

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

This Appendix is circulated to the Shareholders of Raffles Education Limited (the “**Company**”) together with the Company’s Annual Report 2024 (as defined herein). Its purpose is to explain to the Shareholders the rationale of and to provide information pertaining to the proposed adoption of the Share Buy-Back Mandate (as defined herein) and to seek Shareholders’ approval of the same at the Annual General Meeting to be held on **25 October 2024 at 10.00 a.m. at 111 Somerset Road, #15-22, 111 Somerset, Singapore 238164.**

The Notice of Annual General Meeting and Proxy Form are enclosed with the Annual Report 2024. If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, accountant, solicitor or other independent professional adviser immediately.

The SGX-ST (as defined herein) assumes no responsibility for the contents of this Appendix including the correctness of any of the statements or opinions made or reports contained in this Appendix.

# RafflesEducation

## **RAFFLES EDUCATION LIMITED**

(Incorporated in the Republic of Singapore)  
(Company Registration No. 199400712N)

### **APPENDIX A**

**TO THE NOTICE OF ANNUAL GENERAL MEETING DATED 8 OCTOBER 2024**

**IN RELATION TO**

**THE PROPOSED ADOPTION OF THE SHARE BUY-BACK MANDATE**

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## DEFINITIONS

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In this Appendix, the following definitions apply throughout unless otherwise stated:

<b>“AGM”</b>	:	The annual general meeting of the Company and unless the context otherwise requires, shall refer to the upcoming annual general meeting to be held on 25 October 2024 at 10.00 a.m.
<b>“Annual Report 2024”</b>	:	The annual report of the Company for the financial year ended 30 June 2024
<b>“Appendix”</b>	:	This appendix A to the Notice of AGM
<b>“Average Closing Price”</b>	:	Has the meaning ascribed to it in section 2.3(d) of this Appendix
<b>“Board”</b>	:	The board of Directors of the Company for the time being
<b>“CDP”</b>	:	The Central Depository (Pte) Limited
<b>“CEO”</b>	:	The Chief Executive Officer of the Company for the time being
<b>“Companies Act”</b>	:	The Companies Act 1967 of Singapore, as amended, modified or supplemented from time to time
<b>“Company”</b>	:	Raffles Education Limited
<b>“concert parties”</b>	:	Has the meaning ascribed to it in section 2.9(b) of this Appendix
<b>“Constitution”</b>	:	The constitution of the Company, as amended, modified or supplemented from time to time
<b>“Controlling Shareholder”</b>	:	A person who:  (a) holds directly or indirectly 15% or more of the total number of issued shares excluding treasury shares in the company. The SGX-ST may determine that a person who satisfies this paragraph is not a Controlling Shareholder; or  (b) in fact, exercises Control over a company
<b>“day of the making of the offer”</b>	:	Has the meaning ascribed to it in section 2.3(d) of this Appendix
<b>“Directors”</b>	:	The directors of the Company for the time being
<b>“EPS”</b>	:	Earnings per Share
<b>“FY”</b>	:	Financial year ended 30 June
<b>“Group”</b>	:	The Company, together with its Subsidiaries
<b>“Latest Practicable Date”</b>	:	1 October 2024, being the latest practicable date prior to the publication of this Appendix
<b>“Listing Manual”</b>	:	The listing manual of the SGX-ST, as amended, modified or supplemented from time to time
<b>“Market Day”</b>	:	A day on which the SGX-ST is open for trading of securities

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## DEFINITIONS

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<b>“Maximum Price”</b>	:	Has the meaning ascribed to it in section 2.3(d) of this Appendix
<b>“NAV”</b>	:	Net asset value
<b>“Notice of AGM”</b>	:	The notice of the AGM, as enclosed with the Annual Report 2024
<b>“Off-Market Purchase”</b>	:	Off-market purchases (effected otherwise than on the SGX-ST or any other stock exchange) effected pursuant to an equal access scheme as defined in Section 76C of the Companies Act, as may be determined or formulated by the Directors as they may consider fit and in the best interests of the Company, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act and the Listing Manual in accordance with Section 76C of the Companies Act
<b>“On-Market Purchase”</b>	:	On-market purchases, transacted on the SGX-ST through the ready market or, as the case may be, any other stock exchange on which the Shares may, for the time being, be listed and quoted, and which may be transacted through one or more duly licensed stock brokers appointed by the Company for the purpose, in accordance with Section 76E of the Companies Act
<b>“Ordinary Resolution 9”</b>	:	The ordinary resolution for the proposed adoption of the Share Buy-Back Mandate
<b>“Proxy Form”</b>	:	The proxy form in respect of the AGM as enclosed with the Notice of AGM
<b>“REC ESOS 2011”</b>	:	The employee share option scheme of the Company known as “Raffles Education Corporation Employees’ Share Option Scheme (Year 2011)” which was approved on 23 March 2011
<b>“Register”</b>	:	The register maintained by the Company setting out details of the Shareholders and their respective shareholdings
<b>“Register of Directors”</b>	:	The register of Directors of the Company
<b>“Register of Substantial Shareholders”</b>	:	The register of Substantial Shareholders of the Company
<b>“Relevant Period”</b>	:	The period commencing from the date of the AGM, being the date on which the Ordinary Resolution 9 is passed (if approved by Shareholders), and expiring on the date on which the next annual general meeting of the Company is held or is required by law to be held, whichever is earlier
<b>“Request Form”</b>	:	The request form in respect of the Annual Report 2024 and the AGM as enclosed with the Notice of AGM
<b>“Securities Accounts”</b>	:	The 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, as amended, modified or supplemented from time to time

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## DEFINITIONS

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“ <b>SGX-ST</b> ”	:	Singapore Exchange Securities Trading Limited
“ <b>Share Buy-Back</b> ”	:	Buy-back of Shares by the Company pursuant to the Share Buy-Back Mandate
“ <b>Share Buy-Back Mandate</b> ”	:	The general and unconditional mandate given by Shareholders to authorise the Directors to purchase or otherwise acquire, on behalf of the Company, Shares in accordance with the terms set out in the Ordinary Resolution 9, as more particularly described in this Appendix, and in accordance with the rules and regulations set forth in the Companies Act and the Listing Manual
“ <b>Share Options</b> ”	:	Options to subscribe for new Shares granted pursuant to the REC ESOS 2011
“ <b>Shareholders</b> ”	:	Persons who are registered as holders of Shares in the Register of the Company except that where the registered holder is CDP, the term “ <b>Shareholders</b> ” shall mean the Depositors who have Shares credited to their Securities Accounts
“ <b>Shares</b> ”	:	Ordinary shares in the capital of the Company and “ <b>Share</b> ” shall be construed accordingly
“ <b>SIC</b> ”	:	The Securities Industry Council of Singapore
“ <b>subsidiary holdings</b> ”	:	Shares held by subsidiaries of the Company in accordance with the Companies Act
“ <b>Substantial Shareholder</b> ”	:	A Shareholder who has an interest in not less than 5% of the issued Shares, as defined in the SFA
“ <b>Take-over Code</b> ”	:	The Singapore Code on Take-overs and Mergers, as amended, modified or supplemented from time to time
“ <b>S\$</b> ” or “ <b>SGD</b> ” and “ <b>cents</b> ”	:	Singapore dollars and cents, respectively, being the lawful currency of Singapore
“ <b>%</b> ” or “ <b>per cent.</b> ”	:	Per centum or percentage

The terms “**Depositors**”, “**Depository**”, “**Depository Agent**” and “**Depository Register**” shall have the meanings ascribed to them, respectively, in section 81SF of the SFA.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine shall, where applicable, include the feminine and neuter gender and *vice versa*. References to persons shall, where applicable, include corporations.

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

Any reference to “**we**”, “**us**” and “**our**” in this Appendix is a reference to the Group or any member of the Group as the context requires

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## DEFINITIONS

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Any reference in this Appendix to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word or term defined under the Companies Act, the SFA, the Listing Manual, the Take-over Code, or any statutory modification thereof and used in this Circular shall, where applicable, have the meaning ascribed to it under the Companies Act, the SFA, the Listing Manual, the Take-over Code, or any statutory modification thereof, as the case may be, unless otherwise provided. Summaries of the provisions of any laws and regulations (including the Take-over Code and the Listing Manual) contained in this Appendix are of such laws and regulations (including the Take-over Code and the Listing Manual) as at the Latest Practicable Date.

Any discrepancies in the tables included herein between the listed amounts and totals thereof are due to rounding. Accordingly, figures shown as totals in this Appendix may not be an arithmetic aggregation of the figures that precede them.

RHTLaw Asia LLP is the legal adviser to the Company as to Singapore law in relation to the proposed adoption of the Share Buy-Back Mandate.

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# LETTER TO SHAREHOLDERS

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## RAFFLES EDUCATION LIMITED

(Company Registration Number: 199400712N)

(Incorporated in the Republic of Singapore)

### Directors:

Chew Hua Seng (*Chairman and Chief Executive Officer*)  
Lim How Teck (*Independent Non-Executive Director*)  
Ng Kwan Meng (*Independent Non-Executive Director*)  
Lim Siew Mun (*Lead Independent Non-Executive Director*)  
Joseph Ho Yan Jun (*Non-Independent Non-Executive Director*)  
Chua Chwee Koh (*Independent Non-Executive Director*)

### Registered Office:

111 Somerset Road  
#15-22, 111 Somerset  
Singapore 238164

8 October 2024

To: The Shareholders of Raffles Education Limited

Dear Sir/Madam

## THE PROPOSED ADOPTION OF THE SHARE BUY-BACK MANDATE

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### 1. INTRODUCTION

Reference is made to the Notice of AGM dated 8 October 2024 convening the AGM of the Company which is scheduled to be held on 25 October 2024 at 10.00 a.m, at 111 Somerset Road, #15-22, 111 Somerset, Singapore 238164 and Ordinary Resolution 9 in relation to the proposed adoption of the Share Buy-Back Mandate under "Special Business" set out in the Notice of AGM.

The purpose of this Appendix is to provide the Shareholders with details in respect of the proposed adoption of the Share Buy-Back Mandate so as to seek Shareholders' approval of the same at the AGM.

The SGX-ST assumes no responsibility for the contents of this Appendix, including the accuracy or correctness of any of the statements made or opinions expressed or reports contained in this Appendix.

### 2. THE PROPOSED ADOPTION OF THE SHARE BUY-BACK MANDATE

#### 2.1 The Proposed Adoption of the Share Buy-Back Mandate

It is a requirement under the Companies Act that a company which wishes to purchase or otherwise acquire its own shares has to obtain the approval of its shareholders to do so at a general meeting of its shareholders. It is also a requirement under the Listing Manual that an issuer who wishes to purchase its own shares has to obtain approval of its shareholders to do so at a general meeting of its shareholders. In this regard, the Share Buy-Back Mandate was first approved at the extraordinary general meeting of the Company held on 5 March 2008 and last renewed at the annual general meeting held on 29 October 2018. The Share Buy-Back Mandate was not renewed at the annual general meeting held on 31 October 2019. Accordingly, the Company's Share Buy-Back Mandate expired on 31 October 2019 and have not been renewed since 31 October 2019.

In this regard, the Directors are seeking Shareholders' approval for the adoption of the proposed Share Buy-Back Mandate at the AGM.

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## LETTER TO SHAREHOLDERS

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### 2.2 Rationale for the Proposed Adoption of the Share Buy-Back Mandate

The approval of the adoption of the Share Buy-Back Mandate authorising the Company to purchase or acquire its Shares would give the Company the flexibility to undertake Share purchases or acquisitions up to the 10% limit as described in section 2.3(a) below, at any time, subject to market conditions, during the period when the Share Buy-Back Mandate is in force.

The rationale for the Company to undertake the purchase or acquisition of its issued Shares is as follows:

- (a) in managing the business of the Group, the management team strives to increase Shareholders' value by improving, *inter alia*, the return on equity of the Group. Share purchase may be considered as one of the ways through which the return on equity of the Group may be enhanced given that the earnings per share will generally increase if the number of shares outstanding is reduced;
- (b) the Share Buy-Back Mandate would provide the Company with the flexibility to purchase or acquire the Shares if and when circumstances permit during the period when the Share Buy-Back Mandate is in force. The Share Buy-Back Mandate is an expedient, effective and cost-efficient way for the Company to return surplus cash/funds over and above its ordinary capital requirements, if any, which are in excess of the financial and possible investment needs of the Group to its Shareholders, taking into account its growth and expansion plans. In addition, the Share Buy-Back Mandate will allow the Company to have greater flexibility over, *inter alia*, the Company's share capital structure and dividend policy;
- (c) the purchase or acquisition of Shares under the Share Buy-Back Mandate may help to mitigate any short-term share price volatility (by way of stabilising the supply and demand of issued Shares) and off-set the effects of short-term share price speculation, supporting the fundamental value of the issued Shares, thereby boosting Shareholders' confidence and employees' morale; and
- (d) under the REC ESOS 2011, subject to prevailing legislation, the Constitution and the Listing Manual, the Company has the discretion whether to issue new Shares, deemed fully paid upon issuance and allotment or transfer existing Shares (whether held as treasury shares or otherwise) to such participants who have exercised their Share Options under the REC ESOS 2011. Shares bought back under the Share Buy-Back Mandate can therefore be held by the Company as treasury shares to satisfy the Company's obligation to furnish Shares to participants under the REC ESOS 2011, thus giving the Company greater flexibility to select the method of providing Shares to employees most beneficial to the Company and its Shareholders. In the event that the Company with the approval of Shareholders introduces another share option scheme or share scheme subsequently, in compliance with prevailing legislation, the Constitution and the Listing Manual, the Company may also utilise such Shares bought back under the Share Buy-Back Mandate and held by the Company as treasury shares, to satisfy the Company's obligation to furnish Shares to participants thereunder.

While the Share Buy-Back Mandate would authorise a purchase or acquisition of Shares up to the said 10% limit during the duration referred to in paragraph 2.3(b) below, Shareholders should note that purchases or acquisitions of Shares pursuant to the Share Buy-Back Mandate may not be carried out to the full 10% limit as authorised and the purchases or acquisitions of Shares pursuant to the Share Buy-Back Mandate would be made only as and when the Directors consider it to be in the best interests of the Company and/or Shareholders and in circumstances which they believe will not result in any material adverse effect on the financial condition of the Company or the Group, or result in the Company being delisted from the SGX-ST. The Directors will use their best efforts to ensure that after a purchase or acquisition of Shares pursuant to the Share Buy-Back Mandate, the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or adversely affect the orderly trading and listing status of the Shares on the SGX-ST.

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## LETTER TO SHAREHOLDERS

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### 2.3 Authority and Limits on the Share Buy-Back Mandate

The authority and limitations placed on Share purchases or acquisitions of Shares by the Company under the proposed Share Buy-Back Mandate are summarised below:

(a) Maximum Number of Shares

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company. The total number of Shares which may be purchased or acquired pursuant to the Share Buy-Back Mandate is limited to that number of Shares representing not more than 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the AGM at which the adoption of the Share Buy-Back Mandate is approved, unless the Company has, at any time during the Relevant Period, reduced its share capital by a special resolution under Section 78C of the Companies Act, or the court has, at any time during the Relevant Period, made an order under Section 78I confirming the reduction of share capital of the Company, in which event the total number of issued Shares shall be taken to be the total number of issued Shares as altered by the special resolution of the Company or the order of the court, as the case may be. Any Shares which are held as treasury shares or subsidiary holdings will be disregarded for purposes of computing the 10% limit. As at the Latest Practicable Date, the Company does not have any subsidiary holdings.

**For illustrative purposes only**, based on the general rule in the foregoing paragraph, on the basis of 1,387,646,472 Shares in issue (excluding treasury shares) as at the Latest Practicable Date and assuming no further Shares are issued on or prior to the AGM, not more than 138,764,647 Shares (representing 10% of the total number of issued Shares (excluding treasury shares) as at that date) may be purchased by the Company pursuant to the proposed Share Buy-Back Mandate during the Relevant Period.

As at the Latest Practicable Date, there are 1,780,000 outstanding Share Options under the REC ESOS 2011, of which Share Options comprising 1,780,000 Shares are exercisable as at the Latest Practicable Date. In the event that the Company issues 1,780,000 new Shares pursuant to the exercise of the exercisable Share Options, the total number of issued Shares (excluding treasury shares) as at the date of the AGM will be 1,389,426,472, and not more than 138,942,647 Shares (representing 10% of the total number of issued Shares (excluding treasury shares) as at that date) may be purchased by the Company pursuant to the proposed Share Buy-Back Mandate during the period when the Share Buy-Back Mandate is in force.

(b) Duration of Authority

Purchases or acquisitions of Shares pursuant to the Share Buy-Back Mandate may be made, at any time and from time to time, on and from the date of the AGM, at which the Share Buy-Back Mandate is approved, up to:

- (i) the date on which the next annual general meeting of the Company is held or required by law to be held;
- (ii) the date on which the purchases or acquisitions of Shares pursuant to the Share Buy-Back Mandate are carried out to the full extent mandated; or
- (iii) the date on which the authority conferred by the Share Buy-Back Mandate is revoked or varied by the Shareholders in a general meeting,

whichever is the earliest.

The authority conferred on the Directors by the Share Buy-Back Mandate to purchase or acquire Shares may be renewed by the Shareholders in a general meeting of the Company, such as at the next annual general meeting or at an extraordinary general meeting to be convened immediately after the conclusion or adjournment of the next annual general meeting. When seeking the approval of the Shareholders for the adoption and/or renewal of the Share Buy-Back Mandate, the Company is required to disclose details pertaining to purchases or

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## LETTER TO SHAREHOLDERS

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acquisitions of Shares pursuant to the proposed Share Buy-Back Mandate made during the previous 12 months, including the total number of Shares purchased or acquired, the purchase price per Share or the highest and lowest prices paid for such purchases or acquisitions of Shares, where relevant, and the total consideration paid for such purchases or acquisitions.

(c) Manner of Purchases or Acquisitions of Shares

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

- (i) an on-market purchase (“**Market Purchase**”), transacted on the SGX-ST through the ready market, and which may be transacted through one or more duly licensed stockbrokers appointed by the Company for the purpose, in accordance with Section 76E of the Companies Act; and/or
- (ii) an off-market purchase (“**Off-Market Purchase**”) effected pursuant to an equal access scheme<sup>1</sup> in accordance with Section 76C of the Companies Act.

The Directors may impose such terms and conditions which are not inconsistent with the Share Buy-Back Mandate, the Listing Manual, the Companies Act and the Constitution as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes.

An Off-Market Purchase must however satisfy all of the following conditions:

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

Pursuant to the Listing Manual, if the Company wishes to make an Off-Market Purchase, it must issue an offer document to all Shareholders containing at least the following information:

- (i) the terms and conditions of the offer;
- (ii) the period and procedures for acceptances;
- (iii) the reasons for the proposed purchase or acquisition of Shares;
- (iv) the consequences, if any, of the purchases or acquisitions of Shares by the Company that will arise under the Take-over Code or other applicable take-over rules;
- (v) whether the purchases or acquisitions of Shares, if made, could affect the listing of the Shares on the SGX-ST;

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<sup>1</sup> With effect from 1 July 2015, a selective off-market purchase or acquisition of shares may be undertaken by a Singapore company that is listed on a securities exchange in accordance with the provisions of the Companies Act. However, Rule 882 of the Listing Manual provides that an off-market purchase or acquisition of shares may only be made in accordance with an equal access scheme as defined in the Companies Act.

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## LETTER TO SHAREHOLDERS

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- (vi) details of any purchases or acquisitions of Shares made by the Company in the previous 12 months (whether Market Purchases or Off-Market Purchases), giving the total number of Shares purchased or acquired, the purchase price per Share or the highest and lowest prices paid for the purchases or acquisitions of Shares, where relevant, and the total consideration paid for the purchases or acquisitions; and
- (vii) whether the Shares purchased by the Company will be cancelled or kept as treasury shares.

(d) Maximum Purchase Price

The purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) to be paid for a Share will be determined by a committee of Directors constituted for the purposes of effecting purchases or acquisitions of Shares by the Company under the Share Buy-Back Mandate. However, the purchase price to be paid for the Shares pursuant to the purchases or acquisitions of the Shares must not exceed:

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

(the “**Maximum Price**”) in either case, excluding related expenses of the purchase or acquisition.

For the purposes of determining the Maximum Price:

- (i) “**Average Closing Price**” means the average of the closing market prices of a Share over the last five (5) Market Days, on which transactions in the Shares were recorded, before the day on which the purchase or acquisition of Shares was made, or as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant five (5) Market Days.
- (ii) “**day of the making of the offer**” means the day on which the Company announces its intention to make an offer for an Off-Market Purchase, stating therein the purchase price (which shall not be more than the Maximum Price for an Off-Market Purchase calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

### 2.4 Status of Purchased Shares

A Share purchased or acquired by the Company under the Share Buy-Back Mandate is deemed cancelled immediately on purchase or acquisition, unless such Share is held by the Company as a treasury share. On a cancellation, all rights and privileges attached to that Share will expire upon cancellation. The total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are not held as treasury shares.

The Shares purchased or acquired under the Share Buy-Back Mandate will be held as treasury shares or cancelled by the Company taking into consideration the then prevailing circumstances and requirements of the Company at the relevant time. It is presently intended by the Company that all or most of the Shares which are purchased or acquired by the Company under the Share Buy-Back Mandate will be held as treasury shares, up to the maximum number of treasury shares permitted by law to be held by the Company.

All Shares purchased or acquired by the Company (other than treasury shares held by the Company to the extent permitted under the Companies Act) and cancelled will be automatically delisted by the SGX-ST, and (where applicable) all certificates in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following the settlement of any such purchase or acquisition.

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## LETTER TO SHAREHOLDERS

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### 2.5 Treasury Shares

Under the Companies Act, the Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Some of the provisions on treasury shares under the Companies Act are summarised below:

(a) Maximum Holdings

The number of Shares held as treasury shares cannot at any time exceed 10% of the total number of issued Shares.

(b) Voting and Other Rights

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Company's assets may be made, to the Company in respect of treasury shares. However, the allotment of Shares as fully paid bonus shares in respect of treasury shares is allowed. Also, a subdivision or consolidation of any treasury share into treasury shares of a greater or smaller number is allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as the total value of the treasury share before the subdivision or consolidation, as the case may be.

(c) Disposal and Cancellation

Where Shares are held as treasury shares, the Company may at any time:

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

### 2.6 Reporting Requirements

(a) Reporting Requirements under the Companies Act

The Company shall notify the Accounting and Corporate Regulatory Authority within 30 days of a purchase or acquisition of Shares on the SGX-ST or otherwise. Such notification shall include details of the purchases or acquisitions including the date of the purchase or acquisition, the total number of Shares purchased or acquired by the Company, the number of Shares cancelled and the number of Shares held as treasury shares, the Company's issued share capital before and after the purchase or acquisition, the amount of consideration paid by the Company for the purchase or acquisition, and such other information as required by the Companies Act.

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## LETTER TO SHAREHOLDERS

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Within 30 days of the passing of a Shareholders' resolution to approve or renew the Share Buy-Back Mandate, the Company shall lodge a copy of such resolution with the Accounting and Corporate Regulatory Authority.

(b) Reporting Requirements under the Listing Manual

The Listing Manual states that a listed company shall notify the SGX-ST of all purchases or acquisitions of its Shares not later than 9.00 a.m.:

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

The notification of such purchases or acquisition of Shares to the SGX-ST shall be in such form and shall include such details that the SGX-ST may prescribe. The Company shall make arrangements with its stockbrokers to ensure that they provide to the Company, in a timely fashion, the necessary information which will enable the Company to make the notifications to the SGX-ST.

The Company, upon undertaking any sale, transfer, cancellation and/or use of treasury shares, will comply with Rule 704(28) of the Listing Manual, which provides that an issuer must make an immediate announcement thereof, stating the following:

- (i) date of the sale, transfer, cancellation and/or use;
- (ii) purpose of such sale, transfer, cancellation and/or use;
- (iii) number of treasury shares sold, transferred, cancelled and/or used;
- (iv) number of treasury shares before and after such sale, transfer, cancellation and/or use;
- (v) percentage of the number of treasury shares against the total number of Shares outstanding in a class that is listed before and after such sale, transfer, cancellation and/or use; and
- (vi) value of the treasury shares if they are used for a sale or transfer, or cancelled.

### 2.7 **Source of Funds**

The Company may only apply funds legally available for the purchase or acquisition of the Shares as provided in the Constitution and in accordance with the applicable laws in Singapore. The Company may not purchase or acquire its Shares for a consideration other than in cash or, in the case of a Market Purchase, for settlement otherwise than in accordance with the trading rules of the SGX-ST.

The Company intends to use internal sources of funds or borrowings or a combination of both to finance the Company's purchase or acquisition of Shares pursuant to the Share Buy-Back Mandate. In purchasing or acquiring Shares pursuant to the Share Buy-Back Mandate, the Directors will principally consider the availability of internal resources. In addition, the Directors will also consider the availability of external financing. However, in considering the option of external financing, the Directors will consider particularly the prevailing gearing level of the Group. The Directors will only make purchases or acquisitions pursuant to the Share Buy-Back Mandate in circumstances which they believe will not result in any material adverse effect to the financial position of the Company or the Group.

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## LETTER TO SHAREHOLDERS

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### 2.8 Financial Effects

It is not possible for the Company to realistically calculate or quantify the impact of purchases or acquisitions of Shares that may be made pursuant to the Share Buy-Back Mandate on the NAV per Share and EPS as the resultant effect would depend on, *inter alia*, the aggregate number of Shares purchased or acquired, whether the purchase or acquisition is made out of capital or profits, the purchase prices paid for such Shares, the amount (if any) borrowed by the Company to fund the purchases or acquisitions and whether the Shares purchased or acquired are cancelled or held as treasury shares.

The repurchased Shares may be cancelled or held as treasury shares. If the Shares are cancelled, the Company's total number of issued Shares will be diminished by the total number of the Shares purchased by the Company. The NAV of the Group will be reduced by the aggregate purchase price paid by the Company for the Shares cancelled (including any expenses such as, *inter alia*, brokerage or commission incurred directly in the purchase or acquisition of the Shares which is paid out of the Company's capital or profits). If the Shares are held as treasury shares, the issued share capital of the Company will not be affected.

Under the Companies Act, purchases or acquisitions of Shares by the Company may be made out of the Company's capital or profits so long as the Company is solvent. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) will correspondingly reduce the amount of profits available for the distribution of cash dividends by the Company. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount of profits available for the distribution of cash dividends by the Company will not be reduced.

The Directors do not propose to exercise the Share Buy-Back Mandate to such an extent that it would have a material adverse effect on the working capital requirements of the Group. The purchase or acquisition of the Shares will only be effected after considering relevant factors such as the working capital requirements, availability of financial resources, the expansion and investment plans of the Group and the prevailing market conditions. The proposed Share Buy-Back Mandate will be exercised with a view to enhance the EPS and/or the NAV per Share of the Group.

As at the Latest Practicable Date, the total number of issued Shares is 1,463,646,772, of which 76,000,300 Shares are held in treasury (the Company does not have any subsidiary holdings). On this basis and **for illustrative purposes only**, as the Company can only hold 10% of its Shares in treasury pursuant to Section 76I(1) of the Companies Act, it can only hold 146,364,677 Shares in treasury. As such, even though the Share Buy-Back Mandate provides for potentially up to 138,764,647 Shares to be purchased or acquired by the Company, the maximum number of Shares that the Company can purchase or acquire and hold in treasury is 70,364,377 Shares. Accordingly, the exercise in full of the Share Buy-Back Mandate would result in the purchase or acquisition of 70,364,377 Shares if all the Shares so purchased or acquired were to be held in treasury.

For the purposes of illustration and comparison only, the Company has assumed that pursuant to the Share Buy-Back Mandate, it will purchase or acquire the smaller number of Shares, i.e. 70,364,377 Shares, instead of the entire 10% of the total number of issued Shares (excluding treasury shares), i.e. 138,764,647 Shares.

**For illustrative purposes only**, the financial effects of the Share Buy-Back Mandate on the Group and the Company, based on the audited financial statements of the Group for the financial year ended 30 June 2024 are based on the assumptions set out below:

- (a) the Company has assumed that pursuant to the Share Buy-Back Mandate, it will purchase or acquire the smaller number of Shares, i.e. 70,364,377 Shares, instead of the entire 10% of the total number of issued Shares (excluding treasury shares), i.e. 138,764,647 Shares;

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- (b) in the case of Market Purchases by the Company and assuming that the Company purchases or acquires 70,364,377 Shares at the Maximum Price of S\$0.046 for one (1) Share (being the price equivalent to 5% above the Average Closing Price of the Shares for the five (5) consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 70,364,377 Shares (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) is approximately S\$3,236,761; and
- (c) in the case of Off-Market Purchases by the Company and assuming that the Company purchases or acquires 70,364,377 Shares at the Maximum Price of S\$0.053 for one (1) Share (being the price equivalent to 120% of the Average Closing Price of the Shares for the five (5) consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 70,364,377 Shares (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) is approximately S\$3,729,312;
- (d) such purchase or acquisition of Shares is financed solely by borrowings; and
- (e) the Share Buy-Back Mandate been effective on 1 July 2023 and the Company had purchased or acquired 70,364,377 Shares on 1 July 2023,

the financial effects of the:

- (A) purchase or acquisition of the abovementioned number of Shares by the Company pursuant to the Share Buy-Back Mandate by way of purchases made out of capital and profits and held as treasury shares; and
- (B) purchase or acquisition of the abovementioned number of Shares by the Company pursuant to the Share Buy-Back Mandate by way of purchases made out of capital and profits and cancelled,

on the audited financial accounts of the Company and the Group for FY2024 are set out below:

**(1) Purchases made out of capital and profits and held as treasury shares**

(A) Market Purchases

	Group		Company	
	Before Share Purchase	After Share Purchase	Before Share Purchase	After Share Purchase
<b>As at 30 June 2024</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Profit/(Loss) after tax	(19,261)	(19,261)	(7,695)	(7,695)
Share Capital	554,599	554,599	554,599	554,599
Capital and Other reserves	(43,375)	(43,375)	6,140	6,140
Accumulated profits / (losses)	116,553	116,553	(162,044)	(162,044)
	<u>627,777</u>	<u>627,777</u>	<u>398,695</u>	<u>398,695</u>
Treasury shares	(37,798)	(41,035)	(37,798)	(41,035)
Shareholders' funds	<u>589,979</u>	<u>586,742</u>	<u>360,897</u>	<u>357,660</u>
NAV	589,979	586,742	360,897	357,660
Current Assets	152,678	152,678	365,443	365,443
Current Liabilities	169,459	169,459	446,842	446,842
Borrowings	225,271	228,508	50,461	53,698



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	627,777	624,540	398,695	395,458
Treasury shares	(37,798)	(37,798)	(37,798)	(37,798)
Shareholders' funds	589,979	586,742	360,897	357,660
NAV	589,979	586,742	360,897	357,660
Current Assets	152,678	152,678	365,443	365,443
Current Liabilities	169,459	169,459	446,842	446,842
Borrowings	225,271	228,508	50,461	53,698
Number of issued Shares ('000)	1,463,647	1,393,283	1,463,647	1,393,283
Treasury shares ('000)	76,000	76,000	76,000	76,000
<b>Financial Ratios</b>				
NAV per Share (cents)	42.52	44.54	26.01	27.15
Gearing (times)	0.38	0.39	0.14	0.15
Current Ratio (times)	0.90	0.90	0.82	0.82
EPS (cents)	(1.39)	(1.47)	(0.56)	(0.59)

(B) Off-Market Purchases

	Group		Company	
	Before Share Purchase	After Share Purchase	Before Share Purchase	After Share Purchase
<b>As at 30 June 2024</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Profit/(Loss) after tax	(19,261)	(19,261)	(7,695)	(7,695)
Share Capital	554,599	550,870	554,599	550,870
Capital and Other reserves	(43,375)	(43,375)	6,140	6,140
Accumulated profits / (losses)	116,553	116,553	(162,044)	(162,044)
	627,777	624,048	398,695	394,966
Treasury shares	(37,798)	(37,798)	(37,798)	(37,798)
Shareholders' funds	589,979	586,250	360,897	357,168
NAV	589,979	586,250	360,897	357,168
Current Assets	152,678	152,678	365,443	365,443
Current Liabilities	169,459	169,459	446,842	446,842
Borrowings	225,271	229,000	50,461	54,190
Number of issued Shares ('000)	1,463,647	1,393,283	1,463,647	1,393,283
Treasury shares ('000)	76,000	76,000	76,000	76,000
<b>Financial Ratios</b>				
NAV per Share (cents)	42.52	44.50	26.01	27.11
Gearing (times)	0.38	0.39	0.14	0.15
Current Ratio (times)	0.90	0.90	0.82	0.82
EPS (cents)	(1.39)	(1.47)	(0.56)	(0.59)

Shareholders should note that the financial effects set out above are purely for illustrative purposes only and are based only on the assumptions set out above. In particular, it is important to note that the above analysis is based on the audited financial statements of the Company and the Group for FY2024 and is not necessarily representative of the future financial performance of the Company and the Group. Although the proposed adoption of the Share Buy-Back Mandate would authorise the Company to purchase or acquire up to 10% of the total number of issued Shares

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(excluding treasury shares and subsidiary holdings), the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings), or purchase or be able to purchase up to the maximum number of its issued Shares that it can hold in treasury as illustrated above. The Company may, subject to the requirements of the Companies Act, cancel all or part of the Shares repurchased and/or hold all or part of the Shares repurchased in treasury, at its discretion.

### 2.9 Take-over Implications

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

#### (a) Obligation to make a Take-over Offer

If, as a result of any purchase or acquisition by the Company of the Shares, the percentage of voting rights in the Company of a Shareholder and/or persons acting in concert with him increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. If such an increase results in the change of effective control, or, as a result of such increase, a Shareholder or group of Shareholders acting in concert obtains or consolidates effective control of the Company, such Shareholder or group of Shareholders acting in concert could become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code.

#### (b) Persons Acting in Concert

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

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

- (i) a company with its parent company, subsidiaries, its fellow subsidiaries, any associated companies of the above companies, and any company whose associated companies include any of the above companies, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing for the purchase of voting rights;
- (ii) a company with any of its directors, together with their close relatives, related trusts and any companies controlled by any of the directors, their close relatives and related trusts;
- (iii) a company with any of its pension funds and employee share schemes;
- (iv) a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;
- (v) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of the adviser and the persons controlling, controlled by or under the same control as the adviser;
- (vi) directors of a company, together with their close relatives, related trusts and companies controlled by any of them, which is subject to an offer or where they have reason to believe a *bona fide* offer for their company may be imminent;
- (vii) partners; and

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- (viii) an individual, his close relatives, his related trusts, and any person who is accustomed to act according to his instructions, companies controlled by any of the above and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing persons and/or entities for the purchase of voting rights.

For this purpose, ownership or control of at least 20% but not more than 50% of the voting rights of a company will be regarded as the test of associated company status.

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

(c) Effect of Rule 14 and Appendix 2 of the Take-over Code

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

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

Based on the notifications received by the Company, as at the Latest Practicable Date, as set out in section 2.9(d) of this Appendix, save for Mr Chew Hua Seng and Ms Doris Chung Gim Lian, none of the Substantial Shareholders would become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code as a result of the purchase or acquisition by the Company of the maximum limit of 10% of its issued Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date.

(d) Effect of the Share Buy-Back Mandate on Mr Chew Hua Seng and Ms Doris Chung Gim Lian

As at the Latest Practicable Date, each of Mr Chew Hua Seng and his spouse, Ms Doris Chung Gim Lian holds, directly and indirectly, 37.34% of the total number of Shares (excluding treasury shares).

Assuming that there is no change in the number of Shares held or deemed to be held by each of Mr Chew Hua Seng and Ms Doris Chung Gim Lian, the purchase or acquisition by the Company of the maximum amount of 10% of the total number of issued Shares (excluding treasury shares) (the Company does not have any subsidiary holdings as at the Latest Practicable Date) will result in an increase in the shareholding interests of each of Mr Chew Hua Seng and Ms Doris Chung Gim Lian from the present 37.34% to 41.48%.

Accordingly, each of Mr Chew Hua Seng and Ms Doris Chung Gim Lian may *prima facie* be required to make a take-over offer for the Shares held by the other Shareholders pursuant to Rule 14 of the Take-over Code.

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Pursuant to Section 3(a) of Appendix 2 of the Take-over Code, Mr Chew Hua Seng and Ms Doris Chung Gim Lian, and their concert parties, are exempted from the requirement to make a take-over offer for the Shares held by the other Shareholders pursuant to Rule 14 of the Take-over Code as a result of the Company purchasing or acquiring the Shares pursuant to the Share Buy-Back Mandate, subject to the following conditions:

- (i) this Appendix in relation to Ordinary Resolution 9 contains advice to the effect that by voting for the adoption of the Share Buy-Back Mandate, Shareholders are waiving their right to a general offer at the required price from Mr Chew Hua Seng and Ms Doris Chung Gim Lian, and their concert parties, who, as a result of the Company buying back its Shares, would increase their voting rights by more than 1% in any period of six (6) months;
- (ii) this Appendix discloses the names of Mr Chew Hua Seng and Ms Doris Chung Gim Lian, and their concert parties, their voting rights at the time of Ordinary Resolution 9 and after the proposed purchase or acquisition of Shares by the Company under the Share Buy-Back Mandate;
- (iii) Ordinary Resolution 9 is approved by a majority of those Shareholders present and voting at the AGM on a poll who could not become obliged to make an offer for the Company as a result of the Company purchasing or acquiring Shares under the Share Buy-Back Mandate;
- (iv) Mr Chew Hua Seng and Ms Doris Chung Gim Lian, and their concert parties, shall abstain from voting for, and Mr Chew Hua Seng shall abstain from recommending Shareholders to vote in favour of, Ordinary Resolution 9; and
- (v) within seven (7) days after the passing of Ordinary Resolution 9, Mr Chew Hua Seng shall submit to the SIC a duly signed form as prescribed by the SIC; and
- (vi) Mr Chew Hua Seng and Ms Doris Chung Gim Lian, and their concert parties, have not acquired and will not acquire any Shares between the date on which they know that the announcement of the proposal for the adoption of the Share Buy-Back Mandate is imminent and the earlier of:
  - (A) the date on which the authority of the Share Buy-Back Mandate expires; and
  - (B) the date on which the Company announces it has bought back such number of Shares as authorised by Shareholders at the latest annual general meeting or it has decided to cease buying back its Shares, as the case may be,

if such acquisitions, taken together with those purchased or acquisition of Shares by the Company under the Share Buy-Back Mandate, would cause their aggregate voting rights to increase by more than 1% in the preceding six (6) months.

It follows that where the aggregate voting rights held by Mr Chew Hua Seng and Ms Doris Chung Gim Lian, and their concert parties, increase by more than 1% solely as a result of the purchase or acquisition of Shares by the Company under the Share Buy-Back Mandate, and none of them has acquired any Shares during the relevant period defined above, then Mr Chew Hua Seng and Ms Doris Chung Gim Lian, and their concert parties, would be eligible for the SIC exemption from the requirement to make a general offer under Rule 14, or where such exemption had been granted, would continue to enjoy the exemption.

If the Company ceases to buy back its Shares before it has purchased in full such number of Shares authorised by its Shareholders at the latest annual general meeting, and the increase in the aggregate voting rights held by Mr Chew Hua Seng and Ms Doris Chung Gim Lian, and their concert parties, as a result of the purchase or acquisition of Shares at such time is less than 1%, Mr Chew Hua Seng and Ms Doris Chung Gim Lian and their concert parties will be allowed to acquire voting shares in the Company without being required to make a take-over offer under Rule 14 of the Take-over Code. However, any increase in their percentage voting

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rights in the Company as a result of the Company buying back its Shares under the Share Buy-Back Mandate will be taken into account together with any Shares acquired by Mr Chew Hua Seng and Ms Doris Chung Gim Lian, and their concert parties (by whatever means) in determining whether Mr Chew Hua Seng and Ms Doris Chung Gim Lian, and their concert parties, have increased their aggregate voting rights in the Company by more than 1% in any six (6) month period.

(e) Waiver of Rights to General Offer

Shareholders should note that by voting in favour of the Ordinary Resolution in relation to the adoption of the Share Buy-Back Mandate to be tabled at the AGM, Shareholders are waiving their rights to a general offer at the required price from Mr Chew Hua Seng and Ms Doris Chung Gim Lian, and their concert parties.

**Shareholders who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Take-over Code as a result of any purchase or acquisition of Shares by the Company should consult the SIC and/or their professional advisers at the earliest opportunity.**

2.10 **Taxation**

**Shareholders who are in doubt as to their respective tax positions or any tax implications of the purchase or acquisition of Shares by the Company under the Share Buy-Back Mandate or who may be subject to tax whether in or outside of Singapore should consult their own professional advisers.**

2.11 **Listing Manual**

While the Listing Manual does not expressly prohibit a purchase or acquisition of shares by a listed company during any particular time or times, because the listed company would be considered an “insider” in relation to any proposed purchase or acquisition of its issued shares, the Company will not purchase any Shares pursuant to the Share Buy-Back Mandate after a development which could have a material effect on the price of the Shares has occurred or has been the subject of a consideration and/or a decision of the Board, until such time as such information has been publicly announced. In particular, in line with the best practices on securities dealings as reflected under Rule 1207(19) of the Listing Manual, the Company will not purchase or acquire any Shares through Market Purchases during the period commencing two (2) weeks before the announcement of the Company’s financial statements for each of the first three (3) quarters of its financial year (if applicable) and one (1) month before the announcement of the Company’s full year financial statements.

The Company is required under Rule 723 of the Listing Manual to ensure that at least 10% of its Shares (excluding treasury shares) are in the hands of the public.

Based on the Register of Directors’ shareholdings and the Register of Substantial Shareholders maintained by the Company as at the Latest Practicable Date, approximately 844,778,368 Shares, representing 60.88% of the total number of issued Shares (excluding treasury shares), are in the hands of the public.

**For illustration purposes only**, assuming that (a) the Company purchases its Shares through Market Purchases up to the full 10% limit pursuant to the Share Buy-Back Mandate and all such Shares purchased are held by the public, and (b) all Shares purchased by the Company are held as treasury shares, the number of Shares in the hands of the public would be reduced to 706,013,721 Shares, representing 56.53% of the total number of issued Shares (excluding treasury shares).

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Accordingly, the Company is of the view that there is a sufficient number of issued Shares held in the hands of the public which would permit the Company to undertake purchases or acquisitions of its issued Shares up to the full 10% limit pursuant to the proposed Share Buy-Back Mandate without affecting the listing status of the Shares on the SGX-ST, and that the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or to affect the orderly trading of the shares.

In undertaking any purchases or acquisitions of Shares through On-Market Purchases, the Directors will use their best efforts to ensure that, notwithstanding such purchases, a sufficient float in the hands of the public will be maintained so that the purchases or acquisitions of Shares will not adversely affect the listing status of the Shares on the SGX-ST, cause market illiquidity or adversely affect the orderly trading of the Shares.

### 2.12 Previous Share Purchases

The Company has not purchased any Shares during the 12-month period preceding the Latest Practicable Date.

### 2.13 Limits on shareholdings

The Company does not have any limits on the shareholdings of the Shareholders.

## 3. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The interests of the Directors and substantial Shareholders in the share capital of the Company as at the Latest Practicable Date are as follows:

	Direct Interest		Deemed Interest		Total Interest	
	No. of Shares	(%) <sup>(1)</sup>	No. of Shares	(%) <sup>(1)</sup>	No. of Shares	(%) <sup>(1)</sup>
<b>Directors</b>						
Chew Hua Seng	484,035,105 <sup>(2)</sup>	34.88	34,043,159 <sup>(3)</sup>	2.46	518,078,264	37.34
Lim Siew Mun	3,812,300	0.27	-	-	3,812,300	0.27
Lim How Teck	2,812,300	0.21	2,000,000	0.14	4,812,300	0.35
Ng Kwan Meng	3,812,340	0.27	2,000,000	0.14	5,812,340	0.41
Chua Chwee Koh	9,540,600	0.69	-	-	9,540,600	0.69
Joseph Ho Yan Jun	812,300	0.06	-	-	812,300	0.06

### Substantial Shareholders (other than the Directors)

Doris Chung Gim Lian	170,992,922 <sup>(2)</sup>	12.33	347,085,342 <sup>(3)</sup>	25.01	518,078,264	37.34
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#### Notes:

- (1) Based on 1,387,646,472 issued Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date. For the purposes of the table above, all percentage figures are rounded to the nearest two (2) decimal places.
- (2) Includes 136,949,763 Shares which are held jointly by Mr Chew Hua Seng and Ms Doris Chung Gim Lian.
- (3) Ms Doris Chung Gim Lian is the spouse of Mr Chew Hua Seng. In this regard, Ms Doris Chung Gim Lian is deemed to have an interest in the shareholdings of Mr Chew Hua Seng and *vice versa*.

For completeness of disclosure, on 23 September 2022, the Company had issued S\$26,194,476 in aggregate principal amount of 6% convertible bonds (“**Convertible Bonds**”) convertible into Shares to entitled shareholders pursuant to a renounceable underwritten rights issue and S\$17,900,000 in aggregate principal amount of 6% Convertible Bonds convertible into Shares pursuant to a placement. Further, as announced by the Company on 4 January 2024, Mr Chew Hua Seng acquired a principal amount of 17,575,000 Convertible Bonds via an off-market transaction. Due to the abovementioned issuance and/or acquisition of Convertible Bonds, the interests of the Directors and Substantial Shareholders in the Convertible Bonds as

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at the Latest Practicable Date are set out below:

	Direct interest	Deemed interest	Total interest
	Principal amount of Convertible Bonds (S\$)	Principal amount of Convertible Bonds (S\$)	Principal amount of Convertible Bonds (S\$)
<b>Directors</b>			
Chew Hua Seng	34,383,487	646,819 <sup>(1)</sup>	35,030,306
Lim Siew Mun	100,000	-	100,000
Lim How Teck	50,000	50,000 <sup>(2)</sup>	100,000
Ng Kwan Meng	200,000	99,800 <sup>(2)</sup>	299,800
Chua Chwee Koh	421,000	-	421,000
Joseph Ho Yan Jun	-	-	-
<b>Substantial Shareholders (other than the Directors)</b>			
Doris Chung Gim Lian	646,819	34,383,487 <sup>(1)</sup>	35,030,306

**Notes:**

- (1) Ms Doris Chung Gim Lian is the spouse of Mr Chew Hua Seng. In this regard, Ms Doris Chung Gim Lian is deemed to have an interest in the Convertible Bonds held by Mr Chew Hua Seng and *vice versa*.
- (2) Deemed interest is held by spouse.

On 24 July 2024, the Company had announced the proposed issue of unlisted, non-convertible, 5-year 10.5% unsecured bonds (“**Unlisted Bonds**”) up to an aggregate principal amount of S\$20,000,000. As announced by the Company on 27 September 2024, the Company had announced that it had completed an issue of an aggregate of S\$12,500,000 in principal amount of Unlisted Bonds pursuant to placements. Due to the abovementioned issuance and/or acquisition of Unlisted Bonds, the interests of the Directors and Substantial Shareholders in the Unlisted Bonds as at the Latest Practicable Date are set out below:

	Direct interest	Deemed interest	Total interest
	Principal amount of Unlisted Bonds (S\$)	Principal amount of Unlisted Bonds (S\$)	Principal amount of Unlisted Bonds (S\$)
<b>Directors</b>			
Chew Hua Seng	10,000,000 <sup>(2)</sup>	-	10,000,000
Lim Siew Mun	500,000	-	500,000
Lim How Teck	-	500,000 <sup>(2)</sup>	500,000
Ng Kwan Meng	250,000	-	250,000
Chua Chwee Koh	250,000	-	250,000
Joseph Ho Yan Jun	250,000	-	250,000
<b>Substantial Shareholders (other than the Directors)</b>			
Doris Chung Gim Lian	-	10,000,000 <sup>(1)</sup>	10,000,000

**Notes:**

- (1) Ms Doris Chung Gim Lian is the spouse of Mr Chew Hua Seng. In this regard, Ms Doris Chung Gim Lian is deemed to have an interest in the Unlisted Bonds held by Mr Chew Hua Seng and *vice versa*.
- (2) Deemed interest is held by spouse.

Save for their respective interests in the Company, if any, none of the Directors or the Substantial Shareholders has any direct or indirect interest in the Share Buy-Back Mandate.

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### 4. DIRECTORS' RECOMMENDATIONS

The Directors (other than Mr Chew Hua Seng, who has abstained from making any recommendations in respect of Ordinary Resolution 9) are of the opinion that the proposed adoption of the Share Buy-Back Mandate is in the best interests of the Company and accordingly recommend that the Shareholders vote in favour of Ordinary Resolution 9 at the AGM.

### 5. ANNUAL GENERAL MEETING

The AGM, notice of which is circulated with this Appendix, will be held on 25 October 2024 at 10.00 a.m. at 111 Somerset Road, #15-22, 111 Somerset, Singapore 238164, for the purpose of considering and, if thought fit, passing with or without any modifications, Ordinary Resolution 9 relating to the proposed Share Buy-Back Mandate as set out in the Notice of AGM.

### 6. ACTION TO BE TAKEN BY SHAREHOLDERS

- 6.1 Shareholders who are unable to attend the AGM and who wish to appoint a proxy or proxies to attend and vote on their behalf should complete, sign and return the Proxy Form attached to the Notice of AGM in accordance with the instructions printed therein as soon as possible and, in any event, so as to arrive at the registered office of the share registrar of the Company, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896 or electronically via email to [main@zicoholdings.com](mailto:main@zicoholdings.com), not later than seventy-two (72) hours before the time fixed for the AGM. The appointment of a proxy or proxies by a Shareholder does not preclude him from attending and voting in person at the AGM if he so wishes in place of the proxy.
- 6.2 Shareholders should refer to the Notice of AGM for further information on the steps to be taken by Shareholders to participate at the AGM.
- 6.3 A Depositor shall not be regarded as a Shareholder entitled to attend the AGM and to speak and vote thereat unless his name appears on the Depository Register maintained by CDP at least seventy-two (72) hours before the time fixed for the EGM.
- 6.4 In line with the Company's corporate social responsibility initiatives and environmental sustainability efforts and as permitted under the Company's Constitution, this Appendix (together with the Annual Report 2024) has been published and is available for download or online viewing at SGXNet at the URL <https://www.sgx.com/securities/company-announcements> and the Company's website at the URL <https://raffles.education/>. **Printed copies of this Appendix will NOT be sent to Shareholders unless requested by the Shareholders via the submission of the Request Form.** The printed copies of Notice of AGM, Proxy Form and Request Form have been despatched to Shareholders and are also available on SGXNet and the Company's website. Shareholders who wish to receive a printed copy of this Circular are required to complete the Request Form and return it to the Company by post to the office of the Company's registered office at 111 Somerset Road, #15-22, 111 Somerset, Singapore 238164; or if by email enclosing a clear scanned completed and signed Request Form, be received by [main@zicoholdings.com](mailto:main@zicoholdings.com), no later than 15 October 2024.

### 7. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the proposed Share Buy-Back Mandate, and the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading. Where information in this Appendix has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Appendix in its proper form and context.

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## LETTER TO SHAREHOLDERS

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### 8. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are available for inspection at the registered office of the Company at 111 Somerset Road, #15-22, 111 Somerset, Singapore 238164 during normal business hours from the date of this Appendix up to the date of the AGM:

- (a) the Annual Report 2024; and
- (b) the Constitution.

Yours faithfully  
For and on behalf of the Board of Directors of  
**RAFFLES EDUCATION LIMITED**

**Chew Hua Seng**  
Chairman and CEO