



VCPLUS LIMITED

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(Company Registration Number 201531549N)
(Incorporated in the Republic of Singapore)

ENTRY INTO STRATEGIC COLLABORATION FRAMEWORK AGREEMENT WITH DELTA INVESTMENT HOLDING GROUP LTD

1. BACKGROUND

The board of directors (the "**Board**" or "**Directors**") of VCPlus Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Company had on 5 October 2023 entered into a Strategic Collaboration Framework agreement ("**Framework Agreement**") with Delta Investment Holding Group Ltd ("**Delta**"). Pursuant to the Framework Agreement, the Parties have agreed to incorporate a joint venture company as the exclusive distributor of the services of Veivo Web Technology Ltd ("**Veivo Tech**") in Asia Pacific region (excluding China).

2. INFORMATION ON THE STRATEGIC COLLABORATION PARTNER

*Shareholders of the Company ("**Shareholders**") should note that information relating to Delta and Veivo Tech in this paragraph and elsewhere in this announcement was provided by Delta. The Company and the Directors have not independently verified the accuracy and correctness of such information herein.*

2.1. Delta Investment Holding Group Ltd

Delta is a company incorporated under the laws of the British Virgin Islands. Its principal business is that of investment holding. Its sole director and shareholder is Mr. Gao Hong ("**Mr. Gao**").

Mr. Gao is the co-founder and largest shareholder (via Delta) of Veivo Tech with a stake of 98.68% with the balance 1.32% held by Ms. Tang Zhengming.

Both Mr. Gao and Ms. Tang Zhengming are not related to the Company, the Directors or controlling shareholders of the Company, and their respective associates. As at the date of this announcement, both Mr. Gao and Ms. Tang Zhengming do not hold any shares in the share capital of the Company.

2.2. Veivo Web Technology Limited

Veivo Tech is a company established in Hong Kong. As at the date of this announcement, Veivo Tech and its wholly owned China subsidiaries (collectively the "**Veivo Group**") are principally engaged in operating instant messaging platform, application store, mini-apps, cloud application platform, and content platform under the branding Veivo ("**Veivo Services**"). With advanced technology, Veivo's system

enables various applications to be converted into Veivo web-based applications, which can be used in internet browser in different operating systems such as Apple and Android. Veivo's core cloud-based technology enables users to develop any kind of web-based applications and contents quicker and store in Veivo's cloud platform, which allows such users to market and promote in any social network platforms.

3. SALIENT TERMS UNDER THE STRATEGIC COLLOBARATION AGREEMENT

3.1 Pursuant to the Framework Agreement, the indicative commercial arrangements comprise:-

- The Parties intend to incorporate a new joint venture company in Singapore ("JVCo") and according to the terms and conditions in a joint venture agreement to be executed by the Parties ("JVA") to operate the Business (as defined below). The JVCo shall be 51% owned by the Company with the balance 49% owned by Delta or its subsidiary.
- Veivo Tech shall appoint the JVCo as the exclusive distributor of the Veivo Services in Asia Pacific region (excluding China) ("**Business**"). The Business will be responsible for the business development, management and operation of the Veivo Services.
- Veivo Group will provide the Company and JVCo with access to their proprietary software and platform, trademarks, copyrights, professional training, management and technical support in connection with the Business.
- The Parties will also collaborate on the development of applications for the Company's digital assets business leveraging on Veivo Tech's expertise in software development.

3.2 The Company intends to conduct a fund raising exercise to raise funds to finance the JVCo and for the Group's working capital purposes ("**Fund Raising Exercise**"). Delta will assist the Company with the Fund Raising Exercise. It is the intention of the Company that the JVCo will be incorporated after the completion of the Fund Raising Exercise.

Term of the Framework Agreement

3.3 The Framework Agreement shall be effective commencing from and after the date of the Framework Agreement and ending on the earlier of: (i) six months after the signing of the Framework Agreement if no binding and enforceable JVA is entered into as envisaged in the Framework Agreement, subject to extension agreed by the Parties; or (ii) the termination of the Framework Agreement in accordance to the terms and conditions of the Framework Agreement as stated below.

Termination of the Framework Agreement

3.4 This Framework Agreement shall terminate immediately upon prior notice upon the occurrence of an Event of Default by either party.

"Event of Default" means the occurrence of any one of the following (excluding any of events that the Parties have announced in public domain):-

(a) A material or adverse change in the business, financial condition, business procedures, prospects, or other aspects of the business of either party;

(b) Any representation or warranty of either party in this Framework Agreement is breached in any material respect or is incorrect in any material respect when made or deemed to be made; or

(c) Breach by either party in any material respect in the performance or observance of any term, covenant, condition or agreement contained in this Framework Agreement, and fails to remedy such breach within 30 days after the date of the notice of such breach from the other Party to the breaching Party.

3.6 For the avoidance of doubt, Shareholders should note that the terms and conditions set out in the Framework Agreement are not exhaustive of the terms and conditions of the collaboration between the Parties and further terms of the transactions contemplated by the Parties may agree for the purposes of undertaking the Business shall be addressed and provided for in the JVA to be discussed, negotiated and entered into by the Parties.

4. RATIONALE FOR ENTERING INTO THE STRATEGIC FRAMEWORK AGREEMENT

The rationale for the Parties to enter into the Framework Agreement is anchored by the mutual benefits that can be generated from the strategic collaboration and commercial partnership between the Parties. The Company intends to grow its consultancy business by expanding its product offering to customers. Delta intends to expand its business beyond China with an eye on ASEAN and to this end, it views Singapore as its hub outside of China.

In addition, the Parties wish to establish a strategic collaboration and commercial partnership to tap on the synergies between the Parties as well as the business and commercial networks of each Party and its affiliates. Having considered the synergies of the Parties, the business and commercial networks of each Party and its affiliates as well as value-add that each Party can potentially bring to the table for the benefit of the other Party, the Parties have agreed in-principle and hereby agree to enter into the Framework Agreement and subject to terms and conditions as set out in the Framework Agreement and on further terms and conditions as the Parties may mutually agree.

5. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors or substantial shareholders of the Company or their respective associates have any interest, direct or indirect in the Framework Agreement.

6. FURTHER ANNOUNCEMENT

The Company will make such further announcement(s) to keep Shareholders informed, as and when there are material updates or development in connection with the Framework Agreement and its implementation. Particularly, in respect of the JVCo and Fund Raising Exercise pursuant to the Framework Agreement, further announcement (as required) will be made as soon as the terms and conditions of such acquisition have been finalised and definitive agreement for such purchase has been entered into.

7. TRADING CAUTION

The Board does not expect the entry into this Framework Agreement to have a material financial impact on the results of the Group for the financial year ending 31 December 2023. Shareholders are advised to exercise caution in trading their Shares as there is no certainty or assurance as at the date of this announcement that any definitive agreements in relation to the JVCo and Fund Raising Exercise will be entered into. Shareholders are advised to read this announcement, and any further announcements by the Company carefully. Shareholders should consult their stockbrokers, solicitors or other professional advisors if they have any doubts about the action they should take.

By Order of the Board

Mr. Chua Ser Miang
Non-Executive Chairman and Lead Independent Director
5 October 2023

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

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