

CIRCULAR DATED 23 SEPTEMBER 2021

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

This Circular (as defined herein) is issued by Sim Leisure Group Ltd. (the “Company”). If you are in any doubt in relation to this Circular or as to any action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or any other professional adviser immediately.

Unless otherwise stated, capitalised terms on this cover are defined in this Circular under the section entitled “DEFINITIONS”.

If you have sold or transferred all your Shares, you should immediately inform the purchaser or transferee, or the bank, stockbroker or agent through whom the sale or transfer was effected for onward notification to the purchaser or transferee, that this Circular, together with the Notice of EGM and the accompanying Proxy Form, may be accessed via SGXNet and the Company’s corporate website at the URL <https://simleisuregroup.com/announcements>.

This Circular has been prepared by the Company and its contents have been reviewed by the Sponsor in accordance with Rule 226(2)(b) of the Catalist Rules.

This Circular has not been examined or approved by 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 Ms Goh Mei Xian, Associate Director, ZICO Capital Pte. Ltd. at 8 Robinson Road #09-00 ASO Building, Singapore 048544, telephone (65) 6636 4201.



SIM LEISURE GROUP LTD.

(Incorporated in the Republic of Singapore)
(Company Registration Number 201808096D)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

THE PROPOSED ISSUE OF 17,717,700 NEW ORDINARY SHARES IN THE SHARE CAPITAL OF THE COMPANY AT AN ISSUE PRICE OF S\$0.205 PER SUBSCRIPTION SHARE (OR AN AGGREGATE ISSUE PRICE OF S\$3,632,128.50) TO THE SUBSCRIBERS, BEING AN INTERESTED PERSON TRANSACTION IN RELATION TO EACH SUBSCRIBER

IMPORTANT DATES AND TIMES:

Last date and time to pre-register online to attend the EGM : 5 October 2021 at 11:00 a.m.

Last date and time for deposit of Proxy Form : 5 October 2021 at 11:00 a.m.

Date and time of EGM : 8 October 2021 at 11:00 a.m.

Place of EGM : The EGM will be held by way of electronic means

This Circular, together with the Notice of EGM and the accompanying Proxy Form, have been made available on SGXNet and the Company's corporate website at the URL <https://simleisuregroup.com/announcements>. **A printed copy of this Circular, together with the Notice of EGM and the accompanying Proxy Form, will NOT be despatched to Shareholders.**

Due to the current COVID-19 situation in Singapore, Shareholders will not be able to attend the EGM in person. Instead, alternative arrangements have been put in place to allow Shareholders to participate at the EGM by (a) observing the EGM proceedings via a "live" audio-visual webcast or listening to the EGM proceedings via a "live" audio-only feed; (b) submitting relevant questions in advance of the EGM; and/or (c) appointing the Chairman of the EGM as proxy to attend, speak and vote on their behalf at the EGM.

Please refer to the Notice of EGM and the Company's announcement dated 23 September 2021 for further information, including the steps to be taken by Shareholders to participate at the EGM.

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DEFINITIONS

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

General

- “Associate”** : (a) In relation to any Director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:
- (i) his immediate family;
 - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
 - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more;
- (b) In relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
- “Audit Committee”** : The audit committee of the Company as at the Latest Practicable Date
- “Catalist Rules”** : Listing Manual Section B: Rules of Catalist of the SGX-ST, as may be amended, modified or supplemented from time to time
- “CDP”** : The Central Depository (Pte) Limited
- “CEO”** : Chief Executive Officer
- “Circular”** : This Circular to Shareholders dated 23 September 2021
- “Companies Act”** : The Companies Act, Chapter 50 of Singapore, as may be amended, modified or supplemented from time to time
- “Company”** : Sim Leisure Group Ltd.
- “Completion”** : Completion of the Proposed Subscription on the terms and subject to the conditions of the Subscription Agreement

DEFINITIONS

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| “Controlling Shareholder” | : | A person who: (a) holds directly or indirectly 15% or more of all voting shares in the Company (subject to the SGX-ST determining that such a person is not a Controlling Shareholder); or (b) in fact exercises control over the Company |
| “Directors” | : | The directors of the Company for the time being |
| “EGM” | : | The extraordinary general meeting of the Company to be held by electronic means on Friday, 8 October 2021 at 11:00 a.m., notice of which is set out on pages N-1 to N-4 of this Circular |
| “Enlarged Issued Share Capital” | : | Has the meaning ascribed to it in Section 2.2 of this Circular |
| “EPS” | : | Earnings per Share |
| “Existing Issued Share Capital” | : | Has the meaning ascribed to it in Section 2.2 of this Circular |
| “FY” | : | Financial year of the Company ended or ending 31 December, as the case may be |
| “Group” | : | The Company and its subsidiaries as at the date of this Circular |
| “Issue Price” | : | The issue price of the Subscription Shares, being S\$0.205 per Subscription Share |
| “Latest Practicable Date” | : | The latest practicable date prior to the issue of this Circular, being 15 September 2021 |
| “Market Day” | : | A day on which the SGX-ST is open for trading of securities |
| “MAS” | : | Monetary Authority of Singapore |
| “Net Proceeds” | : | Has the meaning ascribed to it in Section 3.2 of this Circular |
| “Subscription Shares” | : | The 17,717,700 new Shares to be allotted and issued by the Company to the Subscribers in accordance with the Subscription Agreement |
| “Notice of EGM” | : | The notice of EGM as set out on pages N-1 to N-4 of this Circular |
| “NTA” | : | Net tangible assets |

DEFINITIONS

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|------------------------------------|---|---|
| “Proposed Subscription” | : | The proposed subscription of 17,717,700 Subscription Shares by the Subscribers at the Issue Price of S\$0.205 per Subscription Share (or an aggregate issue price of S\$3,632,128.50) and the allotment and issuance of 17,717,700 Subscription Shares by the Company to the Subscribers on the terms and subject to the conditions of the Subscription Agreement |
| “Proxy Form” | : | The proxy form in respect of the EGM as set out in this Circular |
| “SFA” | : | Securities and Futures Act, Chapter 289 of Singapore, as may be amended, modified or supplemented from time to time |
| “SGX-ST” | : | Singapore Exchange Securities Trading Limited |
| “Shareholders” | : | Registered holders of Shares, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context admits, mean the Depositors who have Shares entered against their names in the Depository Register |
| “Shares” | : | Ordinary shares in the capital of the Company |
| “Sponsor” | : | ZICO Capital Pte. Ltd. |
| “Subscriber 1” or “Mr Tan” | : | Mr Tan Boon Seng, the Non-Independent Non-Executive Director and a Controlling Shareholder of the Company |
| “Subscriber 2” or “Desamal” | : | Desamal Capital Sdn Bhd (formerly known as Tropika Kiara Sdn. Bhd.), an Associate of Subscriber 1 and a Controlling Shareholder of the Company |
| “Subscribers” | : | Subscriber 1 and Subscriber 2 collectively |
| “Subscription Agreement” | : | The subscription agreement dated 1 September 2021 entered into by the Company with the Subscribers |
| “Substantial Shareholder” | : | A Shareholder who has an interest or interests in one or more voting shares in the Company and the total votes attached to that share, or those shares, is not less than 5% of the total votes attached to all the voting shares in the Company |

Currencies, Units of Measurements and Others

| | | |
|--------------------------------|---|---|
| “RM” and “RM cents” | : | Malaysian ringgit and cents, respectively, being the lawful currency of Malaysia |
| “S\$”, “\$” and “cents” | : | Singapore dollars and cents, respectively, being the lawful currency of Singapore |

DEFINITIONS

“%” or “per cent” : Per centum or percentage

The terms “**Depositor**”, “**Depository**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 81SF of the SFA. The terms “**subsidiary**” and “**treasury shares**” shall have the meanings ascribed to them respectively in the Companies Act.

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

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

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

Any reference to a time of day or date in this Circular is made by reference to Singapore time and date unless otherwise stated.

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

For the purposes of this Circular, Chancery Law Corporation has been appointed as the legal counsel to the Company on Singapore law in relation to the Proposed Subscription and the drafting of this Circular.

LETTER TO SHAREHOLDERS

SIM LEISURE GROUP LTD.

(Company Registration Number: 201808096D)

(Incorporated in the Republic of Singapore)

Directors:

| | |
|-----------------------------|--|
| Sim Choo Kheng | Executive Director and CEO |
| Silviya Georgieva Georgieva | Executive Director |
| Yong Oi Ling | Executive Director |
| Tay Eng Kiat Jackson | Chairman and Independent Director |
| Chung Yew Pong | Independent Director |
| Tan Hui Tsu | Independent Director |
| Tan Boon Seng | Non-Independent Non-Executive Director |

Registered Office:

138 Robinson Road
#26-03, Oxley Tower
Singapore 068906

Date: 23 September 2021

To: The Shareholders of Sim Leisure Group Ltd.

Dear Sir / Madam

THE PROPOSED ISSUE OF 17,717,700 NEW ORDINARY SHARES IN THE SHARE CAPITAL OF THE COMPANY AT AN ISSUE PRICE OF S\$0.205 PER SUBSCRIPTION SHARE (OR AN AGGREGATE ISSUE PRICE OF S\$3,632,128.50) TO THE SUBSCRIBERS, BEING AN INTERESTED PERSON TRANSACTION IN RELATION TO EACH SUBSCRIBER

1. INTRODUCTION

The Board is convening the EGM to seek Shareholders' approval for the Proposed Subscription by the Subscribers, being an interested person transaction in relation to each Subscriber.

The purpose of this Circular is to provide Shareholders with the relevant information, explain the rationale for, and to seek Shareholders' approval for the Proposed Subscription at the EGM. The Notice of EGM is set out on pages N-1 to N-4 of this Circular.

The SGX-ST assumes no responsibility for the contents of the Circular including the correctness of any of the statements made, opinions made or reports contained in this Circular. If a Shareholder is in doubt as to the action he should take, he should consult his stockbroker, bank manager, accountant, solicitor, tax adviser or other professional adviser immediately.

2. THE PROPOSED SUBSCRIPTION

2.1 Background

On 1 September 2021, the Company announced that it had, on 1 September 2021, entered into the Subscription Agreement with the Subscribers pursuant to which the Subscribers have agreed to subscribe and pay for, and the Company has agreed to allot and issue to the Subscribers, the Subscription Shares at the Issue Price, on the terms and subject to the conditions of the Subscription Agreement.

LETTER TO SHAREHOLDERS

Details of the Subscribers and their respective subscriptions for the Subscription Shares, as well as shareholdings in the Company before and after the Proposed Subscription, are set out below.

| Name of Subscriber ⁽¹⁾ | Number of Subscription Shares to be subscribed for | Aggregate Issue Price to be paid (S\$) | % shareholding in the Company | |
|-----------------------------------|--|--|--|--|
| | | | As at date of Subscription Agreement and before Completion of the Proposed Subscription ⁽²⁾ | After Completion of the Proposed Subscription ⁽³⁾ |
| Mr Tan | 1,000,000 | 205,000.00 | 18.18% ⁽⁴⁾ | 26.95% ⁽⁴⁾ |
| Desamal | 16,717,700 | 3,427,128.50 | 17.50% | 25.74% |
| Total | 17,717,700 | 3,632,128.50 | | |

Notes:

- (1) Please refer to Section 2.4 of this Circular below for further information on the Subscribers.
- (2) Based on Existing Issued Share Capital of 147,647,500 Shares.
- (3) Based on Enlarged Issued Share Capital of 165,365,200 Shares.
- (4) Including Mr Tan's deemed interest in the Shares held by Desamal by virtue of Section 4 of the SFA.

There is no placement agent appointed for the Proposed Subscription. No introducer, referral or commission fees have been paid or will be payable by the Company in connection with the Proposed Subscription. Each of the Subscribers is subscribing for the Subscription Shares for investment purposes, and as principal for it/his own benefit, and not in trust or as a nominee.

2.2 The Subscription Shares

Upon the allotment and issuance of the Subscription Shares, the Company's existing issued and paid-up share capital will increase from 147,647,500 Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date ("**Existing Issued Share Capital**") to 165,365,200 Shares (excluding treasury shares and subsidiary holdings) immediately after Completion (assuming that the Company does not allot and issue additional new Shares up to Completion) ("**Enlarged Issued Share Capital**"). The Subscription Shares will represent approximately 12.0% of the Existing Issued Share Capital and approximately 10.7% of the Enlarged Issued Share Capital. For completeness, as at the Latest Practicable Date, the Company has no outstanding warrants or other convertible securities.

Please refer to Section 4 of this Circular below for further information on the increase in the Company's issued and paid-up share capital arising from the Proposed Subscription.

The Subscription Shares shall be issued free from any claims, charges, liens and other encumbrances whatsoever and shall rank, *pari passu*, in all respects with the existing Shares, save that the Subscription Shares will not rank for any dividends, rights, allotments, distributions or other entitlements, the record date of which falls on or before the date of Completion.

The allotment and issuance of the Subscription Shares will not result in any transfer of controlling interest in the Company pursuant to Rule 803 of the Catalist Rules.

LETTER TO SHAREHOLDERS

There is no moratorium imposed by the Company on the Subscription Shares.

The Proposed Subscription will be undertaken by way of an exempt offering in Singapore in accordance with Section 272B (private placement) of the SFA. As such, no prospectus, offer document or other information statement will be issued by the Company and lodged with the SGX-ST acting as agent on behalf of the MAS in connection with the Proposed Subscription.

Notification under Section 309B of the SFA: The Subscription Shares are “prescribed capital markets products” (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and “Excluded Investment Products” (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

2.3 Issue Price

The Issue Price of S\$0.205 represents a discount of approximately 5.9% to the volume-weighted average price of S\$0.2178 per Share, based on the trades done on the SGX-ST on 1 September 2021, being the full Market Day on which the Subscription Agreement was signed.

The Issue Price was commercially agreed upon between the Company and the Subscribers after arm’s length negotiations and taking into account (i) the historical trading performance of the Company; and (ii) the prevailing market conditions of the Group’s business.

2.4 Details of the Subscribers

The information in this section relating to Subscribers is based on information provided by and/or representations made by the Subscribers. The Directors (not including Subscriber 1) have not conducted an independent review or verification of the accuracy of the statements and information below.

As at the Latest Practicable Date:

- (a) Subscriber 1 is the Non-Independent Non-Executive Director and a Controlling Shareholder of the Company, with direct and deemed interest in 1,000,000 Shares and 25,845,000 Shares (being the Shares held by Subscriber 2) respectively, representing in aggregate approximately 18.18% of the Existing Issued Share Capital (as described below, Subscriber 1 has deemed interest in the Shares held by Subscriber 2); and
- (b) Subscriber 2 is an Associate of Subscriber 1 and a Controlling Shareholder of the Company, holding 25,845,000 Shares, representing approximately 17.50% of the Existing Issued Share Capital.

Following the successful allotment and issuance of the Subscription Shares and assuming that the Company does not allot and issue additional new Shares up to Completion:

- (i) Subscriber 1’s direct and deemed shareholdings would increase to 2,000,000 Shares and 42,562,700 Shares (being the Shares held by Subscriber 2) respectively, representing in aggregate approximately 26.95% of the Enlarged Issued Share Capital; and

LETTER TO SHAREHOLDERS

- (ii) Subscriber 2's shareholding would increase to 42,562,700 Shares, representing approximately 25.74% of the Enlarged Issued Share Capital.

Subscriber 1 is the Non-Independent Non-Executive Director of the Company. Please refer to the section entitled "Board of Directors" of the Company's annual report for FY2020 for more information on Subscriber 1.

Subscriber 2 is an investment holding company, which owns and operates Malaysia's largest Chinese restaurant food chain including renowned brands such as Dragon-I, Canton-I, Ho Min San and the Japanese franchise Yayoi, and has at present about 40 restaurants spread over Peninsular Malaysia and the state of Sabah. It also owns the Advance Tertiary College with 750 students across two (2) campuses in Kuala Lumpur and Penang. In addition, Subscriber 2 owns two (2) unique FMCG brands including Bad Lab and Good Virtues which specialise in personal grooming products.

The entire issued and paid-up share capital of Subscriber 2 is held by RHB Trustees Berhad as bare trustee for SWY Trust, which is a family trust and the named beneficiaries are Subscriber 1, and his siblings, namely Mr Tan Boon Yao and Mr Tan Boon Wy ("**Named Beneficiaries**"). The Named Beneficiaries are also settlors of the SWY Trust. Subscriber 1 is also in charge of operating the assets within the SWY Trust and a director of Subscriber 2. Accordingly, Subscriber 1 is deemed to have an interest in the Shares held by Subscriber 2 by virtue of Section 4 of the SFA.

Save for Subscriber 1 being the Non-Independent Non-Executive Director and a Controlling Shareholder of the Company, and Subscriber 2 being an Associate of Subscriber 1 and a Controlling Shareholder of the Company, the Company confirms that no other Directors or Substantial Shareholders has, to the best of their knowledge, any connection (including business relationship) with the Subscribers or their directors or substantial shareholders.

2.5 Shareholders' Approval for the Proposed Subscription

The Proposed Subscription is subject to specific Shareholders' approval pursuant to the Catalist Rules and the Companies Act, details as set out below.

(a) Section 161 of the Companies Act and Rule 805(1) of the Catalist Rules

Under Section 161 of the Companies Act and pursuant to Rule 805(1) of the Catalist Rules, an issuer must obtain the prior approval of shareholders in a general meeting for the issue of shares or convertible securities or the grant of options carrying rights to subscribe for shares of the issuer except where a general mandate for such issue has been previously obtained from shareholders in a general meeting.

The Company will not be relying on the general share issue mandate granted by Shareholders to the Directors at the last annual general meeting of the Company held on 31 May 2021. Accordingly, the Company is convening the EGM to seek Shareholders' approval for the issuance of the Subscription Shares under the Proposed Subscription pursuant to Section 161 of the Companies Act and Rule 805(1) of the Catalist Rules.

LETTER TO SHAREHOLDERS

(b) Rules 804 and 812(2) of the Catalist Rules

Rule 804 of the Catalist Rules provides that, except in the case of an issue made on a *pro rata basis* to shareholders or a scheme referred in Part VIII of Chapter 8 of the Catalist Rules, no director of an issuer, or Associate of the director, may participate directly or indirectly in an issue of equity securities or convertible securities unless shareholders in general meeting have approved the specific allotment. Such directors and Associates must abstain from exercising any voting rights in the matter.

Rules 812(1) and 812(2) of the Catalist Rules provide that, save where specific shareholders' approval for such a placement has been obtained, an issue must not be placed to any of the following persons:

- (i) the issuer's directors and substantial shareholders;
- (ii) immediate family members of the directors and substantial shareholders;
- (iii) substantial shareholders, related companies (as defined in Section 6 of the Companies Act), associated companies and sister companies of the issuer's substantial shareholders;
- (iv) corporations in whose shares the issuer's directors and substantial shareholders have an aggregate interest of at least 10%; or
- (v) any person who, in the opinion of the SGX-ST, falls within category (i) to (iv) above,

with such directors and substantial shareholders and their Associates abstaining from voting on the shareholders' resolution to approve such placement.

Subscriber 1 is the Non-Independent Non-Executive Director and a Controlling Shareholder of the Company. Subscriber 2 is an Associate of Subscriber 1 and a Controlling Shareholder of the Company.

The Subscribers therefore fall within the categories of persons covered in Rules 804 and 812(1) of the Catalist Rules. Accordingly, the Company is convening the EGM to seek Shareholders' approval for the allotment and issuance of the Subscription Shares at the Issue Price to the Subscribers under the Proposed Subscription pursuant to Rules 804 and 812(2) of the Catalist Rules. Further details on the persons who will abstain from voting on the resolution in connection with the Proposed Subscription are set out in Section 9 of this Circular below.

(c) Rule 906(1)(a) of the Catalist Rules

The Company is convening the EGM to seek Shareholders' approval for the Proposed Subscription by the Subscribers, being an interested person transaction in relation to each Subscriber pursuant to Rule 906(1)(a) of the Catalist Rules. Please refer to Section 2.6 of this Circular below for further details on the aforesaid.

LETTER TO SHAREHOLDERS

2.6 Proposed Subscription being an Interested Person Transaction in relation to each Subscriber

2.6.1. As at the Latest Practicable Date:

- (a) Subscriber 1 is the Non-Independent Non-Executive Director and a Controlling Shareholder of the Company; and
- (b) Subscriber 2 is an Associate of Subscriber 1 and a Controlling Shareholder of the Company.

Accordingly, each of the Subscribers is an “interested person” of the Company and the entry into the Subscription Agreement is an “interested person transaction” for the purposes of Chapter 9 of the Catalist Rules. In addition, pursuant to Rule 908(1) of the Catalist Rules, transactions between (a) the Group and Subscriber 1; and (b) the Group and Subscriber 2 (being an Associate of Subscriber 1) or other Associates of Subscriber 1, are deemed to be transactions between the Group with the same interested person.

2.6.2. In accordance with Rules 906(1)(a) and 918 of the Catalist Rules, where the value of an interested person transaction is equal to or exceeds 5% of the latest audited NTA of the Group (“**Group NTA**”), the approval of independent Shareholders is required to be obtained either prior to the transaction being entered into, or if the transaction is expressed to be conditional on such approval, prior to the completion of such transaction, as the case may be.

Based on the audited consolidated financial statements of the Group for FY2020, as at 31 December 2020, the Group NTA is approximately RM63,343,065 (equivalent to S\$21,114,355 based on an exchange rate of RM3.00 : S\$1.00) and 5% of the Group NTA is approximately RM3,167,153 (equivalent to S\$1,055,718 based on an exchange rate of RM3.00 : S\$1.00). The aggregate Issue Price for the Subscription Shares of S\$3,632,128.50 represents approximately 17.2% of the Group NTA (based on an exchange rate of RM3.00 : S\$1.00).

Accordingly, the Proposed Subscription by the Subscribers is subject to independent Shareholders’ approval pursuant to Rule 906(1)(a) of the Catalist Rules.

2.6.3. For the current financial year commencing 1 January 2021 up to the Latest Practicable Date, the aggregate value of all interested person transactions entered into by the Group with Subscriber 1 (excluding the Proposed Subscription) is RM1.06 million, representing approximately 1.7% of the Group NTA, being a transaction with an Associate of Subscriber 1.

For the current financial year commencing 1 January 2021 up to the Latest Practicable Date, there were no interested person transactions entered into by the Group with Subscriber 2 (excluding the Proposed Subscription).

The aggregate value of all transactions entered into by the Group with all interested persons (excluding the Proposed Subscription) for the current financial year commencing 1 January 2021 up to the Latest Practicable Date is approximately RM5.76 million, representing approximately 9.1% of the Group NTA.

LETTER TO SHAREHOLDERS

2.6.4. Pursuant to Rule 921(4)(b)(i) of the Catalist Rules, an independent financial adviser is not required for the Proposed Subscription as it is an issue of shares pursuant to Part IV of Chapter 8 of the Catalist Rules for cash. Instead, an opinion from the Audit Committee of the Company in the form required in Rule 917(4)(a) of the Catalist Rules has been disclosed in Section 7 of this Circular below.

2.7 Conditions Precedent to Completion

In accordance with the Subscription Agreement, Completion is conditional upon:

- (a) the relevant approvals (if required) from the Company's Sponsor and regulatory bodies, as well as the listing and quotation notice from the SGX-ST in respect of the listing of the Subscription Shares on the Catalist board of the SGX-ST having been obtained and such approval being in full force and effect; and if obtained subject to conditions, such conditions being reasonably acceptable to the Company and the Subscribers and are timely and satisfactorily fulfilled;
- (b) the issue of and subscription for the Subscription Shares not being prohibited by any Applicable Laws¹;
- (c) the approval of Shareholders for the Proposed Subscription and the allotment and issuance of the Subscription Shares at the Issue Price; and
- (d) the representations and warranties of the Company and the Subscribers in the Subscription Agreement being true and accurate and not misleading as at the date of the Subscription Agreement, and remaining true and accurate and not misleading at all times up until Completion.

As at the Latest Practicable Date, the conditions set out in sub-paragraphs (b) and (d) of this Section 2.7 above are satisfied. If any of the conditions set forth above is not satisfied on or before 1 December 2021 or otherwise waived, the Subscription Agreement shall lapse and cease to have further effect, the Proposed Subscription shall be aborted, and the Company and the Subscribers shall have no claim against the other except for any antecedent breach of the Subscription Agreement.

The Company will make an additional listing application, through the Sponsor, to the SGX-ST for the dealing in, listing of and quotation for the Subscription Shares on the Catalist board of the SGX-ST at the appropriate time. The Company will make the necessary announcement upon receipt of the approval in-principle ("AIP") for the listing of and quotation for the Subscription Shares from the SGX-ST. The AIP, if granted by the SGX-ST to the Company, is not to be taken as an indication of the merits of the Proposed Subscription, the Subscription Shares, the Shares, the Company and/or its subsidiaries.

¹ Applicable Laws refers to any publicly available law, statute, rule, regulation or code, or order, decree, requirement, judgment or decision of any governmental or regulatory body or authority or court of competent jurisdiction, applicable to the Company or the Subscribers or to the relevant matter(s) contemplated under the Subscription Agreement, and includes, for the avoidance of doubt, the Companies Act and the Catalist Rules.

LETTER TO SHAREHOLDERS

3. RATIONALE FOR THE PROPOSED SUBSCRIPTION AND USE OF PROCEEDS

3.1 Rationale for the Proposed Subscription

The Company is of the view that the investment by the Subscribers through the Proposed Subscription is beneficial to the Company and the Group as the proceeds from the Proposed Subscription will increase the resources available to the Company for its operational needs, among other expenses, and the financing of future strategic investments and/or acquisitions, and will allow the Group to further strengthen its financial position and capital base.

3.2 Use of Net Proceeds

The estimated net proceeds to be raised from the Proposed Subscription, if and when completed, after deducting estimated expenses of approximately S\$40,000 to be incurred in connection with the Proposed Subscription would be approximately S\$3,592,000 ("**Net Proceeds**").

The Net Proceeds are intended to be used for the following purposes:

| Use of Net Proceeds | Amount (S\$'000) | As a percentage of total Net Proceeds (%) |
|---|-----------------------------|--|
| 1) Funding of potential growth and expansion or diversification | 2,514 | 70 |
| 2) General working capital | 1,078 | 30 |
| Total | 3,592 | 100 |

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

In accordance with Rule 704(30) of the Catalist Rules, the Company will make periodic announcements on the utilisation of the Net Proceeds as and when they are materially disbursed or utilised, and whether such a use is in accordance with the stated use and in accordance with the percentage allocated as aforesaid. The Company will also provide a status report on the use of such proceeds in the Company's interim and full year financial results announcement(s), and annual report(s). Where the Net Proceeds are used for general working capital purposes, the Company will announce a breakdown with specific details on the use of the Net Proceeds for working capital. Where there is any material deviation from the stated use of the Net Proceeds, the Company will announce the reasons for such deviation.

4. FINANCIAL EFFECTS OF THE PROPOSED SUBSCRIPTION

The *pro forma* financial effects of the Proposed Subscription on the Company and the Group are set forth below and are prepared based on the audited consolidated financial statements of the Group for FY2020, subject to the following assumptions:

LETTER TO SHAREHOLDERS

- (a) the financial effect on the NTA per Share is computed based on the assumption that the Proposed Subscription was completed on 31 December 2020;
- (b) the financial effect on the EPS is computed based on the assumption that the Proposed Subscription was completed on 1 January 2020;
- (c) expenses to be incurred in respect of the Proposed Subscription amounted to approximately S\$40,000 (equivalent to approximately RM120,000); and
- (d) exchange rate of RM3.00 : S\$1.00 is used for the computations.

It should be noted that such *pro forma* financial effects are presented strictly for illustrative purposes only and does not purport to be indicative or a projection of the results and financial position of the Company and the Group after Completion. Shareholders are therefore cautioned against placing undue reliance on the *pro forma* financial effects of the Proposed Subscription disclosed herein.

4.1 Share Capital

| As at 31 December 2020 | Before the Proposed Subscription | After the Proposed Subscription |
|---------------------------------------|----------------------------------|---------------------------------|
| Issued and paid-up share capital (RM) | 55,360,320 | 66,256,706 |
| Total number of Shares | 147,647,500 | 165,365,200 |

4.2 NTA per Share

| As at 31 December 2020 | Before the Proposed Subscription | After the Proposed Subscription |
|---------------------------------------|----------------------------------|---------------------------------|
| NTA attributable to Shareholders (RM) | 63,343,065 | 74,119,451 |
| Total number of Shares | 147,647,500 | 165,365,200 |
| NTA per Share (RM cents) | 42.90 | 44.82 |

4.3 EPS

| FY2020 | Before the Proposed Subscription | After the Proposed Subscription |
|--|----------------------------------|---------------------------------|
| Profit attributable to owners of the parent (RM) | 8,464,442 | 8,464,442 |
| Weighted average number of Shares | 142,054,792 | 159,772,492 |
| EPS (RM cents) | 5.96 | 5.30 |

LETTER TO SHAREHOLDERS

5. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

Details of interests in the Company of the Directors, the Substantial Shareholders and the other Shareholders (i) before the Proposed Subscription as at the Latest Practicable Date (based on information recorded in the Register of Directors' Shareholdings and the Register of Substantial Shareholders respectively); and (ii) after the Proposed Subscription are set out as follows:

| Name | As at the Latest Practicable Date | | | |
|--|-----------------------------------|---------------|------------------|-------|
| | Direct Interest | | Deemed Interest | |
| | Number of Shares | % | Number of Shares | % |
| Directors | | | | |
| Sim Choo Kheng | 91,434,730 | 61.93 | - | - |
| Silviya Georgieva Georgieva | 665,395 | 0.45 | - | - |
| Yong Oi Ling | - | - | - | - |
| Tay Eng Kiat Jackson | - | - | - | - |
| Chung Yew Pong | 32,000 | 0.02 | - | - |
| Tan Hui Tsu | - | - | - | - |
| Tan Boon Seng ⁽¹⁾ | 1,000,000 | 0.68 | 25,845,000 | 17.50 |
| Substantial Shareholder(s) (other than Directors) | | | | |
| Desamal Capital Sdn Bhd ⁽¹⁾ | 25,845,000 | 17.50 | - | - |
| Other Shareholders | 28,670,375 | 19.42 | - | - |
| TOTAL | 147,647,500 | 100.00 | | |

| Name | Immediately after the Proposed Subscription | | | |
|--------------------------------|---|-------|------------------|---|
| | Direct Interest | | Deemed Interest | |
| | Number of Shares | % | Number of Shares | % |
| Directors | | | | |
| Sim Choo Kheng | 91,434,730 | 55.29 | - | - |
| Silviya Georgieva Georgieva | 665,395 | 0.40 | - | - |
| Yong Oi Ling | - | - | - | - |
| Tay Eng Kiat Jackson | - | - | - | - |
| Chung Yew Pong | 32,000 | 0.02 | - | - |
| Tan Hui Tsu | - | - | - | - |

LETTER TO SHAREHOLDERS

| Name | Immediately after the Proposed Subscription | | Deemed Interest | |
|--|---|---------------|------------------|-------|
| | Direct Interest Number of Shares | % | Number of Shares | % |
| Tan Boon Seng ⁽¹⁾ | 2,000,000 | 1.21 | 42,562,700 | 25.74 |
| Substantial Shareholder(s) (other than Directors) | | | | |
| Desamal Capital Sdn Bhd ⁽¹⁾ | 42,562,700 | 25.74 | - | - |
| Other Shareholders | 28,670,375 | 17.34 | - | - |
| TOTAL | 165,365,200 | 100.00 | | |

Note:

(1) As disclosed in Section 2.4 of this Circular above, Mr Tan Boon Seng (being Subscriber 1) is deemed to have an interest in the Shares held by Desamal Capital Sdn Bhd (being Subscriber 2) by virtue of Section 4 of the SFA.

Save as disclosed in this Circular and save for their interests (if any) arising by way of their shareholdings and/or directorships, as the case may be, in the Company, none of the Directors and their respective Associates, has any interest, direct or indirect, in the Proposed Subscription.

Save for Subscriber 1 being the Non-Independent Non-Executive Director and a Controlling Shareholder of the Company, and Subscriber 2 being an Associate of Subscriber 1 and a Controlling Shareholder of the Company, and to the best of the Directors' knowledge, none of the Substantial Shareholders, as well as their respective Associates, has any interest, direct or indirect, in the Proposed Subscription.

6. DIRECTORS' OPINION

The Directors are of the opinion that as at the date of this Circular:

- (a) after taking into consideration the present bank facilities available to the Group, the Group's internal resources and operating cashflows, the working capital available to the Group is sufficient to meet its present requirements, and the Proposed Subscription is being undertaken for purposes set out in Section 3 of this Circular above; and
- (b) after taking into consideration the present bank facilities available to the Group, the Group's internal resources and operating cashflows, and the Net Proceeds, the working capital available to the Group is sufficient to meet its present requirements.

In light of the evolving COVID-19 pandemic and widespread transmission of the virus worldwide, the Company is closely monitoring and working with its business associates and partners to assess and mitigate the financial impact of the unprecedented pandemic on the Group's business and financial performance, and will update Shareholders in due course if there are any changes to the aforesaid confirmation.

LETTER TO SHAREHOLDERS

7. AUDIT COMMITTEE'S STATEMENT

The Audit Committee of the Company (all of whom are considered independent for the purposes of considering the Proposed Subscription), having considered, among others, (i) the terms of the Proposed Subscription, (ii) the rationale for and benefits of the Proposed Subscription and the use of proceeds arising therefrom, (iii) the discount for the Issue Price being generally in line with the discount for precedent placements of shares conducted by other listed companies in Singapore, and (iv) all other facts set out in this Circular, is of the view that the Proposed Subscription is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders.

8. DIRECTORS' RECOMMENDATION

As mentioned in Section 2.6.1 of this Circular above, (i) Subscriber 1 (being Mr Tan Boon Seng) is the Non-Independent Non-Executive Director and a Controlling Shareholder of the Company and (ii) Subscriber 2 is an Associate of Subscriber 1 and a Controlling Shareholder of the Company. Accordingly, Mr Tan Boon Seng is not considered independent for purposes of making recommendations on the Proposed Subscription.

Having considered the terms and rationale for the Proposed Subscription and the views of the Audit Committee of the Company as set out in Section 7 of this Circular above, the Directors (other than Mr Tan Boon Seng) are of the view that the Proposed Subscription will be in the interest of the Company and recommend that Shareholders vote in favour of the ordinary resolution relating to the Proposed Subscription as set out in the Notice of EGM.

9. ABSTENTION FROM VOTING

In accordance with the Rules 804 and 812(2) of the Catalist Rules, the Subscribers and their respective Associates, will abstain from voting on the ordinary resolution approving the Proposed Subscription at the EGM.

Further, pursuant to Rule 919 of the Catalist Rules, an interested person and any Associate of the interested person must abstain from voting on the resolutions approving the interested person transaction. Such interested persons and their respective Associates shall not accept appointments as proxies unless specific instructions as to voting are given by the shareholders.

Accordingly, the Subscribers and their respective Associates, will also decline to accept appointment as proxy from any Shareholders to vote on the ordinary resolution approving the Proposed Subscription at the EGM unless the Shareholders concerned have given specific instructions as to the manner in which his/her votes are to be cast at the EGM.

The Company will disregard any votes cast on resolutions by persons required to abstain from voting by the relevant Catalist Rules.

10. EXTRAORDINARY GENERAL MEETING

An EGM will be held by way of electronic means on Friday, 8 October 2021 at 11:00 a.m. for the purpose of considering and, if thought fit, passing, with or without any modifications, the ordinary resolution relating to the Proposed Subscription as set out in the Notice of EGM.

LETTER TO SHAREHOLDERS

11. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who wish to vote on the resolution at the EGM must appoint the Chairman of the EGM as their proxy by completing the Proxy Form as attached to the Notice of EGM.

Please refer to the alternative arrangements relating to, among others, attendance, submission of questions in advance and/or voting by proxy at the EGM as set out in the Company's announcement dated 23 September 2021, which has been uploaded together with this Circular on SGXNet and the Company's corporate website at the URL <https://www.simleisuregroup.com/announcements> on the same day.

A Depositor shall not be regarded as a member of the Company and his/her/its Proxy Form may be rejected by the Company unless his/her/its name appears on the Depository Register at least seventy-two (72) hours before the time fixed for the holding of the EGM, as certified by CDP.

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 Subscription, 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 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. DOCUMENTS AVAILABLE FOR INSPECTION

Subject to prevailing regulations, orders, advisories and guidelines relating to safe distancing which may be issued by the relevant authorities, a copy of each of the following documents may be inspected at the Company's registered office at 138 Robinson Road, #26-03 Oxley Tower, Singapore 068906 during normal business hours for a period of (3) months from the date of this Circular:

- (a) the Subscription Agreement;
- (b) the Constitution of the Company; and
- (c) the annual report of the Company for FY2020.

Yours faithfully
For and on behalf of the Board of Directors of
SIM LEISURE GROUP LTD.

Sim Choo Kheng
Executive Director and CEO

NOTICE OF EXTRAORDINARY GENERAL MEETING

SIM LEISURE GROUP LTD.

(Incorporated in the Republic of Singapore)
(Company Registration Number 201808096D)

All capitalised terms in this Notice shall, unless otherwise defined in this Notice, bear the respective meanings ascribed thereto in the circular to shareholders dated 23 September 2021 issued by the Company.

NOTICE IS HEREBY GIVEN that an **EXTRAORDINARY GENERAL MEETING (“EGM”)** of Sim Leisure Group Ltd. (“**Company**”) will be held by way of electronic means on Friday, 8 October 2021 at 11:00 a.m. for the purpose of considering and, if thought fit, passing with or without any modifications the following Resolution set out below.

ORDINARY RESOLUTION

THE PROPOSED ISSUE OF 17,717,700 NEW ORDINARY SHARES IN THE SHARE CAPITAL OF SIM LEISURE GROUP LTD. AT THE ISSUE PRICE OF S\$0.205 PER SUBSCRIPTION SHARE (OR AN AGGREGATE ISSUE PRICE OF S\$3,632,128.50) TO THE SUBSCRIBERS, BEING AN INTERESTED PERSON TRANSACTION IN RELATION TO EACH SUBSCRIBER

THAT:-

- (i) pursuant to Section 161 of the Companies Act and Rules 804, 805(1) and 812(2) of the Catalist Rules, approval be and is hereby given to the Company for the allotment and issuance of an aggregate of 17,717,700 new Shares (“**Subscription Shares**”) at the issue price of S\$0.205 per Subscription Share to the Subscribers on the terms and subject to the conditions of the Subscription Agreement (“**Proposed Subscription**”). Details of the Subscribers and their respective subscriptions for the Subscription Shares are set out below.

| Name of Subscriber | Number of Subscription Shares to be subscribed for | Aggregate Issue Price to be paid (S\$) |
|---------------------------|---|---|
| Mr Tan | 1,000,000 | 205,000.00 |
| Desamal | 16,717,700 | 3,427,128.50 |
| Total | 17,717,700 | 3,632,128.50 |

- (ii) pursuant to Rule 906(1)(a) of the Catalist Rules, approval be and is hereby given to the Company for the allotment and issuance of the Subscription Shares to the Subscribers pursuant to the Proposed Subscription, being an interested person transaction (as defined in Chapter 9 of the Catalist Rules) in relation to each Subscriber; and
- (iii) the Directors of the Company and each of them be hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary or in the interests of the Company to give effect to this Resolution.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes to the Ordinary Resolution:

Pursuant to Rules 804, 812(2) and 919 of the Catalist Rules, Mr Tan and Desamal as well as their respective Associates will abstain from exercising any voting rights in relation to the Ordinary Resolution. Mr Tan and Desamal as well as their respective Associates will also decline to accept appointment as proxy from any Shareholders to vote on the Ordinary Resolution unless the Shareholders concerned have given specific instructions as to the manner in which his/her votes are to be cast at the EGM.

BY ORDER OF THE BOARD
SIM LEISURE GROUP LTD.

SIM CHOO KHENG
Executive Director and Chief Executive Officer
23 September 2021

Notes:

- (1) Alternative arrangements relating to, among others, attendance, submission of questions in advance and/or voting by proxy at the EGM of the Company to be held on Friday, 8 October 2021 at 11:00 a.m. (the "**Meeting**") are set out in the Company's announcement dated 23 September 2021 (the "**Announcement**"), which has been uploaded together with this Notice of EGM on SGXNet on the same day. The Announcement may also be accessed on the Company's corporate website at the URL <https://www.simleisuregroup.com/announcements>. For the avoidance of doubt, the Announcement is circulated together with and forms part of this Notice of EGM in respect of the Meeting.

In particular, the Meeting will be held by way of electronic means and a member of the Company will be able to observe the proceedings of the Meeting contemporaneously through a "live" audio-visual webcast ("**LIVE WEBCAST**") via his/her/its mobile phones, tablets or computers or listen to these proceedings contemporaneously through a "live" audio-only feed ("**AUDIO ONLY MEANS**") via telephone.

For Shareholders who would like to observe the proceedings of the Meeting via LIVE WEBCAST, Shareholder will need to pre-register online at the URL https://us02web.zoom.us/webinar/register/WN_DjMMKch_TqatZ3YSBAa8uA and provide their personal particulars, **no later than 11:00 a.m. on 5 October 2021** (being not less than seventy-two (72) hours before the time appointed for holding the Meeting) (the "**Registration Deadline**") to enable the Company to verify the Shareholders' status.

For Shareholders who would like to listen to the proceedings of the Meeting via AUDIO ONLY MEANS, Shareholders will need to pre-register with the Company's Investor Relations team at investorrelations@simleisuregroup.com and provide their particulars, no later than the Registration Deadline to enable the Company to verify the Shareholders' status.

Following authentication of his/her/its status as members of the Company, authenticated members of the Company will receive email instructions on how to access the LIVE WEBCAST and AUDIO ONLY MEANS to observe or listen to the proceedings of the Meeting **by 7 October 2021**.

A member of the Company who pre-registers to observe the LIVE WEBCAST or listen via the AUDIO ONLY MEANS may also submit questions related to the resolution to be tabled for approval at the Meeting. To do so, all questions must be submitted **by 11:00 a.m. on 5 October 2021** (being not less than seventy-two (72) hours before the time appointed for holding the Meeting) by email to investorrelations@simleisuregroup.com.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Due to the current COVID-19 situation in Singapore, a member of the Company will not be able to attend the Meeting in person. If a member of the Company (whether individual or corporate) wishes to exercise his/her/its voting rights at the Meeting, he/she/it must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the Meeting. In appointing the Chairman of the Meeting as proxy, a member of the Company (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid.

- (2) The Chairman of the Meeting, as proxy, need not be a member of the Company.
- (3) The instrument appointing the Chairman of the Meeting as proxy, together with the power of attorney or other authority under which it is signed (if applicable) or a notarial certified copy thereof, must:
 - (a) if sent by post, be lodged at the office of the Company's Share Registrar, B.A.C.S. Private Limited, at 8 Robinson Road, #03-00 ASO Building, Singapore 048544; or
 - (b) if submitted by email, be received by the Company's Share Registrar, B.A.C.S. Private Limited at main@zicoholdings.com,

in either case, **by 11:00 a.m. on 5 October 2021** (being not less than seventy-two (72) hours before the time appointed for holding the Meeting) (or at any adjournment thereof) and in default the instrument of proxy shall not be treated as valid.

In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members of the Company to submit completed proxy forms by post, members of the Company are strongly encouraged to submit completed proxy forms electronically via email.

- (4) The instrument appointing the Chairman of the Meeting as proxy must be under the hand of the appointor or on his/her attorney duly authorised in writing. Where the instrument appointing the Chairman of the Meeting as proxy is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or duly authorised officer, failing which the instrument of proxy may be treated as invalid.
- (5) A corporation which is a member may authorise by resolution of its director or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act.

Personal Data Privacy:

By (a) submitting an instrument appointing the Chairman of the Meeting as proxy to vote at the Meeting and/or any adjournment thereof, or (b) submitting details for the registration to observe the proceedings of the Meeting via LIVE WEBCAST or AUDIO ONLY MEANS, or (c) submitting any question prior to the Meeting in accordance with this Notice of EGM, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the following purposes:

- (i) processing and administration by the Company (or its agents) of proxy forms appointing the Chairman of the Meeting as proxy for the Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the Meeting (including any adjournment thereof);
- (ii) processing of the registration for purpose of granting access to members (or their corporate representatives in the case of members which are legal entities) to the LIVE WEBCAST or AUDIO ONLY MEANS to observe the proceedings of the Meeting and providing them with any technical assistance where necessary;
- (iii) addressing relevant and substantial questions from members received before the Meeting and if necessary, following up with the relevant members in relation to such questions; and

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (iv) enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines by the relevant authorities.

Photographic, sound and/or video recordings of the Meeting may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the Meeting. Accordingly, the personal data of a member of the Company (such as his name, his presence at the Meeting and any questions he may raise or motions he propose/second) may be recorded by the Company for such purpose.

This notice has been prepared by the Company and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "Sponsor"), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalyst.

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

The contact person for the Sponsor is Ms Goh Mei Xian, Associate Director, ZICO Capital Pte. Ltd. at 8 Robinson Road #09-00 ASO Building, Singapore 048544, telephone (65) 6636 4201.

PROXY FORM

SIM LEISURE GROUP LTD.
(Incorporated in the Republic of Singapore)
(Company Registration Number 201808096D)

PROXY FORM – EXTRAORDINARY GENERAL MEETING

(Please see notes overleaf before completing this Form)

This proxy form has been made available on SGXNet and the Company's corporate website and may be accessed at the URL <https://www.simleisuregroup.com/announcements>. A printed copy of this proxy form will NOT be despatched to members of the Company.

IMPORTANT:

1. Alternative arrangements relating to, among others, attendance, submission of questions in advance and/or voting by proxy at the EGM (as defined herein) are set out in the Company's announcement dated 23 September 2021 (the "Announcement") which has been uploaded together with the Notice of EGM dated 23 September 2021 on SGXNet on the same day. The Announcement may also be accessed on the Company's corporate website at the URL <https://www.simleisuregroup.com/announcements>. For the avoidance of doubt, the Announcement is circulated together with and forms part of the Notice of EGM dated 23 September 2021 in respect of the EGM.
2. A member of the Company will not be able to attend the EGM in person. If a member of the Company (whether individual or corporate) wishes to exercise his/her/its voting rights at the EGM, he/she/it must appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM. In appointing the Chairman of the EGM as proxy, a member of the Company (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid.
3. Please read the notes to this proxy form.

PERSONAL DATA PRIVACY

By submitting this proxy form, the member of the Company accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 23 September 2021.

I/We,.....(Name).....(NRIC/Passport No./Company Registration No.)..... of.....(Address)

being a member/members of **SIM LEISURE GROUP LTD.** (the "Company"), hereby appoints the Chairman of the extraordinary general meeting of the Company (the "EGM"), as *my/our proxy to vote for *me/us on *my/our behalf at the EGM to be held by way of electronic means on Friday, 8 October 2021 at 11:00 a.m. and at any adjournment thereof. *I/We direct the Chairman of the EGM to vote for or against, or abstain from voting on the Resolution to be proposed at the EGM as indicated 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, the appointment of the Chairman of the EGM as *my/our proxy will be treated as invalid.

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

If you wish to exercise all your votes "For" or "Against", or "Abstain" the Resolution, please mark an "X" in the appropriate box provided. Alternatively, please indicate the number of votes "For" or "Against", or "Abstain" the Resolution in the boxes provided as appropriate. If you mark an "X" in the abstain box for the Resolution, you are directing your proxy, who is the Chairman of the EGM, not to vote on the Resolution.

| Ordinary Resolution | By way of poll | | |
|---|----------------|---------|---------|
| | For | Against | Abstain |
| To approve the proposed issue of 17,717,700 new ordinary shares in the share capital of the Company to the Subscribers pursuant to the Proposed Subscription, being an interested person transaction in relation to each Subscriber | | | |

Dated this _____ day of _____ 2021

| Total Number of Shares Held in: | |
|---------------------------------|--|
| (a) CDP Register | |
| (b) Register of Members | |

Signature(s) of Member(s) or, Common Seal of Corporate Member

* Delete as appropriate

IMPORTANT: PLEASE READ NOTES FOR PROXY FORM CAREFULLY BEFORE COMPLETING THIS PROXY FORM

PROXY FORM

NOTES TO PROXY FORM:

1. Please insert the total number of shares in the capital of the Company (“**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 (Cap. 289) of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members of the Company, 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 the Chairman of the EGM as proxy shall be deemed to relate to all the Shares held by you.
2. Due to the current COVID-19 situation in Singapore, a member of the Company will not be able to attend the EGM in person. If a member of the Company (whether individual or corporate) wishes to exercise his/her/its voting rights at the EGM, he/she/it must appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM. In appointing the Chairman of the EGM as proxy, a member of the Company (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid.
3. This instrument appointing the Chairman of the EGM as proxy must:
 - (a) if sent by post, be lodged at the office of the Company’s Share Registrar, B.A.C.S. Private Limited, at 8 Robinson Road, #03-00 ASO Building, Singapore 048544; or
 - (b) if submitted by email, be received by the Company’s Share Registrar, B.A.C.S. Private Limited at main@zicoholdings.com,

in either case, **by 11:00 a.m. on 5 October 2021** (being not less than seventy-two (72) hours before the time appointed for holding the EGM) (or at any adjournment thereof) and in default the instrument of proxy shall not be treated as valid.

In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members of the Company to submit completed proxy forms by post, members of the Company are strongly encouraged to submit completed proxy forms electronically via email.

4. This proxy form must be under the hand of the appointor or of his/her/its attorney duly authorised in writing.
 - (i) Where this proxy form is executed by a corporation, it must be executed either under its common seal (or otherwise in accordance with its constitution) or under the hand of an officer or attorney duly authorised.
 - (ii) Where this proxy form is executed by an attorney on behalf of the appointor, the letter or the power of attorney or a duly certified true copy thereof must be lodged with this proxy form, failing which the instrument of proxy may be treated as invalid.
5. A corporation which is a member of the Company may 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 (Cap 50) of Singapore, the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.
6. For investors who hold Shares under the Supplementary Retirement Scheme (“**SRS Investors**”), this proxy form is not valid for their use and shall be ineffective for all intents and purposes if used or purported to be used by them. SRS Investors who wish to appoint the Chairman of the EGM to act as their proxy should approach their respective SRS Operators to submit their votes at least seven (7) working days before the EGM.

General:

The Company shall be entitled to reject this proxy form 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 this proxy form. In addition, in the case of Shares entered in the Depository Register, the Company may reject any proxy form lodged if the member, being the appointor, is not shown to have Shares entered against his/her/its name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the EGM (or at any adjournment thereof), as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By submitting this proxy form, the member of the Company accepts and agrees to the personal data privacy terms as set out in the Notice of EGM dated 23 September 2021.