Lane, Midview City #04-73, Singapore 573969 for a period of three (3) months from the date of this Circular:
- (a) the Agreement;
  - (b) the Valuation Report;
  - (c) the consent letters referred to in Section 14;
  - (d) the annual report of the Company for FY2023, and

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## LETTER TO SHAREHOLDERS

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(e) the unaudited consolidated financial statements of the Group for 30 June 2024.

- 16.2. Shareholders who wish to inspect the aforementioned document at the registered office are required to send an email request to [info@gsholdings.com.sg](mailto:info@gsholdings.com.sg) to make an appointment in advance.

Yours faithfully,  
For and on behalf of the Board of Directors of  
**GS Holdings Limited**

Lim Kee Way Irwin  
Independent and Non-Executive Chairman

27 November 2024

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**APPENDIX A - VALUATION SUMMARY LETTER**

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18 October 2024

The Board of Directors  
**GS HOLDINGS LIMITED**  
22, Sin Ming Lane  
#04-73 Midview City  
Singapore 573969

Dear Sirs,

**INDEPENDENT BUSINESS VALUATION (“VALUATION”) OF 100% EQUITY INTEREST IN OCTOPUS DISTRIBUTION NETWORKS PTE. LTD. (“ODN” OR “TARGET COMPANY”) IN RELATION TO THE PROPOSED ACQUISITION OF ODN BY GS HOLDINGS LIMITED (the “PROPOSED ACQUISITION”)**

**This Summary highlights only the pertinent information of the Valuation. Shareholders are advised to read carefully the contents of the Circular and the information contained herein.**

**1. INTRODUCTION**

GS Holdings Limited (the “**Company**” or “**GSH**”) intends to acquire 100% of the shareholding interest in the Target Company. Following the completion of the Proposed Acquisition, the Company will hold 100% of the shareholding interest in the Target Company, and the Target Company will become a direct wholly owned subsidiary of the Company.

FHMH Corporate Advisory Sdn Bhd (“**FHCA**”) was engaged by the Board of Directors of GSH (“**Board**”) to conduct a valuation to determine the fair market value of 100% equity interest in ODN as at 30 September 2024 (“**Date of Opinion**”).

The business valuation was carried out in accordance with the International Valuation Standards as prescribed by the International Valuation Standards Council. We note that this report has been prepared for the purpose of inclusion in the Circular to Shareholders of GSH to be issued in relation to the Proposed Acquisition.

The letter is a summary containing information from our valuation report dated 18 October 2024 (the “**Valuation Report**”). Accordingly, this letter and its contents should be read in conjunction with the full text in the full Valuation Report.

**2. BACKGROUND INFORMATION OF THE TARGET COMPANY**

Incorporated in 4 March 2011, under the Companies Act 1967 of Singapore, ODN engaged in imports, exports and general merchants in beers and various other beverages, provision of services relating to management fees and warehouse rental. The Target Company has an existing and paid-up capital of SGD1,000,000 representing 1,000,000 ordinary shares.

**3. TERMS OF REFERENCE**

The basis of our opinion is the fair market value which is defined as the price a willing buyer would pay a willing seller in a transaction on the open market as defined by the International Valuation Standards. The concept of market value means the cash equivalent price of an asset being valued assuming the transaction took place under conditions existing at the date of valuation of the assets. The amount would not be considered market value if it was influenced by special motivations or characteristics of a buyer or seller.

**4. SCOPE AND LIMITATIONS OF REVIEW**

FHCA was not involved in the formulation or any deliberation and negotiation on the terms and conditions of the Proposed Acquisition. Our role as the Independent Business Valuer does not extend to expressing an

opinion on the commercial merits of the Proposed Acquisition and this remains solely the responsibility of the Board of the Company, although we may draw upon their views in arriving at our opinion.

As such, where comments or points of consideration are included on matters, which may be commercially oriented, these are incidental to our overall evaluation and concern matters, which we may deem material for disclosure. Further, our terms of reference do not include us rendering an expert opinion on legal, accounting and taxation issues relating to the Valuation and/or any corporate exercise contemplated by the parties.

The Board and Management are responsible to make available to us all relevant information pertaining to the Valuation, including informing us of any material changes in the subject matters which may have an impact on our opinion. Our work includes holding discussions and making enquiries with the Management regarding representations made on the Target Company. We rely on the Management's oral and written representations and in no event shall we, our partners, principals, directors, shareholders, agents or employees be liable for any misrepresentations by the Management. Our procedures and inquiries did not include any verification work that constitutes an audit on the information that we have relied upon in preparing this report. Further, certain information relied upon are only representation provided by the Management.

With regard to the Future Financials furnished to us by the Management, we have assumed that they have been reasonably prepared on bases reflecting the best currently available estimates and judgement by the Management on the future financial performance of the Target Company and of which the Management is solely responsible for the bases and assumptions and the preparation and presentation of the same. The preparation of this Letter is based upon market, economy, industry and other conditions prevailing as at the Date of Opinion, as well as publicly available information and information provided to us by the Company and the Target Company. Such conditions may change significantly over a relatively short period of time. No representation or warranty, whether expressed or implied, is given by FHCA that the information and documents provided will remain unaltered subsequent to the issuance of this Letter.

e have obtained a responsibility statement from the Management that all material facts, financial and other information essential to our evaluation have been disclosed to us and that they have seen this Letter and they, individually and collectively, accept full responsibility for the accuracy of such information contained in this Letter, and confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts the omission of which would make any statement herein false or misleading.

We note that the forecast and projections were prepared on the best effort basis to the best knowledge of the management of ODN. After making due enquiries and assessments on the reasonableness of the cash flow forecast and projections, we are of the opinion that the forecast and projections were reasonably prepared.

## 5. VALUATION METHODOLOGY

We had considered that the Cost Approach was not suitable for the valuation of the Target Company as the Target Company is engaged in imports, exports and general merchants in beers and various other beverages, provision of services relating to management fees and warehouse rental. The value of the Target Company will be derived from its future operating income and not its current assets. As such, we had determined that the Income Approach was the most appropriate valuation approach to value 100% equity interest of the Target Company. We have also adopted the Market Approach as a cross-check to the Income Approach.

### Discounted FCFF Methodology

Discounted cash flow to flow ("FCFF") Methodology is a valuation method which considers both the time value of money and the projected net cash flow generated discounted at a specified discount rate to derive at the valuation of the subject matter. It is based on discounted cash flows, involving the application of an appropriately selected discount rate applied on the projected future cash flows to be earned by the equity holders of a company. We note that the Target Company does not have any surplus cash nor idle assets.

The projected FCFF as determined annually based on the projected Future Financials shall be discounted using the weighted average cost of capital ("WACC"). The WACC formula is as follows:

$$WACC = \text{Cost of equity} \times \frac{\text{Equity}}{\text{Capital}} + \text{Cost of debt} \times \frac{\text{Debt}(1 - \text{Corporate Tax Rate})}{\text{Capital}}$$

The cost of equity takes into account a combination of risk factors associated with the industry in which ODN is involved in, namely, the systematic risk, i.e. the inherent market risk such as the interest rate fluctuation, and the capital structure, i.e. the financing risk. These risks are translated into the cost of equity which is built upon the Capital Asset Pricing Model (“**CAPM**”). The cost of equity formula is as follows:

$$\text{Cost of equity} = \text{Risk free rate} + (\text{Regeared Beta} \times (\text{Market return} \times \text{Risk free rate}))$$

In arriving at the appropriate discount rate, we have applied the prevailing risk-free rate and market risk premium, as well as adopted the betas of available, and have been listed for more than one (1) year and are profit making (“**Comparable Companies**”) with relevant adjustments made taking into consideration the gearing and the risk profile as well as other risk factors that may affect the Target Company.

Our valuation is based on various assumptions with respect to the Target Company, including their respective present and future conditions, business strategies and the environment in which they operate. These assumptions are based on information that we have been provided and discussion with the Company and Management reflecting the current expectations on current and future events.

Among other assumptions that are stated in the Valuation Report, the key assumptions are as follows:

- (i) The Target Company’s forecast for the financial period from 1 April 2024 to 31 March 2029 (“**Future Financials**”) as prepared by the Management and trend of the industry have been considered;
- (ii) The revenue of ODN is primarily derived from trading including import and export of beers, spirits, liquor and other alcoholic beverages. The projected revenue growth is 7.3% in 2025F, 10.1% in 2026F, 6.1% in 2027F, 2.2% in 2028F, and 2.3% in 2029F.
- (iii) The gross profit margin is expected to maintain at ~17% in Future Financials;
- (iv) The selling and distribution expenses are projected to maintain between ~11% to ~12% to revenue in the Future Financials;
- (v) The general and administrative expenses are projected to maintain between ~1.2% to 1.3% to revenue in the Future Financials;
- (vi) The finance costs are projected to be maintained between ~5.0% to 5.6% to borrowings in the Future Financials.
- (vii) The projected capital expenditures are expected to be ~SGD 177,000 over the forecast period, primarily for the maintenance of ODN’s assets.
- (viii) The range of WACC from 7.29% to 9.29% with a base CAPM of 8.29% was considered;
- (ix) A terminal growth of 1% was projected taking into consideration that the external factors that may directly and indirectly affect the business of the Target Company;
- (x) There will be no significant changes in the principal activities, key management personal, operating policies, accounting and business policies presently adopted by the Management Further, the projects set out in the key assumptions above are expected to materialise within prescribed timeframe as projected by the Management;
- (xi) The Future Financials have been prepared based on prevailing economic conditions and information available as at the date of its preparation and does not encompass any assessment of the potential for future changes in the economic conditions in Singapore;
- (xii) There will be no significant changes to the prevailing economic, political and market conditions in Singapore and elsewhere that will have direct and indirect effects on the activities of the Target Company and performance of the Target Company;
- (xiii) There will be no material changes to the present legislation and Government’s regulations and other operation regulations or restrictions affecting the activities or the market in which the Target Company operates and all projects set out in the key assumptions above will be operated in line with local legislation and Government’s regulations;

- (xiv) Other than as set out above, there will be no significant changes in the credit period for the trade receivables, trade payables turnovers nor inventory turnover days of the Target Company;
- (xv) The statutory income tax rate and other relevant duty and tax rate will remain at their respective existing rates with no significant changes in the bases of taxation and there will be no significant changes in the structure which would adversely affect the cash flows of the Target Company;
- (xvi) There will be no material adverse effect from service disruptions, equipment or network breakdown or other similar occurrences, wars, epidemic, terrorist attacks and other natural risks, both domestic and foreign, which will adversely affect the operations, income and expenditure of the Target Company;
- (xvii) There will be no substantial inherent uncertainties, such as disease outbreaks consumption trends, price variability, and oversupply which will adversely affect the operations, income and expenditure of the Target Company;
- (xviii) The rate of inflation will not fluctuate significantly from their projected levels, which are benchmarked against the respective historical average inflation rate;
- (xix) The exchange rate between various currencies, including but not limited to USD, EUR, GBP and AUD, in which the Target Company may derive its income/expenses in will not fluctuate significantly from their projected levels;
- (xx) There will be no significant changes in wages, supplies, administration, overhead expenses and other costs other than those forecast and projected;
- (xxi) There will be no termination of any significant agreements or contracts from which the legal rights accrue to the Target Company. Such agreements or contracts are assumed to be formalised and entered into based on the terms set out above, and/or renewed based on current terms upon expiry;
- (xxii) There will be adequate supply of manpower and other relevant resources for its business activities;
- (xxiii) Target Company has obtained all necessary licenses, approvals, permits, land titles and classifications.
- (xxiv) There will be no major legal proceedings against the Target Company which will adversely affect the activities or performance of the Target Company.

#### *Evaluation of the fair market value of ODN*

In the evaluation of the fair market value of the Target Company, based on the Discounted FCFF Methodology using the Future Financials as provided by the management of the Target Company and the inputs from the Comparable Companies, the following were noted:

#### **CAPM Inputs**

Net Debt/Equity Ratio of Comparable Companies	66.27%
Risk-Free Rate <sup>[1]</sup>	2.63%
Equity Risk Premium <sup>[2]</sup>	4.60%
Re-gearred Beta <sup>[3]</sup>	0.87
Small Cap Premium <sup>[4]</sup>	4.00%
Cost of Equity derived using CAPM	10.61%
Cost of Debt	5.75%
Tax Rate	17%
Weighted average cost of capital	8.29%

#### **Notes:**

[1] Based on the risk-free rate for Singapore as extracted from World Government Bond website. This risk-free rate is based on the yield of ten (10) years Singaporean Government Securities ("**SGS**") as at the LTD as the MGS is considered a risk-free investment in Singapore with 10 years being the length of a typical economic cycle.

[2] Based on the equity risk premium for Singapore as extracted from [https://pages.stern.nyu.edu/~adamodar/New\\_Home\\_Page/datafile/ctryprem.html](https://pages.stern.nyu.edu/~adamodar/New_Home_Page/datafile/ctryprem.html).

[3] Re-gearred beta is arrived at based on the median net debt/equity ratio of Comparable Companies

[4] An illiquidity premium of 4.0% had been applied to derive the discount rate using CAPM to account for the lack of marketability and unsystematic risk as published by Professor Aswath Damodaran, who is an established academic in this subject, and extracted from <https://pages.stern.nyu.edu/~adamodar/pdfiles/country/illiquidity.pdf>.

[5] Cost of debt is based on the prime lending rates extracted from Association of Banks in Singapore website.

## 6. CONCLUSION

It should be recognised that the valuation of any entity is always subject to a great deal of uncertainty and involves a high degree of subjectivity and element of judgement. Because of the susceptibility of valuations to inputs of the model applied, valuations can change quite quickly in response to market changes or changes in the surrounding circumstances, including the market outlook (whether in general or relating to the industry itself).

In establishing our opinion on the fair market value of ODN, FHCA has considered various valuation methodologies, which are commonly used for valuation, taking into consideration the Target Company's future earnings generating capabilities, projected future cash flows and its sustainability as well as various business considerations and risk factors affecting its business.

FHCA had used the Discounted FCF Methodology to access the fair market value of ODN.

- (i) **Based on the Discounted FCF Methodology, the fair market value of the entire equity interest in the Target Company range from SGD8.81 million to SGD13.28 million.**
- (ii) **Based on the RVA, the implied EV/EBITDA Multiple is calculated based on EV divided by EBITDA of, is below the median but is within the range of EV/EBITDA of the Comparable Companies and the Implied PE Multiple based on the fair market value of ODN against FY 2024 PAT is below the median and range of PE Multiples of Comparable Companies.**

## 7. RESTRICTIONS

Save for the purpose stated herein, this report cannot be relied upon by any party other than the Company. Accordingly, we are not responsible or liable for any form of losses however occasioned to any third party as a result of the circulation, publication, reproduction or use of, or reliance on this report, in whole or in part. We are not required to give testimony or to be in attendance in court with reference to the opinion herein provided. Neither FHCA nor any of its members or employees undertakes responsibilities arising in any way whatsoever to any person in respect of this report, including any error or omission therein, however caused, as a result of the unauthorised circulation, publication, reproduction or use of this report, or any part hereof.

Should FHCA become aware of any significant change affecting the information contained in this report or have reasonable grounds to believe that any statement in this report is misleading or deceptive or have reasonable grounds to believe that there is material omission in this report, we will immediately notify the Board of the Company.

Yours faithfully,

For and on behalf of

**FHMH CORPORATE ADVISORY SDN BHD**



**ANDREW HENG**

Director

CVA Certification No: 10031



**DING SU LYNN**

Director

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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**GS HOLDINGS LIMITED**  
(Company Registration No.: 201427862D)  
(Incorporated in the Republic of Singapore)

### NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an Extraordinary General Meeting (“**EGM**” or “**Meeting**”) of GS Holdings Limited (“**Company**”) will be held at Surbana Jurong Campus, 38 Cleantech Loop, Tower 8 Lift Lobby, Basement 1, Multi-purpose Room 2, Singapore 636741, on 13 December 2024 at 3.00 p.m., for the following purposes of considering and, if thought fit, passing with or without amendments, the Resolutions as set out below (“**Notice**”).

*All capitalised terms used in this notice which are not defined herein shall have the meanings ascribed to them in the circular dated 27 November 2024 (“**Circular**”) to shareholders of the Company (“**Shareholders**”).*

A physical copy of the Circular, this Notice of EGM along with its accompanying Proxy Form has been mailed to Shareholders and an electronic copy of these documents has been made available on SGXNet at <https://www.sgx.com/securities/company-announcements> and the Company’s corporate website which may be accessed at the URL: <https://gsholdings.com.sg/>.

**Shareholders should note that:**

- (a) **Ordinary Resolutions 1, 2 and 5 (“Key Resolutions”)** are inter-conditional upon each other, and
- (b) **Ordinary Resolutions 3 and 4 are conditional upon the passing of the Key Resolutions (“Conditional Resolutions”).**

**This means that if any of the Key Resolutions are not passed, the other Key Resolutions would not be passed, and if any of the Key Resolutions are not passed, the Conditional Resolutions would not be passed.**

**Please refer to Section 1.3 of this Circular titled “Inter-Conditionality of Resolutions” for more details.**

#### **ORDINARY RESOLUTION 1: TO APPROVE THE PROPOSED ACQUISITION**

**THAT**, contingent on the passing of Ordinary Resolutions 2 and 5:

- (a) approval be and is hereby given for the Company to effect and complete the Proposed Acquisition and all transactions in relation thereto, on the terms and subject to the conditions set out in the Agreement, the principal terms of which are set out in the Circular, and
- (b) the Directors be and are hereby authorised to (a) carry out and implement the Proposed Acquisition in accordance with the Agreement, and (b) complete and do all such acts and things (including executing such documents and approving any amendments, alterations or modifications to any documents as may be required) as they may consider expedient or necessary to give effect to this Ordinary Resolution 1 as they or each of them may in their or each of their absolute discretion deem fit in the interests of the Company.

#### **ORDINARY RESOLUTION 2: TO APPROVE THE PROPOSED ALLOTMENT AND ISSUANCE OF CONSIDERATION SHARES AND TRANSFER OF CONTROLLING INTEREST TO THE VENDOR**

**THAT**, contingent on the passing of Ordinary Resolutions 1 and 5:

- (a) the Directors of the Company be and are hereby authorised to allot and issue an aggregate 166,226,912 Consideration Shares to the Vendor at the Issue Price of S\$0.0379 per

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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Consideration Share, amounting to S\$6.3 million, credited as fully paid-up, in partial satisfaction of the Purchase Consideration payable in accordance with the Agreement, resulting in a transfer of controlling interest to the Vendor pursuant to Rule 803 of the Catalist Rules, and

- (b) the Directors be and are hereby authorised to complete and do all such acts and things (including executing such documents and approving any amendments, alterations or modifications to any documents as may be required) as they may consider expedient or necessary to give effect to this Ordinary Resolution 2 as they or each of them may in their or each of their absolute discretion deem fit in the interest of the Company.

### **ORDINARY RESOLUTION 3: TO APPROVE THE PROPOSED ALLOTMENT AND ISSUANCE OF INTRODUCER SHARES**

**THAT**, contingent on the passing of the Key Resolutions:

- (a) the Directors of the Company be and are hereby authorized to allot and issue 14,567,901 Introducer Shares at the Introducer Issue Price of S\$0.0243 per Introducer Share, credited as fully paid-up, to the Introducer in satisfaction of the introducer fee payable for the Introducer Services, and
- (b) the Directors be and are hereby authorised to complete and do all such acts and things (including executing such documents and approving any amendments, alterations or modifications to any documents as may be required) as they may consider expedient or necessary to give effect to this Ordinary Resolution 3 as they or each of them may in their or each of their absolute discretion deem fit in the interest of the Company.

### **ORDINARY RESOLUTION 4: TO APPROVE THE PROPOSED ALLOTMENT AND ISSUANCE OF SPONSOR SHARES**

**THAT**, contingent on the passing of the Key Resolutions:

- (a) the Directors of the Company be and are hereby authorised to allot and issue 652,173 new Shares at the Sponsor Issue Price of S\$0.023 per Share, and 395,778 new Shares at the Issue Price of S\$0.0379 (collectively, "**Sponsor Shares**"), credited as fully paid-up, to the Sponsor in partial satisfaction of the Sponsor's professional fees for the Professional Services, and
- (b) the Directors be and are hereby authorised to complete and do all such acts and things (including executing such documents and approving any amendments, alterations or modifications to any documents as may be required) as they may consider expedient or necessary to give effect to this Ordinary Resolution 4 as they or each of them may in their or each of their absolute discretion deem fit in the interest of the Company.

### **ORDINARY RESOLUTION 5: TO APPROVE THE PROPOSED APPOINTMENT OF TEH CHOOI PENG AS A PROPOSED NEW DIRECTOR**

**THAT**, contingent on the passing of Ordinary Resolutions 1 and 2, Teh Chooi Peng be appointed as a Director of the Company with effect from Completion.

#### **By Order of the Board**

Lim Kee Way Irwin  
Independent and Non-Executive Chairman

27 November 2024

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### Notes:

#### *Format of Meeting*

1. The EGM will be held in a wholly physical format, at Surbana Jurong Campus, 38 Cleantech Loop, Tower 8 Lift Lobby, Basement 1, Multi-purpose Room 2, Singapore 636741, on 13 December 2024 at 3.00 p.m. Shareholders, including SRS Investors, and (where applicable) duly appointed proxies and representatives will be able to ask questions and vote at the EGM by attending the EGM in person. **There will be no option for Shareholders to participate virtually.**

#### *Access to Documents*

2. A physical copy of the Circular, this Notice along with its accompanying Proxy Form has been mailed to Shareholders and an electronic copy of these documents has been made available on SGXNet at <https://www.sgx.com/securities/company-announcements> and the Company's corporate website which may be accessed at the URL: <https://gsholdings.com.sg/>.

#### *Submission of Questions*

3. **Submission of Questions.** Shareholders, including SRS Investors, can submit substantial and relevant questions related to the Ordinary Resolutions to be tabled for approval at the EGM in advance of the EGM, in the following manner:
  - (a) **by post** to the registered office of the Company at 22 Sin Ming Lane, #04-73 Midview City, Singapore 573969, or
  - (b) **by email** to the Company at [info@gsholdings.com.sg](mailto:info@gsholdings.com.sg).

Shareholders are required to provide the Company with the following details for verification purposes when sending in their questions by post or email:

- their full names;
- their full address, and
- the manner in which they hold shares in the Company (e.g., via CDP, SRS and/or physical scrip).

**For submission of questions** in advance by Shareholders, all questions must be received by the Cut-Off Time of 3.00 p.m. on 4 December 2024 and any substantial and relevant questions received after the Cut-Off Time will be addressed by the Company during the EGM.

**Addressing Questions.** The Company will endeavour to address all substantial and relevant questions which Shareholders have submitted in advance by publishing the Company's responses to such questions via SGXNet at <https://www.sgx.com/securities/company-announcements> and the Company's website at <https://gsholdings.com.sg/> by 3.00 p.m. on 9 December 2024. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed. The Directors will endeavour to address as many substantial and relevant and/or follow-up questions as possible during the EGM. However, Shareholders should note that there may not be sufficient time available at the EGM to address all questions raised. Please note that individual responses will not be sent to Shareholders.

**Minutes of EGM.** The Company will, within one (1) month after the date of the EGM, publish the minutes of the EGM on SGXNet at <https://www.sgx.com/securities/company-announcements> and the Company's website at <https://gsholdings.com.sg/> respectively. The minutes of the EGM will include the responses to substantial and relevant questions from Shareholders which are addressed during the EGM.



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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### *Appointment of Proxy(ies)*

4. A Shareholders who is unable to attend the EGM and wishes to appoint proxy(ies) to attend, speak and vote at the EGM on his/her/its behalf should complete, sign and return the Proxy Form in accordance with the instructions printed thereon.
5. A Shareholder who is not a relevant intermediary (as defined below) is entitled to appoint not more than two (2) proxies to attend, speak and vote at the EGM. Where such Shareholder's Proxy Form appoints more than one (1) proxy, the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy shall be specified in the Proxy Form.

A Shareholder who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such Shareholder. Where such Shareholder's Proxy Form appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the Proxy Form.

**"Relevant Intermediary"** has the meaning defined in section 181 of the Companies Act 1967 of Singapore.

6. A proxy need not to be a member of the Company. A Shareholder may choose to appoint the chairman of the EGM ("**Chairman**") as his/her/its proxy.
7. Where a Shareholder (whether individual or corporate) appoints proxy/proxies to attend, speak and vote on his/her/its behalf at the EGM, if there is no specific direction as to voting is given or in the event of any other matter arising at the EGM and at any adjournment thereof, the proxy/proxies may vote or abstain from voting at his or her discretion.
8. Where a Shareholder (whether individual or corporate) appoints the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM, in the absence of specific directions as to voting, the appointment of Chairman of the EGM for that resolution will be treated as invalid at the EGM and at any adjournment thereof.
9. SRS investors:
  - (a) may vote at the EGM if they are appointed as proxies by their respective SRS operators. Investors should contact their respective SRS operators for any queries regarding their appointment as proxies, or
  - (b) who are unable to attend the EGM and wish to vote should approach their respective SRS operators to appoint the Chairman of the EGM as proxy to vote on their behalf. They must submit their votes to the SRS operators by 4 December 2024, which is seven (7) working days before the EGM. In such cases, investors will be precluded from attending the EGM in person.
10. The instrument appointing the proxy(ies), together with the letter or power of attorney or other authority under which it is signed or a duly certified copy thereof (if applicable), must be submitted to the Company in the following manner:
  - (a) If submitted by post, be deposited at the registered office of the Company at 22 Sin Ming Lane, #04-73 Midview City, Singapore 573969, or
  - (b) if submitted electronically, be submitted via email to [info@gsholdings.com.sg](mailto:info@gsholdings.com.sg),

in either case by 3.00 p.m. on 11 December 2024, being not less than forty-eight (48) hours before the time appointed for holding the EGM.

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### PERSONAL DATA PRIVACY:

By submitting a Proxy Form appointing proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a Shareholder of the Company (i) consents to the collection, use and disclosure of the Shareholder's personal data by the Company (or its agents or service providers) for the purpose of the processing and administration by the Company (or its agents or service providers) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, Catalist Rules, take-over rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the Shareholder discloses the personal data of the Shareholder's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the Shareholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the Shareholder will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Shareholder's breach of warranty.

## PROXY FORM

### GS HOLDINGS LIMITED

(Company Registration No.: 201427862D)  
(Incorporated in the Republic of Singapore)

### PROXY FORM EXTRAORDINARY GENERAL MEETING

Printed copies of the Proxy Form will be sent to Shareholders. This Proxy Form has also been made available and may be accessed on **SGXNet** at <https://www.sgx.com/securities/company-announcements> and the Company's website at <https://gsholdings.com.sg/>.

#### IMPORTANT

1. The Extraordinary General Meeting ("EGM") will be held, in a wholly physical format, at Surbana Jurong Campus, 38 Cleantech Loop, Tower 8 Lift Lobby, Basement 1, Multi-purpose Room 2, Singapore 636741, on 13 December 2024 at 3.00 p.m. **There will be no option for Shareholders to participate virtually.** Arrangements relating to, among others, attendance at the EGM, submission of questions in advance, addressing of substantial and relevant questions in advance of, or at the EGM and voting at the EGM are set out in the Notice of EGM dated 27 November 2024 which is published on SGXNet and the Company's website.
2. For investors who have used their Supplementary Retirement Scheme monies to buy Shares in the Company (the "**SRS Investors**"), this Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. SRS Investors may direct their SRS operators to appoint the Chairman of the EGM as proxy to vote on their behalf at the EGM in which case they should approach their SRS operators to submit their votes at least seven (7) working days before the EGM (i.e. by 4 December 2024) to allow sufficient time for their respective relevant intermediaries to, in turn, submit a Proxy Form to appoint the Chairman of the EGM to vote on their behalf by the cut-off time and date at 3.00 p.m. on 11 December 2024.
4. Relevant intermediaries (as defined in section 181 of the Companies Act 1967) may appoint more than two proxies to attend, speak and vote at the EGM.

I/We\* \_\_\_\_\_ (Name) \_\_\_\_\_ (NRIC/ Company Registration No)\* of \_\_\_\_\_ (Address) \_\_\_\_\_ being a member/members of **GS HOLDINGS LIMITED** (the "**Company**"), hereby appoint:

Name	NRIC/Passport No.	Address	No. of Shares	Proportion of Shareholding (%)

\*and/or (delete as appropriate)

Name	NRIC/Passport No.	Address	No. of Shares	Proportion of Shareholding (%)

or failing \*him/her/they, or if no person is named above, hereby appoint the Chairman of the EGM as my/our proxy/proxies, to attend, speak and vote for me/us on my/our behalf at the EGM of the Company to be held at Surbana Jurong Campus, 38 Cleantech Loop, Tower 8 Lift Lobby, Basement 1, Multi-purpose Room 2, Singapore 636741, on 13 December 2024 at 3.00 p.m. and at any adjournment thereof.

I/We direct my/our proxy/proxies to vote for, against, or to abstain from voting on the resolutions to be proposed at the EGM in the spaces provided hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the EGM and at any adjournment thereof, my/our\* proxy/proxies\* may vote or abstain from voting at his or her discretion.

Where the Chairman of the EGM is appointed as proxy, in the absence of specific directions as to voting, the appointment of Chairman of the EGM for that resolution will be treated as invalid at the EGM and any adjournment thereof.

The resolutions put to the vote at the EGM shall be decided by way of poll.

**PROXY FORM**

No.	Resolutions relating to:	For	Against	Abstain
1.	Ordinary Resolution 1: Proposed Acquisition			
2.	Ordinary Resolution 2: Proposed Allotment and Issuance of Consideration Shares and Transfer of Controlling Interest to the Vendor under Rule 803 of the Catalist Rules			
3.	Ordinary Resolution 3: Proposed Allotment and Issuance of Introducer Shares			
4.	Ordinary Resolution 4: Proposed Allotment and Issuance of Sponsor Shares			
5.	Ordinary Resolution 5: Proposed Appointment of Teh Chooi Peng as a Director of the Company			

**Note:** If you wish to exercise all your votes “For” or “Against” the relevant resolution or to “Abstain” from voting on the resolution in respect of all your votes, please indicate your vote with a “√” within the relevant boxes provided. Alternatively, if you wish to exercise some and not all of your votes both “For” and “Against” the relevant resolution and/or to abstain from voting in respect of the relevant resolution, please indicate the number of shares in the boxes provided.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2024

Total Number of Shares in	No. of Shares
Depository Register	
Register of Members	

\_\_\_\_\_  
Signature(s) of Shareholder(s) and/or  
Common Seal of Corporate Shareholder



\*Delete where inapplicable

**IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS PROXY FORM**

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## PROXY FORM

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### NOTES:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in section 81SF of the Securities and Futures Act 2001 of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy shall be deemed to relate to all the shares held by you.
2. A Shareholder of the Company who is not a relevant intermediary (as defined below) is entitled to appoint not more than two (2) proxies to attend, speak and vote at the EGM. Where such Shareholder's Proxy Form appoints more than one (1) proxy, the proportion of his/her/its shareholding concerned to be represented by each proxy shall be specified in the Proxy Form, otherwise the Company shall be entitled to treat the first named proxy as representing the entire number of Shares registered against the Shareholder's name in the Depository Register and any second named proxy as an alternate to the first named proxy or at the Company's option to treat such Proxy Form as invalid.
3. A Shareholder of the Company who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such Shareholder. Where such Shareholder's Proxy Form appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the Proxy Form.
4. "**Relevant intermediary**" has the meaning defined in section 181 of the Companies Act 1967 of Singapore.
5. Investors who hold shares through relevant intermediaries and wish to participate in the EGM must approach their respective agents so that the necessary arrangements can be made by the relevant agents for their participation in the EGM or the appointment of the Chairman (or other person(s)) to act as their proxy.
6. SRS Investors who are unable to attend the EGM and wishes to vote should approach their respective SRS operators to submit their votes at least seven (7) working days before the EGM (i.e. by 4 December 2024) in order to allow sufficient time for their SRS Operators to in turn submit a Proxy Form to appoint the Chairman of the EGM as proxy to vote at the EGM. In such cases, the investors will be precluded from attending the EGM.
7. A Shareholder who wishes to appoint a proxy(ies) must complete the instrument appointing a proxy(ies), before submitting it in the manner set out below.
8. A proxy, including the Chairman of the EGM, need not be a Shareholder of the Company.
9. A corporation which is a Shareholder may also authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with section 179 of the Companies Act 1967.
10. The appointment of a proxy(ies) shall not preclude a Shareholder from attending, speaking and voting in person at the EGM. If a Shareholder attends the EGM in person, the appointment of a proxy(ies) shall be deemed to be revoked, and the Company reserves the right to refuse to admit such proxy(ies) to the EGM.
11. The instrument appointing the proxy(ies), together with the letter or power of attorney or other authority under which it is signed or a duly certified copy thereof (if applicable), must be submitted to the Company in the following manner:

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## PROXY FORM

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(a) If submitted by post, be deposited at the registered office of the Company at 22 Sin Ming Lane, #04-73 Midview City, Singapore 573969, or

(b) if submitted electronically, be submitted via email to [info@gsholdings.com.sg](mailto:info@gsholdings.com.sg),

in either case by 3.00 p.m. on 11 December 2024, being not less than forty-eight (48) hours before the time appointed for holding the EGM.

12. A Shareholder who wishes to submit an instrument of proxy must first download, complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.
13. If sent by post, the instrument appointing a proxy(ies) must be under the hand of the appointor or of his/her attorney duly authorised in writing and the instrument appointing the proxy(ies) of a corporation must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
14. Where an instrument appointing a proxy(ies) is submitted by email, it must be authorised in the following manner:
  - (a) by way of the affixation of a signature under the hand of the appointor or his/her duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation, or
  - (b) by way of the appointor or his duly authorised attorney or, as the case may be, an officer or duly authorised attorney of a corporation signing the instrument under hand and submitting a scanned copy of the signed instrument by email.

**Shareholders are strongly encouraged to submit their completed Proxy Forms electronically via email to ensure that they are received by the Company by the stipulated deadline.**

15. Where an instrument appointing a proxy(ies) is signed or, as the case may be, authorised on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument appointing the proxy(ies), failing which the instrument may be treated as invalid.
16. The Company shall be entitled to reject any instrument appointing a proxy(ies) if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument including any related attachment (such as in the case where the appointor submit more than one instrument appointing his/her/its proxy(ies)). In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy(ies) if the Shareholder, being the appointor is not shown to have shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the EGM as certified by The Central Depository (Pte) Limited to the Company.
17. By submitting this Proxy Form, a Shareholder accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 27 November 2024.