



## VIN'S HOLDINGS LTD

(Incorporated in Cayman Islands)  
(Company Registration Number: 386652)

### INTEGRATED AUTOMOTIVE SOLUTIONS PROVIDER

**Placement in respect of 20,000,000 Placement Shares  
at S\$0.30 for each Placement Share,  
payable in full on application.**

#### OFFER DOCUMENT DATED 3 APRIL 2025

(Registered by the Singapore Exchange Securities Trading Limited ("SGX-ST")  
acting as agent on behalf of the Monetary Authority of Singapore ("Authority") on 3 April 2025)

**This document is important. Before making any investment in the securities being offered, you should consider the information provided in this document carefully, and consider whether you understand what is described in this document. You should also consider whether an investment in the securities being offered is suitable for you, taking into account your investment objectives and risk appetite. If you are in any doubt as to the action you should take, you should consult your legal, financial, tax, or other professional adviser(s). You are responsible for your own investment choices.**

RHB Bank Berhad ("RHB" or the "Issue Manager, Full Sponsor and Placement Agent") has made an application to the SGX-ST for permission to deal in, and for the listing and quotation of, all the ordinary shares ("Shares") in the capital of Vin's Holdings Ltd ("Company") already issued, the new shares ("Placement Shares") which are the subject of this Placement (as defined herein) and the new Shares which may be allotted and issued upon the vesting of share awards granted under the Vin's Performance Share Plan ("Award Shares") on Catalist (as defined herein). Acceptance of applications for the Placement Shares will be conditional upon the issue of the Placement Shares and permission being granted by the SGX-ST for the listing and quotation of all our existing issued Shares, the Placement Shares and the Award Shares on Catalist. Monies paid in respect of any application accepted will be returned to you at your own risk, without interest or any share of revenue or other benefit arising therefrom, if the admission and listing do not proceed, and you will not have any claims against us and the Issue Manager, Full Sponsor and Placement Agent. The dealing in, and quotation of, our Shares, the Placement Shares and the Award Shares will be in Singapore dollars.

Companies listed on Catalist may carry higher investment risk when compared with larger or more established companies listed on the Mainboard of the SGX-ST. In particular, companies may list on Catalist without a track record of profitability and there is no assurance that there will be a liquid market in the shares or units of shares traded on Catalist. You should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with your professional adviser(s).

**This Placement is made in or accompanied by this Offer Document that has been registered by the SGX-ST acting as agent on behalf of the Authority. We have not lodged or registered this Offer Document in any other jurisdiction.**

Neither the Authority nor the SGX-ST has examined or approved the contents of this Offer Document. Neither the Authority nor the SGX-ST assumes any responsibility for the contents of this Offer Document, including the correctness of any of the statements or opinions made or reports contained in this Offer Document. The SGX-ST does not normally review the application for admission but relies on the Issue Manager, Full Sponsor and Placement Agent confirming that our Company is suitable to be listed on Catalist and complies with the Catalist Rules (as defined herein). Neither the Authority nor the SGX-ST has, in any way, considered the merits of the Shares being offered for investment.

The registration of this Offer Document by the SGX-ST acting as agent on behalf of the Authority does not imply that the Securities and Futures Act 2001 of Singapore, or any other legal or regulatory requirements, or requirements under the Catalist Rules, have been complied with.

After the expiration of six (6) months from the date of registration of this Offer Document, no person shall make an offer of our Shares, or allot, issue or sell any of our Shares, on the basis of this Offer Document; and no officer or equivalent person or promoter of our Company will authorise or permit the offer of any securities or the allotment, issue or sale of any securities, on the basis of this Offer Document.

**Investing in our Shares involves risks which are described in the section entitled "RISK FACTORS" of this Offer Document.**

**Issue Manager, Full Sponsor and Placement Agent**



**RHB Bank Berhad**  
(UEN: S99FC5710J)

(Incorporated in Malaysia 196501000373 (6171-M))



## ABOUT US

Vin's Holdings Ltd (the "Company", and together with its subsidiaries, the "Group") is an integrated automotive solutions provider in Singapore, with an extensive range of automotive solutions to cater to our customers' needs.

Our culture and service ethos are guided by the principles of "Kaizen" and "Omotenashi", focusing on continuous improvement and delivering exceptional customer service, setting our Group apart from its competitors.

## BUSINESS OVERVIEW

We have built a diversified business model with multiple complementary revenue streams. Our business activities include:

### AUTOMOBILE SALES AND RELATED SERVICES

Retail sales of new parallel-import and pre-owned vehicles, floor stock financing, sale of scrap cars and insurance referral services

### AUTOMOBILE FINANCING AND RELATED SERVICES

Motor vehicle financing in-house via hire purchase agreements and arranging financing from financial institutions

### AUTOMOBILE AFTER-SALES SERVICES

Motor vehicle maintenance and repair, accident repairs and insurance claims, and sale of salvaged spare parts and accessories

### AUTOMOBILE RENTAL AND LEASING SERVICES

Flexible short-term and long-term vehicle leasing options for both individual and corporate customers

## JOINTLY ACCREDITED BY



## AWARDS



Awarded Star Merchant for six consecutive years

# COMPETITIVE STRENGTHS



- One-stop service provider with extensive range of automotive solutions**  
Comprehensive end-to-end services from purchase to maintenance and repair, financing, and leasing, creating cross-selling opportunities and reducing dependence on any single revenue stream.
- Technical competence and expertise in Automobile After-Sales Services**  
Nearly forty years of experience in vehicle repairs, with skilled technicians trained in modern automotive technologies and deep understanding of insurance claims management.
- Our IT systems enhance our operations and customer service**  
Equipped with industry-leading solutions to streamline operations, improve customer service, and maintain efficient workflows.
- Strong relationships with our strategic partners**  
Longstanding relationships with key suppliers, insurance companies, and financial institutions ensures consistent supply of motor vehicles and parts, streamlines our insurance claims process, and provides essential financing solutions.
- Our showrooms and workshops are located in strategic locations**  
Located in renowned motor vehicle dealerships and servicing hubs, ensuring accessibility and wide market coverage for customers throughout Singapore.
- Strong management team with deep industry expertise**  
Led by industry veterans and long-serving management team, complemented by a young, dynamic workforce that brings fresh perspectives and technological proficiency.

**1** Stop service provider

**3** Showrooms by mid-2025

**>10** Years of service among the majority of our senior management

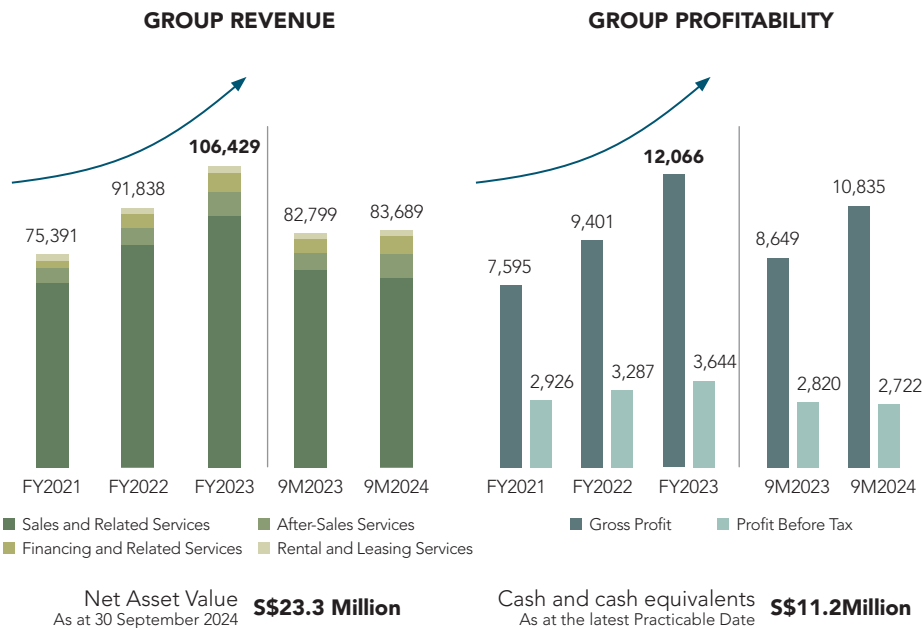
**11** Major insurers trust us as an authorised motor vehicle workshop

**>35** Years of Industry Experience



# FINANCIAL HIGHLIGHTS

Selected results of operations of our Group (\$'000)



Please refer to the section entitled "Management's Discussion and Analysis of Results of Operations and Financial Position" of this Offer Document for more details.

# PROPOSED DIVIDENDS

For FY2024, our Directors plan to recommend the distribution of:

**75%**

of net profit after tax, including a special dividend as a one-time reward for Shareholders' support and confidence in our Group.

Please refer to the section entitled "Dividend Policy" of this Offer Document for more information.



# INDUSTRY PROSPECTS AND TRENDS

Our competitive strengths position us for continued growth amidst the positive outlook of the automobile industry in Singapore:

## **Zero vehicle growth will make cars more expensive, but buyers are not deterred**

- ◆ Singapore's strong and stable economy makes the likelihood of owning a car still within reach for many despite fluctuating COE prices.

## **Demand for hybrids will continue**

- ◆ As the market gradually adopts full vehicle electrification, demand for hybrid vehicles will continue

## **China's EV popularity with private hires and leasing**

- ◆ It is expected that more rental and leasing companies would be carrying EVs in their fleet to cater to PHVs, and thus boost the parallel import of EVs.

## **Not just a car but a social status**

- ◆ Desire for new or pre-owned luxury continental cars remains strong, driving demand for parallel imports from overseas.

## **Offering after-sales services will be the norm**

- ◆ In Singapore, few automobile dealers offer car maintenance post-sales, creating a differentiating factor for providers like our Group who include this service.



Up to **8%**  
Approximate CAGR growth  
for the industry within the  
next three years

**2030**  
Singapore's EV transition  
deadline, set to boost  
parallel imports

**84.4%**  
CAGR for pure EVs from  
2018 to 2023

**20,000**  
Additional COEs to be injected across all  
vehicle categories from February 2025

**>\$10  
Billion** Estimated  
market size  
for automobile  
dealerships in  
Singapore (in  
2023)

# BUSINESS STRATEGIES AND FUTURE PLANS

These initiatives are designed to position our Group towards sustainable growth and expansion across key areas of our operations, enhancing our service offerings, operational efficiency, and market presence:

## **Digital Transformation and IT Integration**

- ◆ Improve internal operations and customer engagement by developing a comprehensive ERP system that will integrate data across our business units.
- ◆ Integrate AI-driven capabilities to support predictive maintenance, dynamic pricing and inventory management.
- ◆ Develop a customer-facing application to provide seamless access to our services.

## **Launch of New Showrooms**

- ◆ Upgrade existing showrooms and establish new ones in strategic locations across Singapore to offer a wider selection of vehicles and improve overall customer experience. We also plan to expand our inventory of pre-owned motor vehicles to meet increasing demand.

## **Expansion of After-Sales Services**

- ◆ Offer enhanced roadside assistance and improved response time to accidents and breakdowns by establishing our own fleet of tow trucks, complementing our repair services.
- ◆ Increase our service capacity to handle a higher volume of maintenance and repair requests by acquiring new workshops when suitable opportunities arise.

## **Expansion through Acquisitions, Joint Ventures and/or Strategic Alliances**

- ◆ Expand our business operations in local and/or overseas markets through acquisitions, joint ventures and/or strategic alliances to complement our businesses.
- ◆ Pursue inorganic growth with parties which have the potential to add value to our current business and/or penetrate new businesses.



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## CORPORATE INFORMATION

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<b>BOARD OF DIRECTORS</b>	: Mr. Khong Chin Kiat ( <i>Executive Director and Chairman</i> ) Mr. Khong Keng Leng ( <i>Executive Director and Chief Executive Officer</i> ) Mr. Loke Wai Ming ( <i>Executive Director and Deputy Chief Executive Officer</i> ) Mr. Kong Kian Siong ( <i>Lead Independent Director</i> ) Mr. Liew Chok San ( <i>Independent Director</i> ) Mr. He Dingding ( <i>Independent Director</i> ) Ms. Lu Beilin ( <i>Independent Director</i> )
<b>COMPANY SECRETARY</b>	: Ms. Shirley Tan Sey Liy Master of Science in Management (Hons) (National University of Ireland, Dublin), Fellowship from the Chartered Secretaries Institute of Singapore <b>ST Corporate Advisory Pte. Ltd.</b>
<b>REGISTERED OFFICE</b>	: Vistra (Cayman) Limited, P. O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1 - 1205 Cayman Islands
<b>PRINCIPAL PLACE OF BUSINESS</b>	: 20 Sin Ming Lane #06-65/66, Midview City Singapore 573968
<b>SHARE REGISTRAR AND SHARE TRANSFER AGENT</b>	: <b>B.A.C.S. Private Limited</b> 77 Robinson Road #06-03, Robinson 77 Singapore 068896
<b>ISSUE MANAGER, FULL SPONSOR AND PLACEMENT AGENT</b>	: <b>RHB Bank Berhad</b> 90 Cecil Street #03-00 RHB Bank Building Singapore 069531
<b>INDEPENDENT AUDITOR AND REPORTING ACCOUNTANT</b>	: <b>Moore Stephens LLP</b> 10 Anson Road #29-15 International Plaza Singapore 079903  Partner-in-charge: Lao Mei Leng (a practising member of the Institute of Singapore Chartered Accountants)
<b>SOLICITORS TO THE PLACEMENT AND LEGAL ADVISER TO OUR COMPANY AS TO SINGAPORE LAW</b>	: <b>CNPLaw LLP</b> 600 North Bridge Road #13-01, Parkview Square (Parkview 2) Singapore 188778
<b>LEGAL ADVISER TO OUR COMPANY AS TO BRITISH VIRGIN ISLANDS AND CAYMAN ISLANDS LAW</b>	: <b>Ogier</b> 11/F, Central Tower 28 Queen's Road Central Central, Hong Kong

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## CORPORATE INFORMATION

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<b>SOLICITORS TO THE ISSUE MANAGER, FULL SPONSOR AND PLACEMENT AGENT AS TO SINGAPORE LAW</b>	<b>:</b> <b>Duane Morris &amp; Selvam LLP</b> 16 Collyer Quay #17-00 Collyer Quay Centre Singapore 049318
<b>INDUSTRY CONSULTANT</b>	<b>:</b> <b>Converging Knowledge Private Limited</b> 19 Keppel Road #07-04, Jit Poh Building Singapore 089058
<b>RECEIVING BANKER</b>	<b>:</b> <b>RHB Bank Berhad</b> 90 Cecil Street #03-00 RHB Bank Building Singapore 069531
<b>PRINCIPAL BANKERS</b>	<b>:</b> <b>HL Bank</b> 1 Wallich Street #29-01 Guoco Tower Singapore 078881  <b>DBS Bank Ltd</b> 12 Marina Boulevard, Level 43 DBS Asia Central @ Marina Bay Financial Centre Tower 3 Singapore 018982  <b>Maybank Singapore Limited</b> 200 Jalan Sultan #05-03, Textile Centre Singapore 199018



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## DEFINITIONS

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In this Offer Document and the accompanying Application Form, the following definitions apply where the context so admits:

### **Group Companies**

<i>“Company”</i>	:	Vin’s Holdings Ltd
<i>“Group”</i>	:	Our Company and our subsidiaries as at the date of this Offer Document

### **Subsidiaries**

<i>“K &amp; V Car Rental”</i>	:	K & V Car Rental Pte. Ltd.
<i>“Vin’s Auto”</i>	:	Vin’s Auto Pte. Ltd.
<i>“Vin’s Automotive Group”</i>	:	Vin’s Automotive Group Pte. Ltd.
<i>“Vin’s Car Rental”</i>	:	Vin’s Car Rental Pte. Ltd.
<i>“Vin’s Credit”</i>	:	Vin’s Credit Pte. Ltd.
<i>“Vin’s Group”</i>	:	Vin’s Group Ltd
<i>“Vin’s Leasing”</i>	:	Vin’s Leasing Pte. Ltd.
<i>“Vin’s Motor”</i>	:	Vin’s Motor Pte. Ltd.

### **Other Companies, Proprietorships, Corporations and Agencies**

<i>“Alan’s United”</i>	:	Alan’s United Auto Pte Ltd
<i>“Allianz”</i>	:	Allianz Insurance Singapore Pte. Ltd.
<i>“Authority” or “MAS”</i>	:	The Monetary Authority of Singapore
<i>“BOC”</i>	:	Bank of China (Hong Kong) Limited
<i>“BOCCC”</i>	:	BOC Credit Card (International) Limited
<i>“DBS”</i>	:	DBS Bank Ltd
<i>“CDP”</i>	:	The Central Depository (Pte) Limited
<i>“China Taiping”</i>	:	China Taiping Insurance (Singapore) Pte Ltd
<i>“Chin Hui”</i>	:	Chin Hui Car Rental
<i>“CIMB”</i>	:	CIMB Bank Berhad, Singapore Branch
<i>“CPF”</i>	:	The Central Provident Fund
<i>“CPIB”</i>	:	Corrupt Practices Investigation Bureau
<i>“Crown”</i>	:	Crown International Corporation Limited
<i>“Direct Asia”</i>	:	Direct Asia Insurance (Singapore) Pte. Ltd.
<i>“ECICS”</i>	:	ECICS Ltd

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## DEFINITIONS

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<i>“EQ Insurance”</i>	:	EQ Insurance Company Limited
<i>“ERGO”</i>	:	ERGO Insurance Pte. Ltd.
<i>“Etiqa Insurance”</i>	:	Etiqa Insurance Pte. Ltd.
<i>“FWD Insurance”</i>	:	FWD Singapore Pte. Ltd.
<i>“GEM”</i>	:	Growth Enterprise Market of The Stock Exchange of Hong Kong
<i>“HKEX”</i>	:	The Stock Exchange of Hong Kong
<i>“Great American Insurance”</i>	:	Great American Insurance Company, Singapore Branch
<i>“HL Assurance”</i>	:	HL Assurance Pte. Ltd.
<i>“Hong Leong Finance”</i>	:	Hong Leong Finance Limited
<i>“HSBC”</i>	:	Hongkong and Shanghai Banking Corporation Limited, Singapore Branch
<i>“Independent Auditor and Reporting Accountant”</i>	:	Moore Stephens LLP
<i>“Industry Consultant”</i>	:	Converging Knowledge Private Limited
<i>“IRAS”</i>	:	Inland Revenue Authority of Singapore
<i>“Issue Manager, Full Sponsor and Placement Agent”, “Sponsor”, “Issue Manager”, “Placement Agent” or “RHB”</i>	:	RHB Bank Berhad
<i>“JTC”</i>	:	JTC Corporation
<i>“K. Kim”</i>	:	K. Kim Hin Auto Pte. Ltd.
<i>“Lai Heng”</i>	:	Lai Heng Motor & Trading Private Limited
<i>“Link Holdings”</i>	:	Link Holdings Limited
<i>“Maybank”</i>	:	Maybank Singapore Limited
<i>“Mobile Internet”</i>	:	Mobile Internet (China) Holdings Limited
<i>“MOM”</i>	:	Ministry of Manpower of Singapore
<i>“OCBC”</i>	:	Oversea-Chinese Banking Corporation Limited
<i>“RMH Holdings”</i>	:	RMH Holdings Limited
<i>“SCB”</i>	:	Standard Chartered Bank (Singapore) Limited
<i>“SGX-ST”</i>	:	Singapore Exchange Securities Trading Limited
<i>“Share Registrar”</i>	:	B.A.C.S. Private Limited
<i>“SIF”</i>	:	Sing Investments & Finance Limited

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## DEFINITIONS

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<i>"Singapura Finance"</i>	:	Singapura Finance Ltd
<i>"Silverine"</i>	:	Silverine Pacific Ltd.
<i>"Tokio Marine"</i>	:	Tokio Marine Insurance Singapore Ltd
<i>"UOB"</i>	:	United Overseas Bank Limited
<i>"UOI"</i>	:	United Overseas Insurance Limited
<i>"Vin's Capital"</i>	:	Vin's Capital Pte. Ltd.

### General

<i>"9M"</i>	:	The nine (9) months financial period ended 30 September
<i>"Application Form"</i>	:	The printed application form to be used for the purpose of the Placement and which form part of this Offer Document
<i>"Application List"</i>	:	The list of applications for the subscription of the Placement Shares
<i>"Articles of Association"</i>	:	The second amended and restated articles of association of our Company with effect from the listing of the Shares on the Catalist of the Singapore Exchange Securities Trading Limited, as amended from time to time
<i>"Associate"</i>	:	<p>(a) In relation to any director, CEO, substantial shareholder or controlling shareholder (being an individual) means:</p> <p>(i) his immediate family;</p> <p>(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; or</p> <p>(iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30.0% or more; and</p> <p>(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 30.0% or more</p>
<i>"associated company"</i>	:	<p>In relation to a corporation, means:</p> <p>(a) any corporation in which the corporation or its subsidiary has, or the corporation and its subsidiary together have, a direct interest of not less than 20.0% but not more than 50.0% of the aggregate of the nominal amount of all the voting shares; or</p> <p>(b) any corporation, other than a subsidiary of the corporation or a corporation which is an associated company by virtue of paragraph (a), the policies of which the corporation or its subsidiary, or the corporation together with its subsidiary, is able to control or influence materially</p>

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## DEFINITIONS

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<i>“Audit and Risk Management Committee”</i>	:	The audit and risk management committee of our Company as at the date of this Offer Document, unless otherwise stated
<i>“Award”</i>	:	An award of Shares granted under the Vin’s PSP
<i>“Award Shares”</i>	:	The Shares which may be allotted and issued and/or transferred upon the vesting of Awards granted under the Vin’s PSP
<i>“Board” or “Board of Directors”</i>	:	The board of Directors of our Company as at the date of this Offer Document, unless otherwise stated
<i>“business trust”</i>	:	Has the same meaning as in Section 2 of the Business Trusts Act 2004 of Singapore
<i>“CAGR”</i>	:	Compound annual growth rate
<i>“BVI”</i>	:	British Virgin Islands
<i>“Catalist”</i>	:	The Catalist Board of the SGX-ST
<i>“Catalist Rules”</i>	:	The Listing Manual Section B: Rules of Catalist of the SGX-ST, as amended, modified or supplemented from time to time
<i>“Cayman Islands Companies Act”</i>	:	Companies Act (Revised) of the Cayman Islands
<i>“Cayman Islands Companies Registry”</i>	:	The Registry of Companies of the Cayman Islands
<i>“CEO”</i>	:	Chief Executive Officer
<i>“CFO”</i>	:	Chief Financial Officer
<i>“COF”</i>	:	The aggregate of the applicable margin and local or foreign currency cost of funds
<i>“CPF Act”</i>	:	Central Provident Fund Act 1953 of Singapore, as amended, modified or supplemented from time to time
<i>“Code of Corporate Governance”</i>	:	Code of Corporate Governance 2018 issued by the Authority, as amended, modified or supplemented from time to time
<i>“Controlling Shareholder”</i>	:	As defined in the Catalist Rules: <div style="margin-left: 40px;">             (a) a person who holds directly or indirectly 15.0% or more of the nominal amount of all voting shares in our Company (unless otherwise determined by the SGX-ST); or               (b) a person who in fact exercises control over our Company           </div>
<i>“COVID-19”</i>	:	Coronavirus disease 2019, a contagious respiratory disease caused by the virus SARS-CoV-2
<i>“CTO”</i>	:	CPF Transition Offset
<i>“Directors”</i>	:	The directors of our Company as at the date of this Offer Document, unless otherwise stated

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## DEFINITIONS

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<i>“EDG”</i>	:	Enterprise Development Grant
<i>“EFMA”</i>	:	Employment of Foreign Manpower Act 1990, as amended, modified or supplemented from time to time
<i>“EFMA(R)”</i>	:	Employment of Foreign Manpower (Work Passes) Regulations 2012, as amended, modified or supplemented from time to time
<i>“Electricity Act”</i>	:	Electricity Act 2001 of Singapore, as amended, modified or supplemented from time to time
<i>“Employment Act”</i>	:	Employment Act 1968 of Singapore, as amended, modified or supplemented from time to time
<i>“EPS”</i>	:	Earnings per Share
<i>“Executive Directors”</i>	:	The executive directors of our Company as at the date of this Offer Document, unless otherwise stated
<i>“Executive Officers”</i>	:	The executive officers of our Group as at the date of this Offer Document, unless otherwise stated
<i>“FS Act”</i>	:	Fire Safety Act 1993 of Singapore, as amended, modified or supplemented from time to time
<i>“FY”</i>	:	Financial year ended or ending 31 December as the case may be
<i>“GST”</i>	:	Goods and services tax
<i>“HPA” or “Hire Purchase Act”</i>	:	Hire Purchase Act 1969 of Singapore, as amended, modified or supplemented from time to time
<i>“HPFLAS”</i>	:	Hire Purchase, Finance and Leasing Association of Singapore
<i>“HPR”</i>	:	Hire-Purchase (Motor Vehicles) Regulations 2013 of Singapore, as amended, modified or supplemented from time to time
<i>“immediate family”</i>	:	In relation to a person, means the person’s spouse, child, adopted child, step-child, sibling and parent
<i>“Independent Directors”</i>	:	The non-executive independent directors of our Company as at the date of this Offer Document, unless otherwise stated
<i>“Independent Market Report”</i>	:	The Independent Market Report on the Automobile Dealership Industry and prepared by the Industry Consultant, the extract of which is set out in the section entitled “General Information on our Group – Industry Overview and Prospects” of this Offer Document
<i>“INED”</i>	:	Independent Non-Executive Director
<i>“IPO”</i>	:	Initial Public Offering
<i>“IT”</i>	:	Information technology
<i>“JGI”</i>	:	Jobs Growth Incentive
<i>“JSS”</i>	:	Job Support Scheme



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## DEFINITIONS

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<i>“Khong Family”</i>	:	Vincent Khong, Boong Lan Hiong and Galvin Khong
<i>“Latest Practicable Date”</i>	:	28 February 2025, being the latest practicable date prior to the lodgement of this Offer Document with the SGX-ST acting as agent on behalf of the Authority
<i>“Listing”</i>	:	The listing of our Company and the quotation of our Shares on Catalist
<i>“LTA”</i>	:	The Land Transport Authority of Singapore
<i>“LTV”</i>	:	The amount of loan expressed as a percentage of the purchase price of the motor vehicle (including relevant taxes and COE)
<i>“Management and Placement Agreement”</i>	:	The management and placement agreement dated 3 April 2025 entered into between our Company and RHB in connection with the Listing, details of which are set out in the section entitled “Sponsorship, Management and Placement Arrangements” of this Offer Document
<i>“Market Day”</i>	:	A day on which the SGX-ST is open for trading in securities
<i>“MVA”</i>	:	Motor Vehicles (Third Party Risks and Compensation) Act 1960 of Singapore, as amended, modified or supplemented from time to time
<i>“NAV”</i>	:	Net asset value
<i>“Net Debt Balance”</i>	:	Total liabilities less current and deferred tax liabilities less total cash and cash equivalents
<i>“Nominating Committee”</i>	:	The nominating committee of our Company as at the date of this Offer Document, unless otherwise stated
<i>“NTA”</i>	:	Net tangible assets
<i>“Offer Document”</i>	:	This offer document dated 3 April 2025 issued by our Company in respect of the Placement
<i>“PER”</i>	:	Price-to-earnings ratio
<i>“PDPA”</i>	:	Personal Data Protection Act 2012 of Singapore, as amended, modified or supplemented from time to time
<i>“Placement”</i>	:	The placement of the Placement Shares by the Placement Agent on behalf of our Company for subscription at the Placement Price, subject to and on the terms and conditions of this Offer Document
<i>“Placement Price”</i>	:	S\$0.30 for each Placement Share
<i>“Placement Shares”</i>	:	The 20,000,000 new Shares which are the subject of the Placement
<i>“Prime Rate”</i>	:	The interest rate published by the bank from time to time as the minimum rate of interest at which it will lend money to prime borrowers in the relevant currency
<i>“Pro Forma Report”</i>	:	The Independent Auditor’s Assurance Report on the Compilation of Unaudited Pro Forma Combined Financial Information for the Financial Year ended 31 December 2023 and the Nine Months Period ended 30 September 2024 of Vin’s Holdings Ltd and its subsidiaries as set out in Appendix B of this Offer Document

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## DEFINITIONS

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<i>“PSP Participants”</i>	:	Participants eligible under the Vin’s PSP
<i>“PWCS”</i>	:	Progressive Wage Credit Scheme
<i>“RTA”</i>	:	Road Traffic Act 1961 of Singapore, as amended, modified or supplemented from time to time
<i>“Relevant Period”</i>	:	The period comprising the Track Record Period up till the Latest Practicable Date
<i>“Remuneration Committee”</i>	:	The remuneration committee of our Company as at the date of this Offer Document, unless otherwise stated
<i>“Restructuring Exercise”</i>	:	The corporate restructuring exercise undertaken in connection with the Placement, as described in the section entitled “Restructuring Exercise” of this Offer Document
<i>“Securities Account”</i>	:	The securities account maintained by a Depositor with CDP, but does not include a securities sub-account
<i>“Service Agreement”</i>	:	The service agreement entered into between our Company and each of (i) Vincent Khong; (ii) Galvin Khong, and (iii) Loke Wai Ming as described in the section entitled “Directors, Executive Officers and Staff – Service Agreements” of this Offer Document
<i>“SEC”</i>	:	Senior Employment Credit Scheme
<i>“SFA”</i>	:	The Securities and Futures Act 2001 of Singapore, as amended, modified or supplemented from time to time
<i>“SFR”</i>	:	Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore, as amended, modified or supplemented from time to time
<i>“SFRS(I)”</i>	:	Singapore Financial Reporting Standards (International)
<i>“SGXNET”</i>	:	The corporate announcement system maintained by the SGX-ST for the submission of announcements by listed companies
<i>“Shareholder(s)”</i>	:	Registered holder(s) of Shares, except where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares, mean the Depositors whose Securities Accounts are credited with Shares
<i>“Shares”</i>	:	Ordinary shares having a par value of US\$0.001 each in the share capital of our Company
<i>“Singapore Companies Act” or “Act”</i>	:	Companies Act 1967 of Singapore, as amended, modified or supplemented from time to time
<i>“SME”</i>	:	Small and Medium-sized Enterprise
<i>“SORA”</i>	:	Singapore Overnight Rate Average
<i>“Stop Order”</i>	:	A stop order that may be issued by the Authority under Section 242 of the SFA, details of which are set out in the section entitled “Details of the Placement” of this Offer Document

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## DEFINITIONS

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<i>“Subscription Agreement”</i>	:	The subscription agreement dated 6 September 2024 entered into between the Company and Loke Wai Ming, as supplemented by the Supplemental Agreement
<i>“Substantial Shareholder”</i>	:	A person who has an interest in our Shares, the total votes attached to which is not less than 5.0% of the total votes attached to all the voting shares (excluding treasury shares) in our Company
<i>“Supplemental Agreement”</i>	:	The supplemental agreement to the Subscription Agreement dated 5 December 2024 entered into between the Company and Loke Wai Ming
<i>“Take-over Code”</i>	:	The Singapore Code on Take-overs and Mergers
<i>“Track Record Period”</i>	:	The period which comprises FY2021, FY2022, FY2023 and 9M2024
<i>“USA”</i>	:	United States of America
<i>“Vin’s PSP”</i>	:	The performance share plan of our Company known as the “Vin’s Performance Share Plan”, as described in the section entitled “Vin’s Performance Share Plan” of this Offer Document
<i>“WCS”</i>	:	Wage Credit Scheme
<i>“WICA”</i>	:	Work Injury Compensation Act 2019 of Singapore, as amended, modified or supplemented from time to time
<i>“WICIR”</i>	:	Work Injury Compensation (Insurance) Regulations 2020 of Singapore, as amended, modified or supplemented from time to time
<i>“WSHRF”</i>	:	Workplace Safety and Health (Registration of Factories) Regulations 2008 of Singapore, as amended, modified or supplemented from time to time
<i>“WSHA”</i>	:	Workplace Safety and Health Act 2006 of Singapore, as amended, modified or supplemented from time to time
<i>“WSHC Regulations”</i>		Workplace Safety and Health (Workplace Safety and Health Committee) Regulations 2008 of Singapore, as amended, modified or supplemented from time to time
<i>“WSHO Regulations”</i>	:	Workplace Safety and Health (Workplace Safety and Health Officers) Regulations 2007 of Singapore, as amended, modified or supplemented from time to time
<i>“WSH General Regulations”</i>	:	Workplace Safety and Health (General Provisions) Regulations of Singapore, as amended, modified or supplemented from time to time
<i>“WSH Noise Regulations”</i>	:	Workplace Safety and Health (Noise) Regulations 2011 of Singapore, as amended, modified or supplemented from time to time

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## DEFINITIONS

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**Name used in this Offer Document** : **Name in National Registration Identity Card / Passport**

*“Vincent Khong” or “Khong Chin Kiat”* : Khong Chin Kiat @ Tan Chin Kiat

*“Galvin Khong” or “Khong Keng Leng”* : Khong Keng Leng (Gong Qinglong)

*“Khong Ah Heng”* : Khong Ah Heng @ Tai Ah Heng

*“Khong Chin Wah”* : Khong Chin Wah @ Tai Chin Wah

### **Currencies, Units and Others**

*“HKD” or “HK\$”* : Hong Kong dollar, the lawful currency of Hong Kong

*“JPY” or “yen”* : Japanese yen, the lawful currency of Japan

*“m<sup>2</sup>”* : square metre

*“MYR” or “RM”* : Malaysian Ringgit, the lawful currency of Malaysia

*“Renminbi”, “RMB” or “Yuan”* : Renminbi, the lawful currency of the People’s Republic of China

*“S\$” and “cents”* : Singapore dollars and cents, respectively, the lawful currency of Singapore

*“US\$”* : United States dollar, the lawful currency of the USA

*“%”* : Percentage

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

The term **“entity”** shall have the same meaning ascribed to it in Section 2 of the SFA, while the terms **“related corporation”** and **“related entity”** shall have the same meanings ascribed to them respectively in Paragraph 1 of the Fourth Schedule of the SFR.

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

Any reference in this Offer Document and the Application Form 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 Cayman Islands Companies Act, the Singapore Companies Act, the SFA, the SFR, the Catalist Rules or any statutory modification thereof and used in this Offer Document and the Application Form shall, where applicable, have the meaning ascribed to it under the Cayman Islands Companies Act, the Singapore Companies Act, the SFA, the SFR, the Catalist Rules or any statutory modification thereof, as the case may be.

Any reference in this Offer Document and the Application Form to Shares being allotted to an applicant includes allotment to CDP for the account of that applicant.

Any reference to a time of day in this Offer Document and the Application Form shall be a reference to Singapore time, unless otherwise stated.

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## DEFINITIONS

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Any reference to “we”, “us”, “our”, “ourselves” or other grammatical variations thereof in this Offer Document is a reference to our Company, our Group or any member of our Group as the context requires.

Any references in this Offer Document to Appendix or Appendices are references to an appendix or appendices respectively of this Offer Document.

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

The information on our website or any website directly or indirectly linking to such websites does not form part of this Offer Document and should not be relied on.



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## GLOSSARY OF TECHNICAL TERMS

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To facilitate a better understanding of our business, the following glossary provides an explanation and description of certain technical terms and abbreviations used in our industry and this Offer Document. The terms and abbreviations and their assigned meanings may not correspond to standard industry meanings or common meanings or usage, as the case may be, of these terms.

<i>“AI”</i>	:	artificial intelligence
<i>“ARF”</i>	:	additional registration fee, a tax imposed upon registration of a motor vehicle, calculated based on a percentage of the OMV of the motor vehicle
<i>“bhp”</i>	:	brake horse power
<i>“cc”</i>	:	cubic centimetres
<i>“CEVS”</i>	:	Carbon Emission-Based Vehicle Scheme
<i>“COE”</i>	:	Certificate(s) of Entitlement issued by the LTA which represent(s) the right(s) to ownership of motor vehicle(s) and use of road space in Singapore
<i>“cPHC”</i>	:	Chauffeured PHVs, which are predominantly used for chauffeured services (e.g. ride hailing services)
<i>“ERP system”</i>	:	Enterprise resource planning software system
<i>“EV”</i>	:	electric vehicle
<i>“floor stock financing”</i>	:	short-term financing granted to motor vehicle dealers in connection with their motor vehicles stock
<i>“GPS”</i>	:	Global Positioning System
<i>“kW”</i>	:	kilowatt
<i>“LTV”</i>	:	loan-to-value ratio
<i>“OMV”</i>	:	open market value of the motor vehicle as assessed by the Singapore Customs, taking into account the purchase price, freight, insurance, handling and all other charges incidental to the sale and delivery of the motor vehicle from the country of manufacture to Singapore
<i>“parallel-import motor vehicles”</i>	:	motor vehicles which are purchased from exporters as opposed to authorised dealers in the source country, and imported into Singapore for resale
<i>“PARF”</i>	:	preferential additional registration fee, a rebate computed based on the age of the motor vehicle at deregistration
<i>“private-hire vehicle” or “PHV”</i>	:	A motor car that does not ply for hire on any road but are hired, or made available for hire, under a contract (express or implied) for use as a whole — (i) with a driver for the purpose of conveying one or more passengers in that car; or (ii) by a hirer, or any other person authorised by the hirer in the contract, to drive the motor car personally
<i>“private vehicles”</i>	:	the private vehicle category includes sedans, multi-purpose vehicles, sports utility vehicles, and hatchbacks

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## GLOSSARY OF TECHNICAL TERMS

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<i>“public service vehicle”</i>	:	a vehicle used or kept for use for the carriage, for hire or reward, of (i) in the case of a motor car which does not ply for hire on any road but is hired under a contract for the use of the car as a whole, the driver of the car or any passenger or (ii) in any other case, any passenger
<i>“SaaS”</i>	:	Software as a Service
<i>“SVTA”</i>	:	Singapore Vehicles Traders Association
<i>“VES”</i>	:	Vehicle Emissions Scheme, a scheme introduced by LTA to encourage buyers to choose cleaner vehicles by offering rebates or imposing charges based on vehicle’s emissions
<i>“VQS”</i>	:	Vehicle Quota System administered by the LTA which regulates the rate of growth of motor vehicles on the roads in Singapore

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## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

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All statements contained in this Offer Document, statements made in press releases and oral statements that may be made by us or our Directors, Executive Officers, our employees or authorised persons acting on our behalf that are not statements of historical fact, constitute “forward-looking statements”. You can identify some of these forward-looking statements by terms such as “expects”, “believes”, “plans”, “intends”, “estimates”, “anticipates”, “may”, “will”, “would” and “could” or similar words and phrases. However, you should note that these words are not the exclusive means of identifying forward-looking statements. All statements regarding our expected financial position, business strategies, plans and prospects are forward-looking statements.

These forward-looking statements, including without limitation, statements as to:

- (a) our revenue and profitability;
- (b) expected growth in demand;
- (c) expected industry trends and development;
- (d) anticipated expansion plans and development plans; and
- (e) other matters discussed in this Offer Document regarding matters that are not historical fact,

are only predictions. These forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be inaccurate.

These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expected, expressed or implied by these forward-looking statements. These risks, uncertainties and other factors include, among others:

- (a) changes in political, social, economic, business and financial conditions and stock or securities market conditions and the regulatory environment in Singapore and other countries in which we conduct our business or expect to conduct business;
- (b) changes in currency exchange or interest rates;
- (c) our inability to implement our business strategies and future plans;
- (d) our inability to realise our anticipated growth strategies and expected internal growth;
- (e) changes in the availability and prices of our services;
- (f) changes in customer preference;
- (g) changes in competitive conditions and our ability to compete under these conditions from time to time;
- (h) changes in our future capital needs and the availability of financing and capital to fund these needs;
- (i) the factors described under the section entitled “Risk Factors” of this Offer Document; and
- (j) other factors beyond our control.

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## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

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Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to those discussed in the “Risk Factors”, “Dividend Policy”, “General Information on our Group” and “Management’s Discussion and Analysis of Results of Operations and Financial Position” sections of this Offer Document. All forward-looking statements made by or attributable to us, the Issue Manager, Full Sponsor and Placement Agent or persons acting on our, or the Issue Manager, Full Sponsor and Placement Agent’s behalf, contained in this Offer Document are expressly qualified in their entirety by such factors.

Given the risks and uncertainties that may cause our actual future results, performance or achievements to be materially different from those expected, expressed or implied by the forward-looking statements in this Offer Document, we advise you not to place undue reliance on those statements which apply only as at the date of this Offer Document. Neither our Company, the Issue Manager, Full Sponsor and Placement Agent nor any other person represents or warrants to you that our actual future results, performance or achievements will be as discussed in those statements. These forward-looking statements are applicable only as at the date of this Offer Document.

The section entitled “General Information on our Group – Industry Overview and Prospects” of this Offer Document as well as other parts of this Offer Document may (to the extent applicable) contain data, information, financial analysis, forecast, figures and statements (including market and industry data and forecasts that have been obtained from internal surveys, reports and studies, where appropriate, as well as market research, publicly available information and industry publications) which are forward-looking and based on certain assumptions and projections. Industry publications, surveys and forecasts generally state that the information they contain has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such information. Neither we, the Issue Manager, Full Sponsor, and the Placement Agent, nor person(s) acting on our behalf have conducted an independent review or verified the accuracy or veracity of such data, information, financial analysis, forecast, figures and statements, assumptions and projections (“**Experts’ Data**”). No representation is made by us, the Issue Manager, Full Sponsor and the Placement Agent or any person acting on our behalf in respect of any of the Experts’ Data and neither we nor the Issue Manager, Full Sponsor and Placement Agent takes any responsibility for any of the Experts’ Data. Where information in this Offer Document has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of our Directors and the Issue Manager, Full Sponsor and Placement Agent has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Offer Document in its proper form and context.

All forward-looking statements by or attributable to us, or persons acting on our behalf, contained in this Offer Document are expressly qualified in their entirety by such factors. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of the risks faced by us. Further, our Company and the Issue Manager, Full Sponsor and Placement Agent disclaim any responsibility to update any of those forward-looking statements to reflect future developments, events or circumstances for any reason, even if new information becomes available or other events occur in the future. We are, however, subject to the provisions of the SFA and the Catalist Rules regarding corporate disclosure. In particular, pursuant to Section 241 of the SFA, if after this Offer Document is registered but before the close of the Placement, we become aware of (a) a false or misleading statement in this Offer Document; (b) an omission from this Offer Document of any information that should have been included in it under Section 243 of the SFA; or (c) a new circumstance that has arisen since the Offer Document was lodged with the SGX-ST acting as agent on behalf of the Authority which would have been required by Section 243 of the SFA to be included in this Offer Document, if it had arisen before this Offer Document was lodged, and that is materially adverse from the point of view of an investor, we may, in consultation with the Issue Manager, Full Sponsor and Placement Agent, lodge a supplementary or replacement offer document with the SGX-ST acting as agent on behalf of the Authority.

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## SELLING RESTRICTIONS

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### SINGAPORE

This Offer Document does not constitute an offer, solicitation or invitation to subscribe for and/or purchase the Placement Shares in any jurisdiction in which such offer, solicitation or invitation is unlawful or is not authorised or to any person to whom it is unlawful to make such offer, solicitation or invitation. No action has been or will be taken under the requirements of the legislation or regulations of, or of the legal or regulatory requirements of any jurisdiction, except for the lodgement and/or registration of this Offer Document in Singapore in order to permit a public offering of the Placement Shares and the public distribution of this Offer Document in Singapore. The distribution of this Offer Document and the offering of the Placement Shares in certain jurisdictions may be restricted by the relevant laws in such jurisdictions. Persons who may come into possession of this Offer Document are required by us and the Issue Manager, Full Sponsor and Placement Agent to inform themselves about, and to observe and comply with, any such restrictions at their own expense and without liability to us and the Issue Manager, Full Sponsor and Placement Agent.

Persons to whom a copy of this Offer Document has been issued shall not circulate to any other person, reproduce or otherwise distribute this Offer Document or any information herein for any purpose whatsoever nor permit or cause the same to occur.

By accepting this Offer Document, you agree to be bound by the foregoing limitations. No part of this Offer Document may be (i) copied, photocopied or duplicated in any form by any means, or (ii) distributed or passed on, directly or indirectly, to any other person in whole or in part, for any purpose.



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## DETAILS OF THE PLACEMENT

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### LISTING ON CATALIST

The Issue Manager, Full Sponsor and Placement Agent has applied to the SGX-ST for permission to deal in, and for the listing and quotation of all our existing issued Shares, Placement Shares and the Award Shares on Catalist. The dealing in, and quotation of, our existing issued Shares, the Placement Shares and the Award Shares will be in Singapore dollars. Such permission will be granted when our Company has been admitted to Catalist. Our acceptance of applications for the Placement Shares will be conditional upon, *inter alia*, the issue of the Placement Shares and upon permission being granted by the SGX-ST to deal in, and for the listing and quotation of, all our existing issued Shares, Placement Shares and the Award Shares on Catalist. Monies paid in respect of any application accepted will be returned to you, without interest or any share of revenue or other benefit arising therefrom and at your own risk, if the completion of the Placement does not occur because the said permission is not granted or for any reason, or if the admission, listing and trading of all our existing issued Shares and the new Shares, do not proceed for any reason, and you will not have any claims or rights whatsoever against us, the Issue Manager, Full Sponsor and Placement Agent or our advisers or agents. No Shares will be allotted and issued and/or allocated on the basis of this Offer Document later than six (6) months after the date of registration of this Offer Document by the SGX-ST, acting as agent on behalf of the Authority.

Companies listed on Catalist may carry higher investment risk when compared with larger or more established companies listed on the Mainboard of the SGX-ST. In particular, companies may list on Catalist without a track record of profitability and there is no assurance that there will be a liquid market in the shares or units of shares traded on Catalist. You should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with your professional adviser(s).

The Placement is made in or accompanied by this Offer Document that has been registered by the SGX-ST acting as agent on behalf of the Authority. We have not lodged or registered this Offer Document in any other jurisdiction.

Neither the Authority nor the SGX-ST has examined or approved the contents of this Offer Document. Neither the Authority nor the SGX-ST assumes any responsibility for the contents of this Offer Document, including the correctness of any of the statements or opinions made or reports contained in this Offer Document. The SGX-ST does not normally review the application for admission to Catalist but relies on the Issue Manager, Full Sponsor and Placement Agent confirming that our Company is suitable to be listed on Catalist and complies with the Catalist Rules. Neither the Authority nor the SGX-ST has in any way considered the merits of our existing issued Shares, the Placement Shares and the Award Shares being offered or in respect of which an invitation is made, for investment.

A copy of this Offer Document has been lodged with and registered by the SGX-ST acting as agent on behalf of the Authority. Registration of this Offer Document by the SGX-ST acting as agent on behalf of the Authority, does not imply that the SFA, SFR, the Catalist Rules or any other legal or regulatory requirements or requirements under the Catalist Rules, have been complied with. The SGX-ST assumes no responsibility for the correctness of any statements or opinions made or reports contained in this Offer Document. Admission to Catalist is not to be taken as an indication of the merits of the Placement, our Company, our subsidiaries, our existing issued Shares, the Placement Shares and the Award Shares.

As we are a foreign issuer, our Company has also undertaken to comply with the relevant requirements as set out under Rule 412 of the Catalist Rules. After the expiration of six (6) months from the date of registration of this Offer Document, no person shall make an offer of our Shares, or allot, issue or sell any of our Shares, on the basis of this Offer Document; and no officer or equivalent person or promoter of our Company will authorise or permit the offer of any of our Shares or the allotment, issue or sale of any of our Shares, on the basis of this Offer Document.

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## DETAILS OF THE PLACEMENT

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We are subject to the provisions of the SFA, the SFR and the Catalist Rules regarding corporate disclosure and the contents of this Offer Document. In particular, pursuant to Section 241 of the SFA, if after this Offer Document is registered but before the close of the Placement, we become aware of:

- (a) a false or misleading statement in this Offer Document;
- (b) an omission from this Offer Document of any information that should have been included in it under Section 243 of the SFA, the SFR or the Catalist Rules; or
- (c) a new circumstance that has arisen since this Offer Document was lodged with the SGX-ST, acting as agent on behalf of the Authority, which would have been required by Section 243 of the SFA, the SFR or the Catalist Rules to be included in this Offer Document, if it had arisen before this Offer Document was lodged,

and that is materially adverse from the point of view of an investor, we may, in consultation with the Issue Manager, Full Sponsor and Placement Agent, lodge a supplementary or replacement offer document pursuant to Section 241 of the SFA with the SGX-ST acting as agent on behalf of the Authority.

In the event that a supplementary or replacement offer document is lodged with the SGX-ST, acting as agent on behalf of the Authority, the Placement shall be kept open for at least fourteen (14) days after the lodgement of such supplementary or replacement offer document.

Where prior to the lodgement of the supplementary or replacement offer document, applications have been made under this Offer Document to subscribe for the Placement Shares and:

- (a) where the Placement Shares have not been issued and/or transferred to the applicants, we shall either:
  - (i) within two (2) days (excluding any Saturday, Sunday or public holiday) from the date of lodgement of the supplementary or replacement offer document, as the case may be, give the applicants notice in writing of how to obtain, or arrange to receive, a copy of the supplementary or replacement offer document, as the case may be, and provide the applicants with an option to withdraw their applications, and take all reasonable steps to make available within a reasonable period the supplementary or replacement offer document, as the case may be, to the applicants who have indicated they wish to obtain, or who have arranged to receive, a copy of the supplementary or replacement offer document;
  - (ii) within seven (7) days from the date of lodgement of the supplementary or replacement offer document, give the applicants the supplementary or replacement offer document, as the case may be, and provide the applicants with an option to withdraw their applications; or
  - (iii) treat the applications as withdrawn and cancelled, in which case the applications shall be deemed to have been withdrawn and cancelled, and we shall, within seven (7) days from the date of lodgement of the supplementary or replacement offer document, pay to the applicants all monies the applicants have paid on account of their applications for the Placement Shares, without interest or any share of revenue or other benefit arising therefrom and at the applicants' own risk, and the applicants shall not have any claims or rights whatsoever against us, the Issue Manager, Full Sponsor and Placement Agent or our advisers or agents; or

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## DETAILS OF THE PLACEMENT

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- (b) where the Placement Shares have been issued and/or transferred to the applicants but trading has not commenced, we shall either:
- (i) within two (2) days (excluding any Saturday, Sunday or public holiday) from the date of lodgement of the supplementary or replacement offer document, as the case may be, give the applicants notice in writing of how to obtain, or arrange to receive, a copy of the supplementary or replacement offer document, as the case may be, and provide the applicants with an option to return to us, the Placement Shares which they do not wish to retain title in, and take all reasonable steps to make available within a reasonable period the supplementary or replacement offer document, as the case may be, to the applicants who have indicated they wish to obtain, or who have arranged to receive, a copy of the supplementary or replacement offer document;
  - (ii) within seven (7) days from the date of lodgement of the supplementary or replacement offer document, give the applicants the supplementary or replacement offer document, as the case may be, and provide the applicants with an option to return to us, the Placement Shares which they do not wish to retain title in; or
  - (iii) treat the issue and/or transfer of the Placement Shares as void, and our Company shall, if documents purporting to evidence title to the Placement Shares have been issued and/or transferred to the applicants, within seven (7) days from the date of lodgement of the supplementary or replacement offer document, inform the applicants to return such documents to us within fourteen (14) days from the date of lodgement of the supplementary or replacement offer document, and within seven (7) days from the date of receipt of the documents purporting to evidence title to the Placement Shares or the date of lodgement of the supplementary or replacement offer document, whichever is the later, pay to the applicants all monies paid by them for the Placement Shares, without interest or any share of revenue or other benefit arising therefrom and at the applicants' own risk; or if no documents purporting to evidence title to the Placement Shares have been issued to the applicants, we shall within (7) seven days from the date of lodgement of the supplementary or replacement offer document, return to the applicants all monies paid by them for the Placement Shares, without interest or any share of revenue or other benefit arising therefrom and at the applicants' own risk,

and the applicants shall not have any claims or rights whatsoever against us, our Directors, the Issue Manager, Full Sponsor and the Placement Agent or our or their respective affiliates, directors, officers, employees, agents, representatives or advisers.

An applicant who wishes to exercise his option under paragraph (a)(i) or (ii) to withdraw his application shall, within 14 days from the date of lodgement of the supplementary or replacement offer document, notify us of this, whereupon we shall, within seven (7) days from the receipt of such notification, return to him all monies paid by him on account of his application for the Placement Shares, without interest or any share of revenue or other benefit arising therefrom and at the applicants' own risk, and the applicants shall not have any rights or claims whatsoever against us, the Issue Manager, Full Sponsor and Placement Agent or our advisers or agents.

An applicant who wishes to exercise his option under paragraph (b)(i) or (ii) to return the Placement Shares issued and/or transferred to him shall, within fourteen (14) days from the date of lodgement of the supplementary or replacement offer document, notify us of this and return all documents, if any, purporting to be evidence of title to those Placement Shares, to us, whereupon we shall, subject to applicable laws and our Articles of Association, within seven (7) days from the receipt of such notification and documents, if any, return to him all monies paid by him for those Placement Shares, without interest or any share of revenue or other benefit arising therefrom and at the applicants' own risk, and the applicants shall not have any claims whatsoever against us, the Issue Manager, Full Sponsor and Placement Agent or any of our or their respective affiliates, directors, officers, employees, agents, representatives or advisers, and the issue and/or transfer of those Placement Shares shall be deemed to be void.

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## DETAILS OF THE PLACEMENT

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Pursuant to Section 242 of the SFA, the Authority and/or the SGX-ST (acting as agent on behalf of the Authority), may, in certain circumstances issue a stop order (“**Stop Order**”) to our Company, directing that no Placement Shares or no further Shares to which this Offer Document relates, be allotted, issued or sold. Such circumstances will include a situation where (a) this Offer Document (i) contains any statement or matter which, in the Authority’s opinion, is false or misleading, (ii) omits any information that should have been included in it under the SFA, (iii) does not, in the Authority’s opinion, comply with the requirements of the SFA, or (iv) the Authority is of the opinion that it is in the public interest to do so.

In the event that the Authority issues a Stop Order and applications to subscribe for the Placement Shares have been made prior to the Stop Order, then:

- (a) where the Placement Shares have not been allotted and issued and/or transferred to the applicants, the applications for the Placement Shares pursuant to the Placement shall be deemed to have been withdrawn and cancelled and our Company shall, within 14 days from the date of the Stop Order, return the applicants all monies the applicants have paid on account of their applications for the Placement Shares (without interest or any share of revenue or other benefit arising therefrom); or
- (b) where the Placement Shares have been allotted and issued and/or transferred to the applicants, the allotment and issue and/or transfer of the Placement Shares shall be deemed to be void and we shall:
  - (i) if documents purporting to evidence title to the Placement Shares have been issued to the applicants, within seven (7) days from the date of the Stop Order, inform the applicants to return such documents to us within fourteen (14) days from that date, and within seven (7) days from the date of receipt of those documents or the date of the Stop Order, whichever is the later, pay to the applicants all monies paid by them for the Placement Shares; or
  - (ii) if no such document have been issued to the applicants, within seven (7) days from the date of the Stop Order, pay to the applicants all monies paid by them for the Placement Shares.

Where monies are to be returned to applicants for the Placement Shares, it shall be paid to the applicants without any interest or share of revenue or benefit arising therefrom at the applicants’ own risk, and the applicants will not have any claim against our Company, the Issue Manager, Full Sponsor and Placement Agent or any of our or their respective affiliates, directors, officers, employees, agents, representatives or advisers.

This Offer Document has been seen and approved by our Directors and they collectively and individually accept full responsibility for the accuracy of the information given in this Offer Document and confirm, after making all reasonable enquiries, that to the best of their knowledge and belief, this Offer Document constitutes full and true disclosure of all material facts about the Placement and our Group, and our Directors are not aware of any facts the omission of which would make any statement in this Offer Document misleading. Where information in this Offer Document has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of our Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Offer Document in its proper form and context.

No representation, warranty or covenant, expressed or implied, is made by us, the Issue Manager, Full Sponsor and Placement Agent or any of our or their respective affiliates, directors, officers, employees, agents, representatives or advisers as to the accuracy or completeness of the information contained herein, and nothing contained in this Offer Document is, or shall, to the extent permitted by law, be relied upon as a promise, representation or covenant by us, the Issue Manager, Full Sponsor and Placement Agent or any of our or their respective affiliates, directors, officers, employees, agents, representatives or advisers.

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## DETAILS OF THE PLACEMENT

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Neither our Company, our Directors, the Issue Manager, Full Sponsor and Placement Agent, nor any other parties involved in the Placement is making any representation to any person regarding the legality of an investment in our Shares by such person under any investment or other laws or regulations. No information in this Offer Document should be considered as being business, legal, financial or tax advice regarding an investment in our Shares. Each prospective investor should consult his own legal, financial, tax or other professional adviser regarding an investment in our Shares. The Placement Shares are offered for subscription solely on the basis of the information contained and the representations made in this Offer Document.

No person has been or is authorised to give any information or to make any representation not contained in this Offer Document in connection with the Placement and, if given or made, such information or representation must not be relied upon as having been authorised by us, the Issue Manager, Full Sponsor and Placement Agent. Neither the delivery of this Offer Document and the Application Form nor any document relating to the Placement shall, under any circumstances, constitute a continuing representation or create any suggestion or implication that there has been no change in, or development reasonably likely to create any change, in the affairs, conditions or prospects of our Company or our subsidiaries or in any statements of fact or information contained in this Offer Document since the date of this Offer Document. Where such changes occur and are material or are required to be disclosed by law, the SGX-ST and/or any other regulatory or supervisory body or agency, we will promptly make an announcement of the same to the SGX-ST and if required, a supplementary or replacement offer document will be issued and made available to the public after a copy thereof has been lodged with the SGX-ST acting as agent on behalf of the Authority. All applicants should take note of any such announcement, and/or supplementary or replacement offer document and, upon the release of such an announcement, and/or supplementary or replacement offer document, shall be deemed to have notice of such changes.

Save as expressly stated in this Offer Document, nothing herein is, or may be relied upon as, a promise or representation as to the future performance or policies of our Company, or our subsidiaries. The Placement Shares are offered for subscription and/or purchase solely on the basis of the instructions contained and representations made in this Offer Document.

This Offer Document has been prepared solely for the purpose of the Placement and may not be relied upon by any persons other than the applicants in connection with their application for the Placement Shares or for any other purpose.

**This Offer Document does not constitute an offer, solicitation or invitation to subscribe for the Placement Shares in any jurisdiction in which such offer, solicitation or invitation is unlawful or unauthorised nor does it constitute an offer, solicitation or invitation to any person to whom it is unlawful to make such offer, solicitation or invitation.**

**Notification under Section 309B of the SFA:** The Shares are prescribed capital market 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), pursuant to paragraph 1(a) of the schedule to the Securities and Futures (Capital Markets Products) Regulations 2018.

Copies of this Offer Document and the Application Form may be obtained on request, subject to availability, during office hours from:

**RHB Bank Berhad**  
90 Cecil Street  
#07-00 RHB Bank Building  
Singapore 069531

An electronic copy of this Offer Document is also available on the SGX-ST website at <http://www.sgx.com>.

The Placement will be open from 3 April 2025 (immediately upon the registration of this Offer Document by the SGX-ST, acting as agent on behalf of the Authority) to 12.00 noon on 11 April 2025.



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## DETAILS OF THE PLACEMENT

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The Application List will open immediately upon the registration of this Offer Document by the SGX-ST acting as agent on behalf of the Authority and will remain open until 12.00 noon on 11 April 2025 or for such further period or periods as our Directors may, in consultation with the Issue Manager, Full Sponsor and Placement Agent, in their absolute discretion decide, subject to any limitation under all applicable laws. In the event a supplementary or replacement offer document is lodged with the SGX-ST acting as agent on behalf of the Authority, the Application List will remain open for at least fourteen (14) days after the lodgement of the supplementary or replacement offer document.

Details of the procedures for applications to subscribe for the Placement Shares are set out in “Appendix I – Terms, Conditions and Procedures for Application and Acceptance” of this Offer Document.

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## INDICATIVE TIMETABLE FOR LISTING

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An indicative timetable for the Placement and trading in our Shares is set out below for your reference:

Indicative Date and Time	Event
3 April 2025 (immediately upon registration of this Offer Document)	Commencement of the Placement
11 April 2025 at 12.00 noon	Close of Application List
15 April 2025 at 9.00 a.m.	Commence trading on a “ready” basis
17 April 2025	Settlement date for all trades done on a “ready” basis

The above timetable is indicative only and is subject to change at our discretion, with the agreement of the Issue Manager, Full Sponsor and Placement Agent. We may, at our discretion in consultation with the Issue Manager, Full Sponsor and Placement Agent, subject to all laws and regulations and the Catalist Rules, agree to extend or shorten the Placement period, provided that the Placement period may not be less than two (2) clear Market Days. The above timeline assumes that the date of closing of the Application List is 11 April 2025, the date of admission of our Company to the Catalist is 15 April 2025, the SGX-ST's shareholding spread requirement will be complied with and the Placement Shares will be issued and fully paid-up prior to 15 April 2025. The actual date on which our Shares will commence trading on a “ready” basis will be announced when it is confirmed by the SGX-ST.

The above timetable and procedures may be subject to such modification as the SGX-ST may in its absolute discretion decide, including the decision to permit commencement of trading on a “ready basis” and the commencement date of such trading. All persons trading in our Shares before their Securities Account with CDP are credited with the relevant number of Shares do so at the risk of selling shares which neither they nor their nominees, as the case may be, have been allotted or are otherwise beneficially entitled to.

In the event of any changes in the closure of the Application List or the time period during which the Placement is open, we will publicly announce the same:

- (a) through a SGXNET announcement to be posted on the internet at the SGX-ST website <http://www.sgx.com>; and
- (b) in major English language newspaper(s) in Singapore.

The manner and method of applications and acceptances under the Placement will be determined by us, the Issue Manager, Full Sponsor and Placement Agent. Details of the procedures for applications to subscribe for the Placement Shares are set out in “Appendix I – Terms, Conditions and Procedures for Application and Acceptance” of this Offer Document.

We will provide details of the results of the Placement (including the level of subscription for the Placement Shares and the basis of allotment of the Placement Shares), as soon as practicable after the closure of the Application List through the channels described in (a) and (b) above.

**Investors should consult the SGX-ST announcement of the “ready” trading date on the internet (at the SGX-ST website <http://www.sgx.com>) or newspapers, or check with their brokers on the date on which trading on a “ready” basis will commence.**

We reserve the right to reject or accept, in whole or in part, or to scale down or ballot any application for the Placement Shares, without assigning any reason therefor, and no enquiry and/or correspondence on our decision will be entertained. In deciding the basis of allotment and/or allocation, due consideration will be given to the desirability of allotting and/or allocating the Placement Shares to a reasonable number of applicants with a view to establishing an adequate market for our Shares.

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## OFFER DOCUMENT SUMMARY

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*The information contained in this summary is derived from and should be read in conjunction with the full text of this Offer Document. As it is a summary, it does not contain all the information that potential investors should consider before investing in the Shares of our Company. Potential Investors should read this entire Offer Document carefully, especially the matters set out in the “Risk Factors” section of this Offer Document, before deciding to invest in our Shares.*

### OVERVIEW OF OUR GROUP

#### Our Company

Our Company was incorporated in the Cayman Islands on 27 January 2022 under the laws of the Cayman Islands as an exempted company with limited liability, under the name of “Vin’s Holdings Ltd”. Our Company’s registration number is 386652. Following the completion of the Restructuring Exercise, as described in the section entitled “Restructuring Exercise” of this Offer Document, our Company became the holding company of our indirect wholly-owned primary operating subsidiaries in Singapore, namely Vin’s Auto, Vin’s Motor, Vin’s Credit, Vin’s Car Rental, K & V Car Rental and Vin’s Leasing.

Please refer to the section entitled “Group Structure” of this Offer Document for further details.

#### Our Business

We are an integrated automotive solutions provider in Singapore. Our business activities include: (i) Automobile Sales and Related Services; (ii) Automobile After-Sales Services; (iii) Automobile Financing and Related Services; and (iv) Automobile Rental and Leasing Services.

Further details are set out in the section entitled “General Information on our Group – Business Overview” of this Offer Document.

#### Our Competitive Strengths

Our competitive strengths are as follows:

- We are a one-stop service provider with an extensive range of automotive solutions to cater to customers’ needs
- The technical competence and expertise in Automobile After-Sales Services
- Our IT systems enhance our operations and improve customer service
- We have established and maintained strong relationships with our strategic partners
- Our showrooms and workshops are located in strategic locations
- We have a committed and strong management team with deep industry expertise, guided by an experienced board of directors and supported by our young and dynamic staff

Further details are set out in the section entitled “General Information on our Group – Competitive Strengths” of this Offer Document.

#### Our Business Strategies and Future Plans

Our business strategies and future plans are as follows:

- Digital transformation and IT Integration
- Launch of new showrooms
- Expansion of after-sales services
- Expansion through acquisitions, joint ventures and/or strategic alliances

## OFFER DOCUMENT SUMMARY

Further details are set out in the section entitled “General Information on our Group - Business Strategies and Future Plans” of this Offer Document.

### FINANCIAL HIGHLIGHTS

*You should read the following summary financial information in conjunction with the full text of this Offer Document, including the “Independent Auditor’s Report on the Combined Financial Statements for the Financial Years ended 31 December 2021, 2022 and 2023 and Nine Months Period ended 30 September 2024 of Vin’s Holdings Ltd and its Subsidiaries”, and the “Independent Auditor’s Assurance Report on the Compilation of Unaudited Pro Forma Combined Financial Information for the Financial Year ended 31 December 2023 and the Nine Months Period ended 30 September 2024 of Vin’s Holdings Ltd and its Subsidiaries” as set out in Appendices A and B, respectively of this Offer Document and the section entitled “Management’s Discussion and Analysis of Results of Operations and Financial Position” section of this Offer Document.*

#### Selected items from the combined statements of comprehensive income

(S\$'000)	Audited			Unaudited	Audited
	FY2021	FY2022	FY2023	9M2023	9M2024
Revenue	75,391	91,838	106,429	82,799	83,689
Profit before income tax	2,926	3,287	3,644	2,820	2,722
Profit for the year/period attributable to owners of the Company	2,466	2,775	3,269	2,490	2,042
Pre-Placement EPS (cents) <sup>(1)</sup>	2.22	2.50	2.94	2.24	1.84
Post-Placement EPS (cents) <sup>(2)</sup>	1.88	2.12	2.49	1.90	1.56

#### Notes:

- (1) For comparative purposes, our pre-Placement EPS for the Track Record Period has been computed based on the net profit for the financial year/period attributable to owners of the Company and our pre-Placement share capital of 111,111,110 Shares.
- (2) For comparative purposes, our post-Placement EPS for the Track Record Period has been computed based on the profit/period for the year attributable to owners of the Company and our post-Placement share capital of 131,111,110 Shares.

#### Selected items from the combined statement of financial position

(S\$'000)	Audited as at 31 December 2023	Audited as at 30 September 2024
Non-current assets	61,023	64,483
Current assets	46,655	58,086
<b>Total assets</b>	<b>107,678</b>	<b>122,569</b>
Non-current liabilities	48,751	49,881
Current liabilities	39,285	49,423
<b>Total liabilities</b>	<b>88,036</b>	<b>99,304</b>
<b>Total equity</b>	<b>19,642</b>	<b>23,265</b>
NAV per Share (cents) <sup>(1)</sup>	17.68	20.94

#### Note:

- (1) The NAV per Share as at 31 December 2023 and 30 September 2024 has been computed based on our pre-Placement share capital of 111,111,110 Shares.

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## OFFER DOCUMENT SUMMARY

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### Where you can find us

Our registered office is at Vistra (Cayman) Limited, P. O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1 - 1205 Cayman Islands. We do not have a telephone number or facsimile number for our registered office. Our principal place of business is located at 20 Sin Ming Lane #06-65/66, Midview City, Singapore 573968. Our telephone and facsimile numbers are (65) 64532121 and (65) 64599795 respectively. Our email address is [enquiry@vinsautogroup.com.sg](mailto:enquiry@vinsautogroup.com.sg). Our Company's registration number is 386652. Our internet address is <https://vinsautogroup.com.sg/>. **Information contained on our website does not constitute part of this Offer Document.**

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## THE PLACEMENT

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<b>The Placement</b>	: 20,000,000 Placement Shares offered in Singapore by way of placement subject to and on terms and conditions set out in this Offer Document.  The Placement Shares, will, upon issue and allotment, be free from all pre-emption rights, charges, liens and other encumbrances and rank <i>pari passu</i> in all respects with our existing issued Shares.
<b>Placement Price</b>	: S\$0.30 for each Placement Share, payable in full on application.
<b>Purpose of the Placement</b>	: Our Directors believe that the listing of our Company and the quotation of our Shares on Catalist will enhance our public image locally and internationally and enable us to tap into the capital markets to fund our business growth. The Placement will also provide members of the public, our employees, our business associates and others who have contributed to the success of our Group with an opportunity to participate in the equity of our Company.
<b>Listing Status</b>	: Prior to the Placement, there has been no public market for our Shares. Our Shares will be quoted on Catalist in Singapore dollars, subject to admission of our Company to Catalist and permission for dealing in, and for quotation of, all of our Shares, the Placement Shares and the Award Shares being granted by the SGX-ST and the Authority or the SGX-ST (acting as agent on behalf of the Authority) not issuing a Stop Order.
<b>Risk Factors</b>	: Investing in our Shares involves risks which are described in the section entitled “Risk Factors” of this Offer Document.
<b>Use of Proceeds</b>	: Please refer to the section entitled “Use of Proceeds and Listing Expenses” of this Offer Document for more details.

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## PLAN OF DISTRIBUTION

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The Placement is for 20,000,000 Placement Shares offered in Singapore at the Placement Price and the Listing is managed and sponsored by the Issue Manager, Full Sponsor and Placement Agent.

Prior to the Placement, there has been no public market for our Shares. The Placement Price is determined by us in consultation with the Issue Manager, Full Sponsor and Placement Agent after taking into consideration, among others, prevailing market conditions and estimated market demand for our Shares (including the Placement Shares) determined through a book-building process. The Placement Price is the same for all the Placement Shares and is payable in full on application.

Investors may apply to subscribe for any number of Placement Shares in integral multiples of 1,000 Placement Shares. In order to ensure a reasonable spread of Shareholders, we have absolute discretion to prescribe a limit to the number of Placement Shares to be allotted to any single applicant and/or to allot the Placement Shares above or under such prescribed limit as we shall deem fit.

### **Placement Shares**

The Placement Shares are made available to retail and institutional investors in Singapore who may apply through their brokers or financial institutions. Application for the Placement Shares may only be made by way of Application Form or such other forms of application as the Issue Manager, Full Sponsor and Placement Agent deem appropriate. The terms, conditions and procedures for application and acceptance are described in “Appendix I - Terms, Conditions and Procedures for Application and Acceptance” of this Offer Document.

Pursuant to the Management and Placement Agreement, the Placement Agent has agreed to subscribe or procure subscribers for the Placement Shares at the Placement Price for a commission of 3.0% of the Placement Price for each Placement Share, payable by our Company. The Placement Agent may, at its own expense, appoint one or more sub-placement agents for the Placement Shares.

Subscribers of the Placement Shares may be required to pay a brokerage of up to 1.0% of the Placement Price (plus GST thereon, if applicable) to the Placement Agent or any sub-placement agent(s) that may be appointed by the Placement Agent.

### **Subscription for the Placement Shares**

To the best of our knowledge and belief, none of our Directors or Substantial Shareholders intends to subscribe for the Placement Shares in the Placement. If such person(s) and/or their respective Associates were to make an application for the Placement Shares and are subsequently allotted and issued such number of Placement Shares, we will make the necessary announcements in accordance with Rule 428 of the Catalist Rules.

To the best of our knowledge and belief, none of the members of our Company’s management or employees intends to subscribe for 5.0% or more of the Placement Shares pursuant to the Placement.

To the best of our knowledge and belief, we are not aware of any person who intends to subscribe for 5.0% or more of the Placement Shares. However, through a book-building process to assess market demand for our Shares, there may be person(s) who may indicate his interest to subscribe for 5.0% or more of the Placement Shares. If such person(s) were to make an application for 5.0% or more of the Placement Shares pursuant to the Placement and are subsequently allotted such number of Shares, we will make the necessary announcements at the appropriate time. The final allotment of Shares will be in accordance with the shareholding spread and distribution guidelines as set out in Rule 406(1) of the Catalist Rules.

No Shares shall be allotted and issued on the basis of this Offer Document later than six (6) months after the date of registration of this Offer Document by the SGX-ST acting as agent on behalf of the Authority.



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## PLAN OF DISTRIBUTION

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### **No Introducers and Consultants**

There are no introducers to the Placement and no consultants have been engaged by our Group to assist in (i) any group restructuring exercise in conjunction with the Placement and our application for listing; or (ii) the issue of securities or securities-based derivatives contracts to investors during the period of 12 months prior to the date of lodgment of this Offer Document, for the purposes of facilitating the Placement and our application for listing.

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## SPONSORSHIP, MANAGEMENT AND PLACEMENT ARRANGEMENTS

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Pursuant to the Management and Placement Agreement, our Company appointed RHB as the Issue Manager, Full Sponsor and Placement Agent to manage the Placement. RHB will receive a management fee from our Company for such services rendered in connection with the Listing.

The Issue Manager, Full Sponsor and Placement Agent may by notice in writing to our Company terminate the Management and Placement Agreement on the occurrence of certain events, including the following:

- (a) there shall come to the knowledge of RHB any material breach by the Company of any of the representations, warranties, covenants or undertakings contained in the Management and Placement Agreement or that any of the representations, warranties, covenants or undertakings by the Company in the Management and Placement Agreement is untrue or incorrect in any material respect;
- (b) any occurrence of certain specified events which comes to the knowledge of RHB;
- (c) any material adverse change, or any development involving a prospective adverse change, in the condition (business, trading, operational, financial or otherwise), performance or general affairs of the Company and/or its subsidiaries or of the Group as a whole;
- (d) any introduction or prospective introduction of or any change or prospective change in any legislation, regulation, order, notice, policy, rule, guideline or directive (whether or not having the force of law) and including, without limitation, any directive, notice or request issued by the Cayman Islands Companies Registry, the Authority, the Securities Industry Council of Singapore, the SGX-ST or any other relevant authority in Singapore or elsewhere) or in the interpretation or application thereof by any court, government body, regulatory authority or other competent authority in Singapore or elsewhere including but not limited to foreign exchange controls in Singapore or overseas that has or is reasonably expected to have a material adverse effect over the condition, performance, general affairs, future plans and trends, of any of the companies within the Group other than as disclosed in this Offer Document;
- (e) any adverse change, fluctuations, or any development involving a prospective change or any crisis in local, national, regional or international financial (including, without limitation, to the conditions in the stock market, foreign exchange market, inter-bank market or interest rates or money market in Singapore or any other jurisdictions), political, industrial, economic, legal or monetary conditions, taxation or exchange controls (including without limitation, the imposition of any moratorium, suspension or restriction on trading in securities generally on the SGX-ST due to exceptional financial circumstances or otherwise, adverse changes in foreign exchange controls in Singapore and overseas or any combination of any such changes or developments or crisis or any deterioration of any such conditions), or any combination of any such changes or developments or crisis, or deterioration of any such conditions;
- (f) any imminent threat or occurrence of any local, national, regional or international outbreak or escalation of hostilities, insurrection, terrorist attacks or armed conflict whether or not war has been declared or not, or any riot, uprising against constituted authority, civil commotion, disorder, rebellion, insurrection, military or usurped power or any natural catastrophe or other acts of God (whether or not involving financial markets in any jurisdiction);
- (g) any regional or local outbreak of disease of such scale and nature to have a material adverse effect on the financial markets;
- (h) the issue by the SGX-ST of a notice of refusal to admit our Company to the Catalist, or a stop order or similar order by the Authority, the SGX-ST, or any other competent authority that would prevent or prohibit the completion of the Placement or Listing;

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## SPONSORSHIP, MANAGEMENT AND PLACEMENT ARRANGEMENTS

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- (i) any other occurrence of any nature whatsoever, which may in the reasonable opinion of RHB:
  - (i) result or be likely to result in a material adverse fluctuation or adverse conditions in the stock market in Singapore or such other internationally recognised stock markets;
  - (ii) be likely to materially prejudice the success of the offer, subscription or sale of the Placement Shares (whether in the primary market or in respect of dealings in the secondary market);
  - (iii) make it impossible, impracticable, inadvisable, inexpedient or uncommercial to proceed with any of the transactions contemplated under the Management and Placement Agreement;
  - (iv) be likely to have a material adverse effect on the business, trading position, operations or prospects of the Company or of the Group;
  - (v) be such that no reasonable issue manager or full sponsor would have entered into the Management and Placement Agreement;
  - (vi) result or be likely to result in the issue of a notice of refusal to admit our Company to the Catalist at any point prior to the Placement or Listing, or a stop order or similar order by MAS, the SGX-ST, or any other competent authority that would prevent or prohibit the completion of the Placement or Listing;
  - (vii) make it uncommercial or otherwise contrary to or outside the usual commercial practices of placement agents in Singapore for RHB to observe or perform or be obliged to observe or perform the terms of the Management and Placement Agreement;
- (j) if it comes to the notice of RHB that (a) any statement contained in the Offer Document which, in the reasonable opinion of RHB, has become untrue, incorrect or misleading in any respect; or (b) circumstances or matters have arisen or have been discovered, which would, if the Offer Document was to be issued at that time, constitute in the reasonable opinion of RHB, an omission of such material information, and the Company fails to register, lodge or announce a supplementary disclosure announcement or replacement Offer Document within a reasonable time after being notified of such misrepresentation or omission or fails to promptly take such steps as RHB may reasonably require to address the misrepresentation or omission. In such an event, RHB reserves the right to inform the SGX-ST and the Authority (to the extent applicable) and to cancel the Placement and any application monies received will be refunded (without interest or any share of revenue or other benefit arising therefrom) to the applicants for the Placement Shares by ordinary post or telegraphic transfer at the applicant's own risk within 14 days of the termination of the Placement; or
- (k) there shall come to the knowledge of RHB any information, matter or event which may result or be likely to result in the issue of a Stop Order or similar order by the MAS, the SGX-ST, or any other competent authority that would prevent or prohibit the completion of the Placement or Listing.

Pursuant to the Management and Placement Agreement, our Company will appoint RHB as the Placement Agent to subscribe or procure subscriptions for the Placement Shares for a placement commission of 3.0% of the Placement Price for each Placement Share, payable by our Company. The Placement Agent may, at their own expense, appoint one (1) or more sub-placement agents for the Placement Shares provided that the Company is informed of the details of such sub-placement agents prior to their appointment. Additionally, subscribers of Placement Shares may be required to pay a brokerage fee of up to one per cent. (1.0%) of the Placement Price (plus goods and services tax at the prevailing rate thereon, if applicable) per Placement Share to the Placement Agent or any sub-placement agent(s) that may be appointed by the Placement Agent.

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## SPONSORSHIP, MANAGEMENT AND PLACEMENT ARRANGEMENTS

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The Management and Placement Agreement and the obligations of the Placement Agent under the Management and Placement Agreement is conditional upon among others:

- (a) this Offer Document having been registered by the SGX-ST acting as agent on behalf of the Authority;
- (b) such approvals of governmental or regulatory authorities and corporate or shareholder approvals of the Company as may be required for the transactions described in the Management and Placement Agreement and in this Offer Document being obtained, and not withdrawn or amended, on or before the date on which the Company is admitted to the Catalist of the SGX-ST (or such other date as the Company and RHB may agree), and the compliance in full to the satisfaction of all the relevant authorities granting such approvals of all conditions (if any) attaching or in relation thereto on or before the date on which the Company is admitted to the Catalist (or such other date as the Company and RHB may agree);
- (c) the SGX-ST's approval to list not being revoked or withdrawn on or prior to the date of commencement of trading of the Shares on the Catalist;
- (d) the compliance by our Company to the satisfaction of the SGX-ST with any conditions imposed by the SGX-ST, where such conditions are required to be complied with by the closing date of the Application List or the date of commencement of trading of Shares on the Catalist, as the case may be;
- (e) the compliance with all applicable laws and regulations concerning the Placement, the Listing and the transactions contemplated in the Management and Placement Agreement and this Offer Document;
- (f) no new laws, regulations, orders and/or directives having been promulgated, published and/or issued and/or having taken effect or other similar matter having occurred which, in the reasonable opinion of RHB, have or may have a material adverse effect on the Placement and the Listing;
- (g) there having been, in the reasonable opinion of RHB, no material adverse change or any development likely to result in a material adverse change in the business, trading, operational, financial or other condition of the Group between the date of the Management and Placement Agreement and the date of commencement of trading of the Shares on the Catalist nor the occurrence of any event nor the discovery of any fact rendering untrue, incorrect or misleading in any respect, as at the date of commencement of trading of the Shares on the Catalist, any of the warranties, representations or undertakings, nor any breach by the Company of any of its respective obligations under the Management and Placement Agreement;
- (h) the delivery by our Company to RHB, on the closing date of the Application List, of a certificate in the prescribed form signed by a Director;
- (i) the delivery to RHB on the date on which this Offer Document is registered with the SGX-ST as agent on behalf of the Authority of the duly executed moratorium undertakings by the respective shareholders as set out in section "Shareholders – Moratorium" of this Offer Document and each moratorium undertaking shall be in full force and effect on the date of admission of our Company to the Catalist;
- (j) there being no amendment or supplemental to this Offer Document announced, issued, published or delivered to investors without the prior approval of RHB;

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## **SPONSORSHIP, MANAGEMENT AND PLACEMENT ARRANGEMENTS**

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- (k) all necessary steps have been taken, all necessary approvals and consents have been obtained (including the in-principle approval for the Listing), all necessary formalities in Singapore have been completed and all applicable laws, regulations and directives have been complied with to enable the Shares to be allotted, issued, transferred, sold, listed and traded on the SGX-ST (including, but not limited to, compliance with the shareholding spread and distribution requirements under the Catalist Rules), and there shall not have occurred any withdrawal of such approval or any ruling or any event or condition that would prevent the commencement of trading of the Shares; and
- (l) there being no notice of refusal to admit the Company on the Catalist, Stop Order or similar order served by the Authority, SGX-ST or any court or other judicial, governmental or regulatory authority in Singapore in relation to the Listing and the subscription, allotment or issue, purchase, as the case may be, and delivery of the Shares in accordance with the provisions of the Management and Placement Agreement not being prohibited by any statute, order, rule, regulation or directive issued by, or objected to, by any legislative, executive or regulatory body or authority in Singapore (including, without limitation, the Authority and the SGX-ST).

Other than pursuant to the Management and Placement Agreement, there are no contracts, agreements or understandings between our Company and any person or entity that would give rise to any claim for brokerage commission, finder's fees or other payments in connection with the subscription or purchase of the Placement Shares.

Other than the Management and Placement Agreement, and save as disclosed in the section entitled "Interested Person Transactions – Potential Conflicts of Interests – Interests of the Issue Manager, Full Sponsor and Placement Agent" of this Offer Document, we do not have any material relationship with the Issue Manager, Full Sponsor and Placement Agent.

## PLACEMENT STATISTICS

**PLACEMENT PRICE** 30.00 cents

### NAV

NAV attributable to equity holders of the Company per Share based on the unaudited pro forma statement of financial position of our Group as at 30 September 2024 ("**Pro Forma NAV**"):

- |   |             |
|---|-------------|
| (a) before adjusting for the estimated net proceeds from the Placement and based on the Company's pre-Placement share capital of 111,111,110 Shares | 20.80 cents |
| (b) after adjusting for the estimated net proceeds from the Placement and based on the Company's post-Placement share capital of 131,111,110 Shares | 21.12 cents |

Premium / (Discount) of Placement Price over the Pro Forma NAV per Share as at 30 September 2024:

- |   |       |
|---|-------|
| (a) before adjusting for the estimated net proceeds from the Placement and based on the Company's pre-Placement share capital of 111,111,110 Shares | 44.2% |
| (b) after adjusting for the estimated net proceeds from the Placement and based on the Company's post-Placement share capital of 131,111,110 Shares | 42.0% |

### EPS

Audited EPS of our Group for FY2023 based on the Company's pre-Placement share capital of 111,111,110 Shares 2.94 cents

Audited EPS of our Group for FY2023 based on the Company's pre-Placement share capital of 111,111,110 Shares, assuming that the Service Agreements had been in place since the beginning of FY2023 2.56 cents

### PER

PER based on the Placement Price and audited EPS of our Group for FY2023 based on the Company's pre-Placement share capital of 111,111,110 Shares 10.20 times

PER based on the Placement Price and audited EPS of our Group for FY2023 based on the Company's pre-Placement share capital of 111,111,110 Shares, assuming that the Service Agreements had been in place since the beginning of FY2023 11.71 times

### Net Cash from Operating Activities

Audited net cash from operating activities per Share for FY2023 based on the Company's pre-Placement share capital of 111,111,110 Shares 7.95 cents

Audited net cash from operating activities per Share for FY2023 based on the Company's pre-Placement share capital of 111,111,110 Shares, assuming that the Service Agreements had been in place since the beginning of FY2023 7.58 cents

### Placement Price to Net Cash from Operating Activities Ratio

Ratio of Placement Price to audited net cash from operating activities per Share for FY2023 based on the Company's pre-Placement share capital of 111,111,110 Shares 3.77 times

Ratio of Placement Price to audited net cash from operating activities per Share for FY2023 based on the Company's pre-Placement share capital of 111,111,110 Shares, assuming that the Service Agreements had been in place since the beginning of FY2023 3.96 times

### Market Capitalisation

Market capitalisation based on the Placement Price and our Company's post-Placement share capital of 131,111,110 Shares 39.3 million

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## RISK FACTORS

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*We are exposed to a number of possible risks that may arise from economic, business, market, financial, political, social, technological and other factors and developments that may have an adverse impact on our future performance. The trading price and value of our Shares could fluctuate and decline due to any of these risks and investors may lose a part or all of their investments in our Shares.*

*Prospective investors should carefully consider and evaluate each of the following considerations and all other information contained in this Offer Document before deciding to invest in our Shares. Before deciding to invest in our Shares, you should seek professional advice from the relevant advisers about your particular circumstances. To the best of our Directors' knowledge and belief, all risk factors which could directly and/or indirectly affect us and are material to investors in making an informed judgement of our Company have been set out below. Some of the following risk factors relate principally to the industry in which we operate and our business in general. Other considerations relate principally to general economic, social and political conditions, the securities market and ownership of the Shares, including possible future sales of our Shares. Additional risks not presently known to us or that we currently deem immaterial may also adversely affect our business, prospects, financial condition and results of operations should such risks occur and/or turn out to be material.*

*If any of the following considerations, uncertainties or material risks develops into actual events, our business, prospects, financial performance and results of operations could be materially and adversely affected. In such cases, the trading price of our Shares could fluctuate and decline due to any of these considerations, uncertainties or material risks, and investors may lose all or part of their investment in our Shares.*

*This Offer Document also contains forward-looking statements having direct and/or indirect implications on our future performance. Our actual results may differ materially from those anticipated by these forward-looking statements due to certain factors, including the risks and uncertainties faced by us, as described below and elsewhere in this Offer Document. Please see the section entitled "Cautionary Note Regarding Forward-Looking Statements" of this Offer Document for further details.*

### **RISKS RELATING TO OUR BUSINESS OR INDUSTRY**

#### **Our sales of motor vehicles are dependent on market demand in Singapore**

Our sales of motor vehicles are dependent on overall market demand for motor vehicles in Singapore, which could be affected by various factors, including macroeconomic conditions, household income level, availability of funding channels and changing consumer patterns.

For instance, as described in the below paragraph headed "We may be affected by measures taken by the Singapore government in relation to motor vehicle ownership", policy measures such as the reduction of the vehicle growth rate, imposition of ARF and restrictions on motor vehicle financing have the effect of increasing the cost of motor vehicle ownership and reducing motor vehicle affordability, thereby lowering market demand for motor vehicles and, in turn, our sales and revenue.

Given that our motor vehicle sales business focuses on the retail segment and that motor vehicles are generally regarded as big-ticket purchases which are also dependent on consumers' preferences, demand for our motor vehicles may also be particularly sensitive to any weaknesses in the global economy and/or Singapore economy.

#### **Our ability to obtain financing on acceptable terms is critical to our ability to operate, maintain and grow our business**

We require funding to operate our business, acquire inventories, enter into motor vehicle hire purchase arrangements with our customers and maintain optimum levels of working capital. We have generally relied on cash generated from our operations and bank loans and other external financing to fund our operations and expansion.



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## RISK FACTORS

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As at 31 December 2023 and 30 September 2024, our Group had a total Net Debt Balance of S\$74.3 million and S\$84.2 million, and current borrowings of S\$35.9 million and S\$44.9 million due within 12 months from drawdown under the terms of the relevant facilities respectively. Most of our present borrowings comprise bank loans taken out by our Group Companies. Please refer to the section entitled “Capitalisation and Indebtedness” of this Offer Document for further details on our financing arrangements.

Our ability to obtain adequate loan financing on acceptable terms depends on several factors including our financial performance and the results of operations and compliance with the terms of our banking facility agreements as well as other factors beyond our control such as global, regional and local economic conditions, prevailing interest rates, any tightening of credit conditions and applicable laws and regulations. If we are unable to obtain sufficient financing when required, on reasonable terms, or at all, we will not be able to meet our working capital needs and our financial performance and competitiveness may be adversely affected. There can be no assurance that there will be continued availability of such financing arrangements to our Group, or that we will be able to continually obtain adequate financing on terms which are commercially favourable to us. Failure to service our indebtedness, maintain any required security interests or otherwise perform our obligations under our financing agreements could lead to a termination of one or more of our credit facilities or trigger cross-default provisions in our facilities with other financial institutions, and/or result in acceleration of amounts due under such facilities or other enforcement actions. In any of these events, our business, prospects, financial condition and results of operations may be adversely affected.

We may be subject to interest rate risk in relation to our Group’s variable-rate bank borrowings. This may in turn negatively affect our cash flow, financial condition and results of operations.

### **Our motor vehicle repair business may be affected in the event we cease to be on the panel of insurance companies**

We are on the panel of multiple insurance companies. The bulk of our customers for motor vehicle repairs comprise customers insured by these insurance companies. For further details on the motor vehicle repair business of our Group, please refer to the section entitled “General Information on our Group – Automobile After-Sales Services – Motor vehicle repair (including accident repairs and insurance claims)”. The material terms and conditions that we must satisfy under the relevant approved workshop services agreements to remain on these panels include:

- (a) adhering to service timelines and quality standards imposed by the insurers;
- (b) following insurer-approved rates and charges;
- (c) having adequate liability insurance cover;
- (d) restriction against sub-contracting of services without the insurer’s consent; and
- (e) compliance with applicable laws and regulatory requirements,

The Group has put in place procedures to monitor and ensure compliance with such material terms and conditions, including:

- (a) following up with clients after repairs are completed by requesting feedback through Google reviews or a customer feedback form;
- (b) addressing any disputes through a dedicated dispute management process, which monitors and resolves disputes systematically; and
- (c) conducting bi-weekly customer service checks to ensure consistent adherence to quality standards.

The internal auditors have reviewed the procedures over the monitoring of disputes and customer complaints in the latest internal audit exercise.

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## RISK FACTORS

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Notwithstanding the foregoing, there can be no assurance that we will remain on the panel of all these insurance companies. Prior to and during the Track Record Period, we received notices of termination on 23 November 2020 and 18 June 2024 respectively from two of the insurance companies for the unilateral termination of the approved workshop service agreements. The notices of termination did not cite any breach of the terms and conditions under the relevant agreement by us.

In the event our role as authorised workshop of these insurance companies were terminated, our business and results of operations may be adversely affected.

### **We rely on our suppliers for the supply of motor vehicles to be used for our business**

Our sales of new and pre-owned motor vehicles and salvage of spare parts are primarily dependent on the supply of motor vehicles or wreck vehicles from our suppliers.

Our suppliers may encounter difficulties supplying motor vehicles to us or may run into financial difficulties due to factors which are beyond our control. In such situations, if our suppliers attempt to increase their prices, alter payment terms and/or pass on their increased costs to us, reduce their supply of motor vehicles or cease operations, such actions may increase our costs, and may have a negative impact on our profitability.

In addition, from time to time, we are required by our suppliers to make deposit payments upon placement of orders for new motor vehicles. In the event such motor vehicle suppliers are unable to deliver the orders and the deposit payments by our Group are not refunded, our business, financial position and results of operations may be adversely affected.

### **We are exposed to risks associated with debt financing**

We are exposed to risks normally associated with debt financing, including adverse changes in interest rates and our ability to meet payments of principal and interest for credit facilities in a timely manner. As at the Latest Practicable Date, we have obtained various credit facilities for the operation of our business. Please refer to the section entitled “Capitalisation and Indebtedness” of this Offer Document for further details. This is no assurance that financing options will always be available at terms and conditions acceptable to us, or that we will be able to renew the existing bank loans and credit facilities upon maturity. Disruptions, volatility or uncertainty of the credit markets could limit our ability to borrow funds or increase our borrowing costs. As such, we may have to pay higher interest rates, thereby increasing our interest expense, decreasing our profitability and reducing our financial flexibility. Higher interest rates would also affect consumer’s decision to purchase motor vehicles and/or take on financing via our in-house financing through hire purchase arrangements or from financial institutions.

Debt financing may also involve the imposition of debt covenants on our Group, which may:

- (a) increase our vulnerability to general adverse industry and economic conditions;
- (b) require us to seek consent for the payment of dividends or limit our ability to pay dividends;
- (c) require us to maintain a certain amount of tangible net worth;
- (d) require us to maintain certain financial ratios;
- (e) limit our ability to obtain further third party loans and borrowings; and/or
- (f) require us to dedicate a substantial portion of our sales proceeds to payments on our debts or maintenance of operating bank accounts, thereby reducing the availability of our Group’s cash flow to fund working capital requirements, capital expenditure and other general corporate purposes.

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## RISK FACTORS

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We cannot give any assurance that future loans granted to us will not contain such debt covenants. As at the Latest Practicable Date, the banking facilities obtained by our Group include, *inter alia*, the following clauses:

- (a) the requirement to maintain a certain amount of tangible net worth;
- (b) the requirement to maintain below a certain gearing ratio or other financial ratios;
- (c) the requirement to maintain a minimum level of shareholding held directly or indirectly by Singaporean(s) and/or Singapore permanent resident(s) as determined by the ultimate individual ownership and their active participation in the Group Companies;
- (d) the requirement to dedicate a substantial portion of our sales proceeds to payments on our debts or maintenance of operating bank accounts;
- (e) prior consent of the bank is required before our Group Companies may declare dividends or other distributions, or undertake corporate changes to, amongst others, its board composition, management, ownership, re-organisation, amalgamation, reconstruction, take-over, schemes of compromise or arrangement, capital structure and the change of its name;
- (f) restrictions on creating charges and securities over our Group's assets to obtain new banking facilities and/or incurring additional indebtedness;
- (g) restrictions on encumbering or disposing of its assets;
- (h) restrictions on entering into transactions other than in the ordinary course of business and on arms' length commercial terms; and
- (i) the requirement to be informed of any listing plans and given the opportunity to provide a bid, and to match the best offer, for the provision of advice on the listing.

During the Track Record Period, our Group did not meet with certain clauses relating to: (a) credit of a minimum sum of sales proceeds to the Company's operating account with a lender; (b) requirement for prior consent from the lenders for the creation of new securities and charges; and (c) requirement from a lender to be informed of any listing plans and given the opportunity to provide a bid, and to match the best offer, for the provision of advice on the listing. However, as at the Latest Practicable Date, our Group's lenders have agreed to waive the aforesaid clauses. Please refer to the section entitled "Capitalisation and Indebtedness" of this Offer Document for further information. As at the Latest Practicable Date, our Group is in compliance with all the material debt covenants listed above.

Moving forward, our Group will tighten its monthly review of loan covenants in relation to all banking facilities. If required, we will seek waiver from the banks of any potential breach or breach of a term of such facilities. Notwithstanding so, should there be a breach of a material term of such facilities in the future or should a waiver sought not be granted, our Group may be required, among others, to repay the loan facilities on demand and/or be restricted from making any distribution to Shareholders.

### **We may be affected by measures taken by the Singapore government in relation to motor vehicle ownership**

Due to the limited geographic land area and high population density in Singapore, the Singapore government may take measures to restrict motor vehicle population in Singapore. Any measures taken by the Singapore government, such as limiting motor vehicle ownership and reducing motor vehicle affordability, are likely to lead to less demand for motor vehicles and have an impact on our motor vehicle sales.

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## RISK FACTORS

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The VQS is a key part of the Singapore government's approach in dealing with congestion. Under the VQS, anyone who wishes to register a new motor vehicle in Singapore must first obtain a COE in the appropriate category. In addition to a basic registration fee payable upon registration of a motor vehicle, the LTA imposes a tiered ARF component. The measures in relation to VQS, VES, COE and tiered ARF structure will have an impact on the cost of motor vehicle ownership which will in turn affect our sales and revenue.

### **There can be no assurance that our business strategies and future plans will be successful**

We intend to expand our regional presence and our scope of service offerings in accordance with our business strategies and future plans as set out in the section entitled "General Information on our Group – Business Strategies and Future Plans" of this Offer Document. Such expansion plans involve numerous risks, including but not limited to our ability to secure locations for our business activities, our ability to attract suitable talent, our ability to deal with unfamiliar regulatory, personnel, technological and other challenges in the course of providing services and our ability to engage reliable third party suppliers and subcontractors to provide us with the necessary supplies and/or services in order to conduct our business and operations in new countries.

### **We are exposed to risks arising from fluctuations of exchange rates**

Our business is exposed to certain foreign exchange risks as we also purchase our motor vehicles from importers which work on a cost-plus basis. Although our purchases of parallel-import motor vehicles from importers are denominated and transacted in S\$, should there be any material depreciation of S\$ against the currency of the country from which motor vehicles are imported, the importer may pass on the additional costs to us, which would increase our acquisition costs of new parallel-import motor vehicles. We also directly import spare parts from Malaysia, Japan and China and payment of these spare parts are primarily denominated in RM, JPY and RMB respectively. To the extent that our Group's sales and purchases and operating costs are not denominated in the same currency and to the extent that there are timing differences between invoicing and collections/payment to suppliers, we may be exposed to foreign currency exchange gains or losses arising from transactions in currencies other than our reporting currency, namely S\$. There is no assurance that we will be able to successfully manage our foreign exchange risks and any significant adverse foreign currency fluctuations may adversely affect our financial position and results of operations.

### **Our business may be affected by the growth and development of EVs**

The automobile industry has experienced the development of EVs. Potential customers may prefer such electric vehicles over the conventional internal combustion engine and hybrid automobiles we sell, due to factors such as cost savings from petrol and other maintenance costs, as well as the general consciousness of consumers to reduce their carbon footprint on the environment. With the growing popularity and increasing ease of manufacturing electric vehicles, the demand for conventional automobiles may decrease. In addition, the Singapore government is offering incentives to encourage more vehicle owners to switch from internal combustion engine powered vehicles to lower-carbon vehicles. The LTA has extended its EV Early Adoption Incentive Scheme for another two years, until 31 December 2025. This means that owners who registered new fully electric cars and taxis would receive rebates of up to 45% off the ARF, capped at S\$15,000. Moreover, as at the Latest Practicable Date, all new car registrations in Singapore, effective from 2030, would have to be of cleaner-energy models that include electric, hybrid or hydrogen fuel cell cars. The LTA will also halt new diesel car registrations from 2025. In view of such policy measures, the prevalence of EVs may affect our automobile sales and after-sales maintenance and repair services in the long term, since it will be difficult for our Group to obtain authorised distributorship to sell new EVs due to scale. In addition, the maintenance and repair of EVs are usually handled by the authorised dealer of the EVs. A decrease in demand for conventional automobiles and after-sales maintenance and repair services may have an adverse impact on our business, results of operations, financial position and future prospects. Any inability on our part to remain competitive in this regard may result in a loss of potential sales, which may have an adverse impact on the business, financial position, operations or prospects of the Company.

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## RISK FACTORS

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The sales processes for conventional automobiles and EVs are fundamentally similar. To mitigate against this risk, we are looking to import EVs from Japan, a market which we believe will start to produce more EV models in the coming years. In the near term, we plan to focus on trading pre-owned EVs to address market demand. Additionally, following a successful listing and enhanced brand recognition, we may leverage our improved market positioning to negotiate authorised distributorship agreements with EV manufacturers, when suitable opportunities arise.

### **Our profit margins may be eroded if we are unable to secure COEs for motor vehicles at an appropriate price**

In the sales of parallel-import motor vehicles, we offer our customers a guaranteed COE option, under which we will either (i) provide a guaranteed bid for customers (regardless of the number of bids); or (ii) assist in making an agreed number of bids from the date of the sales order. Under the guaranteed COE option, we will have to successfully secure the COE and thereafter deliver the motor vehicle to the customer along with the COE regardless of the actual cost of the COE, which may significantly differ from the anticipated cost.

Under the guaranteed option, the sale price of the motor vehicle has already factored in the anticipated COE price. In the event the cost of the COE is higher than our anticipated cost, we will need to absorb such additional costs as our customers are only required to pay the agreed sale price. As such, our profit margins may be eroded in instances where the actual cost of the COE is higher than our anticipated cost of COE, and we may even incur a loss on such transactions if the difference is significant, thereby affecting our business, financial condition and results of operations. Notwithstanding the aforesaid, there have been no incidents which have had a material adverse impact on the Group's financials or operations under the Track Record Period.

### **We face strong competition in the industries which we operate in**

Our Group operates in a highly competitive environment. Our competitors include motor vehicle workshops, authorised dealers, parallel importers, motor vehicle financing providers and motor vehicle rental and leasing providers. If our business offerings are not competitive, our business, financial position and results of operations may be adversely affected. Increasing competition from existing and potential competitors may also result in reduced revenue and loss of market share which may have an adverse effect on our financial position.

For more details of our competitors, please refer to the section entitled "General Information on our Group – Competition" of this Offer Document.

### **Our ability to meet customer demands is dependent on our ability to effectively maintain our inventories**

In order to respond to customer demands for motor vehicles in a timely manner, we aim to maintain a reasonable level of inventory of motor vehicles. For further details on our average inventory turnover days for both new motor vehicles and pre-owned motor vehicles, please refer to the paragraph headed "General Information on our Group – Inventory Management" in this Offer Document.

We had in the past encountered cases where many customers requested for the same motor vehicle model during a period of time. As such, if we understock our inventory, our ability to meet such demands may be affected, which may in turn affect our reputation, cause us to forgo revenue, and adversely affect our financial position. On the other hand, if our inventory turnover is long, our required working capital may increase and we may incur additional financing costs and storage costs for such inventory. In the event customers' preferences and market conditions change such that we take longer time than expected to sell off our inventory, our revenue will be reduced accordingly due to a reduction in the sale price, thereby reducing our profit margins. There can be no assurance that we will not face the aforementioned issues in the future. Instances of the aforementioned issues may adversely affect our reputation, results of operations and financial condition.

Further, our performance may also be affected by inventory holding costs such as financing costs, storage, logistics and insurance costs. A significant increase in these costs may have an adverse impact on the overall profitability of our Group.



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## RISK FACTORS

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### **We depend on our key management team and our business may be severely disrupted if we lose their services and are unable to find qualified and timely replacements**

Our continued success is dependent on our ability to retain the services of our key management and operational personnel including our Executive Director and Chairman, Vincent Khong, and our Executive Director and CEO, Galvin Khong. They are key to the successful implementation of our business strategy in the near to medium term. The goodwill and strong networks that our experienced management team has developed with various stakeholders over the past years are important to the further development of our business. The in-depth knowledge, relevant experience and commitment of our key executives have been and will continue to be instrumental to our development and growth. As such, the loss of any key personnel without qualified and timely replacements, and the inability to attract, train and retain qualified key executives, will have an adverse impact on our operations.

Vincent Khong and Galvin Khong have each entered into a service agreement with our Company for an initial term of three (3) years. However, there can be no assurance that we will be successful in retaining them or hiring qualified management personnel to replace them should a need arises.

### **We are exposed to the credit risks of our customers**

We offer in-house motor vehicle hire purchase financing to our customers to fund the purchase of motor vehicles. As such, our business and financial results are dependent on the timely payments and creditworthiness of our customers. Should the creditworthiness of our customers deteriorate or a significant number of our customers fail to settle their payments timely, we may incur impairment losses and our financial position and results of operations could be materially and adversely affected. We may face stress on our liquidity and cash flow, which may have an adverse effect on our operating results and profitability.

Further, our source of funds for hire purchase financing mainly comes from the banking facilities. Even if our customers default on payment or pay late, our obligation to repay the financial institutions and banks remains unchanged. There is no assurance that we will be able to fully recover our payments from our customers or that they will make payments to us in a timely manner.

Our Group experienced 9, 27, 12 and 12 cases of payment defaults in relation to our provision of direct motor vehicle financing services in FY2021, FY2022, FY2023 and 9M2024, respectively. The total outstanding balances of these cases were approximately S\$192,000, S\$237,000, S\$422,000 and S\$337,000 for FY2021, FY2022, FY2023 and 9M2024 respectively, which, as a percentage of the total hire purchase receivables, amount to approximately 0.5%, 0.5% and 0.6% and 0.5% respectively for the corresponding periods.

Under a typical hire purchase arrangement, although the motor vehicle is registered under the name of the hirer under LTA, the ownership of a motor vehicle is retained with our Group until the financing provided (together with interests accrued and all other payable fees) has been fully paid up by the hirer, whereupon the ownership of the motor vehicle will be transferred to the hirer. In the event the hirer defaults on his obligations under the hire-purchase arrangement, we may repossess the vehicle and put it up for auction and sell at the highest price. However, the value of a repossessed vehicle may be adversely affected by conditions such as damage, loss, devaluation or over-supply of similar vehicles. In light of a new mandatory three-year lock-in period for all newly registered or converted cPHCs owned by businesses with effect from 19 February 2025, the value of such vehicle under a hire purchase arrangement, if repossessed, may also be adversely affected in the event such vehicle was converted into a cPHC by the business hirer. If the value of the repossessed vehicles declines, the safety margin of the financing will be reduced and we risk not being able to recover the full amount of our financing in the event of default by a hirer. If the full amount of the financing is not recoverable, our financial condition and results of operations may be materially and adversely affected.

In addition, we may also encounter payment defaults in our motor vehicle leasing business. While we have measures such as collection of deposit, credit checks before leasing our motor vehicle, and installation of GPS in our leased motor vehicles to track their location, we cannot ensure that payment defaults will not happen in the future, or that we will not experience cash flow problems as a result of such defaults. We may also not be able to enforce our contractual rights to receive payment through legal proceedings.

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## RISK FACTORS

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As at 30 September 2024, approximately S\$3.3 million of trade receivables (excluding hire purchase receivables) and S\$2.6 million of hire purchase receivables were past due. Please refer to the section entitled “General Information on Our Group – Credit Management” of this Offer Document for the ageing schedule of our trade receivables (excluding hire purchase receivables) and hire purchase receivables as at 30 September 2024. The majority of the trade receivables (excluding hire purchase receivables) that were past due comprised amounts due from insurers for repair works completed. As at the Latest Practicable Date, we have collected 74.8% of the trade receivables (excluding hire purchase receivables) and 36.6% of the hire purchase receivables that were past due as at 30 September 2024.

For payments from insurers, insurers typically take 1 to 3 months to process payments but may extend to 6 months or, in rare cases, up to a year for administrative reasons. Despite the extended payment periods, we do not impair these receivables, as historically, the insurers do not default on the claims. For hire purchase cases, vehicles are typically repossessed when a hirer has defaulted on payments. Following repossession, the vehicle is auctioned, and legal action is initiated against the hirer. This process allows us to recover a significant portion of the outstanding receivables. A full impairment will be provided for defaulted payments while we continue to chase for payments. During the Track Record Period, net allowance for expected credit losses amounted to S\$192,000, S\$218,000, S\$392,000 and S\$422,000 in FY2021, FY2022, FY2023 and 9M2024, respectively.

Please refer to the section entitled “General Information on our Group – Credit Management” for further details on our average trade receivables turnover. While issues arising from the credit risks of our customers may not have had a material impact on our operations and financial condition during the Track Record Period, any future occurrence of a default or delay in payment by our customers may still materially and adversely affect our business, net assets, financial condition and results of operations.

### **We are exposed to risks associated with floor stock financing**

We provide floor stock financing for other car dealers, whereby we provide short-term financing by purchasing pre-owned motor vehicles from other car dealers at an agreed discount to an agreed price, which is typically the market price based on our valuation or the requested floor value (whichever is lower), and selling the same back to these dealers within an agreed period (typically up to 90 days) at the agreed price. We obtain revolving facilities from our banks by pledging the same motor vehicles to finance the purchase of such inventory (or provision of floor stock financing). As such, changes in interest rates may affect the fees charged to the car dealers participating in the floor stock financing arrangement, and the rate of interest we pay on our loans and financing obligations. In particular, higher interest rates may adversely affect interest expense related to our borrowings, reduce net income from floor stock financing and/or reduce demand for our floor stock financing services. There is also a risk that the car dealer takes longer than expected to find a buyer and has difficulty purchasing the motor vehicle back from us within the agreed period at the agreed price.

To mitigate the risks associated with floor stock financing, a new client has to undergo a client onboarding process and we would only accept the new client if we are satisfied with the outcome. In addition, we conduct a market valuation of the motor vehicle to determine the market value of the pre-owned motor vehicle, which will be validated by another round of valuation conducted by the banks when we submit the vehicle for flooring. We finance a certain percentage of the motor vehicle’s market value or the requested floor value, whichever is lower. A sale agreement is concurrently signed at the same time as the purchase agreement is entered into with the dealer. After the purchase agreement is signed, ownership of the vehicle will be transferred to us until the dealer purchases the vehicle back from us. Please refer to the section entitled “General Information on our Group – Automobile Sales and Related Services – Floor Stock Financing” of this Offer Document for details of the business process in respect of floor stock financing.

Despite the abovementioned measures, while there were no past incidents which had a material adverse impact on our financial condition and/or operations, there is no guarantee that the dealer would purchase the vehicle back from us as agreed. In the event the dealer defaults on its obligations under the floor stock financing arrangement, we may repossess the vehicle and put it up for auction to sell at the highest possible price. If there is a shortfall between the eventual auction price and the originally agreed price that the dealer was supposed to purchase the vehicle at, we will take legal action against the dealer to recuperate the shortfall. However, there is no guarantee that we will be able to recuperate the shortfall following the taking of legal action.



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## RISK FACTORS

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### **Our business may be affected if we are unable to operate on our premises and our future plans may be affected if we are unable to secure appropriate locations for our motor vehicle showrooms and/or workshops**

Our operations are currently carried out at our offices at Midview City, Sin Ming AutoCity and Carros Centre, our workshops at Sin Ming AutoCity, and our showrooms at Midview City and REVV. We also intend to set up a new showroom in the first half of 2025.

The leasehold estate for our office, showroom, and workshop at the various locations ranges from two (2) years to three (3) years. There can be no assurance that we will be able to successfully renew our leases upon their respective expiry on similar terms. Furthermore, our leases may be prematurely terminated or suspended for various reasons, such as compulsory acquisition by the government or material property damage. In such events, our insurance may be insufficient to cover our losses. We may also be required to vacate the premises if we are in default under the relevant lease.

If we are required to relocate our operations, the relocation may disrupt our business and there is no assurance that we will be able to successfully mitigate any loss brought about by such disruption. We may also incur additional costs for the relocation.

In the event we are unable to secure alternative sites at comparable locations and on comparable terms, this may affect our business, financial condition, results of operations and future plans. Given the retail focus of our business, the loss of any showroom and the limitation in procuring a suitable replacement within a short period of time may have a disproportionate effect on us.

### **Our motor vehicle leasing business depends on our ability to secure new lease agreements with our customers and achieve adequate utilisation**

We enter into lease agreements with our customers under our motor vehicle leasing business. Our ability to secure new lease agreements in turn depends on continued motor vehicle rental demand from our customers, the quality of our motor vehicles and services and the responsiveness of our rental prices against the prevailing market rates. If we are unable to secure and renew lease agreements, our revenue from leasing business revenue and our business, financial condition and results of operations may be affected.

The motor vehicles that we purchase for our motor vehicle leasing business are generally purchased and funded by our internal resources and/or financing obtained from various financial institutions including banks. If we fail to achieve sufficient utilisation which covers our cost of capital and/or if the number of our motor vehicle leasing customers were to reduce significantly, our business, financial condition and results of operations may be affected.

In view of the mandatory three-year lock-in period for all newly registered or converted cPHCs with effect from 19 February 2025, we will need to deliberate on any purchase of motor vehicles to be registered as cPHCs, as under-utilisation of our rental fleet may adversely affect our business, financial condition and results of operations, since we no longer have the option to sell such vehicles to consumers for private use during the three-year lock-in period. Please refer to the section headed “Government Regulations – Laws relating to Motor Vehicles Leasing” for further details.

### **We may be affected by accidents at our workshops**

Accidents or mishaps may occur at our workshops even though we have put in place appropriate safety measures. Such accidents or mishaps may disrupt our operations and lead to delays. We could also be liable for damages under the contract with our customers, resulting in an adverse and material effect on our financial performance. Further, we may be subject to personal injury claims from any persons involved in such accidents or mishaps suffered by them, and any significant claims which are not covered by or recoverable under our insurance policies may adversely affect our financial condition and results of operations.

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## RISK FACTORS

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### **We are dependent on foreign workers and may face increased costs of labour or labour shortages**

We employ foreign workers to perform, *inter alia*, motor vehicle maintenance and repair services, and they represent 47.5%, 40.7%, 53.9% and 58.5% of our total number of workers in FY2021, FY2022, FY2023 and 9M2024 respectively. Any changes in the policies of the foreign workers' countries of origin may affect the supply of foreign labour and cause disruptions to our business operations. In addition, any increase in competition for foreign workers may also increase labour costs. In the event that the number of foreign workers that we can employ are reduced and/or we have to turn to a more costly source of labour, our financial performance may be adversely affected.

### **We are dependent on sub-contractors for the provision of motor vehicle maintenance and repair services**

We outsource various works in connection with the provision of motor vehicle maintenance and repair services. These outsourced services include but are not limited to repair services by third parties, spray painting services, air-con repair services for motor vehicles, towing services and wheel alignment services. Our ability to provide excellent motor vehicle maintenance and repair services will be dependent on the engagement of reliable third-party suppliers or sub-contractors to provide us with the necessary services to conduct our business. In this connection, we typically engage only pre-approved vendors, who are selected primarily based on our past experiences with them, in order to ensure that they consistently deliver high-quality products and services. For new vendors, we conduct thorough due diligence, including background checks on the vendors and their directors, as well as conduct price comparisons and other evaluations to ensure their reliability and competitiveness. We have developed and maintained an approved vendor list, which is regularly reviewed and updated. Additionally, we have formally documented comprehensive due diligence processes for onboarding new vendors. These processes include a thorough assessment of sub-contractor information, financial stability, and credit checks. In the event we are unable to engage sub-contractors for the necessary services required for our operation, our business, reputation, results of operations, financial condition or prospects may be adversely affected.

### **We have experienced and may experience negative cash flow**

During the Track Record Period, we have experienced negative cash flow from operating activities of S\$1.7 million, S\$1.7 million and S\$2.9 million for FY2021, FY2022 and 9M2024 respectively. Negative cash flow from operating activities in FY2021 of S\$1.7 million was mainly due to a deposit of approximately S\$2.6 million paid in FY2021 in relation to the purchase of two office units which were delivered in FY2022. Net operating cash outflows in FY2022 and 9M2024 were mainly due to an increase in inventories of new and pre-owned motor vehicles, particularly in connection with floor stock financing, and increase in hire purchase financing extended to our customers. However, on the other hand, the Group obtains revolving facilities and/or block discounting facilities extended by our banks by pledging the same motor vehicles to finance the purchase of such inventories or provision of hire purchase financing and proceeds are recorded under cash flow from financing activities. Please refer to the section entitled "Management's Discussion and Analysis of Results of Operations and Financial Position – Liquidity and Capital Resources" of this Offer Document for more detailed analysis of our cash flows for the Track Record Period.

Due to the nature of our business, there can be no assurance that we will not face negative cash flows from operating activities in the future even though we are profitable. We may experience significant mismatch when there is a significant timing difference between payments from our banks and suppliers and receipt of payments from our customers, which may affect our ability to, *inter alia*, maintain sufficient inventories or provide hire purchase financing to meet customer demands.

### **We may be affected by negative publicity**

We operate in a highly competitive industry and there are many choices available to potential buyers for their purchase of motor vehicles. Given the retail focus on our motor vehicle sales business, we are particularly reliant on our brand image. In this regard, customer satisfaction in their experience at our showrooms and workshops is critical to the success of our business since customers may spread their experience through word of mouth and via review platforms. In the event we are unable to maintain a high level of customer satisfaction or any such dissatisfaction is inadequately addressed and becomes widespread, our reputation may be affected.

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In addition to negative customer experience, our reputation may also be adversely affected by negative publicity in reports, publications such as major newspapers, automobile magazines and motor vehicles sales websites and forums, or any other negative publicity or rumours, whether substantiated or otherwise. There can be no assurance that the industry in which we operate and/or our Group will not experience negative publicity in the future or that such negative publicity will not have a material adverse effect on our business, reputation, results of operations, financial condition or prospects. This may result in our inability to attract or retain customers and in turn may negatively affect our business and results of operations.

### **Any acts of bribery, money laundering, corrupt practices or other misconduct of our employees or working partners may materially and adversely affect our business and reputation**

While there are efforts by governmental bodies to combat bribery, money laundering, corrupt practices and other improper conduct in Singapore, there can be no assurance that our employees and/or our working partners, including, among others, our suppliers, customers and working partners, will not be engaged in acts of bribery, money laundering, corruption or other misconduct. There can also be no assurance that our internal control and risk management systems will prevent any improper or illegal acts of our employees or working partners. Whilst our Group has in place anti-money laundering, anti-bribery and anti-corruption policies and there were no incidents during the Track Record Period involving a breach of anti-bribery, anti-corruption and other related laws, regulations and/or rules, there is no assurance that our employees and working partners will comply with such laws, regulations and/or rules in the countries in which we operate. If such persons fail to comply with such laws, regulations and/or rules, this may subject us to substantial financial losses and may have a negative impact on our reputation, and our business, results of operations, financial position and/or prospects may be adversely affected.

### **We may incur costs for warranties given on the motor vehicles sold by us to our customers**

Pursuant to the terms of our sales agreement for new parallel-import motor vehicles, we provide our customers with warranties which are set out in a service booklet provided to them. However, our suppliers generally do not provide us with any warranties. As a result, in the event that defects covered under the warranty are discovered, we are unable to make any warranty claims against our suppliers. Our sale price makes provisions for servicing and maintenance costs under the warranty period. In the event the actual costs of repair exceed the provisions made, we will have to bear the excess amount.

For FY2021, FY2022, FY2023 and 9M2024, we provisioned S\$20,000, S\$58,000, S\$46,000 and S\$17,000 respectively for potential warranty claims. However, no material warranty claims were incurred during this period. While there have been no significant costs associated with warranty services during the Track Record Period, there is no assurance that material costs related to warranty services will not arise in the future. Should the costs for providing warranty services increase significantly, it could materially and adversely affect our Group's financial condition and profitability.

### **We may incur expenses and resources in the event of product recalls and product liability claims**

Motor vehicles may be recalled from time to time due to certain problems or product defects. Even though we may not be responsible for these defects, we may need to assist our customers in rectifying the defects which may increase our costs, thereby adversely affecting our profitability. Any motor vehicle recall may also adversely affect the reputation of the motor vehicle manufacturers, our reputation, and our customers' confidence in the quality, safety and reliability of the motor vehicle models.

During the Track Record Period, the LTA conducted recall exercises for various reasons for motor vehicles produced by two Japanese manufacturers. While we had to bear the costs associated with the replacement or modification of parts which are faulty as well as labour costs, it did not have a material impact on the Group's financial performance. However, there is no assurance that there will not be further motor vehicle recalls in the future in respect of the motor vehicle models we sell, and any future motor vehicle recall could have a negative impact on our sales and profitability, which in turn could adversely affect our business, financial position and results of operations.

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### **Any disruption to our information technology systems could adversely impact our business**

We rely heavily upon our technology platform in all aspects of our operations, including transaction processing, inventory management and payment processing. Any system interruptions caused by our servers, telecommunication failures, computer viruses or hacking or other attempts at disrupting our technology platform could interfere with our inventory management, slow down rental and sales processes or otherwise materially and adversely affect our ability to manage our business effectively.

The reliability of our network infrastructure is critical to our business. Any system interruption that results in the unavailability of our website or a disruption to our communications platform could damage our reputation and brand and cause our business and operating results to suffer. We may experience temporary system interruptions for various reasons, including network failures, power failures, cyber-attacks, software errors or system overload due to overwhelming customer visits. As we are dependent in part on third parties for the implementation and maintenance of certain aspects of our systems and because some of the causes of system interruptions may be outside of our control, we may not be able to remedy such interruptions in a timely or satisfactory manner, or at all.

Our servers are vulnerable to computer viruses, physical or electronic break-ins and similar disruptions, which could lead to interruptions and delays in our service and operations as well as loss, misuse or theft of data. Any successful attempts by hackers to disrupt our website service or our internal systems could harm our business, reputation or brand, and could be expensive to remedy. Efforts to prevent hackers from entering our computer systems are expensive to implement and may limit the functionality of our services. Any significant disruption to our website or internal computer systems could result in a loss of customers and adversely affect our business and results of operations.

### **Breach of information security could adversely affect our business**

In the ordinary course of business, we may obtain confidential information regarding customers' personal information, including credit standing, as well as confidential information from third-party businesses. In addition to such confidential information, we also seek to protect our own information constituting trade secrets, including information on our SaaS platforms and ERP systems. Such information may be leaked due to intentional acts such as unauthorized system access and cyberattacks, or due to negligence of employees or subcontractors. Furthermore, the number of our products, services, production facilities and management systems utilising the internet is increasing, and despite the implementation of security measures to protect against external threats, we have been, and might continue to be, the target of cyberattacks from time to time and we may be subject to a leak of personal or confidential information, release of information to outside parties, suspension of our services, adverse effects to our processes or other incidents due to reasons such as an unexpected intrusion into or fraudulent activities conducted through the networks connected to our products or services. Moreover, if a cybersecurity vulnerability is found in our products and services, it could lead to a suspension of the provision of products and services for a prolonged period, resulting in significant costs to take countermeasures. As a parallel importer of motor vehicles, we could also be affected by cybersecurity risks in our supply chains, which could adversely affect us and end-customers for which we sell motor vehicles to.

We are working to ensure the soundness of our IT environment and improve our cyber resilience to achieve a higher level of information security. However, there can be no guarantee that such measures will be successful in preventing intensifying and increasingly sophisticated cybersecurity threats. The occurrence of cybersecurity incidents may result in significant expenses, including to compensate persons who incur losses as a result of such occurrence and potential penalties as a result of breach of regulations, and may also adversely affect our business, brand and reputation. As a result, our business, operating results and financial condition may be adversely affected.

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## RISK FACTORS

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### **Our historical financial and operating results are not indicative of future performance**

The operating expenses, results of operations and revenue of our Group may vary from year to year in response to factors beyond our control. This includes factors such as general economic conditions, inflation, interest rates, employment rates, consumer discretionary income, retail spending and overall business confidence. Due to the variability of these factors, we are of the view that period comparisons of our historical financial and operating results may not be indicative of future performance and undue reliance should not be placed on these comparisons to predict our future financial performance and the future performance of our Shares.

### **We may incur significant compliance costs due to introduction of new and/or amended laws and regulations of Singapore**

Our business operations in the motor vehicle industry are subject to the laws and regulations of Singapore. For further details, please refer to the section headed “Government Regulations” in this Offer Document.

In addition, if such laws and regulations are amended or government policies are introduced, resulting in new or more stringent requirements being imposed on us, we may incur significant additional costs and expenses and may have to allocate additional resources to comply with such requirements. Any resultant changes to our business practices or increased costs of compliance may materially and adversely affect our business, financial condition, results of operations and/or prospects.

### **Our Group may not be able to comply with the changes in laws and regulations**

The relevant regulatory authorities may from time to time amend existing laws and regulations or adopt new laws and regulations which may increase compliance requirement and costs in undertaking our business. Additionally, our Group may be unable to obtain, maintain or renew any additional approvals and/or licences, or where there is a delay in obtaining or renewing them, our ability to engage in our business activities may be adversely affected. In the event that there are unexpected changes to any applicable laws, regulations, requirements or restrictions that renders our Group unable to comply, this will have an adverse effect on our operations. Notwithstanding, there have been no such incidents which had a material adverse impact on our financials and/or operations during the Track Record Period.

### **Our Group may be involved in disputes and legal and other proceedings arising out of our operations from time to time and may face significant liabilities as a result**

Our Group may be involved, from time to time, in legal proceedings arising in the ordinary course of our operations. Litigation arising from any failure, injury or damage from our Group’s operations may result in our Group Companies being named as defendant in lawsuits with large claims against our Group Companies. Disputes may also lead to legal or other proceedings and may damage our Group’s reputation and divert our resources and management’s attention. Significant costs may have to be incurred in defending our Group in such proceedings, whether we are successful or not.

If our Group is not successful in defending ourselves in such proceedings, we may be liable for damages, the amount of which may be significant, and costs incurred by the counterparty. This could have a material adverse effect on business, financial position, operations or prospects of our Group. In the event that our Group makes any other investments or acquisitions in the future, there can be no assurance that our Group would not have any exposure to any litigation or arbitration proceedings or other liabilities relating to the acquired businesses or entities. Notwithstanding the aforesaid, our Group has not been engaged in any legal or arbitration proceedings which had a material adverse impact on our financials and/or operations during the Track Record Period.

### **We may be subject to liabilities for non-compliance with statutory provisions**

Prior to the listing, our Group operated as a family-owned private group of companies. During the Track Record Period, there have been procedural non-compliances arising from instances of inadvertent omissions and administrative oversights leading to some of our Group Companies not fully complying with certain statutory provisions in relation to, amongst others, the timely holding of annual general meetings, the timely filing of annual returns, the accurate computation of salary of new hires, the timely



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payment of salary and incomplete source documentation for payroll records. While we have not been fined or subject to any disciplinary actions or proceedings and no enforcement actions have been taken against us for the aforementioned non-compliance as at the Latest Practicable Date, there is no assurance that penalties will not be imposed for past non-compliance or that such lapses will not recur in the future.

We have, to the extent practicable, rectified the irregularities and implemented the proper processes and procedures to comply with the relevant regulations and statutory provisions moving forward, including:

- (a) The appointment of an experienced company secretary to assist our Group in ensuring compliance with corporate and regulatory requirements; and
- (b) The implementation of proper recordkeeping policy, approval workflows and assignment of dedicated staff to monitor computation of salary, payment timelines and all payroll matters to ensure compliance with the Employment Act.

Further, in the course of reviewing our internal controls and processes in preparation for the Listing, our internal auditors have identified the potential non-compliances with PDPA laws, as we did not seek express consent for the collection, use, or disclosure (as the case may be) of personal data and/ or notify the individual the purposes for the collection, use or disclosure (as the case may be) of personal data. We have since set up a PDPA committee tasked with reviewing all potential non-compliances and ensuring full compliance with the PDPA laws going forward. We have also reviewed and updated our forms to ensure that consent is expressly sought and the purposes for the collection, use, or disclosure (as the case may be) of personal data is clearly communicated. While we have not been fined or subject to penalty and no enforcement actions have been taken against us for any non-compliance as at the Latest Practicable Date, there is no assurance that penalty will not be imposed for past non-compliances or that these will not recur in the future, in which case our reputation, business, financial condition and/or results of operations may be adversely affected.

### **Our insurance coverage may be inadequate to protect us from all potential liabilities**

Our insurance coverage may not adequately protect us from the key risks associated with our business. During the course of our operations, we may face various claims and disputes from third parties including our customers against liabilities that are not covered under our existing insurance policies. With respect to losses which are covered, we may also not be able to fully recover the full amount of losses incurred from the insurers.

There is also no assurance that we will be able to continue to maintain our existing insurance coverage or obtain insurance policies on acceptable terms or at acceptable premiums. In the event our insurance coverage is insufficient to indemnify us against all possible liabilities or losses arising from our business operations, our business, financial condition and operating results may be adversely affected. Please refer to the section entitled headed “General Information on our Group – Insurance” in this Offer Document for more information on our existing insurance policies.

Any significant increases in insurance premiums that we have to pay, whether due to an increase in the number of claims made by us or due to an industry-wide price increase, may also adversely affect our results of operations in the event we are unable to pass such premium increases on to our customers. Notwithstanding the aforesaid, our Group has not had any occurrences where its insurance coverage was not sufficient and had a material adverse impact on our financials and/or operations during the Track Record Period.

### **We may not be able to protect our intellectual property rights and we may also be subject to claims for infringement of third parties’ intellectual property rights**

Our Group owns several trademarks as at the Latest Practicable Date. For further details, please refer to the paragraph headed “General Information on our Group – Intellectual Property Rights” of this Offer Document. There is no guarantee that any steps we take to protect the intellectual property rights in the trademarks we currently own or may have in the future will be adequate or sufficient. Further, it may be



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possible for third parties to unlawfully pass-off our trademarks as theirs or to indicate some connection or association in the course of trade between us and them, when in fact there is none. Such action could adversely affect our business, reputation, results of operations, financial condition or prospects. Notwithstanding the aforesaid, there have been no such incidents which had a material adverse impact on our financials and/or operations during the Track Record Period.

In addition, we may unknowingly infringe on the intellectual property rights of third parties. In the event of any material claims or litigation involving infringement of intellectual property rights of third parties, with or without merit, we may have to expend considerable resources, including time, effort and money, to defend ourselves in such legal proceedings. In addition, our business may be severely disrupted due to such legal proceedings. In such an event, our financial results and business operations may be adversely affected.

### **We may be affected by terrorist attacks and other acts of violence, wars, or outbreaks of diseases**

Any occurrence of terrorist attacks, acts of violence and/or wars may lead to uncertainties in the economies of the countries in which we or our suppliers operate. All these could have a negative impact on the demand for our motor vehicles, and our business, financial position and results of operations.

Furthermore, an outbreak of infectious diseases, such as the recent global outbreak of COVID-19, in Singapore may adversely affect our business, financial position and results of operations. If an outbreak of infectious diseases occurs in Singapore, consumer sentiment and spending could be adversely affected and this may have a negative impact on our business, financial position and results of operations. Our staff and employees may also be affected by any outbreak of such infectious diseases and this may affect our day-to-day operations.

## **RISKS RELATING TO AN INVESTMENT IN OUR SHARES**

### **Investments in securities quoted on Catalist involve a higher degree of risk and can be less liquid than shares quoted on the Mainboard of the SGX-ST**

We have made an application for our Shares to be listed for quotation on Catalist, a listing platform primarily designed for fast-growing and emerging or smaller companies to which a higher investment risk tends to be attached as compared to larger or more established companies listed on the Mainboard of the SGX-ST. An investment in shares quoted on Catalist may carry a higher risk than an investment in shares quoted on the Mainboard of the SGX-ST, and there is no assurance of the future success and liquidity in the market of our Shares.

Pursuant to the Catalist Rules, we are required to, among others, retain a sponsor at all times after our admission to Catalist. In particular, unless approved by the SGX-ST, RHB must act as our continuing sponsor for at least three (3) years after the listing of our Company on Catalist. In addition, we may be delisted in the event that we do not have a sponsor for more than three (3) continuous months. There is no assurance that following the expiration of the three-year period, RHB will continue to act as our sponsor or that we are able to find a replacement sponsor within the three-month period. Should such risks materialise, we may be delisted.

### **Future sale of our Shares could adversely affect our Share price**

Any future sale or issue of our Shares can have a downward pressure on our Share price. The issue or sale of a significant amount of Shares in the public market after the Placement, or the perception that such issue or sales may occur, could materially and adversely affect the market price of our Shares. These factors also affect our ability to issue additional equity securities. Except as otherwise described in the section entitled “Shareholders – Moratorium” of this Offer Document and save as provided in our Articles of Association, there will be no restriction on the ability of our Shareholders to sell their Shares either on Catalist or otherwise.

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Any future sale or an increased availability of Shares may have a downward pressure on their price. The sale of a significant number of Shares in the public market after the Placement, including by our Controlling Shareholder, as well as non-controlling but otherwise significant Shareholders, or the issue of further new securities by us, or the perception that such sales or issues may occur, could materially affect the market price of the Shares. These factors also affect our ability to sell additional equity securities at a time and at a price favourable to us.

### **The Shares may not be a suitable investment for all investors**

Each prospective investor in the Shares must determine the suitability of that investment in light of its own circumstances. In particular, each prospective investor should: (i) have sufficient knowledge and experience to make a meaningful evaluation of the Shares, our Company, the merits and risks of investing in the Shares and the information contained in this Offer Document, (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Shares and the effect an investment in the Shares will have on its overall investment portfolio, (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Shares, including where the currency of the Shares is different from the prospective investor's currency, (iv) understand thoroughly the terms of the Placement and (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic and other factors that may affect its investment and its ability to bear the applicable risks.

### **Investors in our Shares would face immediate and substantial dilution in the NAV per Share and may experience future dilution**

As described in the section entitled "Dilution" in this Offer Document, our Placement Price of 30.00 cents per Share is substantially higher than our Pro Forma NAV per Share of 20.68 cents as at 30 September 2024 based on the post-Placement share capital of 131,111,110 Shares. Thus, there is an immediate and substantial dilution in the NAV per Share. Please refer to the section entitled "Dilution" of this Offer Document for further details.

In addition, we intend to grant our employees the Award Shares pursuant to the Vin's PSP and this may lead to further dilution to investors who have subscribed for the Placement Shares. We may also require additional equity funding after the Placement. If we choose to issue new Shares in order to finance future expansion, acquisitions, joint ventures and strategic partnerships, our Shareholders will face dilution of their shareholdings.

### **Investors may not be able to participate in future issues of Shares and may experience dilution in their shareholdings**

In the event that our Company issues new Shares, it will be under no obligation to offer those Shares to our existing Shareholders at the time of issue, except where it elects to conduct a rights issue. However, in electing to conduct a rights issue or other forms of equity issuances, our Company will have discretion, subject to relevant regulations, as to the procedures to be followed in making such rights offering available to our existing Shareholders or in disposing of such rights for the benefit of such Shareholders and making the net proceeds available to them. In addition, our Company may choose not to offer such rights to our existing Shareholders having an address outside Singapore. Accordingly, holders of our Shares may be unable to participate in future offerings of our Shares and may experience dilution of their shareholdings as a result.

### **There has been no prior market for our Shares and the Placement may not result in an active or liquid market for our Shares**

Prior to the Placement, there has been no public market for our Shares. The Placement Price may not be indicative of the market price for our Shares after the completion of the Placement. There is no assurance that an active market for our Shares will develop or, if developed, will be sustained, or that the market price for the Shares will not decline below the Placement Price. Accordingly, Shareholders may be unable to sell their Shares at or above the Placement Price.

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### **Our Share price may be volatile in the future, which could result in substantial losses for investors purchasing our Shares in this Placement**

The trading price of our Shares could be subject to significant fluctuations as a result of, among others, the following factors, some of which are beyond our control:

- (a) variations of our financial or operating results;
- (b) liquidity of the market for our Shares;
- (c) differences between our actual financial or operating results and those expected by investors and investment analysts;
- (d) changes in analysts' recommendations, or estimates and projections of our financial performance;
- (e) technological developments in our industry;
- (f) announcements by us or our competitors of significant acquisitions, strategic alliances or joint ventures;
- (g) announcements by us of the securing or termination of significant projects;
- (h) additions or departures of key personnel;
- (i) success or failure of our management in implementing business and growth strategies;
- (j) our involvement in material litigation; and
- (k) changes in general economic, political and social conditions and broad market fluctuations.

In addition, our Share price will be under downward pressure if certain of our Directors or management staff or employees sold their respective Shares immediately after the Placement or moratorium.

For these reasons, among others, our Shares may trade at prices that are higher or lower than the Placement Price and/or NAV per Share. These fluctuations may be exaggerated if the trading volume of the Shares is low. Volatility in the price of the Shares may be unrelated or disproportionate to our results of operations. It may be difficult to assess our performance against either domestic or international benchmarks. In addition, our Shares are not capital-safe products and there is no guarantee that investors of our Shares can realise a higher amount or even the principal amount of their investments. Any of the factors listed above could adversely affect the price of the Shares and you may not be able to resell your Shares at a price that is attractive to you, or at all.

### **We may be constrained from paying dividends on the Shares from time to time**

We are not legally or contractually required to pay dividends and any determination to pay dividends in the future will be entirely at the discretion of our Board, taking into consideration our operating results and cash flow, other cash requirements including capital expenditures, financing arrangements (if any), future plans, general business conditions and other factors which our Board may determine as appropriate, many of which are beyond our control. Please see the section titled "Dividend Policy" of this Offer Document for further details on our dividend policy.

We may not be able to pay dividends in the future if we are unable to successfully implement our strategy or if there are adverse developments to our business as a result of competitive, regulatory, general economic conditions, demand and other factors specific to our industry, many of which are beyond our control. In addition, agreements which we may enter into in the future may limit or prohibit, among other things, the ability of our subsidiaries to make distributions to us and thus our ability to pay dividends to our Shareholders.

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## RISK FACTORS

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### **Our Company's Controlling Shareholder will retain significant control over our Company after the Placement, which will allow it to influence the outcome of matters submitted to Shareholders for approval**

Upon the completion of the Placement, our Company's present Controlling Shareholder, Vin's Capital will beneficially own in aggregate approximately 76.3% of the issued Shares. As a result, it will be able to exercise significant influence over all matters requiring shareholder approval, including the election of directors and the approval of significant corporate transactions, and will have veto power with respect to any Shareholder action or approval requiring a majority vote except where it is required by the Catalyst Rules to abstain from voting. Such concentration of ownership also may have the effect of delaying, preventing or deterring a change in control of our Company which may benefit our Shareholders.

### **Negative publicity may adversely affect our Share price**

Negative publicity or announcement relating to our Company or any of our Directors, Executive Officers or Controlling Shareholder may materially and adversely affect the market perception or the Share performance of our Company, whether or not it is justified. Examples of negative publicity may include unsuccessful attempts in joint ventures, acquisitions or takeovers, or involvement in insolvency proceedings.

### **We are a Cayman Islands incorporated company and the rights and protection accorded to our shareholders may not be the same as those in other jurisdictions**

Our Company is incorporated in the Cayman Islands as an exempted company with limited liability and is subject to the Cayman Islands Companies Act. We will also have to comply with the Catalyst Rules upon our admission to Catalyst. The Singapore Companies Act may provide shareholders of Singapore-incorporated companies certain rights and protections of which there may be no corresponding rights or protections under the Cayman Islands Companies Act. As such, if you invest in our Shares, you may or may not be accorded the same level of shareholder rights and protections that a shareholder of a Singapore-incorporated company would be accorded under the Singapore Companies Act.

The rights of our Shareholders and the responsibilities of our management and the Board of Directors under Cayman Islands laws may be different from those applicable to a company incorporated in another jurisdiction, including Singapore. Our corporate affairs are governed by our Memorandum and Articles of Association, the Cayman Islands Companies Act and the common law of the Cayman Islands. The rights of Shareholders to take legal action against us and our Directors, the protection of the interests of minority Shareholders, and fiduciary responsibilities owed by our Directors to our Company under Cayman Islands laws are to a large extent governed by the common law of the Cayman Islands, the Cayman Islands Companies Act and our Memorandum and Articles of Association. The common law of the Cayman Islands is derived in part from comparatively limited judicial precedent in the Cayman Islands as well as that from English common law, which may have persuasive, but not binding, authority on a court in the Cayman Islands. The rights of our Shareholders and the fiduciary responsibilities of our Directors under Cayman Islands laws may not be as clearly established as they would be under statutes or judicial precedents in Singapore or other jurisdictions where investors may be located. The Cayman Islands may have a less developed body of securities law than Singapore. In addition, the laws of the Cayman Islands relating to the protection of the interests of minority shareholders may differ in some respects from those established under statutes and under judicial precedents in Singapore or other jurisdictions.

As a result, our Shareholders may have more difficulty in protecting their interest in connection with actions taken by our management, our Directors or our principal Shareholders than they would as shareholders of a company incorporated in another jurisdiction. See the sections entitled "Appendix D – Summary of Certain Provisions of the Cayman Islands Companies Act and the Memorandum and Articles of Association of our Company" and "Appendix H – Comparison of Cayman Islands and Singapore Corporate Law" to this Offer Document for further details.

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## RISK FACTORS

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### **Singapore law contains provisions that could discourage a take-over of our Company**

The Singapore Take-over Code and sections 138, 139 and 140 of the SFA (collectively, “**Singapore Take-over and Merger Provisions**”) contain certain provisions that may delay or deter a future take-over or change in control of our Company for so long as our Shares are listed for quotation on the SGX-ST. Except with the consent of the Securities Industry Council, any person acquiring an interest, whether by a series of transactions over a period of time or otherwise, either on his/her own or together with parties acting in concert with him/her, in 30.0% or more of our voting Shares is required to extend a take-over offer for our remaining voting Shares in accordance with the Singapore Take-over and Merger Provisions. Except with the consent of the Securities Industry Council, such a take-over offer is also required to be made if a person holding between 30.0% and 50.0% (both inclusive) of our voting Shares (either on his/her own or together with parties acting in concert with him/her) acquires additional voting Shares representing more than 1.0% of our voting Shares in any six months period. While the Singapore Take-over Code seeks to ensure an equality of treatment among shareholders, its provisions could substantially impede the ability of shareholders to benefit from a change of control and, as a result, may adversely affect the market price of our Shares and their ability to realise any benefit from a potential change of control.

## USE OF PROCEEDS AND LISTING EXPENSES

The total gross proceeds to be raised from the Placement will be approximately S\$6.0 million.

The estimated net proceeds to be raised from the Placement, after deducting the estimated listing expenses, is approximately S\$4.0 million.

The allocation of the proceeds to each principal intended use and the estimated listing expenses is set out below:

	Estimated Amount <sup>(1)</sup> (S\$'000)	Estimated amount for each dollar of the gross proceeds from the Placement <sup>(1)</sup> (cents)
<b>Use of proceeds from the Placement</b>		
Enhancement of IT and services	2,000	33.34
Expansion of showrooms, workshops and after-sales services	1,200	20.00
General working capital purposes	800	13.33
<b>Net proceeds from the Placement</b>	4,000	66.67
<b>Estimated listing expenses</b>		
Listing and processing fees	101	1.68
Professional fees	1,666	27.77
Placement commission <sup>(2)</sup>	180	3.00
Miscellaneous expenses	53	0.88
<b>Total listing expenses<sup>(3)</sup></b>	2,000	33.33
<b>Gross proceeds from the Placement</b>	6,000	<b>100.00</b>

**Notes:**

- (1) Figures may not add up due to rounding.
- (2) The amount of placement commission per Placement Share, agreed upon between the Placement Agent and our Company is 3.0% of the Placement Price for each Placement Share. Please refer to the section entitled "Sponsorship, Management and Placement Arrangements" of this Offer Document for further details.
- (3) Of the total estimated listing expenses of approximately S\$2.0 million, approximately S\$193,000 will be capitalised against share capital and the balance of the estimated listing expenses will be charged to the profit and loss account of our Company.

### Use of Proceeds

Please refer to the section entitled "General Information on our Group – Business Strategies and Future Plans" of this Offer Document for further details on our use of proceeds. In particular, our future plans may be funded, apart from the net proceeds from the Placement, either through internally generated funds and/or external borrowings.

The discussion above represents our Company's best estimate of our allocation of the proceeds from the Placement based on our current plans and estimates regarding our anticipated expenditures. Actual expenditures may vary from these estimates and our Company may find it necessary or advisable to reallocate the proceeds within the categories described above or to use portions of the proceeds for other purposes. In the event that we decide to re-allocate the proceeds due to us from the Placement or use portions of our proceeds for other purposes, appropriate announcements will be made by our Company on the SGX-ST's website at <http://www.sgx.com>.

Pending the deployment of the net proceeds from the Placement in the manner described above, the funds may be placed in short term deposits with banks and financial institutions, used to invest in short term money market instruments and/or used for working capital requirements as our Directors may deem fit at their absolute discretion.



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## USE OF PROCEEDS AND LISTING EXPENSES

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As part of its terms of reference, our Audit and Risk Management Committee will monitor our use of the proceeds from the Placement. We will make periodic announcements on the use of the proceeds from the Placement as and when the proceeds are materially disbursed, and provide a status report on the use of the proceeds in our annual report(s) and results announcement(s).

Save as disclosed above in relation to the expansion of showrooms, workshops and after-sales services, none of the proceeds from the Placement will be used, directly or indirectly, to acquire or refinance the acquisition of another business or assets outside the ordinary course of business. As at the Latest Practicable Date, we have not identified any business or asset to be acquired in relation to the expansion of showrooms, workshops and after-sales services. None of the proceeds from the Placement will be used to discharge, reduce or retire any indebtedness of our Group.

In the reasonable opinion of our Directors, there is no minimum amount which must be raised from the Placement.

### **Listing Expenses**

The estimated amount of expenses of the application for listing, including listing and processing fees, professional fees, placement commission and all other incidental expenses in relation to this listing is approximately S\$2.0 million. Such expenses will be borne by us and deducted from the gross proceeds from the Placement.

## DILUTION

New investors subscribing for the Placement Shares ("**New Investors**") at the Placement Price will experience an immediate dilution to the extent of the difference between the Placement Price per Share and the NAV per Share immediately after the completion of the Placement. Dilution is determined by subtracting the NAV per Share immediately after the completion of the Placement from the Placement Price paid by the New Investors.

Our Pro Forma NAV per Share as at 30 September 2024 after adjusting for the estimated net proceeds from the Placement and based on the Company's share capital immediately after the Placement of 20,000,000 Shares, will be 20.68 cents per Share.

This represents an immediate increase in NAV per Share of 0.32 cents, or approximately 2%, to our existing Shareholders and an immediate dilution in NAV per Share of 8.88 cents, or approximately 30%, to New Investors subscribing for the Placement Shares. Such dilution is illustrated in the table below:

	<b>Cents</b>
Placement Price	30.00
Pro Forma NAV per Share as at 30 September 2024 based on the Company's pre-Placement share capital of 111,111,110 Shares	20.80
Increase in Pro Forma NAV per Share attributable to existing Shareholders	0.32
Pro Forma NAV per Share as at 30 September 2024 based on the Company's post-Placement share capital of 131,111,110 Shares <sup>(1)</sup>	21.12
Dilution in NAV per Share to New Investors	8.88
Dilution in NAV per Share to New Investors as a percentage of the Placement Price	29.6%

**Note:**

- (1) The computed NAV per Share after the Placement does not take into account our actual financial performance after 30 September 2024. Depending on our actual financial results, our NAV per Share may be higher or lower than the above computed NAV.

The following table summarises the total number of Shares acquired by our Directors, Substantial Shareholders and/or their Associates during the period of three (3) years prior to the date of lodgement of this Offer Document, or which they have the right to acquire, the total consideration paid by them and the average effective cash contribution per Share to them and to our New Investors pursuant to the Placement, and as adjusted for the Restructuring Exercise:

	<b>Number of Shares Acquired or to be Acquired</b>	<b>Total Consideration (S\$)</b>	<b>Average Effective Cash Contribution per Share (cents)<sup>(1)</sup></b>
<b>Directors, Substantial Shareholders and/or their respective Associates</b>			
Vin's Capital <sup>(2)</sup>	100,000,000	134,519 <sup>(3)</sup>	0.14
Loke Wai Ming	11,111,110	1,500,000 <sup>(4)</sup>	13.50
<b>New Investors</b>	20,000,000	6,000,000	30.00

**Notes:**

- (1) Rounded to the nearest two (2) decimal places.
- (2) Vin's Capital is an equity holding company incorporated in Singapore on 16 March 2021. Boong Lan Hiong, Vincent Khong and Galvin Khong are the shareholders of Vin's Capital, holding 50%, 30% and 20% of the shares in Vin's Capital respectively. Boong Lan Hiong, Vincent Khong and Galvin Khong are deemed to be interested in all the Shares held by Vin's Capital by virtue of Section 7 of the Singapore Companies Act.
- (3) Converted at the exchange rate of US\$1.00:S\$1.3504 for 39,340,800 Shares issued on 27 January 2022 and US\$1.00:S\$1.3418 for 60,659,200 Shares issued on 29 July 2024.
- (4) Consideration amount is based on the actual amount paid by Loke Wai Ming for the issuance of 11,111,110 Shares under the Subscription Agreement.

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## DILUTION

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Save as disclosed above and in the sections entitled “Restructuring Exercise” and “Share Capital” of this Offer Document, none of our Directors, Substantial Shareholders or their Associates has acquired any Shares, or entered into any transaction granting them the right to acquire any Shares, during the period from the date of incorporation of our Company on 27 January 2022 to the date of lodgement of this Offer Document with the SGX-ST, acting as an agent on behalf of the Authority.

## CAPITALISATION AND INDEBTEDNESS

The information in this table should be read in conjunction with the full text of this Offer Document, including the sections entitled “*Use of Proceeds and Listing Expenses*” and “*Management’s Discussion and Analysis of Results of Operations and Financial Position*” and our financial statements and the notes thereto set out in Appendices A and B of this Offer Document.

The table below sets forth the capitalisation and indebtedness of our Group as at 31 January 2025 which has been prepared:

- based on the unaudited combined management accounts of our Group as at 31 January 2025; and
- based on the unaudited combined management accounts of our Group as at 31 January 2025 and adjusted for the Restructuring Exercise and net proceeds from the Placement as described in the section entitled “*Use of Proceeds and Listing Expenses*” of this Offer Document.

	As at 31 January 2025	As at 31 January 2025 and adjusted for the Restructuring Exercise and net proceeds from the Placement
	(S\$’000)	(S\$’000)
<b>Cash and cash equivalents</b>	11,498	15,498
<b>Current indebtedness</b>		
Secured and guaranteed	43,301	43,301
<b>Non-current indebtedness</b>		
Secured and guaranteed	46,070	46,070
<b>Total indebtedness</b>	89,371	89,371
<b>Total shareholders’ equity</b>	21,756	27,563
<b>Total capitalisation and indebtedness</b>	111,127	116,934

Between 31 January 2025 and the Latest Practicable Date, there were no material changes to our capitalisation and indebtedness as disclosed above, save for the scheduled monthly repayments of our borrowings and changes in our working capital and retained earnings arising from the day-to-day operations in the ordinary course of business.

### Contingent Liabilities

As at the Latest Practicable Date, the Group does not have any material contingent liabilities.

## CAPITALISATION AND INDEBTEDNESS

### Credit Facilities

As at 30 September 2024, we have the following credit facilities:

Banking facilities <sup>(1)(2)(3)</sup>	Secured/unsecured	Amount of facilities granted (S\$'000)	Amount of facilities utilised as at 30 September 2024 (S\$'000)	Amount of facilities unutilised as at 30 September 2024 (S\$'000)	Amount of facilities unutilised as at Latest Practicable Date (S\$'000)	Amount outstanding as at 30 September 2024 (S\$'000)	Interest rates (% per annum)	Maturity profile
Floor stock financing	Secured	25,000	12,714	12,286	11,025	12,714	Prime rate + 0.65 to 1.25%; COF + 2.0%; 5.75%	2024
Term loans	Secured	13,482	13,446	36	36	4,682	COF +1% to 1.3%; SORA + 1% to 1.5%; 2.00% to 7.75%	2024 - 2034
Trade facilities	Secured	9,575	2,049	7,526	8,725	2,049	COF + 2.0% to 2.5%; Prime Rate + 0.75% to 1.0%	2024
Block discounting financing	Secured	93,500	56,151	37,349	48,363	56,151	1.45% to 3.75%	2024 - 2031
Hire purchase	Secured	15,085	6,511	677	6,327	3,182	1.88% to 3.00%	2024 - 2031
Revolving credit facilities	Secured	12,000	11,250	750	250	11,250	COF+1.25% to 2.0%; SORA+1.5% to 2.5%; 2.59%	2024
Corporate credit card, trust receipt, line of credit	Secured	200	1	199	186	1	N.A.	2024
Commercial property loan	Secured	4,129	3,927	202	202	3,722	COF+2.0%; SORA+1.5%; 3.78%	2031 - 2039

#### Notes:

- (1) The banks which have extended credit facilities to the Group Companies are DBS, Maybank, HL Bank, SIF, HSBC, SCB, UOB, RHB Bank Berhad, CIMB, OCBC, Singapore Finance, and Hong Leong Finance.
- (2) Our Group Companies had sought and obtained waivers from our banks in relation to past breaches of certain debt covenants: (i) credit of a minimum sum of sales proceeds to the Company's operating account with a lender; (ii) requirement for prior consent from the lenders for the creation of new securities and charges; and (iii) requirement from a lender to be informed of any listing plans and given the opportunity to provide a bid, and to match the best offer, for the provision of advice on the listing. Considering that our banks had waived compliance with the relevant loan covenants, and that the Company will be monitoring its loan covenants on a monthly basis, barring unforeseen circumstances, we do not foresee any difficulties in meeting its loan covenants after the Listing.
- (3) Our banks have confirmed that they have no objection to the Restructuring Exercise undertaken by our Group for the Listing and the Listing.

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## CAPITALISATION AND INDEBTEDNESS

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The above banking facilities are secured by (i) fixed and floating charges over assets of a subsidiary, (ii) charges over certain leases and buildings of a subsidiary, (iii) fixed deposits pledged as collateral, (iv) charges over our motor vehicles, (v) corporate guarantees by our subsidiary and (vi) personal guarantees from Directors and Substantial Shareholders. We intend, subject to the approval of the banks granting facilities to our Group, to procure the discharge of such personal guarantees by replacing the same with corporate guarantees by our Company following the listing of our Company on Catalist. Please refer to the section entitled “Interested Person Transactions – Present and On-going Interested Person Transactions” of this Offer Document for more details on the personal guarantees by Vincent Khong, Boong Lan Hiong and Galvin Khong.

To the best of our Directors’ knowledge, as at the Latest Practicable Date, save as disclosed above, we are not in breach of any of the terms and conditions or covenants associated with any credit facilities or our financial arrangements which could materially affect our financial position and results or business operations, or the investments of our Shareholders. Save as disclosed above and in the section entitled “Risk Factors - We are exposed to risks associated with debt financing”, there are no material terms and conditions in our credit facilities which impose restrictions on payment of dividends and/or are tied to our Directors and/or make references to the specific shareholding interest of any Controlling Shareholder. Following the listing of our Company on Catalist, the material loan covenants that would continue to apply include the following:

- (a) the requirement to maintain a certain amount of tangible net worth;
- (b) the requirement to maintain below a certain gearing ratio or other financial ratios;
- (c) the requirement to maintain a minimum level of shareholding held directly or indirectly by Singaporean(s) and/or Singapore permanent resident(s) as determined by the ultimate individual ownership and their active participation in the Group Company;
- (d) the requirement to dedicate a substantial portion of our sales proceeds to payments on our debts or maintenance of operating bank accounts;
- (e) restrictions on creating charges and securities over our Group’s assets to obtain new banking facilities and/or incurring additional indebtedness;
- (f) restrictions on encumbering or disposing its assets; and
- (g) restrictions on entering into transactions other than in the ordinary course of business and on arms’ length commercial terms.



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## DIVIDEND POLICY

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### PAST DIVIDENDS

Since incorporation, our Company has not declared or paid any dividends.

No dividends have been declared by our subsidiaries during the Track Record Period and from 1 October 2024 up to the Latest Practicable Date.

*Statements contained herein that are not historical facts are forward-looking statements. Such statements are subject to certain risks and uncertainties. Our actual results may differ significantly from those projected in the forward-looking statements. Under no circumstances should the inclusion of such forward-looking statements herein be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions by our Company, the Issue Manager, Full Sponsor and Placement Agent or any other person. Investors are cautioned not to place undue reliance on these forward-looking statements that speak only as at the date hereof. Please refer to the section entitled "Cautionary Note Regarding Forward-Looking Statements" of this Offer Document.*

### DIVIDEND POLICY

The Company does not have a fixed dividend policy. Notwithstanding this, subject to our performance and the availability of distributable profits, our Directors intend to recommend and distribute dividends to reward shareholders for their participation in our Group's growth.

For FY2024, our Directors plan to recommend the distribution of:

- (i) 50% of net profit after tax as an ordinary dividend, marking an inaugural return to Shareholders, and
- (ii) an additional 25% of net profit after tax as a special dividend as a one-time reward for Shareholders' support and confidence in our Group.

This planned distribution for FY2024 reflects our commitment to delivering value to shareholders while ensuring sufficient capital remains for reinvestment in our growth initiatives. Future dividend distributions will be assessed based on our financial performance, strategic priorities, and prevailing market conditions.

Under the terms and conditions of our banking facilities with some of our lenders, our Group Companies may not declare, pay or make any dividend or other distribution without the prior written consent of the respective lender. We will notify our lenders in writing and obtain their consent prior to the declaration of dividends for FY2024.

Investors should note that all the foregoing statements, including the statements on the proposed dividends, are merely statements of our present intention and shall not constitute legally binding statements in respect of our future dividends which may be subject to modification (including reduction or non-declaration thereof) at our Directors' sole and absolute discretion. Any dividends declared will be disclosed in our Company's financial results announcement as required by Appendix 7(C) of the Catalyst Rules.

The form, frequency and amount of future dividends that our Directors may recommend or declare in respect of any particular financial year or period will be subject to the factors outlined below as well as any other factors deemed relevant by our Directors:

- (a) the level of our cash and retained earnings;
- (b) our actual and projected financial performance;
- (c) our projected levels of capital expenditure and other investment plans;
- (d) our working capital requirements and general financing condition;

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## DIVIDEND POLICY

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- (e) restrictions on payment of dividends imposed on us by our financing arrangements (if any); and
- (f) the general economic and business conditions in countries in which we operate.

Our Company is a holding company incorporated in the Cayman Islands and our business is operated primarily through our Singapore subsidiaries. We rely mainly on dividends from our Singapore subsidiaries for our cash requirements. Therefore, our ability to pay dividends will be affected by the ability of our Singapore subsidiaries to declare and pay us dividends or other distributions.

Subject to the Cayman Islands Companies Act and the Articles of Association, our Company may declare an annual dividend subject to the approval of our Shareholders in a general meeting but no dividend shall be declared in excess of the amount recommended by our Directors. Our Directors may also declare an interim dividend without the approval of our Shareholders. All dividends will be paid in accordance with the Articles of Association and the laws of the Cayman Islands.

All dividends are paid pro-rata among the Shareholders in proportion to the amount paid up on each Shareholder's Shares, unless the rights attaching to an issue of any Share provide otherwise. Notwithstanding the foregoing, the payment by our Company to CDP of any dividend payable to a Shareholder whose name is entered in the Depository Register shall, to the extent of payment made to CDP, discharge our Company from any liability to that Shareholder in respect of that payment.

The amount of dividends declared and paid by us in the past should not be taken as an indication of the dividends payable in the future. Please refer to the section entitled "Risk Factors – We may be constrained from paying dividends on the Shares from time to time" of this Offer Document for further information. Investors should not make any inference from the foregoing statements as to our actual future profitability or our ability to pay any future dividends. There can be no assurance that dividends will be paid in the future or of the amount or timing of any dividends that will be paid in the future. Payment of any dividends and distributions shall be declared in S\$ and paid in S\$ to CDP on behalf of our Shareholders who maintain, either directly or through depository agents, Securities Accounts.

For information relating to taxes payable on dividends, please refer to "Appendix F – Taxation" of this Offer Document.

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## RESTRUCTURING EXERCISE

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In connection with the Placement, we undertook the Restructuring Exercise to rationalise and streamline our Group.

The following steps were taken during the Restructuring Exercise:

**1. Incorporation of our Company**

Our Company was incorporated on 27 January 2022 in Cayman Islands in accordance with the Cayman Islands Companies Act as an exempted company with limited liability with 1 Share issued and allotted to Vistra (Cayman) Limited at par value per share. On the same day, Vistra (Cayman) Limited transferred 1 Share to Vin's Capital and our Company further issued 39,340,799 Shares to Vin's Capital at par value per share. Subsequently, the issued and paid-up share capital of our Company became US\$39,340.80 (equivalent to approximately S\$53,126) comprising 39,340,800 Shares entirely held by Vin's Capital.

**2. Incorporation of Vin's Group**

Vin's Group was incorporated on 3 March 2022 with limited liability in BVI in accordance with the BVI Business Companies Act, 2004 with 1 ordinary share issued and allotted to our Company.

**3. Incorporation of Vin's Automotive Group**

Vin's Automotive Group was incorporated on 4 April 2022 under the laws of Singapore as a private company limited by shares with 1 ordinary share issued and allotted to Vin's Group.

**4. Issuance of Shares to Vin's Capital**

On 29 July 2024, our Company issued 60,659,200 Shares to Vin's Capital, for a consideration of US\$60,659.20 (or approximately S\$81,393). Following such issuance of Shares, the issued and paid-up share capital of our Company became US\$100,000.00 (or approximately S\$134,519), comprising 100,000,000 Shares.

**5. Increase of Authorised Share Capital of the Company**

On 29 August 2024, the authorised share capital of the Company was increased from US\$100,000.00 divided into 100,000,000 shares to US\$1,000,000.00 divided into 1,000,000,000 shares.

**6. Issuance of Shares to Loke Wai Ming**

On 6 September 2024, our Company entered into the Subscription Agreement with Loke Wai Ming for the issue of 11,111,110 Shares to Loke Wai Ming, for a consideration of S\$1,500,000. The share issuance was effected on 19 September 2024 and following such issuance of Shares, the issued and paid-up share capital of our Company became US\$111,111.11 (or approximately S\$148,911), comprising 111,111,110 Shares. The proceeds from the share issuance may be used for payment of expenses incurred in connection with the Placement and for general working capital purpose.

Under the terms and conditions of the Subscription Agreement:

- (a) Loke Wai Ming has the right to appoint one (1) Executive Director to the Board, subject to the continuing satisfaction of the Board (including the Nominating Committee or equivalent body), and where applicable, the SGX-ST, and the Sponsor, of his suitability and eligibility to act as the Executive Director of the Company. However, such right will cease upon the listing of the Company on the Catalist.
- (b) Loke Wai Ming acknowledges that in connection with the Listing, due diligence checks will be conducted on him to ascertain suitability as a director and agrees to extend all relevant cooperation to the Company.

## RESTRUCTURING EXERCISE

- (c) Loke Wai Ming, our Company and Vincent Khong agree that the Company shall not be liable in the event Loke Wai Ming's directorship is terminated by events beyond the control of the Company.

Loke Wai Ming was appointed as a Director of our Company on 25 September 2024.

### 7. Share Swap

On 21 February 2025, Vin's Automotive Group (an indirect wholly-owned subsidiary of our Company) entered into a Share Swap Agreement with each of the sellers set out below, pursuant to which Vin's Automotive Group acquired all of the issued share capital of the Group Companies set out below, in return for the issue and allotment of an aggregate of 8,890,000 new ordinary shares in the capital of Vin's Automotive Group ("**Consideration Shares**"):

Seller	Group Company	Number of ordinary shares acquired by our Company	Percentage of shares acquired	Number of Consideration Shares issued to the relevant Seller
Vincent Khong	Vin's Auto	1,150,000	38%	1,150,000
Boong Lan Hiong		1,350,000	45%	1,350,000
Galvin Khong		500,000	17%	500,000
Vincent Khong	Vin's Motor	150,000	28%	150,000
Boong Lan Hiong		350,000	66%	350,000
Galvin Khong		30,000	6%	30,000
Vincent Khong	Vin's Credit	1,050,000	25%	1,050,000
Boong Lan Hiong		2,250,000	54%	2,250,000
Galvin Khong		900,000	21%	900,000
Boong Lan Hiong	Vin's Car Rental	140,000	70%	140,000
Galvin Khong		60,000	30%	60,000
Vincent Khong	K & V Car Rental	380,000	50%	380,000
Boong Lan Hiong		380,000	50%	380,000
Vincent Khong	Vin's Leasing	140,000	70%	140,000
Galvin Khong		60,000	30%	60,000

The aggregate consideration for the sale and acquisition of the entire share capital of the Group Companies set out above is S\$8,890,000 ("**Consideration**"), arrived at on a willing buyer-willing seller basis based on the share capital of each relevant subsidiary.

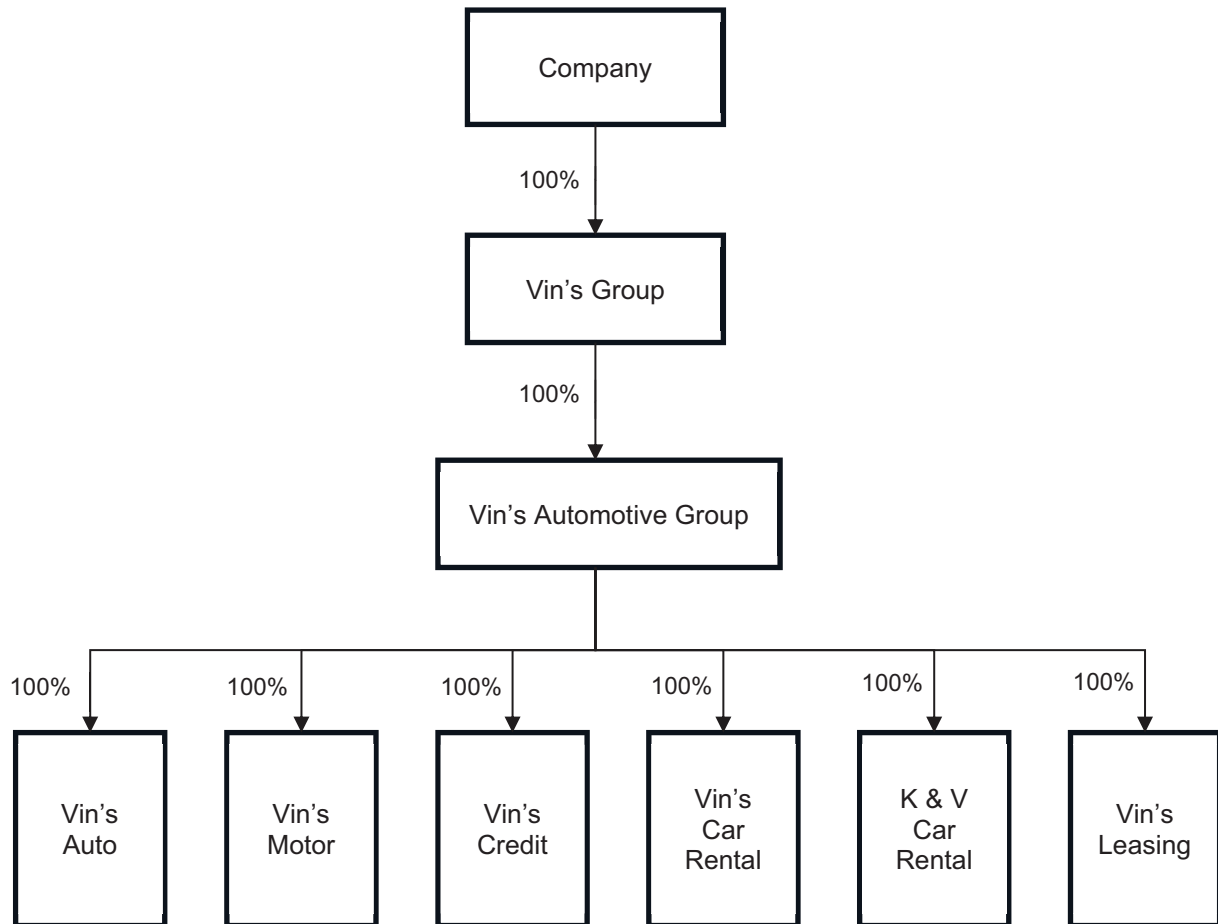
The sellers in turn unanimously nominated Vin's Group as the allottee of the Consideration Shares, such that Vin's Group solely holds all the Consideration Shares as the legal and beneficial owner of such Shares, to achieve our existing Group structure as at the date of this Offer Document. Please refer to the section entitled "Group Structure" of this Offer Document for more information.

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## GROUP STRUCTURE

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The following diagram summarises our group structure as at the date of this Offer Document:



Please refer to the section entitled “General Information on our Group – Our Subsidiaries” of this Offer Document for further details on our subsidiaries as at the date of this Offer Document.

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## SHARE CAPITAL

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Our Company was incorporated in Cayman Islands on 27 January 2022 under the laws of the Cayman Islands as an exempted company with limited liability under the name of “Vin’s Holdings Ltd”. Our Company’s registration number is 386652.

As at the date of incorporation, the issued and paid-up share capital of our Company was US\$39,340.80 (equivalent to approximately S\$53,126) comprising 39,340,800 Shares held by Vin’s Capital (including 1 Share transferred from Vistra (Cayman) Limited to Vin’s Capital and 39,340,799 Shares allotted to Vin’s Capital by the Company).

On 29 July 2024, 60,659,200 Shares were allotted to Vin’s Capital by the Company and the resultant issued and paid-up share capital of the Company was increased to US\$100,000.00.

On 29 August 2024, the authorised share capital of the Company was increased from US\$100,000.00 divided into 100,000,000 shares to US\$1,000,000.00 divided into 1,000,000,000 shares.

On 19 September 2024, 11,111,110 Shares were allotted to Loke Wai Ming by our Company and the resultant issued and paid-up share capital of the Company was increased to US\$111,111.11.

Pursuant to the written resolutions passed on 7 March 2025 and 14 March 2025, our then Shareholders approved, among others, the following:

- (a) the adoption of a new set of Articles of Association effective from the listing and quotation of all the issued Shares, the Placement Shares and the Award Shares to be allotted and issued (if any) on Catalist;
- (b) the allotment and issue of the Placement Shares pursuant to the Placement, which when allotted, issued and fully paid, will rank *pari passu* in all respects with the existing issued Shares;
- (c) the approval of the listing and quotation of all the issued Shares, the Placement Shares and the Award Shares to be allotted and issued (if any) on Catalist;
- (d) the adoption of the Vin’s PSP and the authorisation of our Directors, pursuant to the Articles of Association, to allot and issue Shares pursuant to awards granted under the Vin’s PSP;
- (e) the authorisation for our Directors, pursuant to the Catalist Rules to: (a)(i) issue (in addition to the Placement Shares) new Shares whether by way of rights, bonus or otherwise; and/or (ii) make or grant offers, agreements or options (collectively “**Instruments**”) that might or would require new Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into new Shares, at any time and upon such terms and conditions and for such purposes and to such persons as our Directors may in their absolute discretion deem fit; and (b) (notwithstanding this authorisation conferred may have ceased to be in force) issue new Shares in pursuance of any Instruments made or granted by our Directors while this authorisation was in force, provided that:
  - (1) the aggregate number of new Shares (including new Shares to be issued in pursuance of the Instruments, made or granted pursuant to this authorisation) and Instruments to be issued pursuant to this authorisation shall not exceed 100.0% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of new Shares to be issued (including new Shares to be issued pursuant to the Instruments) other than on a *pro rata* basis to existing Shareholders shall not exceed 50.0% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);



## SHARE CAPITAL

- (2) (subject to such calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of new Shares (including new Shares to be issued pursuant to the Instruments) that may be issued under sub-paragraph (1) above, the percentage of new Shares that may be issued shall be based on the issued share capital of our Company after the Placement (excluding treasury shares and subsidiary holdings), after adjusting for: (a) new Shares arising from the conversion or exercise of the Instruments or any convertible securities; (b) new Shares arising from exercising share options or vesting of share options outstanding and subsisting at the time of the passing of this authority; and (c) any subsequent bonus issue, consolidation or sub-division of Shares; and
- (3) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until (i) the conclusion of the next annual general meeting of the Company, or (ii) the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier.

As at the date of this Offer Document, our Company has only one (1) class of shares, being ordinary shares. The rights and privileges of our Shares are stated in our Articles of Association. There is no founder, management or deferred shares. Except for the Vin's PSP, as at the Latest Practicable Date, no person has been, or is entitled to be, given an option to subscribe for or purchase any securities of our Company or our subsidiaries.

As at the date of this Offer Document, the issued and paid-up share capital of our Company is US\$111,111.11 comprising 111,111,110 Shares. Upon the allotment and issue of the Placement Shares, the resultant issued and paid-up share capital of our Company will be approximately US\$131,111.11 comprising 131,111,110 Shares.

Details of the changes in the issued and paid-up share capital of our Company since incorporation and immediately after the Placement are as follows:

	Number of Shares	Issued and Paid-up Share Capital (US\$)
Issued and paid-up Shares as at incorporation on 27 January 2022	39,340,800	39,340.80
Issue of Shares to Vin's Capital on 29 July 2024	60,659,200	60,659.20
Issue of Shares to Loke Wai Ming on 19 September 2024 pursuant to the Subscription Agreement	11,111,110	11,111.11
Issue of Placement Shares pursuant to the Placement	20,000,000	20,000.00
Post-Placement and paid-up share capital	<u>131,111,110</u>	<u>131,111.11</u>

Save as disclosed above and in the section entitled "General and Statutory Information – Changes in Share Capital" of this Offer Document, there have been no other changes in the issued and paid-up share capital of our Company since the date of our incorporation.

Save as set out in this section and in the section entitled "General and Statutory Information – Changes in Share Capital" of this Offer Document, there were no changes in the issued and paid-up share capital of our Company and our subsidiaries within the three (3) years preceding the Latest Practicable Date.

## SHAREHOLDERS

### SHAREHOLDING AND OWNERSHIP STRUCTURE

The shareholdings of our Directors and Substantial Shareholders immediately before and after the Placement are set out below:

	Immediately before the Placement				Immediately after the Placement			
	Direct Interest		Deemed Interest		Direct Interest		Deemed Interest	
	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%
<b>Directors</b>								
Vincent Khong <sup>(1)</sup>	–	–	100,000,000 <sup>(5)</sup>	90.0	–	–	100,000,000 <sup>(5)</sup>	76.3
Galvin Khong <sup>(2)</sup>	–	–	100,000,000 <sup>(5)</sup>	90.0	–	–	100,000,000 <sup>(5)</sup>	76.3
Loke Wai Ming	11,111,110 <sup>(6)</sup>	10.0	–	–	11,111,110 <sup>(6)</sup>	8.5	–	–
Kong Kian Siong	–	–	–	–	–	–	–	–
Liew Chok San	–	–	–	–	–	–	–	–
He Dingding	–	–	–	–	–	–	–	–
Lu Beilin	–	–	–	–	–	–	–	–
<b>Substantial Shareholders (other than Directors)</b>								
Vin's Capital <sup>(3)</sup>	100,000,000	90.0	–	–	100,000,000	76.3	–	–
Boong Lan Hiong <sup>(4)</sup>	–	–	100,000,000 <sup>(5)</sup>	90.0	–	–	100,000,000 <sup>(5)</sup>	76.3
<b>Other Shareholders</b>								
Public	–	–	–	–	20,000,000	15.2	–	–
<b>Total</b>	<b>111,111,110</b>	<b>100.0</b>	<b>–</b>	<b>–</b>	<b>131,111,110</b>	<b>100.0</b>	<b>–</b>	<b>–</b>

**Notes:**

- (1) Vincent Khong is the father of Galvin Khong and the spouse of Boong Lan Hiong.
- (2) Galvin Khong is the son of Vincent Khong and Boong Lan Hiong.
- (3) Vin's Capital is an equity holding company incorporated in Singapore on 16 March 2021. Vincent Khong, Galvin Khong and Boong Lan Hiong are the shareholders of Vin's Capital, holding 30%, 20% and 50% of the shares in Vin's Capital respectively. Vincent Khong, Galvin Khong and Boong Lan Hiong are deemed to be interested in all the Shares held by Vin's Capital by virtue of Section 7 of the Singapore Companies Act.
- (4) Boong Lan Hiong is the spouse of Vincent Khong and the mother of Galvin Khong.
- (5) For the issuance of Shares to Vin's Capital, please refer to steps 1 and 4 of the section entitled "Restructuring Exercise" of this Offer Document.
- (6) For the issuance of Shares to Loke Wai Ming, please refer to step 6 of the section entitled "Restructuring Exercise" of this Offer Document.

The Shares held by our Directors and Substantial Shareholders do not carry different voting rights from the Placement Shares which are the subject of the Placement.

Save as disclosed above, our Company is not directly or indirectly owned or controlled, whether severally or jointly, by any corporation, person or government.

There is no known arrangement, the operation of which may, at a subsequent date, result in a change in the control of our Company.

There has not been any public take-over offer by a third party in respect of our Shares or by our Company in respect of shares of another corporation or units of a business trust which has occurred between the date of incorporation of our Company and the Latest Practicable Date.

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## SHAREHOLDERS

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### SIGNIFICANT CHANGES IN THE PERCENTAGE OF OWNERSHIP

Save as disclosed under the sections entitled “Share Capital”, “Restructuring Exercise”, “Dilution” and “Shareholders” of this Offer Document, there were no significant changes in the percentage of ownership of the Shares in our Company within the three (3) years preceding the Latest Practicable Date.

### MORATORIUM

As at the date of this Offer Document, Vin’s Capital directly holds 100,000,000 Shares and Loke Wai Ming directly holds 11,111,110 Shares.

Vin’s Capital and Loke Wai Ming have given moratorium undertakings in respect of the Shares which it/he legally and/or beneficially owns, as at the date of its undertakings and which it/he will own immediately after the Placement (“**Moratorium Shares**”).

Each of Vin’s Capital and Loke Wai Ming, has given an undertaking to our Company, the Issue Manager, Full Sponsor and Placement Agent that it/he, will not, in respect of any or all of its respective Moratorium Shares, for a period of six (6) months commencing from the Listing Date (“**First Moratorium Period**”), directly or indirectly:

- (a) reduce its/his effective shareholding interest in our Company below the level of such effective interest which it/he will own as at the date of admission of our Company to Catalist;
- (b) sell, contract to sell, offer, realise, transfer, assign, pledge, grant any option or right to purchase, sell any option or contract to purchase, purchase any option or contract to sell, grant any security over, encumber (such as by way of mortgage, assignment of rights, charge, pre-emption rights, rights of first refusal or otherwise) or otherwise transfer or dispose of any or all of its/his respective Moratorium Shares or any other securities of our Company or any subsidiary of our Company (including any securities convertible into or exercisable or exchangeable for or which carry rights to subscribe for or purchase any or all of its/his respective Moratorium Shares or any other securities of the Company or any subsidiary of the Company), whether such transaction is settled by delivery of such Moratorium Shares or such other securities, in cash or otherwise;
- (c) enter into any agreement, transaction or arrangement (including any swap, hedge or derivative transaction) that will directly or indirectly constitute or will be deemed as a disposal of or transfer (in whole or in part) with a similar effect (economic or otherwise) to the foregoing, including any swap, hedge or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of any or all of its/his respective Moratorium Shares or any other securities of our Company or any subsidiary of our Company (including any securities convertible into or exercisable or exchangeable for or which carry rights to subscribe for or purchase any or all of its/his respective Moratorium Shares or any other securities of our Company or any subsidiary of our Company), whether such swap, hedge, agreement, transaction or arrangement is settled by delivery of such Moratorium Shares or such other securities, in cash or otherwise;
- (d) deposit any or all of its/his respective Moratorium Shares or any other securities of our Company or any subsidiary of our Company (including any securities convertible into or exercisable or exchangeable for or which carry rights to subscribe for or purchase any or all of its/his respective Moratorium Shares or any other securities of our Company or any subsidiary of our Company) in any depository receipt facilities, whether any such transaction described above is to be settled by the delivery of such Moratorium Shares or such other securities, in cash or otherwise;
- (e) enter into any transaction or arrangement which is designed or which may reasonably be expected to result in or have the same effect (economic or otherwise) as (in whole or in part) any of the above; or
- (f) offer or agree to make any announcement with respect to any of the foregoing transactions or publicly disclose any intention to do any of the above,

(collectively, “**Restrictions**”).

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## SHAREHOLDERS

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Each of Vin's Capital and Loke Wai Ming has also undertaken to comply with the Restrictions in respect of 50.0% of its/his respective Moratorium Shares as at the Listing Date for the next six (6) month period after the First Moratorium Period.

Each of Vincent Khong, Boong Lan Hiong and Galvin Khong, being the shareholders of Vin's Capital, has given an undertaking to our Company, the Issue Manager, Full Sponsor and Placement Agent that he/she, will not, in respect of any or all of his/her shares in Vin's Capital, for a period of twelve (12) months commencing from the date of admission of our Company to Catalist, directly or indirectly:

- (a) reduce his/her effective shareholding interest in Vin's Capital below the level of such effective interest as at the date of admission of our Company to Catalist;
- (b) sell, contract to sell, offer, realise, transfer, assign, pledge, grant any option or right to purchase, sell any option or contract to purchase, purchase any option or contract to sell, grant any security over, encumber (such as by way of mortgage, assignment of rights, charge, pre-emption rights, rights of first refusal or otherwise) or otherwise transfer or dispose of any or all of his/her shares in Vin's Capital or any other securities of Vin's Capital (including any securities convertible into or exercisable or exchangeable for or which carry rights to subscribe for or purchase any or all of his/her shares in Vin's Capital or any other securities of Vin's Capital), whether such transaction is settled by delivery of such shares in Vin's Capital or such other securities, in cash or otherwise;
- (c) enter into any agreement, transaction or arrangement (including any swap, hedge or derivative transaction) that will directly or indirectly constitute or will be deemed as a disposal of or transfer (in whole or in part) with a similar effect (economic or otherwise) to the foregoing, including any swap, hedge or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of any or all of his/her shares in Vin's Capital or any other securities of Vin's Capital (including any securities convertible into or exercisable or exchangeable for or which carry rights to subscribe for or purchase any or all of his/her shares in Vin's Capital or any other securities of Vin's Capital), whether such swap, hedge, agreement, transaction or arrangement is settled by delivery of such shares in Vin's Capital or such other securities, in cash or otherwise;
- (d) deposit any or all of his/her shares in Vin's Capital or any other securities of Vin's Capital (including any securities convertible into or exercisable or exchangeable for or which carry rights to subscribe for or purchase any or all of his/her shares in Vin's Capital or any other securities of Vin's Capital) in any depository receipt facilities, whether any such transaction described above is to be settled by the delivery of such shares in Vin's Capital or such other securities, in cash or otherwise;
- (e) enter into any transaction or arrangement which is designed or which may reasonably be expected to result in or have the same effect (economic or otherwise) as (in whole or in part) any of the above; or
- (f) offer or agree to make any announcement with respect to any of the foregoing transactions or publicly disclose any intention to do any of the above.

## SUMMARY OF OUR FINANCIAL INFORMATION

The following selected financial information of our Group should be read in conjunction with the full text of this Offer Document, including the “Independent Auditor’s Report on the Combined Financial Statements for the Financial Years ended 31 December 2021, 2022 and 2023 and Nine Months Period ended 30 September 2024 of Vin’s Holdings Ltd and its Subsidiaries” and “Independent Auditor’s Assurance Report on the Compilation of Unaudited Pro Forma Combined Financial Information for the Financial Year ended 31 December 2023 and the Nine Months Period ended 30 September 2024 of Vin’s Holdings Ltd and its Subsidiaries” as set out in Appendices A and B, respectively, of this Offer Document and the “Management’s Discussion and Analysis of Results of Operations and Financial Position” section of this Offer Document.

### Combined Statements of Comprehensive Income

S\$'000	Audited			Unaudited	Audited
	FY2021	FY2022	FY2023	9M2023	9M2024
Revenue	75,391	91,838	106,429	82,799	83,689
Cost of sales	(67,796)	(82,437)	(94,363)	(74,150)	(72,854)
Gross profit	7,595	9,401	12,066	8,649	10,835
Other income	250	397	867	584	639
Selling and marketing expenses	(714)	(884)	(1,088)	(835)	(769)
Administrative expenses	(3,417)	(4,252)	(6,290)	(4,240)	(6,069)
Other operating expenses	(92)	(185)	–	–	(22)
Finance expenses	(504)	(972)	(1,519)	(1,165)	(1,470)
Net allowance for expected credit losses	(192)	(218)	(392)	(173)	(422)
<b>Profit before income tax</b>	<b>2,926</b>	<b>3,287</b>	<b>3,644</b>	<b>2,820</b>	<b>2,722</b>
Income tax expense	(460)	(512)	(375)	(330)	(680)
<b>Profit and total comprehensive income for the year/period</b>	<b>2,466</b>	<b>2,775</b>	<b>3,269</b>	<b>2,490</b>	<b>2,042</b>
<b>Profit and total comprehensive income of the year/period attributable to:</b>					
Equity holders of the Company	2,466	2,775	3,269	2,490	2,042
Pre-placement EPS <sup>(1)</sup> (cents)	2.22	2.50	2.94	2.24	1.84
Post-placement EPS <sup>(2)</sup> (cents)	1.88	2.12	2.49	1.90	1.56

#### Notes:

- (1) For comparative purposes, our pre-Placement EPS for the Track Record Period has been computed based on net profit for the financial year/period attributable to equity holders of the Company and our pre-Placement share capital of 111,111,110 Shares.
- (2) For comparative purposes, our post-Placement EPS for the Track Record Period has been computed based on the profit for the year/period attributable to equity holders of the Company and our post-Placement share capital of 131,111,110 Shares.

## SUMMARY OF OUR FINANCIAL INFORMATION

### Combined Statement of Financial Position

S\$'000	Audited As at 31 December 2023	Audited As at 30 September 2024
<b>ASSETS</b>		
<b><u>Non-current assets</u></b>		
Property, plant and equipment	12,987	14,881
Investment property	970	955
Intangible assets	54	52
Trade and other receivables	47,012	48,595
<b>Total non-current assets</b>	<b>61,023</b>	<b>64,483</b>
<b><u>Current assets</u></b>		
Inventories	12,588	18,688
Trade and other receivables	19,393	23,683
Financial assets, at fair value through profit and loss	1,365	1,363
Cash and cash equivalents	13,309	14,352
<b>Total current assets</b>	<b>46,655</b>	<b>58,086</b>
<b>Total Assets</b>	<b>107,678</b>	<b>122,569</b>
<b>EQUITY AND LIABILITIES</b>		
<b><u>Equity attributable to owners</u></b>		
Share capital	8,943	9,039
Share Premium	–	1,486
Retained earnings	10,699	12,740
<b>Total equity</b>	<b>19,642</b>	<b>23,265</b>
<b><u>Non-current liabilities</u></b>		
Contract liabilities	85	65
Deferred tax liabilities	63	198
Borrowings	48,351	49,250
Lease liabilities	252	368
<b>Total non-current liabilities</b>	<b>48,751</b>	<b>49,881</b>
<b><u>Current liabilities</u></b>		
Trade and other payables	2,497	3,495
Contract liabilities	66	55
Borrowings	35,893	44,863
Lease liabilities	430	463
Current tax liabilities	399	547
<b>Total current liabilities</b>	<b>39,285</b>	<b>49,423</b>
<b>Total liabilities</b>	<b>88,036</b>	<b>99,304</b>
<b>Total equity and liabilities</b>	<b>107,678</b>	<b>122,569</b>
NAV per share (cents) <sup>(1)</sup>	17.68	20.94

**Note:**

- (1) The NAV per Share as at 31 December 2023 and 30 September 2024 has been computed based on our pre-Placement share capital of 111,111,110 Shares.



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## SUMMARY OF OUR FINANCIAL INFORMATION

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### Unaudited Pro Forma Combined Financial Information

*The following selected pro forma combined financial information should be read in conjunction with the full text of this Offer Document, including the section entitled “Management’s Discussion and Analysis of Results of Operations and Financial Position” of this Offer Document and the “Independent Auditor’s Report on the Combined Financial Statements for the Financial Years ended 31 December 2021, 2022 and 2023 and Nine Months Period ended 30 September 2024 of Vin’s Holdings Ltd and its Subsidiaries” and “Independent Auditor’s Assurance Report on the Compilation of Unaudited Pro Forma Combined Financial Information for the Financial Year ended 31 December 2023 and the Nine Months Period ended 30 September 2024 of Vin’s Holdings Ltd and its Subsidiaries” as set out in Appendices A and B to this Offer Document respectively.*

### Basis of preparation for the unaudited pro forma combined financial information

The summary unaudited pro forma combined financial information for FY2023 and 9M2024 has been prepared, for illustrative purposes only and based on certain assumptions and after making certain adjustments for the transactions as below (the “**Significant Events**”) to show what (i) the unaudited pro forma combined statements of financial position of the Group as at 31 December 2023 and 30 September 2024 would have been if the Significant Events had occurred as at 31 December 2023 and 30 September 2024; and (ii) the unaudited pro forma combined statements of comprehensive income and cash flows of the Group for the financial year ended 31 December 2023 and the nine months period ended 30 September 2024 would have been if the Significant Events had occurred on 1 January 2023.

The Significant Events are:

1. On 16 July 2024, our subsidiary, Vin’s Credit, received the Temporary Occupation Permit for the property located in 1 Kampong Ampat #02-12, One KA @ Macpherson, Singapore 368314. This purchase of the property was financed by a bank loan amounting to S\$1,616,800, of which S\$505,250 and S\$909,450 of bank proceeds were received before 31 December 2023 and before 30 September 2024 respectively.
2. On 29 July 2024, the Company issued 60,659,200 Shares for consideration of US\$60,659.20 (approximately S\$81,393) to Vin’s Capital. On 9 December 2024, a consideration of approximately S\$134,519 was received from Vin’s Capital for the allotment and issuance of 39,340,800 Shares (including the transfer of 1 Share from Vistra (Cayman) Limited to Vin’s Capital) and 60,659,200 Shares on 27 January 2022 and 29 July 2024 respectively. The time elapsed between the issuance of Shares to Vin’s Capital on 27 January 2022 and 29 July 2024 and the consideration received by the Company on 9 December 2024 was due to the Company not making a call for the consideration until 9 December 2024, as there is no fixed timeline to make such a call and the call can be made at the discretion of the Board at any time.
3. The Company agreed to issue 11,111,110 Shares to Loke Wai Ming for a consideration of S\$1,500,000.00. The consideration for the 11,111,110 Shares was received by the Company on 17 July 2024, the Subscription Agreement was formally signed on 6 September 2024, and on 19 September 2024, the Company issued 11,111,110 Shares to Loke Wai Ming with par value of US\$11,111.11 (approximately S\$14,392). The balance of approximately S\$1,485,608 was recorded as share premium. The gap between the receipt of consideration by the Company on 17 July 2024 and the issuance of Shares to Loke Wai Ming on 19 September 2024 was due to the need to increase the authorised share capital of the Company which was completed on 29 August 2024, pursuant to which the authorised share capital of the Company was increased from US\$100,000.00 divided into 100,000,000 shares of a nominal or par value of US\$0.001 each to US\$1,000,000.00 divided into 1,000,000,000 shares of a nominal or par value of US\$0.001 each, so that the 11,111,110 Shares can be issued to Loke Wai Ming. Please refer to the sections entitled “Restructuring Exercise” and “Share Capital” of this Offer Document for more details.

## SUMMARY OF OUR FINANCIAL INFORMATION

The Pro Forma Report is not necessarily indicative of the financial position, financial performance and cash flows of our Group that would have been attained had the Significant Events actually occurred on those dates. The Pro Forma Report has been prepared for illustrative purposes only and, because of its nature, may not give a true picture of our Group's actual financial position, financial performance or cash flows.

### Unaudited Pro Forma Combined Statement of Comprehensive Income

	Pro Forma	
	FY2023	9M2024
	S\$'000	S\$'000
Revenue	106,429	83,689
Cost of sales	(94,363)	(72,855)
Gross profit	12,066	10,834
Other income	867	639
Selling and marketing expenses	(1,088)	(769)
Administrative expenses	(6,343)	(6,109)
Net allowance for expected credit losses	(392)	(422)
Finance expenses	(1,579)	(1,487)
Other operating expenses	—	(22)
<b>Profit before tax</b>	<b>3,531</b>	<b>2,664</b>
Tax expense	(365)	(676)
<b>Profit and total comprehensive income for the year/ period</b>	<b>3,166</b>	<b>1,988</b>
<b>Profit and total comprehensive income attributable to:</b>		
Equity holders of the Company	<b>3,166</b>	<b>1,988</b>
Pre-Placement EPS (cents) <sup>(1)</sup>	2.85	1.79
Post-Placement EPS (cents) <sup>(2)</sup>	2.41	1.52

#### Notes:

- (1) For comparative purposes, our pre-Placement EPS for the Track Record Period have been computed based on the profit for the financial year/period and the pre-Placement share capital of 111,111,110 Shares.
- (2) For comparative purposes, our post-Placement EPS for the Track Record Period have been computed based on the profit for the financial year/period and the post-Placement share capital of 131,111,110 Shares.

## SUMMARY OF OUR FINANCIAL INFORMATION

### Unaudited Pro Forma Combined Statement of Financial Position

	31 December 2023 S\$'000	30 September 2024 S\$'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	15,010	14,789
Investment property	970	955
Intangible assets	54	52
Trade and other receivables	47,012	48,595
<b>Total non-current assets</b>	<b>63,046</b>	<b>64,391</b>
<b>Current assets</b>		
Inventories	12,588	18,688
Trade and other receivables	18,375	23,549
Financial assets, at fair value through profit or loss	1,365	1,363
Cash and cash equivalents	14,751	14,217
<b>Total current assets</b>	<b>47,079</b>	<b>57,817</b>
<b>Total assets</b>	<b>110,125</b>	<b>122,208</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	9,039	9,039
Share premium	1,486	1,486
Retained earnings	10,595	12,583
<b>Total equity</b>	<b>21,120</b>	<b>23,108</b>
<b>Non-current liabilities</b>		
Borrowings	49,261	49,250
Contract liabilities	85	65
Lease liabilities	252	368
Deferred tax liabilities	63	198
<b>Total non-current liabilities</b>	<b>49,661</b>	<b>49,881</b>
<b>Current liabilities</b>		
Borrowings	35,761	44,672
Contract liabilities	66	55
Lease liabilities	430	463
Trade and other payables	2,699	3,495
Current tax liabilities	388	534
<b>Total current liabilities</b>	<b>39,344</b>	<b>49,219</b>
<b>Total liabilities</b>	<b>89,005</b>	<b>99,100</b>
<b>Total equity and liabilities</b>	<b>110,125</b>	<b>122,208</b>
NAV per Share (cents) <sup>(1)</sup>	19.01	20.80

**Note:**

- (1) Our pro forma NAV per Share as at 31 December 2023 and 30 September 2024 have been computed based on the total equity as at 31 December 2023 and as at 30 September 2024 respectively and the pre-Placement share capital of 111,111,110 Shares.

## SUMMARY OF OUR FINANCIAL INFORMATION

### Unaudited Pro Forma Combined Statement of Cash Flows

	FY2023 S\$'000	9M2024 S\$'000
<b>Cash flows from operating activities</b>		
Profit before tax	3,531	2,664
Adjustments for:-		
- Depreciation of property, plant and equipment	2,176	1,666
- Depreciation of investment property	20	15
- Amortisation of intangible asset	3	2
- Property, plant and equipment written off	–	20
- Allowance for impairment losses on trade receivables	392	422
- Gain on disposal of property plant and equipment	(189)	(34)
- Interest expense	1,579	1,487
- Interest income	(129)	(70)
- Fair value gain on financial assets at FVPL	(13)	2
Operating cash flows before movements in working capital	7,370	6,174
- Inventories	4,854	(6,100)
- Trade and other receivables	(18,015)	(7,179)
- Trade and other payables	(302)	896
- Contract liabilities	(10)	(30)
- Block discounting loan	15,556	3,512
Cash generated from operations	9,453	(2,727)
- Interest received	129	71
- Income tax paid	(489)	(396)
<b>Net cash generated from/(used in) operating activities</b>	<b>9,093</b>	<b>(3,052)</b>
<b>Cash flows from investing activities</b>		
- Acquisition of property, plant and equipment	(4,454)	(2,023)
- Proceeds from disposal of property, plant and equipment	1,487	1,109
<b>Net cash (used in) investing activities</b>	<b>(2,967)</b>	<b>(914)</b>
<b>Cash flows from financing activities</b>		
- Proceeds from issuance of shares	1,581	–
- Changes in fixed deposit pledged	(161)	(512)
- Repayments of secured bank loans and hire purchase borrowings	(9,857)	(13,199)
- Proceeds from secured bank loans and hire purchase borrowings	8,250	18,587
- Interest paid	(1,551)	(1,469)
- Repayments of lease liabilities	(553)	(368)
- Interest expense on lease liabilities	(29)	(18)
- Repayment to a related party	(100)	(100)
<b>Net cash (used in)/generated from financing activities</b>	<b>(2,420)</b>	<b>2,921</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>3,706</b>	<b>(1,045)</b>
Cash and cash equivalents at the beginning of the financial year/period	5,883	9,589
<b>Cash and cash equivalents at the end of the financial year/period</b>	<b>9,589</b>	<b>8,544</b>

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## MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

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*The following discussion of the results of operations and financial position has been prepared by our management and should be read in conjunction with the full text of this Offer Document, including the "Independent Auditor's Report on the Combined Financial Statements for the Financial Years ended 31 December 2021, 2022 and 2023 and Nine Months Period ended 30 September 2024 of Vin's Holdings Ltd and its Subsidiaries" and "Independent Auditor's Assurance Report on the Compilation of Unaudited Pro Forma Combined Financial Information for the Financial Year ended 31 December 2023 and the Nine Months Period ended 30 September 2024 of Vin's Holdings Ltd and its Subsidiaries" as set out in Appendices A and B of this Offer Document respectively.*

*This discussion contains forward-looking statements that involve risks and uncertainties. Our actual results may differ significantly from those projected in the forward-looking statements. Factors that might cause our future results to differ significantly from those projected in the forward-looking statements include, but are not limited to, those discussed below and elsewhere in this Offer Document, particularly in the section entitled "Risk Factors" of this Offer Document. Under no circumstances should the inclusion of such forward-looking statements herein be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions by our Company, the Issue Manager, Full Sponsor and Placement Agent or any other person. Investors are cautioned not to place undue reliance on these forward-looking statements that speak only as at the date hereof. Please refer to the section entitled "Cautionary Note Regarding Forward-Looking Statements" of this Offer Document for further details.*

### Overview

We are an integrated automotive solutions provider in Singapore. During the Track Record Period, our main business is the sale of new parallel-import motor vehicles and pre-owned motor vehicles. In connection therewith, we also provide floor stock financing for other car dealers, whereby we provide short-term financing by purchasing pre-owned motor vehicles from other car dealers and selling the same back to these dealers when buyers are identified within an agreed period at a higher price.

In addition, we also provide related services including motor vehicle after-sales services, motor vehicle financing, and motor vehicle rental and leasing.

Please refer to the section entitled "General Information on our Group – Business Overview" of this Offer Documents for more details.

### **Revenue**

We derive our revenue primarily from the following four business segments:

- (i) *Automobile Sales and Related Services*, which mainly encompass the sale of new, pre-owned, and scrap cars, floor stock financing, as well as referral fees from insurance agencies.
  - (a) New/Pre-owned car sales: Revenue from this segment is recognised upon the transfer of ownership of the vehicle to the buyer, which typically occurs upon delivery of the vehicle and completion of the related documentation.
  - (b) Floor stock financing: Revenue from floor stock financing would be recognised when the motor vehicle is sold back to the same dealer. The agreed fee for the financing period is added to the selling price of the car and recognised as revenue upon the transfer of ownership of the vehicle to the dealer or the end-user (as the case may be) depending on the request of the dealer.
  - (c) Scrap car sales: Revenue from this segment is recognised upon the transfer of ownership of the scrap vehicle to the buyer, which typically occurs when the buyer takes possession of the scrap vehicle and all associated legal and transactional documents are completed.
  - (d) Referral fees from insurance agencies: Revenue from referral fees is recognised when the insurance policy is successfully issued by the insurance provider.

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## MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

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- (ii) *Automobile After-Sales Services*, which mainly encompass the provision of comprehensive vehicle maintenance and repair services, accident repairs and insurance claims and sale of salvaged spare parts from wrecked vehicles.
- (a) Vehicle maintenance and repair services: Revenue from vehicle maintenance and repair services is recognised when all requested services, such as routine maintenance or mechanical repairs, have been performed and invoiced.
  - (b) Accident repairs and insurance claims: Revenue from accident repairs is recognised when the repair work is completed and accepted by the customer or insurance claims submitted and accepted by the insurance provider.
  - (c) Sale of salvaged spare parts: Revenue from the sale of salvaged spare parts is recognised when the parts are delivered to the customer and ownership has transferred, typically upon completion of the sales transaction and issuance of an invoice.
- (iii) *Automobile Financing and Related Services*, which mainly encompass the provision of our direct in-house motor vehicle financing through hire purchase agreements and assisting our customers to obtain financing from financial institutions in return for a commission income. Revenue derived from this business segment include:
- (a) Interest income from provision of motor vehicle financing: Revenue from vehicle financing is recognised on a monthly basis as interest is earned and billed to the customer.
  - (b) Late fees and interest: Revenue from late fees and additional interest charges is recognised when the fees are charged to the customer, typically when a payment becomes overdue, and the amount is invoiced.
  - (c) Early settlement penalties: Revenue from early settlement penalties is recognised when the customer opts to repay the loan ahead of schedule, and the penalty fee is invoiced.
  - (d) Commission income from hire purchase loan referrals: Revenue from commission on hire purchase loan referrals is recognised when the loan application is approved by the financial institution and the commission is earned by us, which typically occurs upon confirmation of loan disbursement to the customer.
- (iv) *Automobile Rental and Leasing Services*, which mainly encompass the provision of short-term rentals and long-term leasing for individuals, corporate clients, and private hire drivers, offering flexible mobility solutions without the need for vehicle ownership.
- (a) Short-term rentals: Revenue from short-term rentals (from a few days up to a month) is recognised at the end of the rental period, once the vehicle has been returned and the rental service is completed. The revenue is recognised when the rental period concludes, and the final invoice is issued.
  - (b) Long-term leasing: Revenue from long-term leasing (more than a month) is recognised on a monthly basis, aligned with the monthly billing cycle. Revenue is recognised when the invoice is issued for the respective leasing period.
  - (c) Private-hire vehicle leasing: Revenue from private-hire vehicle leasing is recognised based on the agreed billing cycle, which can be either weekly or monthly depending on the client's preference. Revenue is recognised when the invoice is issued for each period.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

### *Breakdown of revenue by business segments*

The breakdown of our revenue by business segments for the Track Record Period is as follows:

	← Audited →						← Unaudited →		← Audited →	
	FY2021		FY2022		FY2023		9M2023		9M2024	
	S\$'000	%	S\$'000	%	S\$'000	%	S\$'000	%	S\$'000	%
Automobile Sales and Related Services	65,735	87.2	78,618	85.6	88,601	83.3	69,924	84.4	67,479	80.6
Automobile After-Sales Services	4,760	6.3	6,241	6.8	8,727	8.2	6,285	7.6	8,512	10.2
Automobile Financing and Related Services	3,005	4.0	4,813	5.2	6,500	6.1	4,601	5.6	5,674	6.8
Automobile Rental and Leasing Services	1,891	2.5	2,166	2.4	2,601	2.4	1,989	2.4	2,024	2.4
<b>Total</b>	<b>75,391</b>	<b>100.0</b>	<b>91,838</b>	<b>100.0</b>	<b>106,429</b>	<b>100.0</b>	<b>82,799</b>	<b>100.0</b>	<b>83,689</b>	<b>100.0</b>

No geographical segmentation of revenue is provided, as all revenue recorded during the Track Record Period was generated from Singapore.

### *Factors affecting our revenue*

Our Group's revenue is mainly dependent on, *inter alia*, the following factors:

- (i) the demand for motor vehicles in Singapore, which is affected by, *inter alia*, economic conditions, personal disposable income, interest rates and level of intervention from and measures introduced by the government in Singapore, such as the COE system;
- (ii) fluctuations in interest rates, which may affect not only the demand for motor vehicles, but also the quantum of financing needs and/or customer's decision to opt for early settlement for existing motor vehicle financing;
- (iii) our ability to maintain strong relationships with insurance companies, and remain as an authorised workshop on their panels;
- (iv) the products and support of our suppliers in relation to, *inter alia*, supply of new and pre-owned motor vehicles, motor vehicle accessories and spare parts;
- (v) our ability to obtain sufficient financing from banks and financial institutions on acceptable terms;
- (vi) our ability to compete effectively in the automobile industry in terms of, *inter alia*, service quality, pricing, branding and delivery timeline;
- (vii) our ability to successfully carry out our future plans as detailed in the section entitled "General Information on our Group – Business Strategies and Future Plans", including advancing our digital transformation to improve both internal operations and customer engagement;
- (viii) changes in government regulations regarding vehicle emissions, safety standards, and environmental compliance (such as electric vehicle incentives or fossil fuel disincentives);
- (ix) fluctuations in foreign exchange rates, which could impact the cost of imported vehicles and parts, thereby influencing pricing strategies and profitability; and
- (x) our ability to meet changing consumer preferences towards vehicle ownership versus leasing, interest in luxury versus economical vehicles, and demand for environmentally friendly vehicles such as EVs.

Please refer to the section entitled "Risk Factors" of this Offer Document for other factors that may affect our revenue and financial performance.



## MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

### Cost of sales

Cost of sales amounted to approximately S\$67.8 million, S\$82.4 million, S\$94.4 million, S\$74.2 million and S\$72.9 million in FY2021, FY2022, FY2023, 9M2023 and 9M2024, respectively.

### Breakdown of cost of sales by business segments

The breakdown of our cost of sales by business segments for the Track Record Period is as follows:

	← Audited →						← Unaudited →		← Audited →	
	FY2021		FY2022		FY2023		9M2023		9M2024	
	S\$'000	%	S\$'000	%	S\$'000	%	S\$'000	%	S\$'000	%
Automobile Sales and Related Services	63,196	93.3	76,414	92.7	86,158	91.3	68,167	91.9	64,895	89.1
Automobile After-Sales Services	2,726	4.0	3,409	4.1	4,503	4.8	3,295	4.5	4,524	6.2
Automobile Financing and Related Services	709	1.0	1,419	1.7	2,217	2.3	1,555	2.1	2,260	3.1
Automobile Rental and Leasing Services	1,165	1.7	1,195	1.5	1,485	1.6	1,133	1.5	1,175	1.6
<b>Total</b>	<b>67,796</b>	<b>100.0</b>	<b>82,437</b>	<b>100.0</b>	<b>94,363</b>	<b>100.0</b>	<b>74,150</b>	<b>100.00</b>	<b>72,854</b>	<b>100.0</b>

### Factors affecting our cost of sales

Our cost of sales is mainly dependent on, *inter alia*, the following factors:

- (i) fluctuation in purchase price of new and pre-owned motor vehicles as well as scrap cars, spare parts and accessories;
- (ii) fluctuations in prices of COE as our cost of sales will increase or decrease along with the prices of COE;
- (iii) fluctuations in interest rates for block discounting facilities;
- (iv) changes in regulations and requirements applicable to the automobile industry could increase our cost of sales;
- (v) fluctuations in the foreign exchange rates for imported motor vehicles and spare parts/accessories; and
- (vi) disruptions in the global supply chain (if any), including delays in the delivery of vehicles or parts, rising shipping costs, or shortages of critical components.

Please refer to the section entitled "Risk Factors" of the Offer Document for other factors that might affect our cost of sales.

### Cost of sales - Automobile Sales and Related Services

	FY2021		FY2022		FY2023		9M2023		9M2024	
	S\$'000	%	S\$'000	%	S\$'000	%	S\$'000	%	S\$'000	%
Floor stock financing costs	31,857	50.4	51,320	67.1	53,057	61.6	43,174	63.4	35,589	54.8
Pre-owned cars costs	13,122	20.7	10,017	13.1	19,098	22.1	14,384	21.1	21,621	33.3
New car registration costs	7,698	12.2	8,301	10.9	8,462	9.8	5,884	8.6	2,676	4.1
New cars costs	6,235	9.9	3,211	4.2	2,044	2.4	2,068	3.0	2,962	4.6
Scrap cars costs	4,284	6.8	3,565	4.7	3,497	4.1	2,657	3.9	2,047	3.2
<b>Total</b>	<b>63,196</b>	<b>100.0</b>	<b>76,414</b>	<b>100.0</b>	<b>86,158</b>	<b>100.0</b>	<b>68,167</b>	<b>100.0</b>	<b>64,895</b>	<b>100.0</b>

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

Cost of sales for the Automobile Sales and Related Services segment accounted for 93.3%, 92.7%, 91.3%, 91.9% and 89.1% of the total cost of sales in FY2021, FY2022, FY2023, 9M2023 and 9M2024 respectively. It primarily includes the cost of vehicles and associated expenses involved in the acquisition, registration, and sale of new and pre-owned cars, as well as scrap vehicles. The key components are:

- **Floor stock financing costs:** This represents the cost of acquiring vehicles from car dealers for the provision of floor stock financing to the same car dealers. These costs accounted for 50.4%, 67.1%, 61.6%, 63.4% and 54.8% of total cost of sales for this segment in FY2021, FY2022, FY2023, 9M2023 and 9M2024 respectively.
- **Pre-owned cars costs:** This reflects the cost of acquiring pre-owned vehicles through trade-ins, auctions, or direct purchases. These costs accounted for 20.7%, 13.1%, 22.1%, 21.1% and 33.3% of total cost of sales for this segment in FY2021, FY2022, FY2023, 9M2023 and 9M2024 respectively.
- **New car registration costs:** These costs include the fees related to the registration of new vehicles, such as COE, registration fees, road taxes, as well as ARF. Such new car registration costs are incurred when we sell new motor vehicles to end-users. They accounted for 12.2%, 10.9%, 9.8%, 8.6% and 4.1% of total cost of sales for this segment in FY2021, FY2022, FY2023, 9M2023 and 9M2024 respectively.
- **New cars costs:** This represents the acquisition cost of new vehicles from our suppliers, including the costs related to importing, transportation, and getting the vehicles ready for registration. These costs accounted for 9.9%, 4.2%, 2.4%, 3.0% and 4.6% of total cost of sales for this segment in FY2021, FY2022, FY2023, 9M2023 and 9M2024 respectively.
- **Scrap cars costs:** This represents the costs associated with purchasing and processing wrecked or scrap vehicles for resale or our after-sales services. These costs accounted for 6.8%, 4.7%, 4.1%, 3.9% and 3.2% of total cost of sales for this segment in FY2021, FY2022, FY2023, 9M2023 and 9M2024 respectively.

### *Cost of sales - Automobile After-Sales Services*

	FY2021		FY2022		FY2023		9M2023		9M2024	
	S\$'000	%	S\$'000	%	S\$'000	%	S\$'000	%	S\$'000	%
Spare parts and accessories	1,995	73.2	2,549	74.8	3,000	66.6	2,227	67.6	2,697	59.6
Sub-contractors	731	26.8	860	25.2	1,503	33.4	1,068	32.4	1,827	40.4
<b>Total</b>	<b>2,726</b>	<b>100.0</b>	<b>3,409</b>	<b>100.0</b>	<b>4,503</b>	<b>100.0</b>	<b>3,295</b>	<b>100.0</b>	<b>4,524</b>	<b>100.0</b>

Cost of sales for the Automobile After-Sales Services segment accounted for 4.0%, 4.1%, 4.8%, 4.5% and 6.2% of the total cost of sales in FY2021, FY2022, FY2023, 9M2023 and 9M2024 respectively. It primarily includes the cost of spare parts used in repairs and services, as well as fees paid to sub-contractors for outsourced work.

- **Spare parts and accessories:** This represents the cost of spare parts and accessories used in vehicle repairs and maintenance. These accounted for 73.2%, 74.8%, 66.6%, 67.6% and 59.6% of total cost of sales for this segment in FY2021, FY2022, FY2023, 9M2023 and 9M2024 respectively.
- **Sub-contractors:** These are fees paid to external service providers who perform specialised repairs or services. They accounted for 26.8%, 25.2%, 33.4%, 32.4% and 40.4% of total cost of sales for this segment in FY2021, FY2022, FY2023, 9M2023 and 9M2024 respectively.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

### *Cost of sales - Automobile Financing and Related Services*

	FY2021		FY2022		FY2023		9M2023		9M2024	
	S\$'000	%	S\$'000	%	S\$'000	%	S\$'000	%	S\$'000	%
Block discounting interest expenses	702	99.0	1,415	99.7	2,213	99.8	1,552	99.8	2,258	99.9
Processing fees	7	1.0	4	0.3	4	0.2	3	0.2	2	0.1
<b>Total</b>	<b>709</b>	<b>100.0</b>	<b>1,419</b>	<b>100.0</b>	<b>2,217</b>	<b>100.0</b>	<b>1,555</b>	<b>100.0</b>	<b>2,260</b>	<b>100.0</b>

Cost of sales for the Financing Activities and Related Services segment accounted for 1.0%, 1.7%, 2.3%, 2.1% and 3.1% of the total cost of sales in FY2021, FY2022, FY2023, 9M2023 and 9M2024 respectively. It includes the cost of interest on block discounting interest expenses and processing fees associated with financing activities.

- Block discounting interest expenses: This refers to the interest expenses that we pay to financial institutions for the block discounting financing facilities granted to us in connection with our provision of direct in-house financing through hire-purchase agreements to our customers. The interest rate is agreed upon at the time of signing the letter of offer. While the financial institutions which provide block discounting financing facilities reserve the right to amend the interest rates according to the general interest rate environment, any change in interest rate is not retrospective, and only applicable to a subsequent new letter of offer. As we principally depend on block discounting facilities to provide hire purchase financing services to our customers, these interest expenses accounted for 99.0%, 99.7%, 99.8%, 99.8% and 99.9% of total cost of sales for this segment in FY2021, FY2022, FY2023, 9M2023 and 9M2024 respectively.
- Processing fees: These minor fees are related to the processing of loan arrangements and accounted for 1.0%, 0.3%, 0.2%, 0.2% and 0.1% of total cost of sales for this segment in FY2021, FY2022, FY2023, 9M2023 and 9M2024 respectively.

### *Cost of sales - Automobile Rental and Leasing Services*

	FY2021		FY2022		FY2023		9M2023		9M2024	
	S\$'000	%	S\$'000	%	S\$'000	%	S\$'000	%	S\$'000	%
Motor vehicle depreciation	925	79.4	1,009	84.4	1,248	84.0	941	83.1	984	83.7
Vehicle insurance	145	12.5	95	8.0	123	8.3	108	9.5	94	8.0
Vehicle road taxes	95	8.1	91	7.6	114	7.7	84	7.4	97	8.3
<b>Total</b>	<b>1,165</b>	<b>100.0</b>	<b>1,195</b>	<b>100.0</b>	<b>1,485</b>	<b>100.0</b>	<b>1,133</b>	<b>100.0</b>	<b>1,175</b>	<b>100.0</b>

Cost of sales for the Automobile Rental and Leasing Services segment accounted for 1.7%, 1.5%, 1.6%, 1.5% and 1.6% of the total cost of sales in FY2021, FY2022, FY2023, 9M2023 and 9M2024 respectively. It includes the depreciation of motor vehicles used in the rental and leasing activities, insurance premiums, and road taxes.

### **Gross profit ("GP") and Gross profit margin ("GPM")**

GP is determined after deducting cost of sales incurred from our revenue.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

### *Breakdown of GP by business segments*

	FY2021		FY2022		FY2023		9M2023		9M2024	
	S\$'000	%	S\$'000	%	S\$'000	%	S\$'000	%	S\$'000	%
Automobile Sales and Related Services	2,539	33.4	2,204	23.5	2,443	20.3	1,757	20.3	2,584	23.8
Automobile After-Sales Services	2,034	26.8	2,832	30.1	4,224	35.0	2,990	34.6	3,988	36.8
Automobile Financing and Related Services	2,296	30.2	3,394	36.1	4,283	35.5	3,046	35.2	3,414	31.5
Automobile Rental and Leasing Services	726	9.6	971	10.3	1,116	9.2	856	9.9	849	7.9
<b>Total</b>	<b>7,595</b>	<b>100.0</b>	<b>9,401</b>	<b>100.0</b>	<b>12,066</b>	<b>100.0</b>	<b>8,649</b>	<b>100.0</b>	<b>10,835</b>	<b>100.0</b>

### *Breakdown of GPM by business segments*

	FY2021	FY2022	FY2023	9M2023	9M2024
	%	%	%	%	%
Automobile Sales and Related Services	3.9	2.8	2.8	2.5	3.8
Automobile After-Sales Services	42.7	45.4	48.4	47.6	46.9
Automobile Financing and Related Services	76.4	70.5	65.9	66.2	60.2
Automobile Rental and Leasing Services	38.4	44.8	42.9	43.0	41.9
<b>Overall</b>	<b>10.1</b>	<b>10.2</b>	<b>11.3</b>	<b>10.4</b>	<b>12.9</b>

Please refer to the section headed "Review of Results of Operations" in this Offer Document for the reasons for the fluctuations of our GP and GPM during the Track Record Period.

### **Other income**

Other income mainly comprises government grants, gains on disposal of property, plant, and equipment, sundry income, and other miscellaneous income.

Other income amounted to approximately S\$250,000, S\$397,000, S\$867,000, S\$584,000 and S\$639,000 in FY2021, FY2022, FY2023, 9M2023 and 9M2024 respectively.

The breakdown of our other income for the Track Record Period is as follows

	FY2021		FY2022		FY2023		9M2023		9M2024	
	S\$'000	%	S\$'000	%	S\$'000	%	S\$'000	%	S\$'000	%
Government grants	127	50.8	139	35.0	224	25.8	225	38.5	172	26.9
Gains on disposal of property, plant and equipment	33	13.2	104	26.3	189	21.8	191	32.8	34	5.3
Sundry income	14	5.6	49	12.4	229	26.4	79	13.5	309	48.4
Other miscellaneous income	76	30.4	105	26.3	225	26.0	89	15.2	124	19.4
<b>Total</b>	<b>250</b>	<b>100.0</b>	<b>397</b>	<b>100.0</b>	<b>867</b>	<b>100.0</b>	<b>584</b>	<b>100.0</b>	<b>639</b>	<b>100.0</b>

Government grants relate to the financial incentives typically provided by the government on an ad hoc basis to support businesses in areas such as innovation, workforce development, and business continuity with a view to promoting growth and operational efficiency. They accounted for 50.8%, 35.0%, 25.8%, 38.5% and 26.9% of total other income in FY2021, FY2022, FY2023, 9M2023 and 9M2024 respectively.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

Gains on disposal of property, plant and equipment relate to the profits earned from selling assets that are no longer in use, such as vehicles, machinery, or equipment. These gains typically arise from the sale of fully depreciated assets or assets no longer required by the business. They accounted for 13.2%, 26.3%, 21.8%, 32.8% and 5.3% of total other income in FY2021, FY2022, FY2023, 9M2023 and 9M2024 respectively.

Sundry income consists of small, irregular amounts of income from minor ad hoc services provided, such as fees from pre-owned car sales on a consignment basis or fees from administrative services rendered to customers in relation to loan settlement. They accounted for 5.6%, 12.4%, 26.4%, 13.5% and 48.4% of total other income in FY2021, FY2022, FY2023, 9M2023 and 9M2024 respectively.

Other miscellaneous income encompasses all remaining income sources not directly tied to the company's primary business operations. This includes items such as road tax rebates, interest income from fixed deposits, and operating lease rental income from our investment property located at No. 3 Ang Mo Kio Street 62, #02-14, Link@AMK, Singapore 569139. They accounted for 30.4%, 26.3%, 26.0%, 15.2% and 19.4% of total other income in FY2021, FY2022, FY2023, 9M2023 and 9M2024 respectively.

### Selling and marketing expenses

Selling and marketing expenses mainly consist of commissions paid, advertising and promotional activities, and other marketing-related expenses.

Selling and marketing expenses amounted to approximately S\$714,000, S\$884,000, S\$1.1 million, S\$835,000 and S\$769,000 in FY2021, FY2022, FY2023, 9M2023 and 9M2024, respectively.

The breakdown of our selling and marketing expenses for the Track Record Period is as follows

	FY2021		FY2022		FY2023		9M2023		9M2024	
	S\$'000	%	S\$'000	%	S\$'000	%	S\$'000	%	S\$'000	%
Commissions paid	301	42.1	380	43.0	413	38.0	317	38.0	201	26.1
Advertising and promotions	215	30.1	310	35.1	486	44.7	324	38.8	399	51.9
Other marketing expenses	198	27.8	194	21.9	189	17.3	194	23.2	169	22.0
<b>Total</b>	<b>714</b>	<b>100.0</b>	<b>884</b>	<b>100.0</b>	<b>1,088</b>	<b>100.0</b>	<b>835</b>	<b>100.0</b>	<b>769</b>	<b>100.0</b>

Commissions paid relate to the referral fees paid to third parties for successful referral of our products and/or services to our end customers, including sale of vehicles and in-house financing loan cases. They accounted for 42.1%, 43.0%, 38.0%, 38.0% and 26.1% of total selling and marketing expenses in FY2021, FY2022, FY2023, 9M2023 and 9M2024 respectively.

Advertising and promotions relate to expenditures on campaigns, digital marketing, sponsorships, and other promotional activities aimed at boosting brand visibility and driving sales. They accounted for 30.1%, 35.1%, 44.7%, 38.8% and 51.9% of total selling and marketing expenses in FY2021, FY2022, FY2023, 9M2023 and 9M2024 respectively.

Other marketing expenses include various costs that support our sales and marketing efforts, covering essential operational and logistical needs. These expenses can range from petrol and parking for vehicles used by the sales team to client entertainment, telecommunication costs, and vehicle upkeep. For example, they may include the fuel costs for vehicles used in sales visits, as well as expenses related to maintaining and insuring vehicles used for promotional purposes. They accounted for 27.8%, 21.9%, 17.3%, 23.2% and 22.0% of total selling and marketing expenses in FY2021, FY2022, FY2023, 9M2023 and 9M2024 respectively.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

### Administration expenses

Administration expenses mainly comprise employee benefits, depreciation, professional fees, and other administration expenses.

Administration expenses amounted to approximately S\$3.4 million, S\$4.3 million, S\$6.3 million, S\$4.2 million and S\$6.1 million in FY2021, FY2022, FY2023, 9M2023 and 9M2024, respectively.

The breakdown of our administration expenses for the Track Record Period is as follows

	FY2021		FY2022		FY2023		9M2023		9M2024	
	S\$'000	%	S\$'000	%	S\$'000	%	S\$'000	%	S\$'000	%
Employee benefits	1,968	57.6	2,586	60.8	3,855	61.3	2,601	61.3	3,480	57.3
Depreciation	563	16.5	674	15.9	895	14.2	661	15.6	658	10.8
Professional fees	143	4.1	118	2.7	87	1.4	34	0.8	673	11.1
Other administration expenses	743	21.8	874	20.6	1,453	23.1	944	22.3	1,258	20.8
<b>Total</b>	<b>3,417</b>	<b>100.0</b>	<b>4,252</b>	<b>100.0</b>	<b>6,290</b>	<b>100.0</b>	<b>4,240</b>	<b>100.0</b>	<b>6,069</b>	<b>100.0</b>

Employee benefits relate to staff salaries, bonuses, director remuneration, and employer CPF contributions. They accounted for 57.6%, 60.8%, 61.3%, 61.3% and 57.3% of total administrative expenses in FY2021, FY2022, FY2023, 9M2023 and 9M2024 respectively.

Depreciation relates to right-of-use assets, investment property, and other fixed assets (other than our rental vehicles, which are accounted for under the cost of sales). They accounted for 16.5%, 15.9%, 14.2%, 15.6% and 10.8% of total administrative expenses in FY2021, FY2022, FY2023, 9M2023 and 9M2024 respectively.

Professional fees relate to audit fees, consultation fees, legal fees, secretarial fees and tax agent fees. They accounted for 4.1%, 2.7%, 1.4%, 0.8% and 11.1% of total administrative expenses in FY2021, FY2022, FY2023, 9M2023 and 9M2024 respectively.

Other administration expenses relate to a variety of costs, including inspection fees, documentation fees, utilities, bank charges and maintenance costs. They accounted for 21.8%, 20.6%, 23.1%, 22.3% and 20.8% of total administrative expenses in FY2021, FY2022, FY2023, 9M2023 and 9M2024 respectively.

### Other operating expenses

During the Track Record Period, our other operating expenses mainly consist of fair value losses on financial assets, bad debts written off, property, plant, and equipment written off, and losses on lease remeasurements.

### Finance expenses

Finance costs mainly comprise interest expenses on borrowings and lease liabilities.

During the Track Record Period, interest expenses on borrowings amounted to approximately S\$486,000, S\$953,000, S\$1.5 million, S\$1.1 million and S\$1.5 million and accounted for 96.5%, 98.0%, 98.1%, 98.0% and 98.8% of finance costs in FY2021, FY2022, FY2023, 9M2023 and 9M2024 respectively.

Interest expenses on lease liabilities amounted to approximately S\$18,000, S\$19,000, S\$29,000, S\$23,000 and S\$18,000 and accounted for 3.5%, 2.0%, 1.9%, 2.0% and 1.2% of finance costs in FY2021, FY2022, FY2023, 9M2023 and 9M2024 respectively.



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## MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

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### Net allowance for expected credit losses

Net allowance for expected credit losses refers to the difference between the outstanding loan amounts due from the customer to whom we provide direct in-house financing and the amounts recovered through repossession and auction of the vehicle. It arises when the customer defaults on the loan payments and the amount recovered through repossession and auction of the vehicle is insufficient to cover the amount owing by the customer.

Net allowance for expected credit losses amounted to approximately S\$192,000, S\$218,000, S\$392,000, S\$173,000 and S\$422,000 in FY2021, FY2022, FY2023, 9M2023 and 9M2024 respectively.

### Income tax expense

The Group is liable to pay corporate income tax in accordance with the tax regulations in Singapore. Please refer to "Appendix F – Taxation" in this Offer Document for details. The Group's income tax expenses amounted to approximately S\$460,000, S\$512,000, S\$375,000, S\$330,000 and S\$680,000 in FY2021, FY2022, FY2023, 9M2023 and 9M2024 respectively.

### Inflation

During the Track Record Period, inflation did not have a material impact on the Group's financial performance.

## Review of Results of Operations

### FY2021 vs FY2022

#### Revenue

Our revenue increased by approximately S\$16.4 million or 21.8%, from S\$75.4 million in FY2021 to S\$91.8 million in FY2022. This significant increase was driven by the growth across the Group's business segments.

Revenue from Automobile Sales and Related Services increased by approximately S\$12.9 million or 19.6% from S\$65.7 million in FY2021 to S\$78.6 million in FY2022. The growth was primarily driven by floor stock financing, which saw a significant rise of S\$19.7 million or 61.0% due to higher motor vehicle prices along with higher COE prices, coupled with our increased financial capability to take on more floor stock sales business. Higher COE prices would lead to higher prices of new motor vehicles, making pre-owned motor vehicles a relatively more affordable option. When demand for pre-owned motor vehicles increases, we typically see more demand from other car dealers for our floor stock financing services.

The significant increase in floor stock financing was partially offset by the decrease in revenue of S\$2.8 million and S\$3.3 million from new car sales and pre-owned car sales respectively, largely due to the significant increase in the COE prices in 2022, which slowed down the volume of new car sales and fewer trade-ins, which are typically linked to new car sales.

Despite the decrease in revenue from pre-owned car sales, it is noteworthy that in light of higher COE prices and fewer trade-ins, we strategically pivoted in the middle of 2022 to focus more on pre-owned car trading, which entails, *inter alia*, seeking alternative sources of supply for pre-owned motor vehicles, such as joining auction platforms, other car dealers and existing car owners, instead of relying on trade-ins, and designing an in-house system to determine the acquisition price for pre-owned cars. The shift in focus towards pre-owned vehicles with the abovementioned measures to increase the supply of pre-owned vehicles allowed us to be more resilient and mitigate the negative impact of rising COE prices on both the new car sales and pre-owned car sales associated with lower trade-ins as demand for pre-owned motor vehicles tend to increase amid rising COE prices.



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## MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

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Revenue from Automobile After-Sales Services grew by approximately S\$1.5 million or 31.1% from S\$4.8 million in FY2021 to S\$6.2 million in FY2022. The increase in COE prices influenced consumer behaviour, as more vehicle owners opted to repair and maintain their existing cars rather than replacing them. This trend contributed to the strong growth in our Automobile After-Sales Services segment, as customers sought to extend the lifespan of their vehicles in response to the higher cost of new car ownership. As a result, the Group saw a strong performance in accident repair and insurance claims, which rose by approximately S\$1.1 million or 27.2%. Additionally, revenue from vehicle servicing and maintenance also grew significantly by S\$394,000 or 53.3%.

Revenue from Automobile Financing and Related Services increased substantially by approximately S\$1.8 million or 60.2% from S\$3.0 million in FY2021 to S\$4.8 million in FY2022. As vehicle prices increased due to higher COE costs, customers increasingly relied on financing options to afford both new and pre-owned vehicles. As a result, we saw strong growth in the demand for our vehicle financing. Accordingly, interest earned on loans grew by approximately S\$1.4 million or 78.6%. In addition, early settlement penalties earned increased by approximately S\$227,000 or 97.3%, reflecting greater loan settlement activity.

Revenue from Automobile Rental and Leasing Services grew by S\$276,000 or 14.6% from S\$1.9 million in FY2021 to S\$2.2 million in FY2022. This was mainly attributed to the increase of S\$204,000 in revenue from our private-hire vehicle leasing services. Long-term leasing income also grew by S\$72,000 in the same period. The rise in the COE prices also contributed to a shift in demand towards rental and leasing options, as customers sought more flexible and cost-effective mobility solutions. The Group's rental and leasing services benefited from this trend, particularly in terms of private hire vehicle leasing and long-term motor vehicle leasing services.

### Cost of sales

Cost of sales increased by approximately S\$14.6 million or 21.6% from S\$67.8 million in FY2021 to S\$82.4 million in FY2022 in line with the increase in revenue.

Cost of sales for the Automobile Sales and Related Services segment increased by approximately S\$13.2 million or 20.9% from S\$63.2 million in FY2021 to S\$76.4 million in FY2022, primarily due to higher floor stock financing costs, which increased by approximately S\$19.5 million. This significant increase is tied to higher volumes of floor stock financing vehicles being sold. On the other hand, the increase was partially offset by the decrease in the costs of new cars, pre-owned cars and scrap cars, along with the slowdown in demand due to rising COE prices.

Pre-owned cars costs decreased by approximately S\$3.1 million or 23.7%, reflecting lower used car sales due to fewer trade-ins linked to the slowdown in new car sales.

New cars costs decreased by approximately S\$3.0 million or 48.5%, primarily due to the slowdown in new car sales caused by the rising COE prices.

Cost of sales for Automobile After-Sales Services grew by approximately S\$683,000 or 25.1% from S\$2.7 million in FY2021 to S\$3.4 million in FY2022, in line with the increase in revenue from this segment as more car owners sought repair and maintenance services for their existing cars rather than purchasing new ones amid higher COE prices. Global supply chain disruptions also contributed to rising costs in this segment, as the prices of imported parts increased, along with higher freight costs. As a result, cost of spare parts and accessories used in repairs rose by approximately S\$554,000 or 27.8%. Sub-contractor costs also increased by approximately S\$129,000 or 17.6%, as more repair jobs were outsourced to third-party service providers to handle increased after-sales activities.

Cost of sales for Automobile Financing and Related Services increased substantially by approximately S\$710,000 or 100.0% from S\$709,000 in FY2021 to S\$1.4 million in FY2022. This was primarily due to the increase in interest expenses on block discounting loans in line with higher revenue from this segment as we saw more demand for our financing options amid higher COE prices. The initial impact of rising interest rates in the financial market also began to affect the Group's financing costs towards the end of FY2022.

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## MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

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Cost of sales for Automobile Rental and Leasing segment remained relatively stable as the fleet size remained around the same number.

### Gross profit and gross profit margin

The Group's gross profit increased by S\$1.8 million or 23.8%, from S\$7.6 million in FY2021 to S\$9.4 million in FY2022, due to the strong performance in the Automobile After-Sales Services and Automobile Financing and Related Services segments.

Gross profit margin increased slightly from 10.1% in FY2021 to 10.2% in FY2022 mainly due to improvement in gross profit margin coupled with higher contribution from the Automobile After-Sales Services and Automobile Rental and Leasing Services segments, partially offset by the decrease in gross profit margins from the Automobile Sales and Related Activities and Automobile Financing and Related Services.

Gross profit for the Automobile Sales and Related Services segment decreased by approximately S\$335,000 or 13.2% from S\$2.5 million in FY2021 to S\$2.2 million in FY2022. The gross profit margin also decreased from 3.9% in FY2021 to 2.8% in FY2022. This decline is attributed to rising COE prices, which resulted in higher vehicle acquisition costs and slowdown in demand and sales activities.

Automobile After-Sales Services saw significant improvement in both gross profit and margin. Gross profit increased from S\$2.0 million in FY2021 to S\$2.8 million in FY2022, representing a 39.2% increase. The gross profit margin also improved from 42.7% to 45.4%, driven by higher demand for repair and maintenance services as well as more efficient cost management, such as utilising the salvaged spare parts from our wreck dealings and negotiating for better pricing with our suppliers of spare parts.

Gross profit for the Automobile Financing and Related Services increased significantly by approximately S\$1.1 million or 47.8%, from S\$2.3 million in FY2021 to S\$3.4 million in FY2022 due to the overall growth in loan demand and interest income, despite the decline in gross profit margin from 76.4% in FY2021 to 70.5% in FY2022 as a result of rising financing costs.

Gross profit for Automobile Rental and Leasing Services increased by approximately S\$246,000 or 33.9% from S\$726,000 in FY2021 to S\$971,000 in FY2022. The gross profit margin improved from 38.4% to 44.8%, driven by increased demand for private-hire vehicle and long-term motor vehicle leasing, alongside stable operating costs.

### Other income

The Group's other income increased by approximately S\$147,000 or 58.8%, from S\$250,000 in FY2021 to S\$397,000 in FY2022. This increase was mainly attributed to an increase of S\$71,000 in gains on the disposal of property, plant, and equipment as we sold excess rental cars from our fleet. During this period, the increase in COE prices led to a higher market value for these rental cars, allowing the Group to realise greater gains per car sold. These vehicles were considered excess to our fleet and were no longer required for operations. In addition, we also saw modest increases in government grants received, sundry income and other miscellaneous income, such as road tax rebates and operating lease rental income from our investment property during the year.

### Selling and marketing expenses

The Group's selling and marketing expenses increased by approximately S\$170,000 or 23.8%, from S\$714,000 in FY2021 to S\$884,000 in FY2022. This increase was mainly due to higher advertising and promotional activities, which grew by S\$95,000 or 44.2%, reflecting the Group's increased investment in digital marketing campaigns and sponsorships aimed at boosting brand visibility and driving sales.

Additionally, commissions paid rose by S\$79,000 or 26.2%, due to higher sales volumes and an increase in performance-based fees paid to third parties for the referral and sale of vehicles and financing loan cases in line with the increase in the number of such cases referred to us by third parties.

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## MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

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### Administration expenses

The Group's administration expenses increased by approximately S\$835,000 or 24.4%, from S\$3.4 million in FY2021 to S\$4.3 million in FY2022. This increase was mainly due to the rise in employee benefits, which grew by S\$618,000 or 31.4%, driven by the Group's expanding workforce and higher salaries, bonuses, and director remuneration to support business growth.

Additionally, depreciation expenses increased by S\$111,000 or 19.8%, mainly due to the acquisition of leasehold properties located at 1 Corporation Drive #01-10/11, Singapore 619775. Other administration expenses also saw a moderate rise of S\$131,000 or 17.6%, primarily due to higher utilities, inspection fees, and general maintenance costs as the Group continued to scale its operations.

### Other operating expenses

The Group's other operating expenses increased by approximately S\$93,000 mainly due to the increase of S\$85,000 in fair value losses in financial assets. These losses were related to the keyman insurance policies held by the Group, where the difference between the surrender value and the premiums paid resulted in a recognised loss.

### Finance expenses

The Group's finance expenses increased by approximately S\$468,000, or 92.9%, from S\$504,000 in FY2021 to S\$972,000 in FY2022. The increase was mainly due to the rise in interest expenses on borrowings, which grew by S\$467,000 as a result of higher borrowings during the year to support business expansion and capital investments.

### Net allowance for expected credit losses

The Group's net allowance for expected credit losses increased by approximately S\$26,000 or 13.5%, from S\$192,000 in FY2021 to S\$218,000 in FY2022.

### Income tax expenses

The Group's income tax expenses of approximately S\$460,000 in FY2021 relate to current year tax of approximately S\$466,000 and over provision in prior year of approximately S\$6,000. The income tax expenses of approximately S\$512,000 in FY2022 relate to current year tax of approximately S\$459,000 and under provision in prior year of approximately S\$53,000.

### Profit for the year

As a result of the above, the Group registered a net profit of approximately S\$2.8 million in FY2022 as opposed to a net profit of S\$2.5 million in FY2021.

## **FY2022 vs FY2023**

### Revenue

Revenue of the Group increased by approximately S\$14.6 million or 15.9% from S\$91.8 million in FY2022 to S\$106.4 million in FY2023. The increase in revenue was mainly driven by improvements across all segments, particularly in Automobile Sales and Related Services.

Revenue from Automobile Sales and Related Services increased from S\$78.6 million in FY2022 to S\$88.6 million in FY2023, representing a growth of approximately S\$10.0 million or 12.7%, which was driven primarily by the strong growth of the pre-owned car sales and floor stock financing.

Continuing with the trend of rising COE prices in FY2023, revenue from floor stock financing increased by approximately S\$1.9 million or 3.6%, from S\$52.1 million in FY2022 to S\$54.0 million in FY2023, due to increasing demand for financing from other car dealers as motor vehicle acquisition costs increased along with COE prices.

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## MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

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Building on the strategic pivot made in 2022 towards increasing focus on pre-owned car sales, revenue from pre-owned car sales saw a significant increase of 85.2%, from S\$10.8 million in FY2022 to S\$20.0 million in FY2023. The increase reflects heightened demand for pre-owned vehicles as rising COE prices pushed consumers towards more affordable options.

The new car sales segment continued to face challenges as the COE prices peaked in 2023. Revenue for new car sales decreased by approximately S\$986,000 or 8.1%, from S\$12.1 million in FY2022 to S\$11.2 million in FY2023. The decline was mainly due to tighter supply of COEs and reduced demand for new vehicles amid high COE prices.

Revenue from Automobile After-Sales Services increased by S\$2.5 million or 39.8% from S\$6.2 million in FY2022 to S\$8.7 million in FY2023. This growth was largely attributed to a strong performance in accident repair and insurance claims, which rose by S\$2.6 million or 53.4% from S\$5.0 million in FY2022 to S\$7.6 million in FY2023.

The Group's enhanced marketing strategies and focused efforts on building a strong online presence and reputation, including positive customer reviews, led to an increase in customers choosing our workshops for accident repairs. Also, the peak in COE prices in 2023 made it more expensive for consumers to replace their vehicles. As a result, many opted to repair their cars after accidents rather than scrapping them and purchasing new vehicles. These trends drove higher demand for accident repairs.

Revenue from Financing and Related Services increased by approximately S\$1.7 million or 35.1%, from S\$4.8 million in FY2022 to S\$6.5 million in FY2023. This is mainly attributed to interest earned from loans, which increased by approximately S\$1.1 million or 32.6%, from S\$3.3 million in FY2022 to S\$4.4 million in FY2023. Interest earned from loans grew at a moderate rate of 32.6% in FY2023 compared to 78.6% in FY2022 as the Group sought to grow the loans portfolio in a more prudent and sustainable way, against the backdrop of peaking COE prices.

Revenue from loan commissions from the banks and financial institutions for hire purchase referrals increased by approximately S\$278,000 or 61.7%, from S\$450,000 in FY2022 to S\$728,000 in FY2023. The increase in loan commissions was driven by the higher value of loans processed due to rising COE prices, which resulted in higher vehicle prices, thereby boosting the commission income from financial institutions.

Revenue from the Automobile Rental and Leasing segment increased by approximately S\$435,000 or 20.1%, from S\$2.2 million in FY2022 to S\$2.6 million in FY2023. The growth was primarily driven by private-hire vehicle leasing, which increased by approximately S\$278,000 or 20.0% as the demand for private-hire services continued to rise. Long-term rental leasing income also grew by approximately S\$121,000 or 20.9%, contributing to overall growth in the segment.

Continuing the trend from FY2022, the continued rise in COE prices further fueled the growth of the Automobile Rental and Leasing Services segment, as customers sought to lease vehicles to ride the high COE wave, and the Group was able to raise its rates in the backdrop of the high COE rates.

### Cost of sales

Cost of sales of the Group increased by approximately S\$11.9 million or 14.5%, from S\$82.4 million in FY2022 to S\$94.4 million in FY2023. The increase in cost of sales was primarily driven by higher costs in the Automobile Sales and Related Services segment and increased expenses in Automobile Maintenance and Repair Services.

Cost of sales for Automobile Sales and Related Services increased by approximately S\$9.7 million or 12.8%, from S\$76.4 million in FY2022 to S\$86.2 million in FY2023, in line with the segment's revenue growth. The key drivers of this increase were the costs associated with pre-owned cars, which increased significantly by S\$9.1 million or 90.7%, from S\$10.0 million in FY2022 to S\$19.1 million in FY2023. This was driven by the significant increase of S\$9.2 million or 85.2% in pre-owned car sales in the same period, as more vehicle buyers opted for pre-owned vehicles due to rising COE prices.

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## MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

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Costs related to floor stock financing increased by approximately S\$1.7 million or 3.4%, from S\$51.3 million in FY2022 to S\$53.0 million in FY2023, in line with growth in revenue. The cost of new cars decreased by approximately S\$1.2 million, or 36.3%, from S\$3.2 million in FY2022 to S\$2.0 million in FY2023, reflecting reduced new car sales amid high COE prices.

Cost of sales for Automobile After-Sales and Related Activities increased by approximately S\$1.1 million or 32.1%, from S\$3.4 million in FY2022 to S\$4.5 million in FY2023, in line with the increase in revenue from this segment.

The cost of sales for the Automobile Financing and Related Services segment increased by approximately S\$798,000 or 56.2%, from S\$1.4 million in FY2022 to S\$2.2 million in FY2023, due to the growth in the loan portfolio, as well as the sustained high interest rate environment.

Cost of sales for Automobile Rental and Leasing Services increased by approximately S\$290,000, or 24.3%, from S\$1.2 million in FY2022 to S\$1.5 million in FY2023. This was due to the increase of S\$239,000 or 23.7% in motor vehicle depreciation as we expanded our fleet size to meet the increased demand for leasing vehicles.

### Gross profit and gross profit margin

The Group's gross profit increased by S\$2.7 million or 28.3% from S\$9.4 million in FY2022 to S\$12.1 million in FY2023 mainly due to revenue growth across all segments, particularly Automobile After-Sales Services and Automobile Financing and Related Services.

The gross profit margin improved from 10.2% in FY2022 to 11.3% in FY2023, reflecting better cost control in the Automobile After-Sales and Related Services segment despite rising costs in others as elaborated below.

Gross profit for Automobile Sales and Related Services increased by S\$239,000, or 10.8%, from S\$2.2 million in FY2022 to S\$2.4 million in FY2023 in line with the growth in revenue. The gross profit margin remained stable at 2.8%.

Gross profit in the Automobile After-Sales Services segment increased significantly by S\$1.4 million or 49.2% from S\$2.8 million in FY2022 to S\$4.2 million in FY2023. The gross profit margin improved from 45.4% in FY2022 to 48.4% in FY2023. This improvement was driven by increased demand for accident repairs and insurance claims, coupled with better management of repair costs, such as utilising the salvaged spare parts from our wreck dealings. The Group's focus on enhancing its visibility and customer experience through quality services and marketing efforts also contributed to higher volumes in the Automobile After-Sales Services segment, which helped enhance our ability to negotiate for better pricing with the suppliers of spare parts and improve our profitability.

Gross profit in the Automobile Financing and Related Services segment increased by S\$889,000 or 26.2%, from S\$3.4 million in FY2022 to S\$4.3 million in FY2023. However, the gross profit margin declined from 70.5% in FY2022 to 65.9% in FY2023, reflecting higher block discounting interest expenses, despite strong growth in loan volumes and higher revenue from financing activities.

Gross profit for the Automobile Rental and Leasing segment increased by S\$145,000 or 14.9%, from S\$971,000 in FY2022 to S\$1.1 million in FY2023. The gross profit margin decreased slightly from 44.8% in FY2022 to 42.9% in FY2023. This was mainly due to rising motor vehicle depreciation as we expanded our leasing fleet to meet increasing demand, particularly in the private-hire vehicle leasing sector.

### Other income

Other income increased significantly by S\$470,000 or 118.4%, from S\$397,000 in FY2022 to S\$867,000 in FY2023. This increase was driven by higher contributions from various sources, including government grants, gains on disposal of property, plant, and equipment, sundry income, and other miscellaneous income.



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## MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

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Income from government grants increased by approximately S\$85,000 primarily due to our successful application for new grants related to productivity and innovation. Gains on disposal of property, plant, and equipment rose by S\$85,000 as we disposed of excess rental cars. In addition, sundry income increased by S\$180,000 due to a combination of small-scale ad hoc activities, such as assisting customers with selling motor vehicles on a consignment basis or handling administrative work in relation to settlement of outstanding loans, while other miscellaneous income grew by S\$120,000, driven by various minor income streams, such as interest income from our fixed deposits placed with the banks, road tax rebates, operating lease rental income from our investment property, and other one-off income items that were not classified under the main revenue streams.

### Selling and marketing expenses

Selling and marketing expenses increased by S\$204,000 or 23.1%, from S\$884,000 in FY2022 to S\$1.1 million in FY2023. This increase was primarily driven by higher spending on advertising and promotions, while other areas such as commissions paid and other marketing expenses remained relatively stable.

Spending in advertising and promotions saw the most significant increase, rising by S\$176,000 or 56.8%. The increase was driven by the Group's focus on enhancing its brand presence through various channels, including digital marketing, traditional media, and social media campaigns. The Group intensified its marketing efforts to boost customer engagement, improve brand visibility, and attract more customers, especially in the pre-owned car and after-sales segments.

### Administration expenses

The Group's administration expenses increased by approximately S\$2.0 million or 48.0%, from S\$4.3 million in FY2022 to S\$6.3 million in FY2023. This increase was driven by rising employee benefits, depreciation, and other expenses, reflecting the Group's efforts to expand operations and improve infrastructure to support growth.

Employee benefits expenses rose significantly by S\$1.3 million, or 49.1%, from S\$2.6 million in FY2022 to S\$3.9 million in FY2023. The increase was due to the Group's expansion efforts, which required hiring additional personnel and providing competitive compensation to retain key talent.

Depreciation expenses increased by S\$221,000 or 32.8%, from S\$674,000 in FY2022 to S\$895,000 in FY2023. The rise in depreciation was mainly attributed to the Group's investments in new facilities and equipment, to support business growth, including the purchase and renovation of our showroom at REVV in March 2022 and purchase of ERP systems in FY2023.

Other administration expenses, which include utilities, office maintenance, and administrative supplies, increased by S\$579,000 or 66.2%, from S\$874,000 in FY2022 to S\$1.5 million in FY2023. This increase was driven by higher operational activities across the Group's expanded facilities and business units, contributing to greater consumption of resources and associated overhead costs.

### Other operating expenses

There were no other operating expenses in FY2023 for comparison.

### Finance expenses

The Group's finance expenses increased by approximately S\$547,000 or 56.3% from S\$972,000 in FY2022 to S\$1.5 million in FY2023. The rise in finance expenses was primarily driven by higher levels of borrowings used to support the Group's expansion efforts, including capital expenditures on facilities, inventory, and vehicle fleet expansion, particularly in the Automobile Sales and Related Activities and Automobile Rental and Leasing Services segments.

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## MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

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### Net allowance for expected credit losses

The Group's net allowance for expected credit losses increased by approximately S\$174,000 or 79.8% from S\$218,000 in FY2022 to S\$392,000 in FY2023. The increase was largely due to the need for additional provisions in line with the expansion of our loan portfolio in FY2023. As the size of the portfolio grew, the overall exposure to default risk increased, leading to a rise in the amount set aside for expected credit losses.

### Income tax expenses

The Group's income tax expenses of S\$375,000 in FY2023 relate to current tax expense of approximately S\$399,000, over provision in prior year of approximately S\$72,000 and deferred tax expense of approximately S\$48,000.

### Profit for the year

As a result of the above, the Group registered a net profit of approximately S\$3.3 million in FY2023 as opposed to a net profit of approximately S\$2.8 million in FY2022.

### **9M2023 vs 9M2024**

#### Revenue

Revenue of the Group increased by approximately S\$890,000 or 1.1% from S\$82.8 million in 9M2023 to S\$83.7 million in 9M2024, primarily due to an increase in revenue from Automobile After-Sales Services and Automobile Financing and Related Services, which offset revenue decreases from Automobile Sales and Related Services.

Revenue from the Automobile Sales and Related Services declined by S\$2.4 million or 3.4%, from S\$69.9 million in 9M2023 to S\$67.5 million in 9M2024, mainly due to lower demand for floor stock financing and decline in new car sales, offset by higher pre-owned car sales.

Revenue from floor stock financing decreased by S\$7.6 million or 17.3%, from S\$43.9 million in 9M2023 to S\$36.3 million in 9M2024. The decrease in demand for floor stock financing can be attributed to market conditions, such as persistent high COE prices and broader economic uncertainties, which may have led dealers to adopt a more cautious approach, reducing their transaction volumes. Additionally, competitive dynamics and the availability of alternative financing options could have played a role in shaping car dealer's decisions and impacting the demand for floor stock financing.

Revenue from new car sales saw a significant decline of S\$2.0 million or 23.8%, from S\$8.4 million in 9M2023 to S\$6.4 million in 9M2024 due to a decrease in the number of new car units sold to end-users as we observed a shift in consumer preference towards pre-owned cars. Nevertheless, we saw a surge in sales of new motor vehicles to other car dealers in the third quarter of 2024, resulting in an increase in the total number of new car units sold.

Pre-owned car sales experienced a notable increase in revenue of S\$7.7 million or 51.3%, from S\$15.0 million in 9M2023 to S\$22.7 million in 9M2024. This growth reflects a consumer shift toward more affordable pre-owned vehicles, potentially influenced by high COE prices, making new cars less accessible. Our continued focus on marketing and branding for pre-owned cars likely contributed significantly to the strong results observed in 9M2024 and mitigated the impact of high COE prices on floor stock financing and new car sales.

Despite the decline in revenue from Automobile Sales and Related Services, the Automobile After-Sales Services segment provided a counterbalance with its significant growth. Revenue from Automobile After-Sales Services increased significantly by S\$2.2 million or 34.9%, from S\$6.3 million in 9M2023 to S\$8.5 million in 9M2024. This substantial increase indicates higher volumes of repair work, likely fueled by the Group's strengthened reputation, targeted marketing efforts, and consumer trends favoring repair over replacement amid high COE prices.



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## MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

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Revenue from the Automobile Financing and Related Services segment grew by S\$1.1 million or 23.9%, from S\$4.6 million in 9M2023 to S\$5.7 million in 9M2024, mainly due to a rise in interest earned on loans. This increase underscores the continued demand for vehicle financing solutions amid challenging economic conditions and high COE prices that drive up car purchase costs.

Revenue from the Automobile Rental and Leasing Services segment remained about the same at S\$2.0 million, with the PHV leasing sub-segment continuing to be the main contributor, maintaining its share at approximately 61.7% of total segment revenue in 9M2024 as compared to 63.5% in 9M2023. The stable demand for PHV leasing reflects consumer preference for flexible vehicle access amid high COE prices, where purchasing may not be economically viable.

Overall, the Group's diverse revenue streams showed resilience despite challenges in Automobile Sales and Related Services segment, with notable strengths in Automobile After-Sales Services and Automobile Financing and Related Services, positioning the Group for potential strategic adjustments.

### Cost of sales

The Group's cost of sales decreased by approximately S\$1.3 million or 1.8%, from S\$74.2 million in 9M2023 to S\$72.9 million in 9M2024. This reduction was mainly due to a decrease in cost of sales from the Automobile Sales and Related Services segment, even though the other segments saw an increase in the cost of sales.

The cost of sales for the Automobile Sales and Related Services segment declined by S\$3.3 million or 4.8%, from S\$68.2 million in 9M2023 to S\$64.9 million in 9M2024, tracking the reduction in revenue for the segment. This reduction reflects proportional adjustments in costs to changes in sales volumes, with significant reductions in floor stock financing and new car registration costs, partially offset by increased costs in pre-owned cars.

We saw a significant decrease of S\$7.6 million or 17.6% in the cost associated with floor stock financing from S\$43.2 million in 9M2023 to S\$35.6 million in 9M2024. This decline corresponds with reduced floor stock financing, reflecting a scaled-back inventory financing activity due to shifting market conditions and dealer demand.

The cost of sales for new cars increased by S\$894,000 or 42.9%, from S\$2.1 million in 9M2023 to S\$3.0 million in 9M2024, reflecting an increase in the number of new car units sold. However, new car registration costs decreased by S\$3.2 million, from S\$5.9 million in 9M2023 to S\$2.7 million in 9M2024. The reason for the above is because of the increase in the number of new car units sold as-is to other dealers, without incurring registration costs.

The pre-owned cars cost of sales increased by S\$7.2 million, or 50.0%, from S\$14.4 million in 9M2023 to S\$21.6 million in 9M2024. This rise is in line with the significant growth in our pre-owned car sales, which increased by 51.3%.

The cost of sales for the Automobile After-Sales Services segment increased by S\$1.2 million or 36.4%, from S\$3.3 million in 9M2023 to S\$4.5 million in 9M2024. This rise was driven primarily by higher sub-contractor expenses and increased purchases of spare parts to meet heightened service demand. This increase in costs was in line with the 34.9% growth in revenue.

The Automobile Financing and Related Services segment's cost of sales increased by S\$705,000, or 43.8%, from S\$1.6 million in 9M2023 to S\$2.3 million in 9M2024. This rise was primarily driven by higher interest expenses on block loans.

The cost of sales for the Automobile Rental and Leasing Services segment increased slightly by about S\$42,000 or 3.7%, from S\$1.1 million in 9M2023 to S\$1.2 million in 9M2024, mainly due to an increase in motor vehicle depreciation, reflecting the Group's investment in maintaining and expanding its leasing fleet.

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## MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

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### Gross profit and gross profit margin

The Group's gross profit increased by S\$2.2 million or 25.6%, from S\$8.6 million in 9M2023 to S\$10.8 million in 9M2024. Correspondingly, overall gross profit margin improved from 10.4% in 9M2023 to 12.9% in 9M2024, mainly attributed to better margins from the Automobile Sales and Related Services segment.

The gross profit for the Automobile Sales and Related Services segment increased by S\$827,000, from S\$1.8 million in 9M2023 to S\$2.6 million in 9M2024, with the gross profit margin improving from 2.5% to 3.8%. This was helped by the increase in sales of new cars to other motor vehicle dealers, which did not incur registration costs, as well as the slight increase in margins for pre-owned car sales.

The gross profit for the Automobile After-Sales Services segment rose significantly by S\$1.0 million or 33.3%, from S\$3.0 million in 9M2023 to S\$4.0 million in 9M2024. The gross profit margin decreased slightly from 47.6% to 46.9%, driven by an increase in sub-contractor expenses incurred, in relation to the increase in the revenue of the Automobile After-Sales Services segment.

The gross profit for the Automobile Financing and Related Services segment increased by S\$368,000, from S\$3.0 million in 9M2023 to S\$3.4 million in 9M2024, but the gross profit margin fell from 66.2% to 60.2% primarily due to higher interest expenses on block loans.

The gross profit for the Automobile Rental and Leasing Services segment remained stable, with a slight decrease of S\$7,000 or 0.8% from S\$856,000 in 9M2023 to S\$849,000 in 9M2024, and a slight decrease in gross profit margin from 43.0% to 41.9% accordingly.

### Other income

Other income for the Group increased slightly from S\$584,000 in 9M2023, compared to S\$639,000 in 9M2024. This increase was primarily driven by increases in sundry income and other miscellaneous income, partially offset by a decrease in gains on disposal of property plant and equipment and decrease in government grants. Sundry income increased significantly by S\$230,000 or 291.1% from S\$79,000 to S\$309,000, due to higher miscellaneous earnings such as administrative fees or minor services provided. Interest income from fixed deposits increased by approximately S\$71,000. These positive changes were partially offset by a decrease in gains on the disposal of property, plant, and equipment, which fell from S\$191,000 in 9M2023 to S\$34,000 in 9M2024, as well as a decrease in government grants by S\$53,000 or 23.6% from S\$225,000 in 9M2023 to S\$172,000 in 9M2024.

### Selling and marketing expenses

Selling and marketing expenses for the Group decreased by S\$66,000 or 7.9%, from S\$835,000 in 9M2023 to S\$769,000 in 9M2024 mainly driven by a decrease of S\$116,000 or 36.6% in commissions paid, primarily for loan referrals, from S\$317,000 in 9M2023 to S\$201,000 in 9M2024. The decrease was partially offset by an increase of S\$75,000 or 23.1% in advertising and promotions from S\$324,000 to S\$399,000. This reflects the Group's intensified focus on direct marketing and brand-building activities to expand its market reach and strengthen its competitive position.

### Administration expenses

Administration expenses for the Group increased significantly by about S\$1.9 million or 45.2%, from S\$4.2 million in 9M2023 to S\$6.1 million in 9M2024. The main contributor to this rise was employee benefits and one-off listing expenses. Employee benefits grew by S\$879,000 or 34.6%, from S\$2.6 million in 9M2023 to S\$3.5 million in 9M2024, reflecting higher staffing costs, due to new hires, salary adjustments, and enhanced employee incentives to support operational expansion and service delivery.

Professional fees increased from S\$34,000 in 9M2023 to S\$673,000 in 9M2024, mainly due to the one-off listing expenses.

Other administration expenses also saw a significant increase of S\$314,000 or 33.3%, from S\$944,000 to S\$1.3 million, which was mainly attributed to higher general operational expenses, such as office maintenance, miscellaneous services and technology investments.

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## MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

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### Other operating expenses

We did not incur other operating expenses in 9M2023. In 9M2024, we incurred \$22,000 in other operating expenses, which was mainly due to property, plant and equipment, such as computers and software, written off.

### Finance expenses

Finance expenses for the Group increased by S\$305,000 or 25.0%, from S\$1.2 million in 9M2023 to S\$1.5 million in 9M2024. This rise was mainly attributed to a higher volume of borrowings for working capital during the period.

### Net allowance for expected credit losses

The Group's net allowance for expected credit losses increased by approximately S\$249,000 or 143.9%, from S\$173,000 in 9M2023 to S\$422,000 in 9M2024, along with the increase in the business volume and default cases from the Automobile Financing and Related Services segment.

### Income tax expenses

The income tax expenses amounted to approximately S\$330,000 and S\$680,000 in 9M2023 and 9M2024 respectively. The increase was mainly due to additional deferred taxes of S\$135,000, as well as a reduction in the tax rebates from the government.

### Profit for the financial period

As a result of the above, the Group registered a net profit of S\$2.0 million in 9M2024 as opposed to a net profit of S\$2.5 million in 9M2023.

## **Review of Financial Position**

### **Non-Current Assets**

Non-current assets of the Group comprise (i) property, plant and equipment, (ii) investment property, (iii) intangible assets and (iv) trade and other receivables. Non-current assets amounted to approximately S\$61.0 million and S\$64.5 million, representing 56.7% and 52.6% of the Group's total assets as at 31 December 2023 and 30 September 2024 respectively.

#### *Property, plant and equipment*

Property, plant and equipment comprise office equipment, machinery, renovation, computer software, motor vehicles, furniture and fittings, and leasehold properties in the following locations:

- (i) 20 Sin Ming Lane #06-65/66, Singapore 573968;
- (ii) 24 Sin Ming Lane #01-91/92/93, Singapore 573970;
- (iii) 160 Sin Ming Drive #03-03/#04-18/#08-08/09/10, Singapore 575722;
- (iv) 1 Corporation Drive #01-10/11, Singapore 619775; and
- (v) 60 Jalan Lam Huat, #05-01, Carros Centre, Singapore 737869

(collectively, "**Leased Properties**").

Property, plant and equipment amounted to approximately S\$13.0 million and S\$14.9 million, representing 21.3% and 23.1% of the Group's non-current assets as at 31 December 2023 and 30 September 2024 respectively. The increase in property, plant and equipment was mainly due to the purchase of a new industrial property located at 1 Kampong Ampat #02-12 One KA @ Macpherson, Singapore 368314.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

### *Investment property*

Investment property relates to No. 3 Ang Mo Kio Street 62, #02-14, Link@AMK, Singapore 569139, which is leased to a third party under an operating lease. Investment property amounted to approximately S\$970,000 and S\$955,000, representing 1.6% and 1.5% of the Group's non-current assets as at 31 December 2023 and 30 September 2024, respectively. The decrease in investment property was mainly due to the depreciation of the property.

### *Intangible assets*

Intangible assets relate to a club membership in a golf club in Singapore, which is stated at cost less accumulated amortization and any impairment. Intangible assets amounted to approximately S\$54,000 and S\$52,000, representing 0.1% and 0.1% of the Group's non-current assets as at 31 December 2023 and 30 September 2024, respectively.

### *Trade and other receivables*

Non-current trade and other receivables comprise net hire purchase receivables and other receivables. Non-current trade and other receivables amounted to S\$47.0 million and S\$48.6 million representing 77.0% and 75.3% of the Group's non-current assets as at 31 December 2023 and 30 September 2024 respectively. The increase in non-current trade and other receivables was mainly due to a rise in motor vehicle financing provided to customers, which led to an increase in the non-current loan debtors.

### **Current Assets**

Current assets comprise (i) inventories, (ii) trade and other receivables, (iii) financial assets, at fair value through profit and loss, and (iv) cash and cash equivalents. Current assets amounted to S\$46.7 million and S\$58.1 million, representing 43.3% and 47.4% of the Group's total assets as at 31 December 2023 and 30 September 2024 respectively.

### *Inventories*

Inventories comprise motor vehicles, which include new cars, pre-owned cars, dealer floor stock cars as well as scrap cars. Inventories amounted to approximately S\$12.6 million and S\$18.7 million, representing 27.0% and 32.2% of the Group's current assets as at 31 December 2023 and 30 September 2024 respectively. The increase in inventories mainly relates to the purchase of pre-owned cars in connection with floor stock financing, as well as increase in new car stock in 9M2024.

Of the inventories as at 31 December 2023 and 30 September 2024, approximately S\$6.8 million and S\$9.8 million worth of inventories respectively are associated with floor stock financing and have been pledged to secure floor stock financing facilities. Please refer to the table below for the aging profile of such inventories as at 30 September 2024:

Age of inventories	(S\$'000)	Percentage of total inventories (%)
Less than 30 days	2,917	29.7
31 to 60 days	1,714	17.5
61 to 90 days	1,944	19.8
90 to 120 days	1,388	14.1
More than 120 days	1,858	18.9

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

The aging profile of other inventories as at 30 September 2024 is set out in the table below:

Age of inventories	(S\$'000)	Percentage of total inventories (%)
Less than 30 days	2,818	31.8
31 to 60 days	2,416	27.2
61 to 90 days	832	9.4
90 to 120 days	969	10.9
More than 120 days	1,832	20.7

### *Trade and other receivables*

Current trade and other receivables mainly comprise deposits paid for new motor vehicle orders, insurance claims for our Automobile After-Sales Services and hire purchase receivables, less allowance for expected credit losses, and other receivables. Current trade and other receivables amounted to S\$19.4 million and S\$23.7 million, representing 41.6% and 40.8% of the Group's current assets as at 31 December 2023 and 30 September 2024 respectively. The increase in current trade and other receivables mainly relates to increase in deposit payments for new motor vehicle orders, as well as increase in receivables for insurance claims and hire purchase.

### *Financial assets, at fair value through profit and loss*

Financial assets, at fair value through profit and loss comprise investment in life insurance policies. The currency profiles of the life insurance policies are in Singapore dollar and United States dollar. Financial assets, at fair value through profit and loss amounted to approximately S\$1.4 million as at the end of both periods, representing 2.9% and 2.3% of the Group's current assets as at 31 December 2023 and 30 September 2024 respectively as there is no material change in the net surrender value.

### *Cash and cash equivalents*

Cash and cash equivalents comprise cash at bank, fixed deposits and fixed deposits pledged for banking facilities. Cash and cash equivalents amounted to approximately S\$13.3 million and S\$14.4 million, representing 28.5% and 24.7% of the Group's current assets as at 31 December 2023 and 30 September 2024 respectively. Please refer to the section entitled "Management's Discussion and Analysis of Results of Operations and Financial Position – Liquidity and Capital Resources" for more details on the changes of cash and cash equivalents during the Track Record Period.

## **Equity**

Equity of the Group comprises share capital, share premium and retained earnings. Equity attributable to equity holders of the Company amounted to approximately S\$19.6 million and S\$23.3 million as at 31 December 2023 and 30 September 2024 respectively. The increase of approximately S\$3.7 million in equity was attributable to the increase in retained earnings from profits earned in 9M2024, as well as the investment by a new shareholder as stated in the section entitled "Summary of Our Financial Information – Basis of preparation for the unaudited pro forma combined financial information".

## **Non-current Liabilities**

Non-current liabilities comprise (i) borrowings, (ii) lease liabilities, (iii) contract liabilities, and (iv) deferred tax liabilities. Non-current liabilities amounted to approximately S\$48.8 million and S\$49.9 million, representing 55.4% and 50.2% of the Group's total liabilities as at 31 December 2023 and 30 September 2024 respectively.

### *Borrowings*

Non-current borrowings amounted to approximately S\$48.4 million and S\$49.3 million, representing 99.2% and 98.7% of the Group's non-current liabilities as at 31 December 2023 and 30 September 2024 respectively. The bank loans of the Group are secured by, *inter alia*, the joint and several guarantees from the directors and secured over inventories. The increase in non-current bank borrowings was mainly due to an increase in block discounting loans in line with a higher volume of motor vehicle hire-purchase financing provided to customers.



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## MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

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### *Lease liabilities*

Non-current lease liabilities refer to the Group's obligations under lease contracts for the Leased Properties. These liabilities are classified as non-current as they represent payment obligations that extend beyond the next 12 months. Non-current lease liabilities amounted to approximately S\$252,000 and S\$368,000, representing 0.5% and 0.8% of the Group's non-current liabilities as at 31 December 2023 and 30 September 2024 respectively.

### *Contract liabilities*

Non-current contract liabilities represent the Group's obligation to provide warranty and servicing for new motor vehicles sold by us. These obligations are classified as non-current because the services are expected to be provided over a period extending beyond the next 12 months. Revenue related to these services will be recognized progressively and contract liabilities decrease accordingly as services are rendered under the warranty period. As of 31 December 2023, and 30 September 2024, non-current contract liabilities amounted to approximately S\$85,000 and S\$65,000, representing 0.2% and 0.1% of the Group's non-current liabilities, respectively.

### *Deferred tax liabilities*

Deferred tax liabilities amounted to approximately S\$63,000 and S\$198,000, representing 0.1% and 0.4% of the Group's non-current liabilities as at 31 December 2023 and 30 September 2024, respectively.

## **Current Liabilities**

Current liabilities comprise (i) borrowings, (ii) trade and other payables, (iii) lease liabilities, (iv) income tax liabilities and (v) contract liabilities. Current liabilities amounted to approximately S\$39.3 million and S\$49.4 million, representing 44.6% and 49.8% of the Group's total liabilities as at 31 December 2023 and 30 September 2024 respectively.

### *Borrowings*

Current borrowings amounted to approximately S\$35.9 million and S\$44.9 million, representing 91.4% and 90.8% of the Group's current liabilities as at 31 December 2023 and 30 September 2024 respectively. The bank loans of the Group are secured by, *inter alia*, the joint and several guarantees from the directors and secured over inventories. The increase in current bank borrowings was mainly due to additional bank loans and trade financing facilities obtained to fund the Group's overall operations, including inventory purchases and provision of motor vehicle financing.

### *Trade and other payables*

Trade payables comprise amounts owing to third-party suppliers for goods and services purchased by the Group. Trade and other payables amounted to approximately S\$2.5 million and S\$3.5 million, representing 6.4% and 7.1% of the Group's current liabilities as at 31 December 2023 and 30 September 2024 respectively. The increase in trade and other payables was mainly due to increase in accounts payable for goods and services purchased by the Group, increase in accruals, as well as increase in customer deposits received.

### *Lease liabilities*

Current lease liabilities refer to the Group's obligations to make lease payments within the next 12 months under its lease agreements for the Leased Properties. These liabilities are classified as current as they represent payments due in the short term as part of the Group's ongoing lease contracts. Current lease liabilities amounted to approximately S\$430,000 and S\$463,000, representing 1.1% and 0.9% of the Group's current liabilities as at 31 December 2023 and 30 September 2024 respectively. The increase in current lease liabilities was mainly due to the net effect of the renewal of a lease during this period and expensing an existing lease, which had a lower liability than the lease renewal.

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## MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

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### *Current tax liabilities*

Current tax liabilities refer to the liability to pay corporate income tax in accordance with the tax regulations in Singapore. Income tax provision amounted to approximately S\$399,000 and S\$547,000, representing 1.0% and 1.1% of the Group's current liabilities as at 31 December 2023 and 30 September 2024 respectively.

### *Contract liabilities*

Current contract liabilities refer to the Group's obligation to deliver services or goods to customers for which it has already received advance payments. These liabilities are considered current as the services or goods are expected to be delivered within the next 12 months. Revenue related to these services will be recognized progressively and contract liabilities decrease accordingly as services are rendered under the warranty period. As the Group fulfills its obligations by providing the services or goods, the contract liabilities are recognized as revenue. Current contract liabilities amounted to approximately S\$66,000 and S\$55,000, representing 0.2% and 0.1% of the Group's current liabilities as at 31 December 2023 and 30 September 2024 respectively.

### **Liquidity and Capital Resources**

During the Track Record Period, the Group financed its operations mainly through cash generated from operating activities, credit granted by suppliers, shareholders' equity and borrowings from banks. The principal uses of these cash sources are to finance purchases of inventories including new and pre-owned automobiles and automobile parts and accessories, capital expenditure and operating expenses such as rental, payroll and administrative expenses.

As at 30 September 2024, we had cash and cash equivalent of approximately S\$14.4 million and net working capital of approximately S\$8.7 million. As at 30 September 2024, we recorded shareholders' equity of approximately S\$23.3 million.

We recorded net cash flows from operating activities of S\$8.8 million for FY2023 and net cash flows used in operating activities of S\$1.7 million, S\$1.7 million and S\$2.9 million for FY2021, FY2022 and 9M2024 respectively.

The Directors noted that the industry that our Group operates in has intensive capital requirements and the primary uses of cash are to fund our working capital requirements, the cost of purchasing new and pre-owned motor vehicles for sale, the floor stock financing business whereby we purchase pre-owned motor vehicles from other car dealers and sell back at a later time, the provision of hire-purchase financing and the cost of purchasing motor vehicles for leasing.

The above have been primarily financed by the shareholders' equity, our cash flows generated from operating activities, bank borrowings including block discounting loans, floor stock financing and trade invoice financing. Historically, our Group has not had any material difficulties in our ability to repay or roll over our bank loans when due. Further, our Group does not foresee any material difficulties in the ability to obtain further banking and/or credit facilities to further supplement the working capital requirements of our Group, if required, given our Group's strong and stable relationships with our banks and other financial institutions.



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## MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

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In assessing whether the Group has sufficient working capital, the Board of Directors and the Issue Manager, Full Sponsor and Placement Agent have considered the following:

- (i) the Group saw its revenue grow from S\$91.8 million in FY2022 to approximately S\$106.4 million in FY2023 and recorded revenue of approximately S\$83.7 million in 9M2024 as opposed to S\$82.8 million in 9M2023. The Group registered a net profit of S\$3.3 million and S\$2.0 million in FY2023 and 9M2024 respectively;
- (ii) the Group has cash and cash equivalents of S\$11.2 million as at the Latest Practicable Date;
- (iii) the Group has unutilised credit facilities of up to S\$59.0 million and S\$75.1 million as at the 30 September 2024 and Latest Practicable Date respectively. Please refer to the section entitled "Capitalisation and Indebtedness" of this Offer Document for further details;
- (iv) the Group has positive working capital of S\$7.4 million and S\$8.7 million as at 31 December 2023 and 30 September 2024 respectively;
- (v) the Group does not envisage any material capital expenditures in the next 12 months, save as disclosed in the section entitled "Capital Commitments" of this Offer Document;
- (vi) the proposed declaration of dividends for FY2024 and expected timing of such dividend payment;
- (vii) as at the date of lodgment of this Offer Document, the Group does not have any material contingent liabilities; and
- (viii) the expected scheduled repayment of borrowings and interest expenses in the 12-month period after Listing arising from the borrowings taken up by the Group.

The Board of Directors is of the reasonable opinion that, having made due and careful enquiry and after taking into account the factors set out above and the expected cash flows generated from the Group's operating activities, the working capital available to the Group as at the date of this Offer Document is sufficient for its present requirements and for at least 12 months after Listing.

The Issue Manager, Full Sponsor and Placement Agent is of the reasonable opinion that, having made due and careful enquiry and after taking into account the factors set out above and the expected cash flows generated from the Group's operating activities, the working capital available to the Group as at the date of this Offer Document is sufficient for its present requirements and for at least 12 months after Listing.

For the avoidance of doubt, the Board of Directors and the Sponsor and Financial Adviser did not take into account the net proceeds to be raised from the issuance of New Shares (if any) in arriving at the aforementioned opinions.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

A summary of the Group's cash flows for the Track Record Period is set out below. The following cash flow summary should be read in conjunction with the full text of this Offer Document, including the "Independent Auditor's Report on the Combined Financial Statements for the Financial Years ended 31 December 2021, 2022 and 2023 and Nine Months Period Ended 30 September 2024 of Vin's Holdings Ltd and its Subsidiaries" and the "Independent Auditor's Assurance Report on the Compilation of Unaudited Pro Forma Combined Financial Information for the Financial Year ended 31 December 2023 and the Nine Months Period ended 30 September 2024 of Vin's Holdings Ltd and its Subsidiaries" as set out in Appendices A and B of this Offer Document respectively.

<b>S\$'000</b>	<b>FY2021</b>	<b>FY2022</b>	<b>FY2023</b>	<b>9M2024</b>
Net cash (used in)/ generated from operating activities	(1,722)	(1,704)	8,838	(2,850)
Net cash (used in) investing activities	(1,594)	(6,056)	(1,855)	(2,026)
Net cash generated from/ (used in) financing activities	6,433	8,449	(4,718)	5,406
Net increase in cash and cash equivalents	3,117	689	2,265	530
Cash and cash equivalents at beginning of financial year/period	2,077	5,194	5,883	8,148
<b>Cash and cash equivalents at end of financial year/period</b>	<b>5,194</b>	<b>5,883</b>	<b>8,148</b>	<b>8,678</b>
Cash and cash equivalents as per statements of financial position	9,694	10,883	13,309	14,352
Fixed deposits pledged for bank facilities	(4,500)	(5,000)	(5,161)	(5,674)
	5,194	5,883	8,148	8,678

### FY2021

In FY2021, the Group recorded operating cash flows before changes in working capital of approximately S\$5.2 million. Net cash used in working capital amounted to approximately S\$6.8 million, which was mainly due to (i) an increase in trade and other receivables of approximately S\$18.2 million, driven by the growth in hire purchase loans extended to clients and deposits of approximately S\$2.6 million paid for the purchase of the properties located at 1 Corporation Drive #01-10/11, Singapore 619775, (ii) an increase in inventories of S\$3.8 million, due to stockpiling of vehicles in connection with strong demand from other car dealers for our floor stock financing services, partially offset by (iii) an increase in block discounting loans of S\$13.6 million granted by banks and/or financial institutions; and (iv) an increase in trade and other payables of S\$1.7 million, which is mainly related to the purchase of properties located at 1 Corporation Drive #01-10/11, Singapore 619775. Payments for the purchase of the properties located at 1 Corporation Drive #01-10/11, Singapore 619775 were classified as cash flows used in operating activities as the building were not fully completed then.

In FY2021, we also paid tax of approximately S\$106,000.

As a result, net cash used in operating activities amounted to approximately S\$1.7 million.

Net cash used in investing activities amounted to approximately S\$1.6 million. This was primarily due to the purchase of motor vehicles for our Automobile Rental and Leasing Services business, and purchase of a keyman insurance policy, amounting to S\$1.6 million and S\$516,000, respectively. The Group also received proceeds from the disposal of property, plant and equipment of S\$499,000 mainly consisting of motor vehicles, which partially offset the outflows.

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## MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

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Net cash generated from financing activities amounted to approximately S\$6.4 million, mainly due to (i) the proceeds from bank borrowings of S\$12.3 million to support business operations; (ii) a net increase in parent investment of approximately S\$5.7 million, which provided further financial support for the Group's activities and expansion during the year; (iii) advances from an associate of our Controlling Shareholders partially offset by repayments of bank borrowings and loans to the directors amounting to approximately S\$5.1 million and S\$1.4 million respectively; (iv) interest paid and repayments of lease liability amounting to approximately S\$913,000 in total; and (v) fixed deposits pledged of \$4.5 million.

As a result of the above, there was a net increase of approximately S\$3.1 million in cash and cash equivalents from S\$2.1 million as at 1 January 2021 to S\$5.2 million as at 31 December 2021.

### **FY2022**

In FY2022, the Group recorded operating cash flows used in operating activities before working capital changes of approximately S\$6.3 million. Net cash used in working capital amounted to approximately S\$7.6 million, which was mainly due to (i) an increase in trade and other receivables of approximately S\$13.5 million, driven by the growth in hire purchase loans extended to clients, (ii) an increase in inventories of S\$7.2 million, due to stockpiling of vehicles in connection with strong demand from other car dealers for our floor stock financing services, (iii) a decrease in trade and other payables of S\$575,000, and (iv) partially offset by an increase in block discounting loans of S\$13.6 million.

In FY2022, we also paid tax of approximately S\$370,000.

As a result, net cash used in operating activities amounted to approximately S\$1.7 million.

Net cash used in investing activities amounted to approximately S\$6.1 million. This was primarily driven by the purchase of property, plant and equipment, comprising a total of S\$4.1 million used for the purchase of two industrial properties at 1 Corporation Drive, #01-10/11, Singapore 619775, which were subsequently used as showrooms for the Group's operations and S\$2.1 million used for the purchase of motor vehicles and other assets. Additionally, we purchased a golf club membership in Singapore for S\$60,000 and an additional keyman insurance policy for approximately S\$365,000. These outflows were partially offset by proceeds from the disposal of property, plant and equipment of S\$630,000, mainly consisting of motor vehicles, during the year.

Net cash generated from financing activities amounted to approximately S\$8.4 million, driven by (i) proceeds from bank borrowings of S\$18.5 million, which were used to finance working capital and operational activities, partially offset by (ii) repayments of bank borrowings amounting to S\$8.0 million, (iii) lease liability repayments of S\$447,000, and (iv) interest paid on borrowings amounted to S\$953,000 during the year, reflecting the Group's increased borrowing levels to support growth. The Group also repaid amounts due to a related party, Boong Nan Jing, amounting to S\$100,000 in total. Please refer to paragraph (I) under the section entitled "Interested Person Transactions – Past Interested Person Transactions" for details.

As a result of the above, there was a net increase of approximately S\$688,000 in cash and cash equivalents, from S\$5.2 million as at 1 January 2022 to S\$5.9 million as at 31 December 2022.

### **FY2023**

In FY2023, the Group recorded operating cash flows before working capital changes of approximately S\$7.4 million. Net cash generated from working capital amounted to approximately S\$1.8 million, which was mainly due to (i) an increase in block discounting loans of S\$15.6 million, (ii) a decrease in inventories of S\$4.9 million, due to sales of vehicles; partially offset by (iii) an increase in trade and other receivables of approximately S\$18.1 million, driven by the growth in hire purchase loans extended to clients, and (iv) a decrease in trade and other payables of S\$504,000.

In FY2023, we also received interest of approximately S\$129,000 and paid tax of approximately S\$489,000.

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## MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

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As a result, net cash generated from operating activities amounted to approximately S\$8.8 million.

Net cash used in investing activities amounted to approximately S\$1.9 million. The primary drivers of this outflow were the purchase of motor vehicles and equipment amounting to S\$3.3 million, partially offset by proceeds from the disposal of property, plant and equipment of S\$1.5 million, primarily related to the sale of rental vehicles that were no longer required.

Net cash used in financing activities amounted to approximately S\$4.7 million. This was mainly due to (i) repayment of bank borrowings amounting to S\$9.7 million, reflecting the Group's efforts to manage its debt levels, (ii) interest payments on borrowings and lease liabilities amounting to S\$1.5 million, and (iii) repayment of principal lease liabilities of S\$553,000. These outflows were partially offset by proceeds from bank borrowings of S\$7.3 million, used to finance the Group's operations.

As a result of the above, there was a net increase of approximately S\$2.3 million in cash and cash equivalents, bringing the balance from S\$5.9 million as at 1 January 2023 to S\$8.2 million as at 31 December 2023.

### 9M2024

In 9M2024, the Group recorded operating cash flows before changes in working capital of approximately S\$6.2 million. Net cash used in working capital amounted to approximately S\$8.7 million, which was mainly due to (i) an increase in trade and other receivables of approximately S\$7.2 million, which was driven by a higher volume of hire-purchase financing activities, deposits placed for new motor vehicle orders and an increase in insurance claims in line with the growth in the revenue from our Automobile After-Sales Services, (ii) an increase in inventories of S\$6.1 million consisting of new motor vehicles and motor vehicles purchased in connection with floor stock financing, partially offset by (iii) an increase in block discounting loans of \$3.5 million to support the increase in hire-purchase financing business, and (iv) an increase in trade and other payables of S\$1.1 million.

In 9M2024, we also paid tax of approximately S\$396,000.

As a result, net cash used in operating activities amounted to approximately S\$2.9 million.

Net cash used in investing activities amounted to approximately S\$2.0 million. The primary drivers of this outflow were the purchase of an industrial property at One KA @ Macpherson, as well as motor vehicles amounting to S\$3.1million, partially offset by proceeds from the disposal of property, plant and equipment of S\$1.1 million, primarily related to the sale of rental vehicles that were no longer required.

Net cash generated from financing activities amounted to approximately S\$5.4 million, mainly due to (i) the proceeds from bank borrowings of S\$19.5 million to support business operations, offset by (ii) repayments of bank borrowings amounting to approximately S\$13.1 million, (iii) interest paid and repayments of lease liability amounting to approximately S\$1.8 million in total and (iv) fixed deposits pledged of S\$512,000.

As a result of the above, there was a net increase of approximately S\$530,000 in cash and cash equivalents, bringing the balance from S\$8.1 million as at 1 January 2024 to S\$8.7 million as at 30 September 2024.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

### Capital Expenditures, Divestments, Commitments and Contingent Liabilities

#### Capital Expenditures and Divestments

Capital expenditures made by the Group during the Track Record Period and for the period from 1 October 2024 to the Latest Practicable Date were as follows:

S\$'000	FY2021	FY2022	FY2023	9M2024	1 October 2024 to the Latest Practicable Date
<b>Acquisitions</b>					
Leasehold properties	–	4,109	–	2,076	–
Computer and Software	82	166	42	55	3
Office equipment, electrical, fixtures and fittings	5	33	15	–	–
Renovation	93	152	250	80	–
Motor vehicles	1,397	1,801	3,035	1,888	914
<b>Total</b>	<b>1,577</b>	<b>6,261</b>	<b>3,342</b>	<b>4,099</b>	<b>917</b>

The above capital expenditures were financed through bank borrowings and internally generated funds.

The acquisitions of leasehold properties of approximately S\$4.1 million in FY2022 and S\$2.1 million in 9M2024 relate to the purchase of two units located at 1 Corporation Drive #01-10/11, Singapore 619775 and an industrial property at One KA @ Macpherson, respectively. The purchases of motor vehicles mainly relate to renewal and/or expansion of our motor vehicle fleet for our car rental and leasing services.

The following table sets out the Group's divestments during the Track Record Period and for the period from 1 October 2024 to the Latest Practicable Date:

S\$'000	FY2021	FY2022	FY2023	9M2024	1 October 2024 to the Latest Practicable Date
<b>Divestments</b>					
Motor vehicles	466	526	1,298	1,075	1,128
<b>Total</b>	<b>466</b>	<b>526</b>	<b>1,298</b>	<b>1,075</b>	<b>1,128</b>

The divestments in the Track Record Period mainly related to the Group's disposal of rental vehicles. For the avoidance of doubt, the vehicles sold back to the dealers under the floor stock financing plans is not reflected under the divestments as such vehicles are classified under inventory, instead of fixed assets.

#### Capital Commitments

As at the Latest Practicable Date, the Group does not have any material capital commitments, save for the remaining payment of S\$202,000 for the purchase of the property at One KA @ Macpherson.

#### Contingent Liabilities

As at the Latest Practicable Date, the Group does not have any material contingent liabilities.

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## MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION

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### FOREIGN EXCHANGE MANAGEMENT

Our accounting records are maintained in S\$ and our operations are carried out in Singapore. All of our revenue and the majority of our purchases during the Track Record Period are denominated in S\$, while we purchase certain supplies, mainly motor vehicle spare parts and accessories, from overseas suppliers in RMB, MYR and JPY. Such purchases denominated in foreign currencies were immaterial as a percentage of our total purchases in the Track Record Period. We did not incur any material foreign exchange gains/(losses) for the Track Record Period. We do not use any financial derivatives such as foreign currency forward contracts and foreign currency options, for hedging purposes.

Our purchases of new parallel-import motor vehicles from local importers are denominated and transacted in S\$. However, the local importers may pass on the additional costs to us, which would increase our acquisition costs of new parallel-import motor vehicles in the event that the Singapore dollar depreciates against the currency of the country from which the motor vehicles are imported. Please refer to the section entitled "Risk Factors – Risks Relating to our Business or Industry – We are exposed to risks arising from fluctuations of exchange rates" for more details.

### Significant Accounting Policy Changes

The financial statements for the Period Under Review have been prepared in accordance with SFRS(I).

A number of new standards and amendments to standards have been issued and are effective for annual periods beginning on or after 1 January 2024 and, as such, have not been applied in preparing these consolidated financial statements. The adoption of these new and amended standards is not expected to have a significant impact on the combined financial statements in the year of their initial application.

Please refer to the "Material Accounting Policies" section of the "Independent Auditor's Report on the Combined Financial Statements for the Financial Years ended 31 December 2021, 2022 and 2023 and Nine Months Period ended 30 September 2024 of Vin's Holdings Ltd and its Subsidiaries", as set out in Appendix A to this Offer Document for the details of our Group's accounting policies. Except for the adoption of new and amended standards, our Group does not expect to change its accounting policies in the next 12 months that will result in material adjustments to the disclosed financials during the Track Record Period.



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## GENERAL INFORMATION ON OUR GROUP

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### HISTORY OF OUR GROUP

#### *Nascent Years (1987 – 2013)*

Our Group was founded by our Executive Director and Chairman, Vincent Khong. The business initially took the form of a sole proprietorship operating under the name of “Vin’s Auto”, and focused on motor vehicle maintenance and repair and motor vehicle insurance claims. In 1992, our Group expanded to provide short-term motor vehicle rental and leasing services to other workshops, which in turn provides rental services to their end customers to let their end customers use the car while their car is being repaired.

#### *Business expansion (2014 onwards)*

In 2014, our Executive Director and CEO, Galvin Khong, joined the Group. Vincent Khong and Galvin Khong have been instrumental in the growth, development and success of our Group. Under their leadership, our Group developed from its inception as a modest car workshop to an established automotive solutions provider with multiple workshops and showrooms strategically located around the island.

During our initial years, our efforts were focused on delivering excellent services on motor vehicle maintenance and repair to build up our reputation. Over the last decade, our focus shifted to an expansion of service offerings in order to meet the automotive needs of our customers.

In 2015, we started selling new parallel-import motor vehicles to our customers. We also witnessed the pent-up demand for car rental from individuals wishing to provide private-hire services through car booking service operators, and started leasing our motor vehicles to these individuals. In 2017, we further expanded the motor vehicle leasing business to provide long-term motor vehicle leasing and to cater to individuals as well as corporate customers who may have car leasing needs for their business operations. In the same year, in tandem with our business expansion, we sourced for a larger space and moved our office to Sin Ming AutoCity, one of the main automotive centres in Singapore focusing on motor vehicle maintenance and repair.

In 2018, we started providing motor vehicle financing (i) by providing our direct in-house motor vehicle financing to our customers through hire purchase agreements; and (ii) by assisting our customers to obtain financing from financial institutions which include banks in return for commission income from them. The provision of motor vehicle financing affords convenience to our customers and further cements our position in the industry as an integrated automotive solutions provider. In 2019, in an effort to enlarge our revenue streams, we started our floor stock financing business by purchasing pre-owned motor vehicles from other car dealers, with a view to selling them back to these dealers at a profit in order to finance their purchase of pre-owned motor vehicles.

#### *Marking our presence*

As our operations expanded, we needed more space for the storage and display of motor vehicles, and for motor vehicle maintenance and repair. In 2020, we launched our Midview City showroom. In the same year, we opened an office handling accident reporting and insurance matters at Carros Centre. In 2022, in anticipation of further growth in headcount, we relocated our headquarters to Midview City. Most recently, in 2023, we launched a new showroom at REVV, and set up an additional workshop at Sin Ming AutoCity. As at the Latest Practicable Date, we operate from the following locations:

Building Name	Area	Usage
Midview City	Sin Ming	Headquarter and office, flagship showroom
AutoCity	Sin Ming	Motor vehicle maintenance and repair, accident reporting and handling insurance matters
Carros Centre	Kranji	Accident reporting and handling insurance matters
REVV	Corporation Drive	Motor vehicle showroom, accident reporting and handling insurance matters



## GENERAL INFORMATION ON OUR GROUP

We also intend to set up a new showroom in the first half of 2025.

Please refer to the section entitled “General Information on our Group – Properties and Fixed Assets” of this Offer Document for further details on our business locations.

On 27 January 2022, our Company was incorporated in the Cayman Islands as an exempted company with limited liability, under the name of “Vin’s Holdings Ltd”. On 21 February 2025, we completed the Restructuring Exercise pursuant to which our Company became the holding company of our Group. Please refer to the section entitled “Restructuring Exercise” of this Offer Document for further details.

Our subsidiary, Vin’s Auto, was awarded the CaseTrust-SVTA Joint Accreditation for Motoring Business in recognition of its commitment towards fair trading by establishing consumer-friendly policies, ethical advertising and proper dispute resolution by the Singapore Vehicle Traders Association. It was also awarded the Singapore SME 500 Award for business excellence. Our subsidiaries, Vin’s Auto, was awarded SGcarmart Premium Dealer for 2025, while Vin’s Motor has been awarded the SGcarmart Star Merchant Award for six (6) consecutive years from 2020 to 2025, which is given to outstanding companies in the automotive aftermarket industry in recognition of their market leadership and service.

Since the formation of our in-house IT team in January 2024, we have made substantial progress in reshaping our operational capabilities through our ERP system development. Prior to 2024, we depended on an external IT vendor to develop and maintain our systems. However, the need for more agile and responsive solutions led the management to form an internal IT team, enabling us to tailor solutions to meet the Group’s specific needs and address operational challenges more effectively.

### OUR SUBSIDIARIES

The table below sets forth details of our subsidiaries as at the date of this Offer Document:

No.	Company Name	Date of Incorporation	Country of Incorporation and Principal Place of Business	General Nature of Business	Ownership Interest
<b>Subsidiaries</b>					
1.	Vin’s Group	3 March 2022	British Virgin Islands	Equity Holding	100.0%
2.	Vin’s Automotive Group	4 April 2022	Singapore	Investment Holding	100.0% <sup>(1)</sup>
3.	Vin’s Auto	26 April 2011	Singapore	Automobile sales	100.0%
4.	Vin’s Motor	5 October 1999	Singapore	Automobile maintenance and repair	100.0%
5.	Vin’s Credit	26 June 2018	Singapore	Automobile financing	100.0%
6.	K & V Car Rental	18 April 1992	Singapore	Automobile rental & leasing services	100.0%
7.	Vin’s Car Rental	1 September 2015	Singapore	Automobile rental & leasing services	100.0%
8.	Vin’s Leasing	21 June 2017	Singapore	Automobile rental & leasing services	100.0%

**Note:**

(1) Vin’s Automotive Group is 100% held by the Company indirectly through Vin’s Group.

None of the above subsidiaries are listed on any stock exchange. Save as disclosed above, our Company does not have any other subsidiaries, subsidiary entities, associated companies or associated entities.

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## GENERAL INFORMATION ON OUR GROUP

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### BUSINESS OVERVIEW

We are an integrated automotive solutions provider in Singapore. During the Track Record Period, our business consists of motor vehicle sales, after-sales services, financing, and rental and leasing.

#### *Automobile Sales and Related Services*

With respect to our business of sales of new parallel-import motor vehicles, we focus on retail sales to individual and corporate customers, to whom we offer a selection of new parallel-import motor vehicles from a wide range of Japanese and European brands. Apart from individual and corporate customers, our customers also include motor vehicle dealers who purchase new motor vehicles from us with a view to on-selling to their own customers.

For our business of selling pre-owned motor vehicles, we source our cars primarily through online auction platforms, or from existing car owners (either through direct sale, trade-in or on a consignment basis) or other car dealers, and sell them to local individual or corporate customers or other car dealers.

We engage in floor stock financing with the dealers, whereby we sell pre-owned motor vehicles purchased from the dealers back to them for a profit within an agreed period, typically up to 90 days, when these dealers have found interested buyers.

We also buy scrap cars from insurers with a view to on-selling them and unlocking their value. The spare parts from the scrap cars may also be retained for our motor vehicle repairs and maintenance services.

We also complement our motor vehicle sales business by assisting customers to procure the appropriate insurance policies and providers based on their motor insurance needs in return for a commission income from the insurance agencies.

#### *Automobile After-Sales Services*

Our Automobile After-Sales Services mainly refers to motor vehicle maintenance and repair services for the motor vehicles sold by us. We also provide accident repairs and routine maintenance services for motor vehicles owned by other motor vehicle owners.

Our motor vehicle maintenance and repair services are carried out in our workshops conveniently located at Sin Ming AutoCity. The ability to provide after-sales servicing enables us to secure consumer loyalty, and positions us as a one-stop vehicle solutions provider in Singapore. For accident repairs, after undertaking the repair works, we typically assist our customers with insurance claims as part of our one-stop solutions and value-added service.

We also sell spare parts and accessories sourced from the scrap cars that we purchase from insurers to corporate customers such as motor vehicle workshops and car owners.

#### *Automobile Financing and Related Services*

We mainly offer our automobile financing services to our customers through two business models, namely: (i) by providing our direct in-house motor vehicle financing to our customers through hire purchase agreements; and (ii) by assisting our customers to obtain financing from financial institutions which include banks in return for a commission income. Our customers include both car owners who purchase motor vehicles from us and those referred to us by other dealers.

#### *Automobile Rental and Leasing Services*

We provide both individual and corporate customers with the flexibility of motor vehicle leasing on short-term or long-term basis. Individual customers may lease motor vehicles from us for personal usage or for private hire; whereas corporate customers usually hire motor vehicles from us for corporate use.

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## GENERAL INFORMATION ON OUR GROUP

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### OUR BUSINESS MODEL

#### AUTOMOBILE SALES AND RELATED SERVICES

Automobile Sales and Related Services provided by the Group include:

- (a) Sale of new parallel-import and pre-owned motor vehicles;
- (b) Floor stock financing;
- (c) Sale of scrap cars; and
- (d) Insurance referral services.

Our revenue generated from the Automobile Sales and Related Services amounted to approximately S\$65.7 million, S\$78.6 million, S\$88.6 million and S\$67.5 million for FY2021, FY2022, FY2023 and 9M2024 respectively.

#### ***Sale of new parallel-import and pre-owned motor vehicles***

During the Track Record Period, our Group is engaged in the retail sales of new parallel-import and pre-owned motor vehicles.

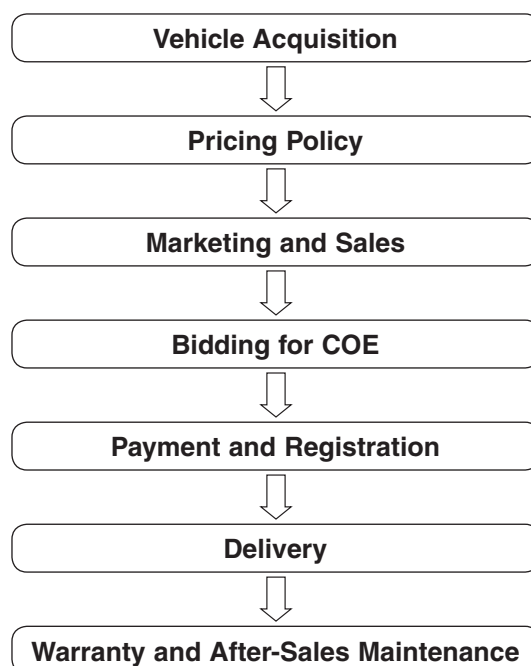
Our business in the sale of motor vehicles is undertaken principally by our subsidiary, Vin's Auto. We focus primarily on the retail sales of a wide spectrum of Japanese and European branded new parallel-import motor vehicles to local individual and corporate customers. Apart from individual and corporate customers, our customers also include motor vehicle dealers who purchase new motor vehicles from us with a view to on-selling to their own customers.

For pre-owned motor vehicles, our supply is primarily sourced through online auction platforms, or from existing car owners (either through direct sale, trade-in or on a consignment basis) or other car dealers.

Currently, our Group's showrooms for displaying new and pre-owned motor vehicles are located at Midview City and REVV. Our showroom at Midview City is located within close proximity to our workshops at Sin Ming AutoCity. Sin Ming area is one of the largest motor vehicle regions in Singapore, which houses a number of motor vehicle dealers and their showrooms. We launched our second showroom at REVV in 2023 and intend to set up our third showroom in the first half of 2025 as part of our efforts to expand our presence in the industry.

#### ***Sale of new motor vehicles***

The typical process of our retail sales of new parallel-import motor vehicles is set out below:



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## GENERAL INFORMATION ON OUR GROUP

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### *Vehicle Acquisition*

We procure new motor vehicles from local motor vehicle importers who generally source directly from exporters in Japan and Europe.

We actively monitor market demand and will generally place orders for motor vehicles which are more popular to ensure we carry a ready stock of high-demand vehicles in our inventory. We will need to make an initial deposit payment when placing the order. Occasionally, we place orders for a particular make and model of motor vehicle which we do not have stock upon the specific request of our customers. On those occasions, we will require a deposit from our customer before order placement.

Our local suppliers will then arrange for the importation of the motor vehicles into Singapore. Upon proof of shipment, we will make a further tranche of payment to our suppliers.

When the motor vehicles arrive in Singapore, our suppliers are responsible for clearing customs and presenting the vehicles for inspection at LTA's authorised inspection centres. After the vehicles have passed the inspection, the vehicles will be delivered to us. We generally make payments to the suppliers in tranches, i.e., upon proof of shipment, upon delivery and final payment upon receipt of customs clearance documents such as cargo clearance permit.

### *Pricing Policy*

The prices of our motor vehicles are generally determined on a cost-plus basis under which a profit margin is added to the cost, taking into account existing market conditions.

In respect of our new motor vehicle sale, we review our price list regularly, following the release of results of COE bidding exercises, and adjust the retail prices and profit margins of our motor vehicles in tandem with the fluctuations in COE prices. Apart from COE prices, movements in foreign exchange rates may also affect the acquisition costs and the selling prices of our motor vehicles as our motor vehicles are imported from overseas. During the Track Record Period, most of our customers who purchase vehicles from us will also obtain our motor vehicle financing, as a result of which they enjoy convenience and a saving off the original sale price of the motor vehicle.

In connection with our new motor vehicle sale, we also offer trade-in options to our customers. In determining the purchase price for the pre-owned motor vehicles to be traded in, we take into account, *inter alia*, the current retail price of a new motor vehicle of the same brand and model, the age of the motor vehicle intended to be traded in and the demand for that particular motor vehicle in the second hand market. We have the flexibility of setting and adjusting the purchase price of such pre-owned motor vehicles and the subsequent selling price when we on-sell the same motor vehicle to other customers.

### *Marketing and Sales*

Our marketing and sales efforts start once the motor vehicles arrive in Singapore. We advertise the cars on motor vehicle websites, social media as well as our own website. We also maintain a list of customers who have agreed to receive advertising information from us, and periodically send them emails and messages to market our latest motor vehicles.

### *Bidding for COE*

For the purposes of registering a motor vehicle with the LTA in Singapore, our customer must first obtain a COE in the appropriate motor vehicle category.

COEs are released through an open bidding system and there are two (2) bidding exercises each month. There is a limit to the number of COEs available for each COE category in each bidding exercise. For further details, please refer to the paragraph headed "Government Regulations — Vehicle Quota System and Certificates of Entitlement" in this Offer Document.

After the customer has signed the sales and purchase agreement and paid the deposit, we assist them with the bidding of COE and offer them two COE options, namely a guaranteed COE option and a non-guaranteed COE option. During the Track Record Period, majority of our customers have chosen the guaranteed COE option to enjoy a peace of mind.

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## GENERAL INFORMATION ON OUR GROUP

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Under the guaranteed COE option, we will either (i) provide a guaranteed bid for customers (regardless of the number of bids); or (ii) assist in making a number of bids, ranging from four (4) to six (6) bids in general, from the date of the sales order. Accordingly, under the arrangement in scenario (ii), irrespective of the COE price, the COE for the motor vehicle shall be secured within a period of two (2) to three (3) months (depending on the number of bids chosen by our customer). If the customer chooses a guaranteed COE option as opposed to the non-guaranteed COE option, the sale price of the motor vehicle will be higher.

Under the non-guaranteed COE option, we will assist in making up to an agreed number of bids after an order for a vehicle has been placed by the customer but we do not guarantee that we will be able to successfully obtain a COE within a stipulated period. In the event that a COE is not successfully obtained under the non-guaranteed COE option, the deposit paid by the customer will be refunded.

In respect of the guaranteed COE option, if the actual cost of the COE is significantly lower than our anticipated COE cost, our profit margins may be higher than originally expected as the sale price of the motor vehicle has included the anticipated cost of COE. In such an event, we may grant our customers a rebate at an agreed amount. On the other hand, if the actual cost of the COE is significantly higher than our anticipated COE cost, our profit margins may be adversely affected. As such, we carefully review our sale price and adjust the selling prices of our motor vehicles regularly following the results of COE bidding exercises. In determining the anticipated COE cost, our Group takes into account, *inter alia*, the following: (i) for each vehicle category, the number of COEs available and the number of bidders in the previous round; (ii) the number of motor vehicles being deregistered as published on LTA's website; and (iii) the historical movement of COE premiums in the recent bid exercises.

### *Payment and Registration*

Our sales personnel will notify our customers upon the successful bidding of COE and we will issue an invoice for the final payment to the customer which is required to be settled prior to the registration and delivery of the motor vehicle. We do not offer any credit terms to our customers for purchase of our motor vehicles and payment must be settled prior to registration and delivery of the motor vehicle. For customers who require motor vehicle hire purchase financing, we may either (i) offer our direct in-house motor vehicle financing services through hire-purchase agreements; or (ii) liaise with the preferred financial institution and assist customers to obtain a hire purchase loan. We will also assist our customers in taking out motor insurance and registering the motor vehicle.

All motor vehicles in Singapore must be registered with the LTA. In this regard, we attend to all motor vehicle registration related matters for our customers.

### *Delivery*

Before handing over motor vehicles to our customers, we will go through with them a delivery checklist to ensure that the relevant items, such as manuals and accessories, are properly handed over. Our staff will also provide instructions to our customers on operating the motor vehicle and demonstrate features of the motor vehicles. We also ask our customers to carry out a pre-delivery inspection on the motor vehicles to ensure that the motor vehicles are in good condition. If any issues arise during the pre-delivery inspection, we will rectify the issues at our own cost. The sale of motor vehicle is complete upon the customer signing the delivery checklist.

### *Warranty and After-Sales Maintenance*

As part of the handover, we provide our customers with a service booklet which sets out the standard scope of warranties for new motor vehicles. Under our standard scope of warranties, we will undertake to repair, restore or replace the parts covered by our warranty agreement typically for a period of five (5) years or 100,000 kilometres (whichever is earlier).

Repair works which are covered by warranties are carried out by our motor vehicle workshops. During the Track Record Period, there were no material costs incurred for the provision of warranty services.

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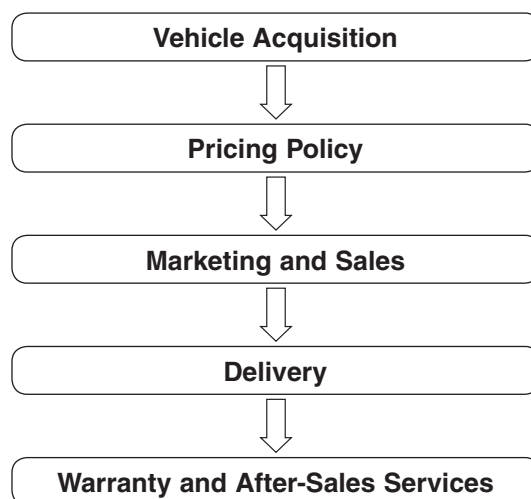
## GENERAL INFORMATION ON OUR GROUP

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Our process for selling new motor vehicles to motor vehicle dealers is similar to the process set out above, save that we do not (i) engage in substantial marketing efforts; (ii) assist in obtaining COE for such motor vehicles we sell to motor vehicle dealers; (iii) provide any financing to motor vehicle dealers; and (iv) provide warranties on such sales. Trade-in is also not an available option for transactions with motor vehicle dealers.

### ***Sale of pre-owned motor vehicles***

Apart from the sale of new parallel-import motor vehicles, our Group also sells pre-owned motor vehicles. The typical process for our retail sales of pre-owned motor vehicles is set out below:



#### *Vehicle Acquisition*

Our supply of pre-owned motor vehicles mainly comes through online auction platforms, or from existing car owners (either through direct sale, trade-in or on a consignment basis) or other car dealers. Individuals who wish to sell their motor vehicles may also list their motor vehicles with us on a consignment basis (i.e., sale at a price agreed between the seller and us while they continue to retain title and usage of the motor vehicle, until such time an interested buyer is found). We earn a service fee from the seller for facilitating the sale.

In view of the rising demand for EVs, we began to engage in the sale of pre-owned EVs from FY2023.

#### *Pricing Policy*

The prices of our motor vehicles are generally determined on a cost-plus basis under which a profit margin is added to the cost. In respect of pre-owned motor vehicles, we will consider various factors including depreciation, the original COE price, the number of times the motor vehicle has changed hands, the condition of the motor vehicle and the prevailing market price of the make and model of the motor vehicle to determine the appropriate selling price.

#### *Marketing and Sales*

Pre-owned vehicles are displayed at our main showrooms located at Midview City and REVV. Such vehicles are marketed and sold to both retail customers and other dealers. We also provide motor vehicle financing and assist them to procure insurance services as needed.

#### *Delivery*

Similar to new motor vehicles, before handing over pre-owned motor vehicles to our customers, we will go through with them a delivery checklist to ensure that the relevant items are properly handed over. The sale of pre-owned motor vehicle is complete upon full settlement of purchase price and the customer signing the delivery checklist, confirming that they have received all items. We then assist the customer to transfer the ownership of the vehicle.



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## GENERAL INFORMATION ON OUR GROUP

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### *Warranty and After-Sales Services*

The length of the warranty for pre-owned vehicles provided by our own workshops is generally six (6) months, depending on the age, make and model of the motor vehicle. We also offer after-sales maintenance and repair services for the vehicle.

### *Floor stock financing*

We provide floor stock financing to other car dealers, whereby we provide short-term financing by purchasing pre-owned motor vehicles from other car dealers and selling the same back to these dealers when buyers are identified within an agreed period at a higher price. The key processes of the transaction are as follows:

#### *Client Onboarding*

When a motor vehicle dealer approaches us to request for floor stock financing, we will first conduct our due diligence on the dealer. We will conduct the relevant ACRA searches to verify its corporate information, including its paid-up capital, registered address and business type. We will also conduct litigation searches on its directors, review its bank statements, and conduct background checks to verify its showrooms, fleet size and reputation, prior to offering our services to the dealer.

#### *Valuation of Motor Vehicles*

If we are satisfied with our due diligence, upon completion of client onboarding, we will conduct a valuation analysis to determine the market value of the pre-owned motor vehicle for which by the dealer requested for floor stock financing. In this regard, we conduct the valuations internally by utilising our in-house data aggregator/generator system which stores details of past transactions involving pre-owned vehicles (including the margin for each vehicle) to generate the recommended pricing for pre-owned vehicles based on such historical data. We developed the system in mid-2023 and began fully utilising it for pre-owned vehicles from 2024. Additionally, when we submit the vehicles for flooring to banks, they will carry out another round of valuation.

#### *Sale and Purchase Agreements*

We finance a certain percentage of the motor vehicle's market value or the requested floor value, whichever is lower ("**floor price**"). The financing process involves the signing of a purchase agreement with the dealer to purchase the motor vehicle from the dealer at the floor price minus an initial amount accounting for fees during an agreed period, typically up to 90 days ("**agreed period**"). A sale agreement for the sale of the motor vehicle back to the dealer for the floor price is signed concurrently with the said dealer. If the dealer fails to buy back the motor vehicle within the agreed period, we may allow an extension of up to 45 days, subject to agreement on additional fees for the extended financing. We obtain financing from our lenders for up to 90% of our purchase price or the lenders' internal valuation of the vehicle, whichever is lower.

#### *Transfer of Vehicle Ownership and Financing Duration*

After the purchase agreement is signed with the dealer, ownership of the vehicle will be transferred to us, but the physical vehicle remains with the dealer so that the dealer can market it to potential buyers. We do not direct the use of the vehicle and obtain substantially all of the economic benefits of the vehicle, as it is agreed between us and the dealer that the dealer is to have physical possession of the vehicle for marketing and sale to end customers. The ownership of the vehicle will be transferred back to the dealer or end customers (as the case may be) upon the sale of the vehicle by the dealer. The vehicles are stored at the dealers' premises. We conduct a physical stock count at the respective dealers' premises once every quarter. Further, LTA ownership of the relevant vehicles remain with us, so the dealers are not able to transfer the ownership of the car to the customer if they do not purchase back from us. During the period that the vehicle is owned by the Group, we take up insurance against fire and theft. The Board is of the view that such insurance policies taken by our Group adequately protect the Group from diminution in the value of the vehicles that is subject to floor stock financing arrangement with dealers.

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## GENERAL INFORMATION ON OUR GROUP

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### ***Sale of scrap cars***

We are also engaged in the sale of scrap cars. We typically purchase scrap cars from insurers through a bidding process. Often, these cars have been involved in motor vehicle accidents. Depending on the extent of damage, we may send them to our workshops for repairs and thereafter sell them to other car dealers or workshops or de-register the car to encash the applicable government rebates and sell the scrap to a scrap yard or an exporter.

We may also utilise the parts of the scrap cars for vehicle repairs. Please refer to the section entitled “General Information on our Group – Automobile After-Sales Services – Sale of salvaged spare parts and accessories” for more details on the utilisation of salvaged parts and accessories.

### ***Insurance referral services***

In connection with our automobile sales, we also provide referrals for insurance services to our customers, where our Group receives referral fees for referring customers to insurance agencies.

## **AUTOMOBILE AFTER-SALES SERVICES**

Automobile After-Sales Services provided by our Group refer to:

- (a) Motor vehicle maintenance and repair;
- (b) Accident repairs and insurance claims; and
- (c) Sale of salvaged spare parts and accessories.

We provide comprehensive motor vehicle maintenance and repair services, including accident repairs and processing of insurance claims. This segment of our business is carried out at our workshops located at Sin Ming AutoCity.

At our workshops, our team of mechanics led by Wee Aik Bin visually examine the vehicle and undertake a preliminary assessment of the cost needed for the repair. As at the Latest Practicable Date, we have a team of 24 mechanics. We also outsource various services to sub-contractors to complement the provision of our after-sales services. Please refer to the section entitled “Risk Factors - We are dependent on sub-contractors for the provision of motor vehicle maintenance and repair services” for further details.

Our revenue generated from Automobile After-Sales Services amounted to approximately 4.8 million, 6.2 million, 8.7 million and 8.5 million for FY2021, FY2022, FY2023 and 9M2024 respectively.

### ***Motor vehicle repair (including accident repairs and insurance claims)***

Our Group provides motor vehicle repairs, and we are particularly skilled at heavy repair of motor vehicles involved in collisions. As a testimony to our reputation in motor vehicle repairs, we are the authorised motor vehicle workshop on the panels of eleven (11) insurance companies as at the Latest Practicable Date, namely Allianz, China Taiping, Direct Asia, ECICS, ERGO, Etiqa Insurance, FWD Insurance, UOI, Great American Insurance, HL Assurance and Tokio Marine. As a result, customers insured with these companies approach us for repair of their motor vehicles, and will authorise us to liaise with the relevant insurer regarding the repairs needed. Where the damage of the motor vehicles is due to car accidents, the cost of repair work is usually borne by the insurance company, and we assist in the necessary paperwork to process the insurance claims. For repair of EVs, some insurance companies which have appointed us as the authorised motor vehicle workshop on their panel will send representatives to inspect our workshop before the repair commences to ensure that we are qualified to perform the repair. In this regard, during the Track Record Period, we have been endorsed by one of these insurance companies to perform repairs on EVs.

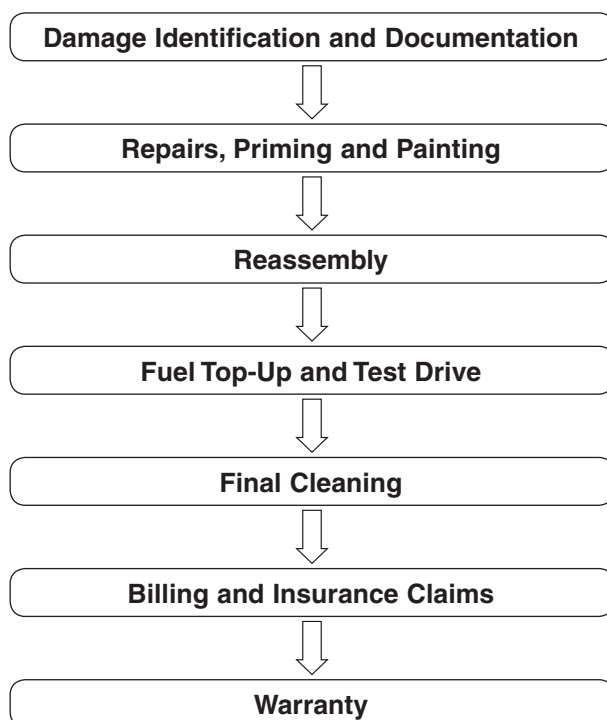
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## GENERAL INFORMATION ON OUR GROUP

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We will need to comply with the obligations under the relevant agreement entered into with each of the insurance companies to ensure that we remain on the panel. For further details in the event our Group ceases to be on the panel of the insurance companies, please refer to the section entitled “Risk Factors – Our motor vehicle repair business may be affected in the event we cease to be on the panel of insurance companies”.

Motor vehicle repairs are typically carried out in the following sequence:



### *Damage Identification and Documentation*

Prior to repairs, we will identify all damaged motor vehicle parts and document them with photographs to record in detail the vehicle's condition. For accident repairs, we will assess the extent of damage to the motor vehicle and submit an estimated cost of repairs to the customer's insurer. The insurer will then send a motor surveyor to assess the damage of the car and adjust the estimated cost of repairs, if necessary. In the event the insurer is of the view that the estimated cost of repairs provided by us is too high either because the motor vehicle is damaged beyond repair and/or the cost of repair is more than its exposure<sup>(1)</sup>, the insurer might consider it as a total loss and the customer may get a reimbursement of the current value of the motor vehicle instead, depending on the insurer's policies. In instances where the customer does not want to proceed with total loss and wishes to repair the motor vehicle, the customer could broadcast to the insurer's panel of workshops to see if anyone can repair the motor vehicle within the maximum repair charges the insurer is willing to bear for the repairs of the motor vehicle under its policy.

#### **Note:**

- (1) Every motor vehicle has a residual value that is determined by LTA (also commonly known as the “paper value”). As the insurer only insures the car up to its market value, the “exposure” for the insurer is hence the market value less this residual value.

Once both the insurer and us agree on the cost of repairs, we will then proceed to repair the car.

### *Repairs, Priming and Painting*

We will usually begin the repair work by performing structural repairs to restore the vehicle to its correct body and frame measurements. We will then conduct motor vehicle body repairs, mechanical repairs and replace motor vehicle parts, if necessary. Once the repair work is completed, we will apply primer and perform fine sanding on the motor vehicle's exterior, followed by the application of paint to restore the motor vehicle's appearance.

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## GENERAL INFORMATION ON OUR GROUP

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### *Reassembly*

We will also reassemble any parts removed in the course of the repair, including the installation of lamps, panels, and other components of the motor vehicle.

### *Fuel Top-Up and Test Drive*

We will top up the motor vehicle's fuel and conduct a test drive if necessary to ensure all repairs have been successfully completed and the motor vehicle operates smoothly.

### *Final Cleaning*

We will then wash the motor vehicle's exterior and vacuum and clean the interior.

### *Billing and Insurance Claims*

For maintenance and non-accident repair cases, our Group usually bills the customer upon completion of the work. For car accident repairs, we will bill the insurer the agreed fee in full (less the deductible that is billed to and payable by the customer to us) upon the completion of repairs, pursuant to an authorisation letter signed by the customer authorising us to submit the bill to the insurer. For repairs due to damages caused by the customer, our Group usually receives payment for the repairs in one (1) to three (3) months. However, for third-party claim cases where the customer is making a claim against a third-party insurer for repairs to his motor vehicle, our Group usually receives payment for the repairs in three (3) to six (6) months or longer, depending on the complexity of the case.

Our Group also assists the customer to submit insurance claims and assist with the necessary paperwork.

### *Warranty*

We also provide a warranty period of six (6) months to one (1) year on our repair services to give our customers a peace of mind. The warranty period for repairs is dependent on the parts being replaced or repaired.

### ***Motor vehicle maintenance***

We provide routine maintenance to new and pre-owned motor vehicles. In respect of new motor vehicles sold by us, as part of the handover, we provide our customers with a service booklet which sets out the standard scope of warranties for new motor vehicles and the recommended maintenance for the motor vehicle based on mileage. We typically provide for a 5-year or 100,000 kilometres (whichever is earlier) warranty period during which the motor vehicle owners may come back to us for certain maintenance services free-of-charge.

Once the maintenance services have been completed, the customer will be contacted to pick up the vehicle. The customer will conduct a visual inspection and sign off on an inspection form before taking possession of the vehicle.

We also provide maintenance services for long-term motor vehicles leased from us as part of the leasing arrangement.

### ***Sale of salvaged spare parts and accessories***

We also sell spare parts and accessories to corporate customers such as motor vehicle workshops and car owners. These spare parts are usually sourced from the scrap cars that we purchase from insurers through a bidding process. Where the scrap cars cannot be sold as pre-owned motor vehicles, we will deregister them and make applications to the LTA to encash the PARF and COE rebates, and disassemble the cars and salvage spare parts and accessories that could be sold, or used in the course of providing car maintenance and repair services. In this regard, our business of the sale of scrap cars and the provision of motor vehicle maintenance and repair services complement each other and we are able to benefit from the synergies and consequent cost-savings. After de-registration and salvaging parts that may be used, we either surrender the scrap cars to a scrap yard or sell it to an exporter.

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## GENERAL INFORMATION ON OUR GROUP

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### AUTOMOBILE FINANCING AND RELATED SERVICES

Automobile Financing and Related Services provided by our Group include:

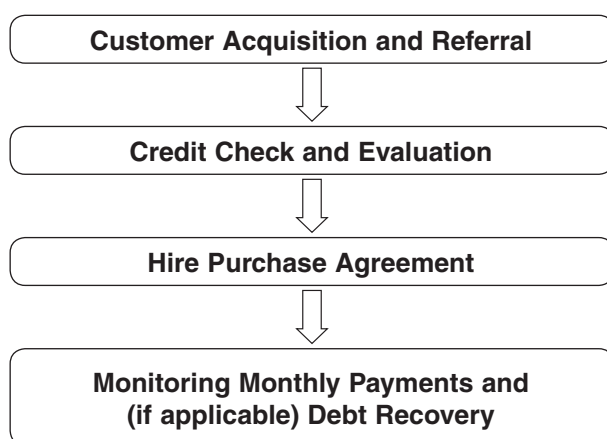
- (a) Providing in-house motor vehicle financing via hire purchase agreements; and
- (b) Arranging financing from financial institutions.

We offer automobile financing services by (i) providing our direct in-house motor vehicle financing to our customers through hire purchase agreements, or (ii) assisting car owners to obtain financing from financial institutions in return for a commission income. Our motor vehicle financing services are carried out through our subsidiaries, Vin's Credit and Vin's Auto. Our customers for this business segment comprise individual car owners, motor vehicle dealers and other corporate customers.

Our revenue generated from the Automobile Financing and Related Services amounted to approximately S\$3.0 million, S\$4.8 million, S\$6.5 million and S\$5.7 million for FY2021, FY2022, FY2023 and 9M2024 respectively.

#### ***Providing in-house motor vehicle financing***

The typical process for providing in-house motor vehicle financing is set out below:



#### ***Customer Acquisition and Referral***

As a one-stop motor vehicles service provider, we have been offering direct in-house motor vehicle financing since 2018. We obtain revolving block discounting facilities from financial institutions so that we can in turn extend in-house motor vehicle financing to car owners, which consists of customers who purchase cars directly from us or are referred to us by other motor vehicle dealers. We pay a commission to other motor vehicle dealers in return for referral of their customers to us.

#### ***Credit Check and Evaluation***

Prior to providing in-house motor vehicle financing, we use a third party online credit search platform to conduct credit checks on the potential customer. The credit search company will provide us with information on the potential customer's credit history, shareholding interests or directorships in any Singapore company and whether he/she is or has been involved in any litigation proceedings or bankruptcy proceedings. Based on the checks, our credit control department will evaluate the creditworthiness of the customer and decide whether to extend in-house financing, and if so, whether a guarantor is required. This process is overseen by our Executive Director and CEO, Galvin Khong. If the creditworthiness of the customer is not satisfactory to us, the customer may choose to obtain his own financing in order to proceed with the purchase of motor vehicle.

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## GENERAL INFORMATION ON OUR GROUP

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### *Hire Purchase Agreement*

Upon approval of our credit control department, we will enter into a hire purchase agreement with the customer. Motor vehicles under hire purchase are registered under the name of the customer under the LTA system.

Generally, the term of our motor vehicle hire purchase financing agreement with customer ranges from one (1) year to seven (7) years. We derive our revenue primarily from the interest charges under the hire purchase agreements with our customers. The interest rates are typically a fixed rate charged on a cost-plus basis as determined by us and may vary depending on factors which include general market conditions and the interest rates offered by alternative loan providers. In the event of early settlement, there will be additional charges including a percentage of the interest rebate intended to be refunded to the customer upon completion of original instalment payment period.

The Group has two (2) sets of hire-purchase agreements, one (1) set for transactions governed by the HPA (i.e., motor vehicle with value not exceeding S\$55,000 excluding COE) and one (1) set for transactions not covered by the HPA (such transactions are subject to common law and will be governed by terms mutually agreed by the parties so usual contractual principles will apply).

Aside from the value of the motor vehicle, there are no material differences between the commercial terms of hire-purchase agreements governed by the HPA and hire-purchase agreements not covered by the HPA.

While the motor vehicle is registered under the name of the customer on LTA records, we will lodge our interest in the motor vehicle under the HPFLAS. Upon full settlement of all outstanding amounts under the hire purchase agreement, we will discharge our interest under the HPFLAS. Prior to accepting any online application to transfer ownership or de-registration of motor vehicle, LTA will conduct a check with the HPFLAS system to determine if the vehicle is financed by a third party. As a result, a customer will not be able to sell or transfer ownership of the motor vehicle until the outstanding amount under the HPA is paid in full.

We are not required to obtain any specific licence under the HPA for the provision of hire purchase financing to our customers. For further details, please refer to the section entitled headed "Government Regulations" in this Offer Document.

### *Monitoring Monthly Payments and (if applicable) Debt Recovery*

Our credit control department regularly reviews our receivables to ensure that appropriate actions are taken to recover any overdue hire purchase receivables, and adequate impairment losses are made for irrecoverable amounts. We will also monitor repayments and issue reminders in respect of late payments. For payments that are long overdue, we will, taking into account the duration of the default, the cost of enforcement and the likelihood of recovery, decide on the appropriate course of action to recover the debt, including repossessing and auctioning the motor vehicles, and initiating legal proceedings against defaulting customers.

### ***Arranging financing from financial institutions***

Due to the substantial sale price of motor vehicles, as part of the services we offer to our customers and other dealers, we often assist them in arranging for financing. If the customer opts for financing through a financial institution, we will assist in preparing and submitting the necessary documents for a hire purchase loan application to the chosen financial institution. The selected financial institution will review the loan application and take over the hire purchase financing process.

Subject to the financial institution's approval of the financing, we receive a commission from the financial institution for referring the customer. The terms of the referral arrangement are usually based on the referral or dealer agreement entered into between us and the financial institution.



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## GENERAL INFORMATION ON OUR GROUP

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### AUTOMOBILE RENTAL AND LEASING SERVICES

We offer both individual and corporate customers with flexible mobility solutions without the need for vehicle ownership, by providing them with the option to rent or lease our motor vehicles for a fixed period of time. Our motor vehicle leasing business is carried out principally by our subsidiaries, Vin's Car Rental, K & V Car Rental, and Vin's Leasing.

Our revenue generated from Automobile Rental and Leasing Services amounted to approximately S\$1.9 million, S\$2.2 million, S\$2.6 million and S\$2.0 million for FY2021, FY2022, FY2023 and 9M2024 respectively.

The motor vehicles used in our leasing business are solely private vehicles, either sourced from motor vehicles traded in by our customers for purchase of new or pre-owned motor vehicles from us or from our collection of new parallel-import motor vehicles. New motor vehicles are generally only available for long-term leases, whereas pre-owned motor vehicles can be leased short-term or long-term. Sometimes, customers who have their motor vehicles under repair with us enter into short-term leases in order to continue enjoying the convenience of car ownership.

Before leasing out our motor vehicles, we conduct conflict checks and also check against an online private database containing details of individuals who are alleged to have defaulted on their obligations under car leases, and take into account information available on that database in evaluating the credit risk of the prospective customers.

Our types of motor vehicle leases include: (i) standard car leases; and (ii) private-hire vehicle leases. Our standard car lease customers comprise both corporate and individuals. Corporate customers include those who may have leasing needs for their business operations or for their employees. Such customers are allowed to use the leased motor vehicles for domestic, social and business purposes. Our private-hire vehicle lease customers comprise individuals who use the motor vehicles to provide private-hire services through car booking service operators. We will verify the private hire car driver's vocational licence (PDVL) prior to leasing motor vehicles to such drivers.

In the event of payment default, we will repossess the motor vehicle and proceed to set-off any outstanding amount with the deposit placed with us for the lease.

Motor vehicles used in our motor vehicle leasing business are also insured against typical risks categories. Please refer to "General Information on our Group – Insurance" section of this Offer Document for further details.

### QUALITY ASSURANCE AND QUALITY CONTROL

We place significant emphasis on quality control and are committed to adhering to and continually improving our quality management system to ensure that we are able to consistently meet or exceed our customers' expectations.

Prior to the delivery of motor vehicles to our customers, our staff will generally carry out a pre-delivery inspection exercise by conducting a thorough check on each motor vehicle. After determining that the condition of the motor vehicle is satisfactory, we will then deliver the motor vehicles to our customers.

Any customer complaints will first be handled by our trained sales staff. If the complaint cannot be resolved at the first instance, the matter will be escalated to our senior management for resolution.

In relation to the outsourcing of various works in connection with the provision of motor vehicle maintenance and repair services including but not limited to repair services by third parties, spray painting services, air-con repair services for motor vehicles, towing services and wheel alignment services, we typically engage only pre-approved reliable third-party suppliers or sub-contractors. Please refer to the section entitled "Risk Factors – We are dependent on sub-contractors for the provision of motor vehicle maintenance and repair services" for further details on the processes for selection of pre-approved and new third-party suppliers or sub-contractors to provide us with the necessary services to conduct our business.

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## GENERAL INFORMATION ON OUR GROUP

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### MARKETING AND SALES

The marketing and sales activities of our business are spearheaded by our Sales Manager, Yap Jun Hong (Ye Junhong). He is supported by our marketing and sales department.

Our marketing and sales department is primarily responsible for increasing our market share through acquiring new customers and businesses as well as maintaining our existing customer relationships through better service support and the provision of after-sales services to our customers. Please refer to the section entitled “Directors, Executive Officers and Staff – Staff” for further details on the number of employees in our marketing and sales department.

We currently have two (2) showrooms, which are located at Midview City and REVV respectively. We intend to set up an additional new showroom in the first half of 2025.

Given the retail focus of our sales business, we have dedicated our attention and resources towards enhancing our brand awareness and visibility in Singapore. Our marketing efforts include advertising on motor vehicle websites, such as the websites of SGcarmart, Motorist and Carousell where we list out the make and model of new and pre-owned motor vehicles that we sell, as well as advertising on paid social media and our own social media accounts. We also actively participate in roadshows and sponsor charity golf tournaments to enhance our brand awareness.

We also have our own website, <http://www.vinsautogroup.com.sg> for the promotion of our products and services. Our customers are able to browse our range of products and services online and contact us directly for their needs. The Group is in the process of revamping the website to make it more appealing and user-friendly.

Some of our marketing and sales strategies are set out below:

- (a) conducting direct marketing pitches to potential and existing customers via text broadcasts, social media and roadshows;
- (b) updating our existing customers on our new and pre-owned car models via electronic mail and messages;
- (c) ensuring that our customers are always satisfied with us for providing excellent customer services thereby ensuring our relationship with our key customers are of a long-term nature;
- (d) using our own social media platforms to advertise our motor vehicle collection and services; and
- (e) placing advertisements with SGcarmart and Motorist to tap on their user base to capture more customers.

### MAJOR CUSTOMERS

During the Track Record Period, our Group has maintained good working relationships with our diversified base of customers.

Our new motor vehicle sales customers are typically individual or corporate clients who are the end customers, whereas the sale of pre-owned motor vehicles are made to both end customers and other motor vehicle dealers who purchase the pre-owned motor vehicles from us and on-sell to their customers. We also provide floor stock financing to other car dealers, whereby we sell pre-owned motor vehicles purchased from the dealers back to them for a profit when these dealers have found interested buyers.

## GENERAL INFORMATION ON OUR GROUP

Our motor vehicle maintenance and repair, financing, and rental and leasing services are provided to individuals or corporate entities. Our corporate customers include those who may have car maintenance or leasing needs for their business operations. We also lease to individuals who use the motor vehicles to provide ride-sourcing services through private-hire vehicle booking service operators.

As a result, our customer base is fragmented and we do not have major customers which accounted for 5.0% or more of our Group's total revenue during the Track Record Period save for the following major customers to whom we sell pre-owned motor vehicles in connection with the provision of floor stock financing to them:

Major customer	Products/Services	Percentage of our Group's total revenue			
		FY2021	FY2022	FY2023	9M2024
Customer A <sup>(1)</sup>	Floor stock financing	9.1%	7.1%	—	—
Customer B <sup>(2)</sup>	New and pre-owned motor vehicle, floor stock financing	7.0%	11.6%	7.1%	6.5%
Customer C <sup>(1)</sup>	Floor stock financing	—	6.1%	11.1%	6.8%

**Notes:**

- (1) Customer A and Customer C are in the industry of car dealership.
- (2) Customer B is in the industry of car dealership and repair and maintenance of motor vehicles.

The volume of our transactions with the above entities fluctuates from year to year and is dependent on, *inter alia*, the economic conditions, COE prices, and their demand for floor stock financing. We do not have major customers for our other business segments. To the best of our knowledge as at the Latest Practicable Date, our Group's business and profitability are not materially dependent on any of our customers.

As at the Latest Practicable Date, none of our Directors, Executive Officers, Substantial Shareholders or their respective Associates has any interest, direct or indirect, in any of the above major customers.

### MAJOR SUPPLIERS

We procure new motor vehicles from various local motor vehicle importers who generally source directly from exporters in Japan and Europe. Our supply of pre-owned motor vehicles mainly comes from online auction platforms, or from existing car owners (either through direct sale, trade-in or on a consignment basis) or other car dealers. In connection with our floor stock financing, we purchase motor vehicles from car dealers and agree to sell the same back at a higher price to the car dealer when an interested buyer is found. Please refer to the section entitled "General Information on our Group – Overlap in Customers and Suppliers" for more details.

## GENERAL INFORMATION ON OUR GROUP

The following table sets out our suppliers which accounted for 5.0% or more of our Group's purchases during the Track Record Period:

Major suppliers	Product/Service	Percentage of our Group's total purchases			
		FY2021	FY2022	FY2023	9M2024
Supplier A <sup>(1)</sup>	New motor vehicle	5.6%	—	—	—
Supplier B <sup>(1)</sup>	Floor stock financing <sup>(4)</sup>	11.6%	7.0%	—	—
Supplier C <sup>(2)</sup>	New and pre-owned motor vehicle, floor stock financing <sup>(4)</sup> , scrap car	10.4%	13.1%	7.3%	4.3%
Supplier D <sup>(1)</sup>	Floor stock financing <sup>(4)</sup>	5.3%	2.9%	0.3%	—
Supplier E <sup>(1)</sup>	Pre-owned motor vehicle, floor stock financing <sup>(4)</sup>	—	7.4%	16.2%	6.4%
Supplier F <sup>(1)</sup>	Floor stock financing <sup>(4)</sup>	—	1.7%	6.2%	2.1%
Supplier G <sup>(1)</sup>	Pre-owned motor vehicle, floor stock financing <sup>(4)</sup>	4.4%	5.4%	5.7%	4.1%
Supplier H <sup>(1)</sup>	Floor stock financing <sup>(4)</sup>	—	4.5%	5.2%	1.3%
Supplier I <sup>(1)</sup>	Floor stock financing <sup>(4)</sup>	—	—	2.2%	5.7%
Supplier J/ Supplier K <sup>(3)</sup>	Pre-owned motor vehicle, floor stock financing <sup>(4)</sup>	—	—	—	13.2%
Supplier L <sup>(1)</sup>	New motor vehicle	—	—	—	7.1%

**Notes:**

- (1) Supplier A, Supplier B, Supplier D, Supplier E, Supplier F, Supplier G, Supplier H, Supplier I and Supplier L are in the industry of car dealership.
- (2) Supplier C is in the industry of car dealership and repair and maintenance of motor vehicles.
- (3) Supplier J and Supplier K are related companies with common shareholders. They are in the industry of car financing and dealership.
- (4) Refer to the supply of pre-owned vehicles in connection with floor stock financing.

The entities set out above are largely pre-owned car dealers from whom the Group purchases pre-owned motor vehicles in connection with provision of floor stock financing services to the same, with the exception of Supplier A and Supplier L which supply new motor vehicle to the Group.

We do not have major suppliers for our other business segments.

As at the Latest Practicable Date, none of our Directors, Executive Officers, Substantial Shareholders or their respective Associates has any interest, direct or indirect, in any of the above major suppliers.

The frequency and size of our orders may also fluctuate depending on our customers' demands and preferences. From time to time, we purchase motor vehicles from other motor vehicle dealers if they carry a specific model or colour of motor vehicles which we do not carry but is requested by our customers.

When selecting our suppliers, we take into account: (i) our working relationship with them; (ii) the price of the motor vehicles offered by our suppliers; and (iii) our assessment on the suppliers' reputation.

During the Track Record Period, we maintained good working relationship with our major suppliers and did not have any material disagreement or dispute with any of our suppliers.

To the best of our knowledge as at the Latest Practicable Date, our Group's business and profitability are not materially dependent on any of our suppliers.

## GENERAL INFORMATION ON OUR GROUP

### OVERLAP IN CUSTOMERS AND SUPPLIERS

During the Track Record Period, there was an overlap in most of our major customers and suppliers. These major suppliers and customers are other motor vehicle dealers whom we transact with in connection with floor stock financing – they are our suppliers when they sell to us with pre-owned motor vehicles, and become our customers when they purchase pre-owned motor vehicles back from us. Please refer to the section entitled “General Information on our Group – Automobile Sales and Related Services – Floor Stock Financing” of this Offer Document for more information on the nature of the floor stock financing business conducted by our Group.

For other transactions aside from our Group’s floor stock financing business, they generally involve trade-ins of motor vehicles and non-trade-in transactions where, our Directors believe that, other fellow motor vehicle dealers purchase motor vehicles from us to meet the demand of their customers when they run out of inventory for a particular model or colour of motor vehicle (as we have also on occasions purchased motor vehicles from other fellow motor vehicle dealers for the same reason). There have also been cases where we bought the same vehicle from the dealer to whom we had previously supplied that particular vehicle, in order to meet the demand of our customers when we do not have the inventory for that particular vehicle.

During the Track Record Period, the sales and purchases of same motor vehicle from the same customer-supplier were mostly from Customer B/ Supplier C, as Customer B/ Supplier C is our largest supplier and the purchases from Customer B/ Supplier C have accounted for approximately 10.4%, 13.1%, 7.3% and 4.3% of total purchase cost of motor vehicles for FY2021, FY2022, FY2023 and 9M2024 respectively. During the Track Record Period, Customer A/ Supplier B and Customer C/ Supplier E are our major customer and supplier.

Our Directors confirm that all of our transactions with our customers-suppliers during the Track Record Period were conducted in the ordinary course of business under normal commercial terms and on arm’s length basis. As at the Latest Practicable Date, none of our Directors, Executive Officers, Substantial Shareholders or their respective Associates has any interest, direct or indirect, in any of the above major customers or major suppliers.

### PROPERTIES AND FIXED ASSETS

#### Properties

As at the Latest Practicable Date, our Group owns the following properties:

Owner	Location	Tenure	Approximate gross area (m <sup>2</sup> )	Usage	Encumbrance
Vin’s Auto	No. 3 Ang Mo Kio Street 62, #02-14, Link@AMK, Singapore 569139	60 years commencing from 28 June 2011	200	Factory <sup>(1)</sup>	Charged in favour of HL Bank
Vin’s Auto	1 Corporation Drive, #01-10, REVV, Singapore 619775	30 years commencing from 22 January 2019	314	Automobile showroom	Charged in favour of HL Bank
Vin’s Auto	1 Corporation Drive, #01-11, REVV, Singapore 619775	30 years commencing from 22 January 2019	314	Automobile showroom	Charged in favour of HL Bank
Vin’s Credit	1 Kampong Ampat, #02-12, One KA @ Macpherson, Singapore 368314 <sup>(2)</sup>	41 years commencing from 15 May 2021 <sup>(3)</sup>	323	Automobile showroom <sup>(4)</sup>	Charged in favour of UOB

#### Notes:

(1) This unit is rented out to a tenant by the Group for rental income.

## GENERAL INFORMATION ON OUR GROUP

- (2) On 7 September 2022, our Group entered into a sale and purchase agreement (“SPA”) for the acquisition of this unit for a consideration of S\$2,021,000.00 (plus GST thereon). On 16 July 2024, we obtained the Temporary Occupation Permit for the unit. Under the SPA, legal completion of this unit is expected to take place no later than 16 July 2027 as the building has not been built as at the date of the SPA.
- (3) On 7 September 2022, we obtained beneficial interest in this unit upon entering into the SPA. We are expected to obtain legal title no later than 16 July 2027. Although we have not obtained legal title to this unit, the lack thereof has no impact on our Group’s operations as we have beneficial interest and are able to use this unit for our operations in due course. As of the Latest Practicable Date, we have not commenced using this unit for our operations. Please refer to Note (4) below for more details. This unit will continue to be owned by us for the remainder of the leasehold of 41 years commencing from 15 May 2021.
- (4) We intend to renovate this unit together with 1 Kampong Ampat, #02-10/#02-11, One KA @ Macpherson, Singapore 368314 for use by our Group as an automobile showroom. This new showroom is expected to have the capacity to display about 8 automobiles. Renovation is expected to commence in March 2025 and be completed in June 2025.

As at the Latest Practicable Date, our Group leases the following properties:

Lessor	Lessee	Location	Tenure	Approximate gross area (m <sup>2</sup> )	Usage
Tanglin Cars Pte Ltd	Vin’s Motor	60 Jalan Lam Huat, #05-01, Carros Centre, Singapore 737869	1 December 2024 to 30 November 2026 (2 years)	247.87	Office
Futuris Land Pte Ltd	Vin’s Auto	24 Sin Ming Lane, Unit No. #01-91/92/93, Midview City, Singapore 573970	1 June 2022 and expiring on 31 May 2025 (3 years); 1 June 2025 and expiring on 31 May 2028 (3 years) <sup>(1)</sup>	430	Automobile Showroom
Hong Chwee Real Estate Pte Ltd	Vin’s Credit	20 Sin Ming Lane, #06-65 and #06-66 Midview City, Singapore 573968	16 July 2022 to 15 July 2025 (3 years); 16 July 2025 to 15 July 2027 (2 years) <sup>(2)</sup>	278	Office
JTC Corporation	Vin’s Auto	160 Sin Ming Drive #03-03 Sin Ming AutoCity Singapore 575722	1 March 2023 to 28 February 2026 (3 years) <sup>(3)</sup>	325	Automobile workshop
JTC Corporation	Vin’s Motor	160 Sin Ming Drive #04-18 Sin Ming AutoCity Singapore 575722	1 March 2024 to 28 February 2027 (3 years) <sup>(3)</sup>	221	Automobile workshop
JTC Corporation	Vin’s Motor	160 Sin Ming Drive #08-08 Sin Ming AutoCity Singapore 575722	1 March 2023 to 28 February 2026 (3 years) <sup>(3)</sup>	216	Automobile workshop
JTC Corporation	Vin’s Auto	160 Sin Ming Drive #08-09 Sin Ming AutoCity Singapore 575722	1 September 2024 to 31 August 2027 (3 years) <sup>(3)</sup>	320	Automobile workshop
JTC Corporation	Vin’s Motor	160 Sin Ming Drive #08-10 Sin Ming AutoCity Singapore 575722	18 September 2024 to 17 September 2027 (3 years) <sup>(3)</sup>	219	Automobile workshop
HY Automobile Pte. Ltd.	Vin’s Auto	1 Kampong Ampat #02-10 One KA@ Macpherson Singapore 368314;  1 Kampong Ampat #02-11 One KA@ Macpherson Singapore 368314	1 April 2025 to 31 March 2028 (3 years) <sup>(4)</sup>	649	Automobile Showroom



## GENERAL INFORMATION ON OUR GROUP

### Notes:

- (1) The current lease was extended for another three (3) years from 1 June 2025 to 31 May 2028 pursuant to a tenancy agreement dated 18 November 2024.
- (2) The current lease was extended for another two (2) years from 16 July 2025 to 15 July 2027 pursuant to a lease renewal agreement dated 6 December 2024.
- (3) Pursuant to the terms of the leases for the property at 160 Sin Ming Drive #03-03, #04-18, #08-08, #08-09 and #08-10, Sin Ming AutoCity, Singapore 575722, the lessor is entitled to unilaterally terminate the relevant lease without cause by giving three (3) months' prior written notice, or paying three (3) months' rent-in-lieu, without breach by our Group of our obligations therein.
- (4) The tenancy agreement provides for a rent free fitting period from 1 March 2025 to 31 March 2025. These 2 units will be used together with 1 Kampong Ampat, #02-12, One KA@Macpherson, Singapore 368314 as a automobile showroom. Please refer to Note (4) under properties owned by the Group above for more details on the #02-12 unit. The estimated cost of renovation S\$250,000 will be financed through internal funds.

Save as disclosed in Note (3) above, none of our lessors may unilaterally terminate the respective leases without cause. We are of the view that any unilateral termination by any lessor is unlikely to have a material impact on our Group's business or operations as we believe that we will be able to secure leases for alternative premises in such event. However, the unilateral termination by our lessors of a few of our leases may adversely affect our business operations, financial performance and position as we will need to secure several leases at an alternative strategic location. The termination of leases also comes with costs to be incurred by our Group such as reinstatement costs, loss of fixed assets, relocation costs and reapplication of licences.

Barring unforeseen circumstances, our Group intends, as of the Latest Practicable Date, to renew the leases expiring within the next twelve (12) months, if any, in due course.

As at the Latest Practicable Date, our Directors are not aware of any existing breach of any of the terms and conditions of, or any obligations under our lease agreements that would result in the termination by the lessors.

As at the Latest Practicable Date, our Group leases the following properties to third parties:

Lessor	Lessee	Location	Tenure	Approximate gross area (m <sup>2</sup> )	Usage
Vin's Auto	JDB Design & Build Pte Ltd	No. 3 Ang Mo Kio Street 62, #02-14, Link@AMK, Singapore 569139	1 July 2022 to 30 June 2025 (3 years); 1 July 2025 to 30 June 2028 (3 years) <sup>(1)</sup>	200	Factory

### Note:

- (1) The current lease was extended for another three (3) years from 1 July 2025 to 30 June 2028 pursuant to a tenancy agreement dated 6 November 2024.

None of the lessees set out in the table above are related directly or indirectly to our Directors, Executive Officer, Substantial Shareholders and/or their respective Associates.

Save as disclosed in the section on "Government Regulations" of this Offer Document, there are currently no regulatory requirements or environmental issues that may materially affect our Group's utilisation of the above properties.

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## GENERAL INFORMATION ON OUR GROUP

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### Fixed Assets

As at 30 September 2024, our fixed assets comprise leasehold properties, computer & software, office equipment, electrical, fixtures & fittings, machinery, renovation and motor vehicles amounting to S\$14.9 million. Please refer to Appendix A of this Offer Document for more details on our fixed assets.

To the best of our Directors' knowledge, there are no regulatory requirements or environmental issues that may materially affect our utilisation of the above fixed assets.

As at the Latest Practicable Date, and save as set out above, none of the properties owned or leased by our Group and none of our fixed assets were subject to any mortgage, pledge or any other encumbrances or otherwise used as security for any bank borrowing.

### RESEARCH AND DEVELOPMENT

We do not generally carry out any research and development activities. However, we constantly monitor the markets, consumer preferences and competition, and are always on the lookout for various opportunities to expand our existing businesses and to identify automobile-related businesses and products.

### INVENTORY MANAGEMENT

Our inventories comprise new and pre-owned motor vehicles (including pre-owned vehicles purchased from car dealers in connection with floor stock financing), and motor vehicle spare parts. New and pre-owned motor vehicles comprise the bulk of our inventory. Accordingly, our inventory turnover days are largely dependent upon the movement of the inventory for new or pre-owned motor vehicles.

In order to respond to customer demand and at the same time manage our cashflow effectively, we aim to stock a reasonable level of inventory of our products. We typically procure our inventory based on historical movements of and anticipated demand for new motor vehicles and motor vehicle parts and accessories. Our inventory for pre-owned motor vehicles is largely dependent upon sales of new motor vehicles where trade-in motor vehicles are involved as well as anticipated demand for pre-owned motor vehicles and floor stock financing. We maintain an inventory management system for new motor vehicles, pre-owned motor vehicles and motor vehicles parts and accessories, which enables us to monitor and manage our inventory turnover for these products in a real-time manner. For new motor vehicles and pre-owned motor vehicles that have aged beyond a certain period of time, we will take initiatives, such as marketing events, to reduce such inventory level.

Our inventory turnover days during the Track Record Period are as follows:

	FY2021	FY2022	FY2023	9M2024
Inventory turnover for floor stock financing (days) <sup>(1)</sup>	51	55	56	64
Inventory turnover excluding floor stock financing (days) <sup>(1)</sup>	45	88	75	69

**Note:**

- (1) The inventory turnover (days) is calculated based on the average opening and closing inventory balance of the relevant financial year/period divided by corresponding cost of sales for the financial year/period and multiplied by 365 days (274 days for 9M2024).

We onboarded and began transactions with a new client for floor stock financing towards the end of 9M2024, which significantly increased the level of inventory in relation to floor stock financing at the end of 9M2024 and the inventory turnover increased from 56 days in FY2023 to 64 days in 9M2024 accordingly.

The inventory turnover days (excluding floor stock financing) increased from 45 days in FY2021 to 88 days in FY2022 as we strategically pivoted in the middle of FY2022 to focus more on pre-owned car trading and increased the level of pre-owned motor vehicles available for sale amid rising COE prices. In line with the significant growth in sales of pre-owned cars in FY2023 and 9M2024, our inventory turnover days (excluding floor stock financing) decreased from 88 days in FY2022 to 69 days in 9M2024.

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## GENERAL INFORMATION ON OUR GROUP

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Our inventories are stored at Sin Ming AutoCity, Midview City, REVV and Carros Centre.

There was no material provision and/or write-down of our Group's inventory during the Track Record Period.

### CREDIT MANAGEMENT

We are exposed to credit risks from our customers in the ordinary course of business. In order to minimise our credit risks, our management team regularly monitors our credit risk management policies.

#### Credit terms to our customers

For our sale of new and pre-owned motor vehicles business, we do not offer any credit terms to our customers for purchase of our motor vehicles and payment must be settled prior to registration and delivery of the motor vehicle.

For our Automobile After-Sales and Related Services, our trade receivables mainly consist of amounts due from insurers as self-paid customers must settle payments before collection of motor vehicles. Insurers typically take one (1) to three (3) months to process payments but may extend to six (6) months or, in rare cases, up to a year for administrative reasons. Despite the extended payment periods, we do not impair these receivables, as historically, the insurers do not default on the claims.

For our motor vehicle hire purchase financing business, our management is responsible for the determination of credit limits (including the loan-to-value ratio) and credit approvals offered under our hire purchase arrangements. Such determination is conducted on a case-by-case basis and subject to the financing restrictions stipulated by the MAS. For details of the maximum LTV ratio, please refer to the paragraph headed "Government Regulation – Motor Vehicle Loan Financing Restrictions" in this Offer Document. Typically, our Group's allowable LTV is between 50% and 70%. Our credit checks and our requirement that our motor vehicle hire purchase financing customers must procure a guarantor to guarantee their obligations may mitigate our credit risk. We are also a member of the Hire Purchase, Finance and Leasing Association of Singapore which maintains a registry of encumbrances. Being a member allows us to lodge our interest in motor vehicles financed by motor vehicle hire purchase financing granted by us. For our motor vehicle leasing business, our rental deposits limit our credit risk as we are able to wholly or partially set off against the deposits in the event of default.

We believe that our credit policy and terms are generally in line with industry practice.

Our trade receivables mainly consist of insurance claims and instalment payments by our customers in respect of hire purchase financing arrangements (i.e. hire purchase receivables). Our management regularly reviews our receivables to ensure that follow-up action is taken to recover any overdue trade receivables and adequate impairment losses are made for irrecoverable amounts. Pursuant to our internal credit control policy, we will monitor repayments, issue reminders in respect of late payments and will decide on the appropriate course of action, such as commencing legal proceedings for debt recovery. We will make specific provisions for doubtful debts when there are reasonable grounds to believe that the outstanding amounts are not recoverable.

Under the hire purchase financing arrangements, we provide direct in-house motor vehicle financing to motor vehicle purchasers who in turn pay us back by making monthly installments (comprising interest and partial principal). The remaining amount (being the principal or total amount of financing minus monthly installments paid) is recorded as hire purchase receivables not past due under trade receivables. Due to the distinct difference in the nature of business between the after-sales services and hire purchasing financing, different payment terms and the significant amount of principal (which is to be repaid over up to 7 years on a monthly basis) being recorded as trade receivables, the management

## GENERAL INFORMATION ON OUR GROUP

is of the view that it would be more meaningful to exclude the hire purchase receivables from the trade receivables when computing the trade receivables turnover days to give a fairer picture of the speed of collection of trade receivables from the Automobile After-Sales and Related Services and analyse the hire purchase receivables based on the aging schedules. Our trade receivables (excluding hire purchase receivables) (“TR”) and TR turnover days for FY2021, FY2022, FY2023 and 9M2024 are as follows:

	FY2021	FY2022	FY2023	9M2024
TR turnover (days) <sup>(1)</sup>	6.8	8.5	8.9	9.5
TR as at the end of the relevant financial year/period (S\$'000)	1,369	2,705	2,217	3,255

**Note:**

- (1) TR turnover (days) is computed based on the average trade receivables (excluding hire purchase receivables) (average of the opening and closing gross amount of the relevant financial year/period) divided by revenue (excluding revenues from Vin's Credit, which is involved in the provision of hire purchase financing) multiplied by 365 days (274 days for 9M2024).

The increase in the TR turnover days over the Track Record Period is in line with the increase in revenue from the Automobile After-Sales and Related Services, as disclosed in the section entitled “Revenue – Breakdown of revenue by business segments” under “Management’s Discussion and Analysis of Results of Operations and Financial Position”.

The ageing schedule for our trade receivables and hire purchase receivables as at 30 September 2024 is as follows:

Trade receivables (excluding hire purchase receivables)	(S\$'000)	Percentage (%)
Not past due	–	–
Within 30 days	873	26.8
31 to 90 days	985	30.3
Over 90 days past due	1,397	42.9
<b>Total trade receivables (excluding hire purchase receivables)</b>	<b>3,255</b>	<b>100.0</b>

Hire purchase receivables	(S\$'000)	Percentage (%)
Not past due <sup>(1)</sup>	62,369	96.0
Within 30 days	727	1.1
31 – 90 days	414	0.7
Over 90 days	1,447	2.2
<b>Total hire purchase receivables past due</b>	<b>2,588</b>	<b>4.0</b>
<b>Total hire purchase receivables</b>	<b>64,957</b>	<b>100.0</b>

**Note:**

- (1) Being the amount of principal under the hire purchase financing arrangements.

### Credit terms by our suppliers

Our suppliers for new and pre-owned motor vehicles do not offer any credit term to our Group, and we were generally required to pay a deposit at the time of placing the order and settle the balance payment upon delivery of the motor vehicles.

We enjoy and have established good working relationships with our suppliers. While the credit terms granted by our suppliers range from 30 to 40 days for supply of spare parts and accessories for car repair and maintenance services, our payment to suppliers is usually prompt as is evident from the average trade payable turnover set out below.

## GENERAL INFORMATION ON OUR GROUP

The average trade payables turnover for FY2021, FY2022, FY2023 and 9M2024 are as follows:





	FY2021	FY2022	FY2023	9M2024
Trade payables turnover (days) <sup>(1)</sup>	0.8	1.1	1.2	1.4
Trade payables as at the end of the financial year/period (S\$'000)	157	337	271	480

**Note:**

- (1) Trade payables turnover (days) is computed based on the average trade payables (average of the opening and closing amount of the relevant financial year/period) divided by cost of sales multiplied by 365 days (274 days for 9M2024).

## INTELLECTUAL PROPERTY RIGHTS

As at the Latest Practicable Date, we own the following trademarks:

Trademark	Registered Proprietor	Class Code <sup>(1)</sup>	Country of Registration	Expiry Date	Trade Mark Number
	Vin's Auto	35, 36, 37 and 39	Singapore	22 July 2034	40202416461Q
	Vin's Auto	35, 36, 37 and 39	Singapore	22 July 2034	40202416462R
	Vin's Auto	35, 36, 37 and 39	Singapore	22 July 2034	40202416464P
	Vin's Auto	35, 36, 37 and 39	Singapore	22 July 2034	40202416466U

**Note:**

- (1) The class of Specification of Goods and Services in Singapore is described as follows:

Class 35: Advertising and promotional services; Advertising automobiles for sale by means of the Internet; Administrative processing of purchase orders; Administrative processing of warranty claims; Retail services; Retail services for vehicles; Auctioning of vehicles; Retail services in relation to vehicles; Retail services relating to vehicles; Retail store services featuring vehicles; Wholesale services for vehicles; Wholesale services in relation to vehicles; Wholesale services relating to vehicles; The bringing together, for the benefit of others, of a variety of goods (excluding the transport thereof), enabling customers to conveniently view and purchase those goods; The bringing together, for the benefit of others, of a variety of goods (excluding the transport thereof), enabling customers to conveniently view and purchase those goods from a retail outlet; Arranging and conducting of advertising events; Arranging and conducting of Internet auctions; Arranging and conducting of marketing events; Arranging and conducting of promotional events; Arranging exhibitions for advertising purposes; Arranging exhibitions for business purposes; Administrative processing of insurance claims; Administrative services relating to insurance; Administrative services relating to vehicle registration and title transfer; Arranging of contracts for the purchase and sale of goods and services, for others; Import-export agency services; Online retail services; Online advertising on a computer network; The bringing together, for the benefit of others, of a variety of goods (excluding the transport thereof), enabling customers to conveniently view and purchase those goods from a distributor outlet; Business consultancy services; Business consultancy, in the field of transport and delivery; Business management consultancy; Conducting of business research; Dissemination of commercial information; Market research; Market research services; Marketing research; Marketing research services; Organization of exhibitions and trade fairs for business and promotional purposes; Outdoor advertising; Providing business information via a website; Arranging and conducting auctions; Business planning; Business management planning; Business management; Administration of businesses; Retailing of goods by any means

Class 36: Financing of vehicles; Financing relating to automobiles; Financing of automobiles; Insurance services relating to vehicles; Automobile insurance services; Accident insurance; Automobile financing services; Appraisal of used automobiles; Automobile lease financing; Car insurance services; Hire purchase financing; Information services relating to insurance; Motor insurance; Motor vehicle insurance services; Providing information relating to the appraisal of used automobiles; Vehicle warranty services; Insurance information and consultancy; Provision of funds for hire purchase and for leasing; Warranty insurance services

## GENERAL INFORMATION ON OUR GROUP

Class 37: Advisory services relating to the repair of motor vehicles; Advisory services relating to vehicle maintenance; Advisory services relating to motor vehicle repair; Assembly [installation] of parts for vehicles; Battery charging service for motor vehicles; Charging of electric vehicles; Cleaning of motor vehicles; Fitting of windows in motor vehicles; Fitting of windscreens in motor vehicles; Fitting of windshields in motor vehicles; Fitting services for tyres; Garage services for automobile repair; Garage services for car repair; Garage services for the maintenance and repair of motor vehicles; Garage services for vehicle maintenance; Garage services for vehicle repair; Inspection of automobiles and their parts prior to maintenance and repair; Inspection of vehicles prior to maintenance; Inspection of vehicles prior to repair; Installation of parts for vehicles; Maintenance and repair of chassis parts and bodies for vehicles; Maintenance and repair of electric vehicles; Maintenance and repair of motor vehicle cooling systems; Maintenance and repair of engines; Maintenance and repair of motor vehicle engines; Maintenance and repair of motor vehicles; Maintenance and repair of motor vehicles and parts thereof; Maintenance and repair of motor vehicles and their engines; Maintenance of motor vehicles; Maintenance or repair of automotive vehicles; Painting of motor vehicles; Repair and maintenance of electric vehicles; Repair and maintenance of motor vehicles; Repair and maintenance of motor vehicles and parts thereof and of engines for motor vehicles and parts thereof; Repair of accident damage to vehicles; Repair of brake systems for vehicles; Repair of motor vehicles; Automobile body repair and finishing for others; Automobile cleaning; Automobile cleaning and car washing; Automobile greasing; Automobile lubrication; Automobile maintenance; Automobile polishing; Automobile reconditioning services; Automobile repair; Automobile undercoating services; Automobile washing; Automotive oil change services; Automotive refinishing; Cleaning of automobiles; Maintenance of automobiles; Rebuilding and reconditioning of engines; Rebuilding of automobile engines; Rebuilding and reconditioning of motors; Repair of automobiles; Installation of automobile accessories; Maintenance, servicing and repair of vehicles; Repair or maintenance of automobiles; Repair of land vehicles; Petrol refueling services for motor vehicles; Servicing of vehicles; Vehicle servicing; Car cleaning services; Car maintenance; Car washing; Fuel filling services for land vehicles; Gasoline refuelling service for motor vehicles; Installation of vehicle security devices; Natural gas refuelling service for motor vehicles; Overhaul of engines; Overhaul of vehicles; Painting of vehicles; Petrol stations [vehicle refuelling and maintenance]; Refuelling of petrol for vehicles [petrol stations]; Refurbishment of vehicles; Repair of tyres; Repair of parts of engines; Repair of trucks; Servicing of cars; Servicing of commercial vehicles; Vehicle battery charging; Vehicle breakdown repair services; Vehicle cleaning; Vehicle detailing; Automobile detailing; Vehicle conversions [engine]; Vehicle fueling services; Vehicle greasing; Vehicle lubrication; Vehicle polishing; Vehicle repair services; Vehicle service stations [refuelling and maintenance]; Vehicle tuning; Vehicle washing; Vehicle window replacement services; Vehicle windscreen replacement services; Window cleaning; Window installation; Window maintenance; Window repair; Window replacement

Class 39: Leasing of motor vehicles; Rental of electric vehicles; Rental of motor cars; Rental of motor land vehicles; Rental of motor road vehicles; Rental of motor vehicles; Chartering of vehicles; Rental of road vehicles; Rental of vehicles; Rental of automobiles; Motor vehicle transport services; Booking of rental cars; Rental car reservation; Chauffeur driven car hire services; Chauffeur driven car rental services; Vehicle rental services; Vehicle leasing services; Arrangement of vehicle recovery; Delivery of vehicles; Booking of hire cars; Booking of vehicle rental; Charter of motor vehicles; Hire of land vehicles; Motor vehicle hire services; Motor vehicle recovery services; Motor vehicle rental; Provision of hired vehicles; Recovery services for vehicles; Rental of cars; Rental of commercial vehicles; Rental of goods vehicles; Transport of motor vehicles; Vehicle breakdown towing services; Vehicle hire; Vehicle rental; Vehicle storage; Vehicle transport services; Salvage of motor vehicles; Towing of motor vehicles; Towing of automobiles; Towing of vehicles; Towing of vehicles in connection with breakdown services; Automobile towing services; Automobile salvage

Save as disclosed in this Offer Document, our business or profitability is not materially dependent on any patent or licence, industrial, commercial or financial contract (including a contract with a customer or supplier) or new manufacturing process.

### MATERIAL LICENCES, PERMITS, REGISTRATIONS AND APPROVALS

As at the Latest Practicable Date, our Group is subject to regulation by applicable laws, regulations and government agencies in Singapore which require us to possess various licences or approvals. Save as set out below, we do not consider any one of our licences on its own to be material to our business and we do not foresee any difficulties in renewing any one of the below mentioned licences when they expire.

Licence Name / Authority	Licence Holder	Licence Number	Validity Period
General Licence / LTA <sup>(1)</sup>	Vin's Auto	5273S	14 September 2024 to 13 September 2025

**Note:**

- (1) We hold a general license issued by LTA which allows our motor vehicles to be test-driven and transported on the road so long as a general licence is displayed on the motor vehicle. The general license is renewed on an annual basis and we do not foresee any difficulty with the renewal.



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## GENERAL INFORMATION ON OUR GROUP

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As at the Latest Practicable Date, our Directors confirm that, to the best of their knowledge, our Group has all requisite licences, permits, registrations and approvals which are material for our current operations. As at the Latest Practicable Date, none of the aforesaid licences, permits, registrations and approvals have been suspended or revoked and to the best of our knowledge and belief, there are at present no facts or circumstances which would cause such licences, permits, registrations and approvals to be suspended or revoked, or for any applications for, or for the renewal of, any of these licences, permits, registrations and approvals to be rejected by the relevant authorities.

### STAFF TRAINING AND DEVELOPMENT

We believe in providing our staff with the necessary training to ensure that they are equipped with the right skill set for proper job performance. We place great emphasis on improving and upgrading our staff's soft skills and technical knowledge. As such, staff training is conducted in accordance with the varying requirements of each department to ensure and enhance our quality of service.

Our technicians in charge of motor vehicle maintenance are required to undergo in-house training sessions. Such training focuses on equipping them with the relevant technical knowledge and safety awareness. In addition to in-house training, we also provide on-the-job training to our technicians. Such trainings are conducted by our senior technicians. All our new technicians will go through a formal briefing before they commence work. After this formal induction, they will spend some time at their respective workstations, where they will be trained by a supervisor, before they formally begin work.

For staff in other departments such as finance, administration and human resource departments, we conduct specific training to equip them with the relevant skills. Such training includes in-house training conducted by our senior staff as well as training conducted by external speakers or consultants. Occasionally, we also send our staff to attend external courses to upgrade technical knowledge and skills in their respective fields.

### INSURANCE

As at the Latest Practicable Date, we have taken up insurance policies in respect of, *inter alia*, the following:

- Business interruption, property damage and industrial risks policies in respect of our premises;
- Public liability in respect of our premises;
- Motor fleet and motor trade policies in respect of automobiles;
- Work injury compensation for our employees; and
- Keyman insurance for Galvin Khong.

Our Directors are of the view that our insurance policies are adequate for our business and operations. However, any significant damage to our assets and properties, whether as a result of fire or other causes, may still have an adverse effect on our business, results of operations or financial position. Please refer to the section entitled "Risk Factors – Our insurance coverage may be inadequate to protect us from all potential liabilities" of this Offer Document for further details. Our Directors will review our insurance coverage annually to ensure that it is adequate for the Group's operations.

### COMPETITION

The automotive dealership in Singapore is highly competitive. According to the Independent Market Report, there are more than 1,000 pre-owned car dealers in Singapore. While automobile dealers differentiate themselves by offering end-to-end solutions, including parallel import, vehicle financing, insurance, consignment, concierge services, trade-ins, scrap and export, selling of vehicle parts and accessories, maintenance and repair towing, not many parallel importers in Singapore have their own workshop. Instead, many parallel importers choose to outsource such services to other car maintenance and repair providers.

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## GENERAL INFORMATION ON OUR GROUP

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To the best of our knowledge, our key competitors (in alphabetical order) include:

- Car Times Automobile Pte Ltd
- Hua Yang Enterprises Pte Ltd
- Jack Cars Enterprises Pte Ltd
- Prime Motor & Leasing Pte Ltd
- SG Car Choice Pte Ltd
- Think One Automobile & Trading Pte Ltd
- TTS Motor Group Pte Ltd
- Venture Cars Pte Ltd

To the best of our Directors' knowledge, there are no published statistics or official sources of information with respect to industry statistics and the market share of our Group and our competitors.

The above key competitors are identified by the Industry Consultant in the Independent Market Report ("**Report**") and concurred by the Company.

In identifying the major players in the industry, the Industry Consultant reviewed a population of almost 800 companies. The Industry Consultant explains in the Report that as the automobile dealership industry is very fragmented in Singapore, the Report focuses on integrated automobile solution providers. Automobile dealers that have been shortlisted are those that deal with new (parallel import) and pre-owned passenger cars, and provide after-sales services. Authorised distributors, pre-owned car only dealers, pure vehicle online platform players, players dealing with commercial vehicles and companies with no corporate websites have been filtered and excluded from the list.

The Industry Consultant also highlights in the Report that many recognised automobile dealerships in Singapore do not disclose their latest financials publicly and fleet size or number of employees. Therefore, to filter the list further, they only focused on players with showrooms and are offering a "one-stop solution", which includes buying/ selling cars, financing, rental/ leasing, and/or in-house workshop services. As a result, those companies have been shortlisted and identified as the major players in the industry by the Industry Consultant and disclosed as key competitors.

None of our Directors and Substantial Shareholders or any of their respective Associates has any interest, direct or indirect, in any of the above competitors.

### COMPETITIVE STRENGTHS

Our Directors believe that our continued success is attributable to the following competitive strengths:

#### **We are a one-stop service provider with an extensive range of automotive solutions to cater to customers' needs**

Our Group is a one-stop solutions provider for all automotive needs, offering a comprehensive ecosystem of services encompassing new and pre-owned car sales, motor vehicle after-sales services such as maintenance and repair, motor vehicle financing, and motor vehicle rental and leasing services. This integrated approach provides our customers with a convenient one-stop destination for their automotive needs, ensuring a seamless customer experience from purchase to vehicle maintenance, financing, and leasing. By offering end-to-end services, our Group not only simplifies the customer's purchase journey but also strengthens its relationships with customers through ongoing engagement across multiple touchpoints, enhancing customer loyalty. The wide range of offerings also offers significant cross-selling opportunities, reduces our dependence on any single revenue source, and mitigates the risks associated with market fluctuations.

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## GENERAL INFORMATION ON OUR GROUP

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We have reaped significant synergies across our spectra of service offerings, and benefitted from our position as a one-stop solutions provider. For instance, after-sales and vehicle repairs benefit from car sales, as customers return for regular servicing and repairs, creating a recurring revenue stream for us. Additionally, our motor vehicle rental and leasing arms complement sales and after-sales by supporting fleet sales and providing short-term options for customers who may later transition into purchasing vehicles from us. The financing segment also benefits from motor vehicle sales, as customers seeking financing can access our in-house financing solutions. Being a one-stop motor vehicle solutions provider allows us to meet the varied needs of our customers organically and efficiently.

### **Technical competence and expertise in Automobile After-Sales Services**

Our Group has been in the automotive repair industry in Singapore for almost forty years and has established a solid track record in the industry. Since the founding of our business by Vincent Khong in 1987 as a motor vehicle workshop specialising in accident repairs and insurance claims, we have built a sterling reputation for our technical expertise in vehicle repairs, accident recovery, and insurance claims management. Our skilled technicians are trained in modern automotive technologies, ensuring that vehicles are repaired and maintained to the highest industry standards. Our deep understanding of the insurance claims process also adds significant value for customers, as we can help customers navigate the complexities of claims management efficiently, making the process smooth and hassle-free. We also possess the expertise to purchase wrecked vehicles for the purpose of salvaging spare parts for sale.

Our technical competence in motor vehicle repairs also provides operational advantages by streamlining workflows across different departments. For instance, the vehicle repair division works closely with the insurance claims team, enabling quick and accurate assessments that minimise downtime for customers. Additionally, the ability to undertake repairs and facilitate insurance claims reduces the reliance on third-party service providers, thereby improving margins. Our technical proficiency not only boosts our credibility but also drives repeat business, as customers trust our ability to deliver high-quality repair services and claims solutions, and refer us to their family and friends.

### **Our IT systems enhance our operations and improve customer service**

We have long leveraged a variety of SaaS platforms and ERP systems to enhance our operations. We continue to use industry-leading solutions for sales, credit, workshop operations, human resource, customer relationship management, and bookings, ensuring that all critical business areas are supported by robust, reliable technologies. These systems have enabled us to streamline our operations, improve customer service, and maintain efficient workflows across different business units.

Our in-house IT team has already achieved notable results. Two critical operational modules have been transformed, leading to a significant reduction in our processing time for operations. This improvement has significantly boosted efficiency across various departments, reduced redundancies, and provided our employees with tools that seek to optimise their day-to-day workflows. This is achieved by streamlining repetitive tasks performed by our employees on a daily basis, as the new modules have decreased the amount of manual data entry and provided status tracking features useful for the employees' performance of their duties.

These early gains have laid the groundwork for broader digital transformation initiatives, including the further development of our ERP system, which will play a key role in supporting the Group's long-term growth.

As at the Latest Practicable Date, we have invested approximately S\$230,000 into the development of our in-house ERP system. This consists mainly the remuneration of the IT team, support from outsourced vendors, purchase of relevant hardware and online subscriptions that are required for the ERP system development.

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## GENERAL INFORMATION ON OUR GROUP

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Notwithstanding the aforesaid, the current size of the IT team is insufficient to meet the Group's growing technological needs. As we scale the ERP system and introduce more advanced features such as AI-driven predictive capabilities, automation, and integrated cloud-based solutions, expanding our IT department is critical. Hence, we intend to utilise part of the IPO proceeds to support this initiative. This expansion will not only improve response times and provide more consistent support across all departments but will also enable us to accelerate system innovations and further integrate technology into our operations. With a larger IT team, we will have the capacity to explore new strategies, such as data-driven insights and cloud-based solutions, ensuring we remain competitive in an increasingly digital marketplace.

The formation of the in-house IT team has been a pivotal step in advancing the Group's technological capabilities. While the progress so far has been promising, further investment in talent and resources is essential. With a larger and more specialised IT team, the Group will be well-positioned to support ongoing ERP system development and future technology-driven initiatives, ensuring that we continue to innovate and thrive in a rapidly changing industry landscape.

### **We have established and maintained strong relationships with our strategic partners**

We have cultivated longstanding relationships with our key suppliers, insurance companies, and financial institutions. These strategic partners provide crucial support for our operations. For instance, we settle our bills promptly with our suppliers and have, over the years, built a strong relationship with our suppliers, which ensures that we are able to obtain a consistent supply of motor vehicles and parts. Additionally, close collaboration with insurance partners helps streamline our insurance claims process, offering customers a smooth and seamless experience while enhancing our operational efficiency in handling accident repairs. Our Executive Director and Chairman, Vincent Khong, has had dealings with insurance companies for over 30 years. As a testimony to our reputation in motor vehicle repairs, we are the authorised motor vehicle workshop on the panels of eleven (11) insurance companies as at the Latest Practicable Date, namely Allianz, China Taiping, Direct Asia, ECICS, ERGO, Etiqa Insurance, FWD Insurance, UOI, Great American Insurance, HL Assurance and Tokio Marine.

In particular, we enjoy strong backing from financial institutions, which provide essential support in financing our inventories including new and pre-owned motor vehicles. This enables us to maintain a well-stocked inventory of motor vehicles for our customers' selection while minimising cash flow constraints. The close partnership with these financial institutions also allows us to offer in-house financing solutions to customers and enhances our ability to provide competitive financing options.

### **Our showrooms and workshops are located in strategic locations**

Since the beginning of the Track Record Period, we have operated mainly through showrooms at Midview City and REVV, and workshops at Sin Ming AutoCity, all of which are located in areas which are renowned motor vehicle dealership and servicing hubs. We are also planning to open a new showroom in the first half of 2025 so as to expand our business operations and increase our market presence.

By maintaining a good geographical spread, we are able to reach a diverse customer base, providing easy access for those looking to purchase, service, or lease vehicles. The strategic positioning of our showrooms and workshops maximises our market coverage and ensures that customers can rely on our accessibility and service quality, regardless of their location.

### **We have a committed and strong management team with deep industry expertise, guided by an experienced board of directors and supported by our young and dynamic staff**

We have an experienced management team with decades of experience and in-depth industry knowledge in the automotive industry. Our senior management team is led by our Executive Director and Chairman, Vincent Khong, who has almost forty (40) years of experience in the automotive industry and has overseen the management, day-to-day operations, growth and strategic direction of our Group since its inception. He is supported by his son, Executive Director and CEO, Galvin Khong, who introduced the principles of "Kaizen" and "Omotenashi", embedding these values into the Group's culture and operations and service ethos, focusing on continuous improvement and delivering exceptional customer service. This approach fosters deep customer satisfaction and loyalty, setting our Group apart from its competitors.

## GENERAL INFORMATION ON OUR GROUP

The majority of our senior management team has been with our Group for more than ten (10) years. We believe that their experience and long history with our Group have given them in-depth knowledge of our business and contributed significantly to our success. Our seasoned management team has guided our Group through several market cycles and industry shifts. Their deep industry knowledge also allows them to anticipate trends and position the company for long-term growth and success. For further details, please refer to the section headed “Directors, Executive Officers and Staff” in this Offer Document.

Our Board comprises seven (7) Directors, led by our Executive Director and Chairman, Vincent Khong. Alongside him, the other Executive Directors and all of our Independent Directors bring with them a wealth of experience in various directorship and management roles, including management of listed companies in various fields. Please refer to the section entitled “Directors, Executive Officers and Staff – Directors” of this Offer Document for further details of the experience and expertise of our Directors.

Our experienced management team is complemented by a team of young and dynamic workforce that brings fresh perspectives and energy to the Group. They are highly adaptable and incredibly agile in responding to industry changes. The younger workforce is also tech-savvy and proficient with modern technologies, enabling us to stay ahead in the digital transformation of the automotive industry. The combination of seasoned leadership and an energetic, forward-thinking workforce ensures that we remain innovative, competitive, and agile in a rapidly evolving market.

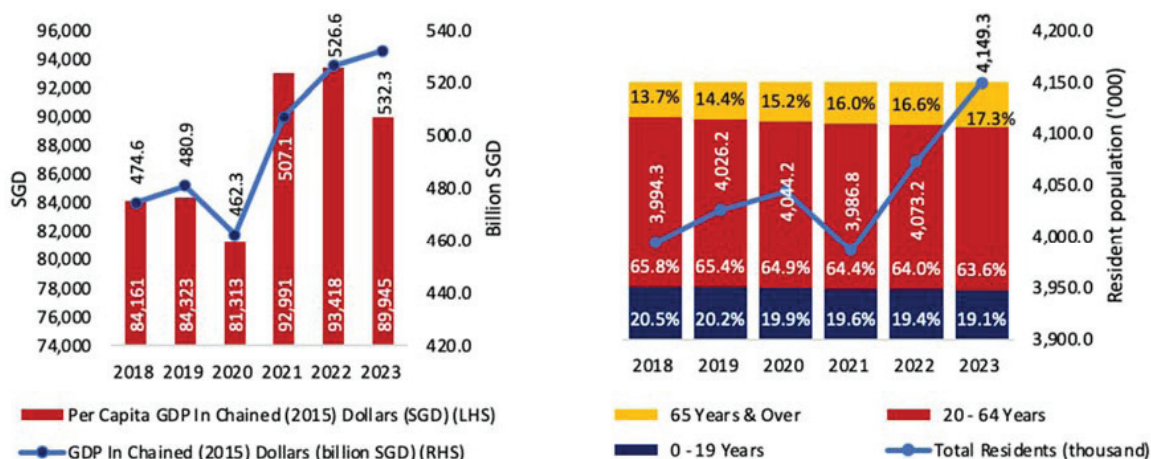
## INDUSTRY OVERVIEW AND PROSPECTS

The following section has been extracted from the Independent Market Report.

### Overview of Automobile Dealership Industry in Singapore

The automobile dealership industry is a competitive and fragmented sector in Singapore. While the Singapore government has established a quota system, which has made the country one of the most expensive to own a vehicle, Singaporeans are undeterred and many continue to aspire to own cars. The solid macroeconomic background, as signified by steady growth since 2018, and a working age population with growing affluence, are major drivers for the local automobile dealership industry, in a highly competitive, dynamic and consumer-driven passenger car market.

**Figure 1 - Singapore’s GDP, GDP per Capita, and Resident Population**



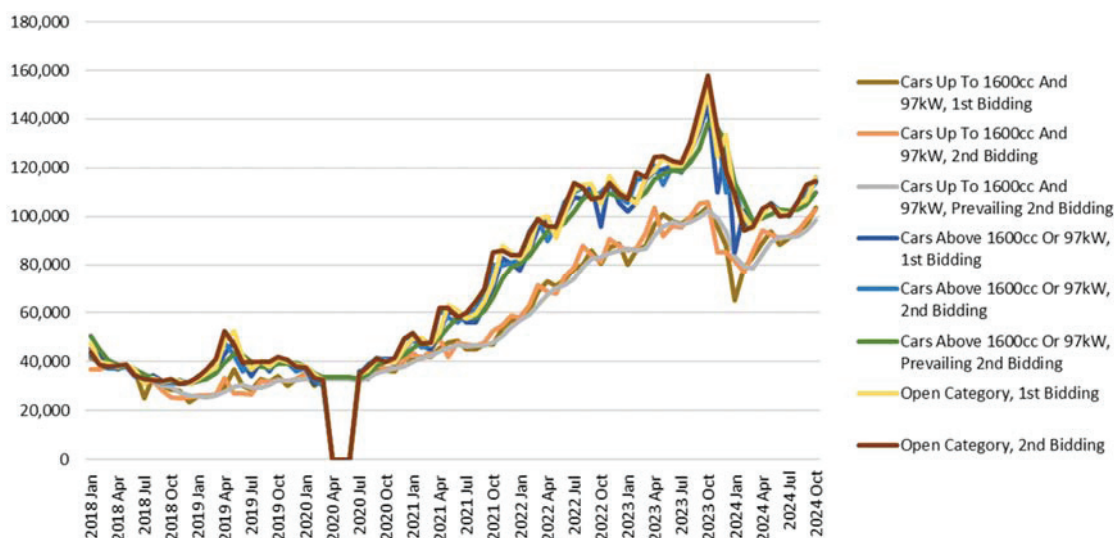
Source: Compiled by Industry Consultant based on data from Singapore Department of Statistics. The information was extracted on 15 July 2024 from SINGAPORE DEPARTMENT OF STATISTICS, “Singapore Residents By Age Group, Ethnic Group And Sex, At End June” generated by SingStat Table Builder which can be accessed at <https://tablebuilder.singstat.gov.sg/table/TS/M810011>, SINGAPORE DEPARTMENT OF STATISTICS, “Key Data Of Gross Domestic Product In Chained (2015) Dollars, By Industry (SSIC 2020)” generated by SingStat Table Builder which can be accessed at <https://tablebuilder.singstat.gov.sg/table/TS/M015951>, and SINGAPORE DEPARTMENT OF STATISTICS, “Per Capita GDP In Chained (2015) Dollars” generated by SingStat Table Builder which can be accessed at <https://tablebuilder.singstat.gov.sg/table/TS/M015891>. Singapore Department of Statistics has not provided its consent, for purposes of Section 249 of the SFA, to the inclusion of the information cited and attributed to it in this Offer Document and therefore is not liable for such information under Sections 253 and 254 of the SFA. While our Company and the Issue Manager, Full Sponsor and Placement Agent have taken reasonable action to ensure that the information is reproduced in its proper form and context and that the information is extracted accurately and fairly, none of our Company, the Issue Manager, Full Sponsor and Placement Agent or any other party has conducted an independent review of this information or verified the accuracy of the contents of the relevant information.



## GENERAL INFORMATION ON OUR GROUP

Of the over 650,000 passenger cars in Singapore, approximately one in ten people owns a car, indicating high demand for passenger vehicles. However, the number of newly registered passenger cars have been decreasing in the past five years. The number of de-registered cars have also followed a similar pattern, except for an increase in 2023. Despite the high cost of owning a car, in addition to COE and various taxes and fees, demand for ownership remains strong. Quota premium saw a short inactive period during the COVID-19 epidemic, however, bidding activities have picked up since and driven increases in COE prices. In late 2023 to early 2024, COE prices fell, which translated into lower costs for buyers, spurring higher demand for cars. COE prices have gone up in the second and third quarters of 2024 but are not expected to see any steep upward increases in the near future as more quotas have been announced for November 2024 to January 2025.

**Figure 2 - Quota Premium (SGD) of Motor Vehicles, Monthly**



Source: Compiled by Converging Knowledge based on data from LTA. The information was extracted on 14 July 2024 from SINGAPORE DEPARTMENT OF STATISTICS, "Motor Vehicle Quota, Quota Premium And Prevailing Quota Premium" generated by SingStat Table Builder based on data from LTA, which can be accessed at <https://tablebuilder.singstat.gov.sg/table/TS/M651121>. LTA has not provided its consent, for purposes of Section 249 of the SFA, to the inclusion of the information cited and attributed to it in this Offer Document and therefore is not liable for such information under Sections 253 and 254 of the SFA. While our Company and the Issue Manager, Full Sponsor and Placement Agent have taken reasonable action to ensure that the information is reproduced in its proper form and context and that the information is extracted accurately and fairly, none of our Company, the Issue Manager, Full Sponsor and Placement Agent or any other party has conducted an independent review of this information or verified the accuracy of the contents of the relevant information.

Majority (over 85%) of the cars in Singapore are powered by fossil fuels while hybrids and electric cars made up the remaining minority. The share of Internal Combustion Engine ("ICE") cars in the total car population is declining. The number of pure EVs has grown exponentially from 2018 to 2023 (CAGR: 84.4%), reaching 11,941 units in 2023. As at September 2024, the number of EVs went up to 21,796.

In Singapore, the automobile dealership industry must abide by the regulations set by the LTA, while the import of all vehicles must be approved by the Singapore Customs. Car ownership in Singapore can be transacted through different channels, which reflects the broad segmentation of the automobile dealership industry. There are four main channels, namely, authorised distributors, parallel importers, pre-owned car dealers, and online car platforms. New cars are sold by authorised distributors and parallel importers, while pre-owned cars (also known as second-hand or used cars) are sold predominantly by pre-owned car dealers and via online car platforms.

The high cost of car ownership in Singapore has driven the growth of alternatives such as car leasing and car sharing services. As such, some automobile dealers have aligned their sales and marketing strategies to cater to this demand. Players in the automobile dealership industry may also engage in a wider range of services including, but not limited to, car rental and leasing, pre-owned trading, consignment and scrap services, workshop maintenance and servicing, sale of spare parts and accessories, car insurance and claims services, and/or financing (e.g. floor stock financing).



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## GENERAL INFORMATION ON OUR GROUP

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### ***Major Trends in the Industry***

#### *Continued push for cleaner energy vehicles*

In line with the global push for reduced carbon emissions and adoption of cleaner energy vehicles, the Singapore government not only regulates the number of vehicles, but also promotes the use of eco-friendly transportation. The adoption of EVs is growing worldwide, spreading to Singapore, where domestic sales of popular brands such as Tesla and BYD continue to increase. The shift towards EVs would also require re-training of staff with the skills to sell, service and maintain these types of vehicles, differentiating one dealer from others.

#### *Marketing to a new generation of car buyers*

Automobile dealers are shifting their focus and marketing efforts to cater to a new generation of buyers. The Gen X (born between 1965-1980) presents a huge market for automobile dealers as they are more financially stable compared to younger ones, and can afford more high-end vehicles, or luxury cars. Meanwhile in Singapore, car-sharing and car leasing services are experiencing a huge demand, fuelled by Millennials (born between 1981-1996) and Gen Zs (born between 1997-2012), who prefer the flexibility of mobility without the financial burden of car ownership. Automobile dealers who can offer private hire and leasing options would be able to capture this growing market segment. Private hire cars in 2023 numbered 81,754, a jump of over four times in the past decade.

#### *Advent of automotive platforms and use of artificial intelligence*

Virtual showrooms, e-commerce platforms, social media and online reviews, and the use of AI, have revolutionised the way automobile dealers sell their vehicles. The online pre-owned car market, for example, has been gaining traction while online portals have provided increased transparency and assurance for potential car buyers. The effect of the lockdowns during the COVID-19 epidemic had accelerated digitalisation of the car buying experience. The use of AI technology is also transforming dealership operations, including predictive analytics in inventory management, a sophisticated customer relationship management (“CRM”) system to track customer interactions and create personalised marketing strategies, chatbots in the vehicle sales process, and predictive maintenance.

#### *Growth in demand for after-sales service offerings*

To enhance customer loyalty and complement car sales, more automobile dealers are offering after-sales services such as maintenance and repair services, customisations as well as using advanced technology tools to improve customer service. In Singapore, it is a common practice for new cars purchased through authorised distributors to have a service warranty period of between two (2) to five (5) years or when the car had reached its 100,000 mileage. However, the average service life period of passenger vehicles is growing, where the average age of the majority of cars ranges between five (5) and seven (7) years old, highlighting the greater demand for more service maintenance and/or repair. As demand for hybrid vehicles and EVs increases, automobile dealers would also need to employ certified technicians to service these vehicles in their workshops. Moreover, the global shortage of EV parts has led to increased salvaging for EV spare parts, which could present as an opportunity for additional income for automobile dealers that are engaged in scrapped cars in Singapore.

#### *Growing number of establishments in automotive-related businesses*

Singapore has seen a steady growth of automobile-related businesses established from 2018 to 2022. Despite the COVID-19 epidemic in 2020 and 2021, the number of establishments continued to grow in 2021. In particular, the number of wholesalers of motor vehicles, parts and accessories increased by 5.5% from 2020, retail trade of motor vehicles grew by 5.4% from 2020, and repair and maintenance of motor vehicles rose 1.2% increase from 2020. Although the registered growth was minimal, demand for automobile related services remains strong.

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## GENERAL INFORMATION ON OUR GROUP

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### *Increased financing options offered to both automotive dealers and buyers*

In Singapore, car sales improved with the gradual increase in the number of car loans in 2024, compared to the previous year. This also suggests that banks are loosening their loan policies, by allowing for more available financing. Loans and advances of finance companies for hire purchase on motor vehicles (includes different types of vehicles, including cars) declined in 2022, while the following year (2023) showed a rebound. In Singapore, hire purchase has remained the most popular route for consumers to buy a new car, but leasing had been gaining popularity in recent years, especially with soaring car prices. Meanwhile, automobile dealers turn to floor stock financing to obtain short-term credit that enables vehicle purchase and inventory expansion.

### **Issues and Challenges**

#### *Demand is subject to fluctuating COE prices*

Customers' purchasing decisions are significantly influenced by the prices of COE, especially with the COE only having a 10-year validity period. Thus, prospective car buyers might turn to the pre-owned car market as they want to minimise upfront costs and avoid the rapid depreciation in new cars. With limited COEs, automobile dealers may face constraints in obtaining COEs to register new vehicles to sell. This could lead to limitations in the availability of specific makes and models, impacting buyers' selection and pricing of pre-owned cars. However, in 2024, the Singapore government announced that the supply of COEs would continue to increase until the projected peak years of 2026 and 2027. In addition, the LTA also announced in October 2024 that up to 20,000 additional COEs will be progressively injected across all vehicle categories from February 2025. With increased COE supply, owning a car could be more favourable to prospective buyers, which works to the advantage for automobile dealers.

#### *The use of car platforms poses challenges*

With the influx of car buying platforms, car buyers and sellers can compare prices being offered, which could lead to a 'price war' that could impact profit margins. However, experienced automobile dealers find that this practice is counterproductive and not sustainable as it could disrupt pricing in the market. On the other hand, automobile dealers also find it difficult to secure stock from auction platforms. As many automobile players bid, the likelihood of them securing a car at a price they are comfortable to pay, is very slim. Lastly, despite the popularity of online car platforms, some customers found them restrictive and impersonal. While viewing car range and prices online can be helpful, many would still prefer interacting with a salesperson for guidance and negotiation when buying a car.

#### *Vehicle affordability and alternatives*

Affordability will continue to be a key factor in purchasing a new or used vehicle. Apart from the price of the vehicle and COE, consumers need to factor in additional costs (such as ARF, VES, road tax, insurance, bank loans and fees, and maintenance costs), and availability and cost of parking space. As Singapore is a highly competitive market, automobile dealers must create sales and marketing strategies to attract customers, such as offering competitive in-house financing and interest rates, along with a diverse fleet option for both new and used vehicles to cater to different market segments. For customers who are not into traditional car ownership, automobile dealers could also provide alternatives such as car leasing, rentals or private hire services. Some dealers can differentiate themselves by offering longer warranty periods for new cars and maintenance services for pre-owned vehicles. Automobile dealers that are able to provide longer warranty periods normally have their own workshop and are able to offer a complete one-stop solution to customers.

#### *Mixed reviews on future EV demand*

EVs are expected to be popular, although demand may slow down. However, a major hindrance to the adoption of EVs is the availability of infrastructure to charge the vehicle, the time it takes to charge an EV battery, and the lack of second-hand market, which makes valuation low during trade-ins. Unlike used ICE vehicles that usually end up in less-developed countries, there is hardly any second-hand EV market in less-developed countries as they do not have the viable infrastructure to charge EV cars. In Singapore, there could be a future potential problem once car owners dispose of their cars. However, there could be a solution in addressing this issue. Based on proposals from the European Union, the automobile industry would now be responsible for ensuring that end-of-life vehicles and their vehicle components can be reused, recycled and received, otherwise the manufacturer of the vehicle will be financially responsible for any waste. This could also be adopted by other countries in Asia, including Singapore.

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## GENERAL INFORMATION ON OUR GROUP

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### *Investment in public transport could hurt auto sales*

The Singapore government views that it is not tenable for the vehicle population to keep rising, and thus, aims to have 75% of peak-period journeys be made on public transport by 2030, via the expansion of the MRT (railway) network. The government also aimed for a zero-vehicle growth policy to manage traffic congestion. Under this policy, the number of COEs available for bidding would be based on the number of deregistered vehicles. Additionally, to serve the needs of commuters who do not own cars, access to point-to-point services offered by taxis, private-hire vehicles and car-sharing vehicles are being further improved. The government's continued investment and improvement in public transportation could also dampen demand for passenger cars. As such, many automobile dealers are diversifying their business to include car rental and leasing, where the demand is expected to continue in future.

### **Barriers To Entry**

There are minimal entry barriers in the automobile dealership industry in Singapore, which makes the market very competitive. However, there are several factors that need to be considered to establish oneself as a legitimate and reputable player in this industry.

### *Regulations to import and sell cars*

Direct importers of cars require Singapore Customs approval before they are able to import vehicles. Singapore Customs also have additional requirements for those looking to import EVs. Once imported, the cars must be registered with the LTA. Vehicles that do not meet the requirements for registration as brand new will be classified as used vehicles. To be eligible for registration in Singapore, used vehicles must not be more than three (3) years old at the point of registration. A surcharge of S\$10,000 is payable for registration of each imported pre-owned car in Singapore.

### *Financing and economic conditions*

Securing financing could be a barrier, especially when borrowing interest rates are high, and difficult for smaller and new entrants that have no proven track record. Floor stock financing is another option but the payment terms are short and the risk is high if these new entrants are unable to sell their vehicles to repay the loan. In the case of parallel importers, they need to be mindful of exchange rates as imports from other countries (especially from Japan, Germany and South Korea) could be expensive due to fluctuations in the value of the Singapore dollar.

### *Operational costs*

Operational costs to establish an automobile dealership in Singapore is high, as limited space drives rental costs. Securing a location in a prime area can be very expensive while rentals in industrial spaces in Singapore are also increasing. Aside from office and showrooms, operational costs could be high for automobile dealers. As such, some undertake their back-end office operations remotely, in order to reduce office space rentals. Automobile dealers who have their own in-house workshops may also face manpower issues, especially in employing experienced labour. Very few Singaporeans are willing to work as car mechanics or technicians. This could result in a need to employ foreign workers, which are restricted by government quotas.

### *Brand recognition and authorisation*

The Singapore passenger car market is dominated by selected car brands, and car buyers tend to lean towards brands that they are already familiar with. Automobile dealers that are introducing new car brands to the local market may find it hard to compete with established car brands. In order to protect their brand's reputation and ensure that their authorised licensed dealer can deliver quality service, car manufacturers prefer automobile dealers that already have sufficient capital, networks, infrastructure and proven track record. Moreover, brand owners also limit the number of authorised dealers in each country, depending on the size of the market. Therefore, when it comes to authorised dealerships, the entry barriers are high.

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## GENERAL INFORMATION ON OUR GROUP

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### ***Competitive Landscape***

The automobile dealership industry in Singapore is intensely competitive. While there are slightly over 40 authorised distributors in Singapore, there are approximately several hundreds of pre-owned car dealers and parallel importers. Industry players estimate that there are more than 1,000 pre-owned car dealers in Singapore. Factors that drive the competitive advantage of automobile dealers in Singapore include, but are not limited to, the following:

#### *Wide and differentiated service offerings*

There is a growing number of automobile dealers that do not just buy and sell new and pre-owned cars. They differentiate themselves by offering end-to-end solutions such as parallel import, vehicle financing, insurance, consignment, concierge services, trade-ins, scrap and export, selling of vehicle parts and accessories, maintenance and repair towing, while others have rental and leasing services, to cater to their client's different transportation needs. Another important differentiating factor is personalised service.

#### *Length of warranty*

As a package in the purchase of new cars, authorised dealers usually give their customers warranty of two (2) to five (5) years. Meanwhile, to be able to compete, parallel importers selling new cars have also provided car warranties to their customers, which normally lasts for five years. There are parallel importers that offer 10-year warranty for new cars, and those that go even further by offering their customers lifetime warranty on new luxury cars (i.e. Ferrari, Porsche) that are purchased from them.

#### *In-house workshop*

There are not many parallel importers in Singapore that own their workshops and thus, outsource this service to other car maintenance and repair providers. Since the maintenance is outsourced, the level of service may deteriorate and there is no guarantee that they are able to deliver quality workmanship. Parallel importers who have their in-house workshop would have a competitive advantage. However, it is not sufficient to have a workshop without having to partner with insurance companies, as the latter ensures that the customer has the capacity to pay.

#### *Available and ready stock of vehicles*

As it is difficult to have all available vehicle types in stock, many automobile dealers focus on specific car brands, while others specialise in high-end vehicles. Regardless, it is important for automobile dealers to have a well-stocked fleet that is readily available for their customers, whether it is new, used or for rent or leasing purposes. The ability to carry and replenish existing stock makes a huge difference as many customers are not eager to wait for stock.

#### *Legitimacy and trust*

In Singapore, one way to distinguish legitimate and trustworthy automobile dealers is checking whether they are CASETrust-accredited. The Consumers Association of Singapore (“**CASE**”) is the consumer watchdog in Singapore that works closely with the SVTA to verify legitimate vehicle traders. Of the hundreds of automobile dealers operating in Singapore, an estimated 45 automobile players are CASETrust-accredited.

### ***Prospects of the Industry in Singapore***

The outlook of the automobile industry in Singapore is positive with several factors that will drive its future growth, particularly the sales of new and pre-owned passenger cars.

#### *Zero vehicle growth will make cars more expensive, but buyers are not deterred*

The Singapore government is pushing for zero vehicle growth, which would make the price of new cars more expensive because of the limited number of COE's available for new cars. However, automobile dealers are still positive that the high price of vehicles will not dampen the demand for car ownership. Singapore has strong and stable economy, which makes the likelihood of owning a car is still within reach for many.

## GENERAL INFORMATION ON OUR GROUP

### *Demand for hybrids will continue*

The demand for fuel-efficient and low-emission hybrid vehicles will continue as the market gradually adopts full vehicle electrification in the future although there is still some hesitation from customers in the adoption of pure-EV vehicles. The concern is driven by two main causes, namely, the number of available charging stations, especially outside of Singapore, in view of driving to Malaysia, and secondly the trade-in value of EV cars as there is limited demand for pre-owned EVs.

### *China's EV popularity with private hires and leasing*

As the Singapore government targets to cease the registration of new ICE cars by 2030, a growing number of car owners are already trading in their ICE-powered cars to EVs, especially Chinese brands. China's EVs have been more widely used for taxi service in Singapore as well as PHVs. It is expected that more rental and leasing companies would be carrying EVs in their fleet to cater to PHVs, and thus boost the parallel import of EVs, especially from China.

### *Not just a car but a social status*

Across generations, the desire to own cars, in particular luxury continental cars, remains strong regardless of whether it is new or pre-owned. Several established automobile dealers in Singapore had already set up a special business to cater to clients that are looking for specific luxury vehicles. Some popular luxury models, if not available domestically, would therefore require the parallel import from overseas. This continues to be a growing trend in Singapore.

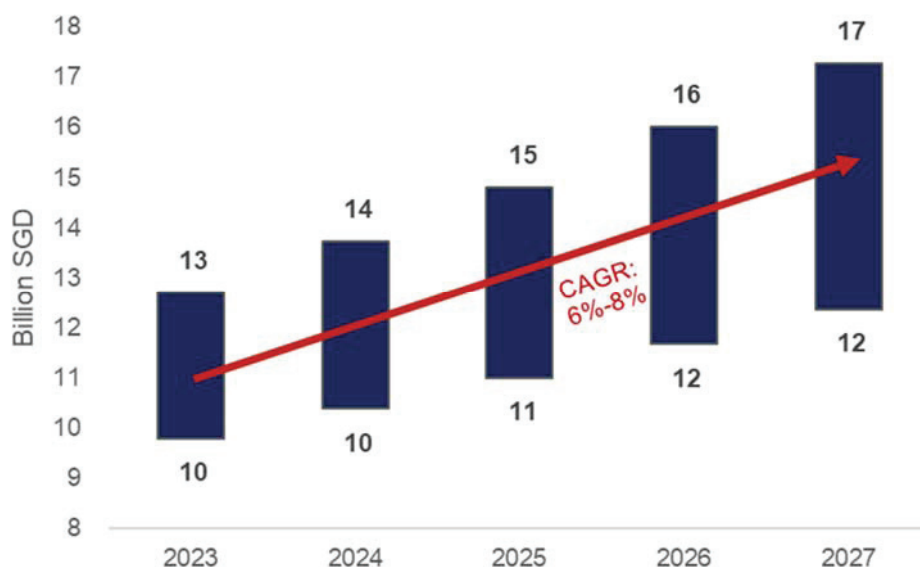
### *Offering after-sales service will be the norm*

With limited barriers to entry, many automobile dealers are differentiating themselves from regular pre-owned car dealers by offering after-sales service to their customers. For example, in Singapore, there is a limited number of automobile dealers that offer car maintenance post-sales. However, the extension of after-sales service may not be easily undertaken in view of knowledge and skills required, and capital investments. As the local automobile industry evolves, many automobile dealers have recognised the value of offering after service as standard practice to retain clients, such as operating their own workshops, to provide car servicing and maintenance.

### **Market size and estimated growth (%) in the next three years (2025-2027)**

The market size for automobile dealership in Singapore is estimated at SGD10-13 billion in 2023. Taking into account factors that could impact sales of new and pre-owned cars, the industry is projected to grow at an approximate CAGR of 6% to 8% within the next three (3) years.

**Figure 3 - Estimated Market Size and Growth**



Source: Industry Consultant



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## GENERAL INFORMATION ON OUR GROUP

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### ORDER BOOK

Due to the nature of our business, the concept of an order book is not meaningful to us.

### CORPORATE SOCIAL RESPONSIBILITY

We recognise our obligations to our employees, shareholders, business partners and the communities in which we operate, and we actively engage in local community programs and activities involving the local community so as to improve the welfare of the communities that we service. Such community projects include:

- (a) **Volunteering at social service agencies:** We work with social service agencies to help persons with disabilities and other special needs. Our staff volunteered at the Movement for the Intellectually Disabled of Singapore (“**MINDS**”) on 15 August 2023 to engage persons with special needs, organising and facilitating activities for persons with intellectual disability.
- (b) **Participation in charity support programs:** We also participate in charity support programs at our own initiative or at the invitation of our partners. As part of our commitment to philanthropy, we donated a gold tier sponsorship of S\$4,000 for the Singapore Polytechnic’s 70<sup>th</sup> Anniversary Charity Golf and Dinner. The objective of the event is to raise funds to provide bursaries for the financially less privileged Singapore Polytechnic students. Most recently, we sponsored a brand-new Mercedes Benz C200 for the hole-in-one prize at SPD Singapore’s Charity Golf event on 25 July 2024. All funds raised from the event went towards enabling people with disabilities.

We will be required to disclose our corporate social responsibility policies with reference to the SGX-ST’s Sustainability Reporting Guide, and our Board of Directors will establish a corporate social responsibility policy which will include the following areas of our Group’s activities:

- (a) to review and recommend our Group’s policy in respect of corporate social responsibility issues and any changes to the Sustainability Reporting Guide as introduced by the SGX-ST;
- (b) to review our Group’s health, safety and environment policies and standards;
- (c) to review the social impact of our Group’s business practices in the communities that we operate in;
- (d) to review and recommend policies and practices with regard to key stakeholders (such as suppliers, customers and employees); and
- (e) to review and recommend policies and practices with regard to regulators.

### SEASONALITY

We do not experience any significant seasonality in the course of our business.

### BUSINESS STRATEGIES AND FUTURE PLANS

Our business strategies and future plans for the growth and expansion of our businesses are as described below. These initiatives are designed to position our Group towards sustainable growth and expansion across key areas of our operations, enhancing our service offerings, operational efficiency, and market presence over the coming years.



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## GENERAL INFORMATION ON OUR GROUP

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### Digital Transformation and IT Integration

As part of our long-term strategy, we are committed to advancing our digital transformation to improve both internal operations and customer engagement. We are in the process of developing a comprehensive ERP system that will integrate data across our various business units and provide a holistic view of our operations, thereby enhancing our operational efficiency. This system will allow us to better manage vehicle purchases, inventory, customer interactions, and financial data within a unified platform. This ERP system currently manages key processes such as vehicle purchasing, floor stock financing, car rentals, procurement requests, incident management, and customer dispute resolution. By building our own custom tools, we are able to ensure that our specific business needs are met, and tailor our tools according to our business model. We will continuously improve and develop the system to assist us on all aspects of our operations.

We also plan to integrate AI-driven capabilities into our ERP system to optimise decision-making across the business. For instance, AI can assist with predictive maintenance, dynamic pricing models, and inventory management. In addition, we have plans to develop a customer-facing application to provide access to our services, enabling users to manage vehicle purchases, rental bookings, and service appointments seamlessly.

We intend to utilise part of the proceeds from the Placement to support these initiatives.

### Launch of New Showrooms

We will continue to grow and expand all of our existing business segments. Pre-owned motor vehicles, in particular, represent a significant opportunity for us due to increasing consumer demand for affordable, high-quality vehicles at an affordable price. We aim to capitalise on this trend by upgrading existing showrooms and establishing new ones in strategic locations across Singapore. These expanded facilities will offer a wider selection of vehicles to cater to growing customer demand and improve overall customer experience. In addition to new showrooms, we also plan to expand our inventory of pre-owned motor vehicles with focus on popular models that appeal to a broad customer base.

### Expansion of After-Sales Services

Furthermore, we plan to expand our workshop services. A key part of this strategy includes establishing our own fleet of tow trucks to offer enhanced roadside assistance and improve response time to accidents and breakdowns. This will allow us to further strengthen our after-sales capabilities and potentially complements with our repair services. In addition, we plan to expand our workshop network by acquiring new workshops and increase our service capacity, when suitable opportunities arise. This will enable us to handle a higher volume of maintenance and repair requests to support our growing customer base. As at the Latest Practicable Date, we have not identified any specific acquisition target.

### Expansion through Acquisitions, Joint Ventures and/or Strategic Alliances

We may expand our business operations in local and/or overseas markets through acquisitions, joint ventures and/or strategic alliances that we believe will complement our current and future businesses and be aligned with our long-term interests. We believe that suitable acquisitions, joint ventures and/or strategic alliances will strengthen our competitive advantage by giving us access to new markets, customers and businesses.

We will explore and consider other opportunities to expand our existing service offerings. Where suitable opportunities arise, we may pursue inorganic growth through acquisitions, joint ventures and/or strategic alliances with parties which have the potential to add value to our current business and/or penetrate new businesses. In evaluating such opportunities, we will consider factors such as the acquisition of capabilities, network, skills, technology and/or operational processes which are synergistic to our existing businesses.

As at the Latest Practicable Date, we have not identified any definitive target for acquisition, joint venture, and/or strategic alliance, and have not entered into any agreements or arrangements in relation thereto.

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## GENERAL INFORMATION ON OUR GROUP

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### TREND INFORMATION

Barring unforeseen circumstances, our Directors have observed the following trends for the current financial year and the next 12 months from the Latest Practicable Date:

- (a) We expect the Group's overall revenue to continue to grow in view of:
  - (i) anticipated decline in COE prices with up to additional 20,000 COEs to be injected across all vehicle categories progressively from February 2025 as announced by the LTA on 29 October 2024;
  - (ii) our launch of a new showroom tentatively scheduled for the first half of 2025 with a focus on the sale of pre-owned motor vehicles, which aligns with consumer preferences for more affordable options;
  - (iii) continued strong demand for our motor vehicle after-sales services; and
  - (iv) more prudent approach in growing our motor vehicle financing services and motor vehicle rental and leasing services to manage risks associated with potentially declining motor vehicle collateral values and rental fleet depreciation.
- (b) Our overall cost of sales is expected to increase in line with the expected growth in business activities. Competition will remain intense, which is expected to exert downward pressure on our pricing and gross profit margins.
- (c) Our selling and marketing expenses are expected to increase in line with the increase in our business activities and our plans to roll out various initiatives to enhance brand awareness and customer engagement, such as leveraging digital channels to reach new audiences and fostering positive relationships with media and stakeholders.
- (d) Our administration expenses are expected to increase as a result of expected increase in headcount, depreciation of right-of-use of assets, professional fees and other administration expenses along with the increase in our business activities.

Save as disclosed in this Offer Document, and barring any unforeseen circumstances, our Directors are not aware of any (i) significant recent trends in sales and inventory, and in the costs and selling prices of our products and services since the end of 9M2024, or (ii) any other known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on our net sales or revenues, profitability, liquidity or capital resources for at least FY2024, or that may cause the financial information disclosed in this Offer Document to be not necessarily indicative of our future operating results or financial condition.

Please also refer to the section entitled "Cautionary Note Regarding Forward-Looking Statements" of this Offer Document.

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## GOVERNMENT REGULATIONS

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Our Company is incorporated in Cayman Islands and our operations are based in Singapore. We are therefore subject to the laws and regulations of these jurisdictions. The following description is a summary of material laws and regulations applicable to our Group. As at the Latest Practicable Date, our Group is in compliance with all the applicable laws and regulations that are material to our business operations. The regulations and policies set out below are not exhaustive and are only intended to provide general information to investors and are neither designed nor intended to be a substitute for professional advice. Prospective investors should consult their own advisers regarding the implication of the applicable laws and regulations on our Group.

### SINGAPORE

#### Laws Relating to Ownership of Motor Vehicles

##### **Land Transport Authority of Singapore**

Established under the Land Transport Authority of Singapore Act 1995, the Land Transport Authority (“LTA”) is a statutory board under the purview of the Ministry of Transport of Singapore and is the main governing body for planning, building, operating and maintaining Singapore’s land transport infrastructure and systems. Its functions and duties include: (a) providing registration and licensing procedures and systems for road transport in accordance with the RTA; (b) regulating the construction of motor vehicles and the conditions under which they may be used on roads in Singapore; and (c) developing and implementing road traffic management strategies and practices. The LTA is authorised to, amongst other things, grant licences or permits, or to register persons, for land transport purposes and to supervise and enforce compliance with such licences, permits or registrations. All vehicles in Singapore must be registered with the LTA. From 1 January 2025, new registrations of diesel and diesel-natural gas cars (including imported used cars) are no longer permitted. New registrations of diesel-electric and diesel-electric (plug-in) cars will still be permitted.

##### **Customs Permit**

Motor vehicles are dutiable goods that attract excise duty at a rate of 20% of the customs value (also known as the OMV) of the motor vehicle. Importers of motor vehicles may apply for an assessment by the Singapore Customs of the motor vehicle’s customs value. Once the application is approved, an approval letter from the Singapore Customs will be sent to the importer. A customs permit is required before actual importation of motor vehicles to account for the import and tax payments, and may be applied for by the importer directly or through a declaring agent or freight forwarder. Once the customs permit is approved and payment of duties and GST is made, the importer may use the permit to remove the motor vehicle from the port or licensed warehouse.

##### **Vehicle Quota System and Certificates of Entitlement**

To regulate the rate of growth of the motor vehicle population in land-scarce Singapore, the VQS was implemented to limit the number of new vehicles in Singapore through the control of the number of COEs available, which are required for motor vehicles to be registered in Singapore.

A COE represents the right to own a particular motor vehicle and road usage for a period of 10 years and is generally non-transferable. COEs are released through open bidding exercises conducted twice a month in which bidders submit their bids in the form of a reserve price, which is the maximum bid amount that the bidder is prepared to pay for the COE. At the end of the 10-year COE period, motor vehicle owners may choose to deregister their motor vehicle or to renew their COEs for another five (5) or 10-year period by paying the prevailing quota premium, which is the moving average of COE prices in the preceding three (3) months.

## GOVERNMENT REGULATIONS

The VQS classifies motor vehicles into five (5) COE categories. A quota is established for each category of motor vehicle, depending on the engine capacity and general use for the motor vehicle.

COE Category	COE obtained from the first COE bidding exercise in May 2022 onwards	COE obtained before the first bidding exercise in May 2022
A	Non-fully electric car with engine capacity of up to 1,600cc and maximum power output of up to 97kW (130bhp)  Fully electric car with maximum power output of up to 110kW (147bhp)	Car with engine capacity of up to 1,600cc and maximum power output of up to 97kW (130bhp)
B	Non-fully electric car with engine capacity of above 1,600cc or maximum power output above 97kW (130bhp)  Fully electric car with maximum power output above 110kW (147bhp)	Car with engine capacity above 1,600cc or maximum power output above 97kW (130bhp)
C	Goods vehicle and bus	Goods vehicle and bus
D	Motorcycle	Motorcycle
E	Open (for all vehicles except motorcycles)	Open (for all vehicles except motorcycles)

The COE quota is updated every three (3) months. The COE quota takes into account factors such as (i) the provision for vehicle growth rate; (ii) the number of replacement COEs from vehicles deregistered over the preceding twelve months; and (iii) adjustments for changes in the taxi population, expired temporary COEs, Early Turnover Scheme for commercial vehicles and redistribution from guaranteed deregistrations.

The vehicle growth rate from February 2018 has been set at zero per annum for Categories A, B and D, while the rate for Category C will remain at 0.25% per annum. This will remain in place until January 2028.

With an increase in flexible work arrangements since the COVID-19 pandemic and improved public transport accessibility, traffic patterns have evolved. As such, on 29 October 2024, the LTA announced that it will progressively increase the COE quota across all vehicle categories from February 2025 by up to 20,000 additional COEs.

### Additional Registration Fee

The ARF is a tax payable upon each registration of a vehicle, in addition to other fees and taxes. The ARF is calculated based on a tiered structure, as a percentage of the OMV of the motor vehicle:

Motor Vehicles	OMV	ARF Rate (% of OMV to pay)
For cars registered with COEs obtained before the second COE bidding exercise in February 2023, or cars that do not need to bid for COEs registered before 15 February 2023	First S\$20,000	100%
	Next S\$30,000	140%
	Next S\$30,000	180%
	Above S\$80,000	220%
For cars registered with COEs obtained from the second COE bidding exercise in February 2023 onwards, or cars that do not need to bid for COEs registered on or after 15 February 2023	First S\$20,000	100%
	Next S\$20,000	140%
	Next S\$20,000	190%
	Next S\$20,000	250%
	Above S\$80,000	320%

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## GOVERNMENT REGULATIONS

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### Preferential Additional Registration Fee

Motor vehicle owners may be eligible for a PARF rebate of between 50% and 75% of the ARF paid when they deregister their motor vehicles, if their motor vehicles meet the following criteria: (a) must be a new car at the time of registration in Singapore, or an imported used car registered in Singapore on or after 1 September 2007; (b) must not be more than 10 years old at the time of deregistration; (c) must not have been laid up before. This rebate is based on the age of the car which is calculated since the date of its first registration, whether within Singapore or overseas, and the actual ARF paid. For cars registered with COEs obtained from the second COE bidding exercise in February 2023 onwards, or cars that do not need to bid for COEs registered on or after 15 February 2023, the PARF rebate is subject to a cap of S\$60,000.

### Vehicular Emission Standards and Scheme

The Environmental Protection and Management (Vehicular Emissions) Regulations apply to all motor vehicles whose whole weight is transmitted to the road surface by means of its wheels that are in contact with the ground when the motor vehicle is in motion. Under the regulations, all petrol driven motor vehicles registered in Singapore from 1 January 2024 have to comply with certain prescribed standards for exhaust emission, depending on its class.

Vehicle emission schemes encourage the purchase of motor vehicles which emit less pollutants, by granting rebates or imposing surcharges based on the level of a motor vehicle's emissions. Depending on when the motor vehicle is registered, one of the four different vehicle emission schemes will apply to the motor vehicle.

The Carbon Emission-Based Vehicle Scheme ("**CEVS**") was introduced in January 2013 and was further extended and revised in July 2015. Under the revised CEVS, motor vehicles with low carbon emissions of less than or equal to 135 CO<sub>2</sub> g/km qualified for a rebate of between S\$5,000 and S\$30,000, which was offset against its ARF. Motor vehicles with high carbon emissions more than 185 CO<sub>2</sub> g/km incurred a corresponding registration surcharge.

On 1 January 2018, Vehicle Emission Scheme ("**VES**") was implemented and replaced the CEVS for all new cars, taxis and newly imported used cars with effect from 1 January 2018. In addition to the carbon dioxide criterion in the CEVS, from 1 July 2018 to 31 December 2020, the VES covers four additional pollutants, namely, hydrocarbons, carbon monoxide, nitrogen oxides and particulate matter. VES rebates or surcharge depends on the vehicle's worst-performing pollutant.

The VES was further extended and enhanced in 1 January 2021. Under the enhanced VES, the range for the VES rebates and surcharges was increased to between S\$15,000 and S\$25,000. On 30 June 2022, the LTA and NEA announced that the enhanced VES will be extended for three years to 31 December 2025, with a revision to the enhanced VES rebates from 1 January 2024. Tightened pollutant thresholds will be implemented from 1 January 2024 to 31 December 2025 to distinguish between pure internal combustion engine cars and alternatives such as hybrid cars and electric vehicles.

To assist motor vehicle purchasers in making an informed decision, the Singapore government also made it mandatory under the Energy Conservation Act 2012 for motor vehicle retailers to display fuel economy and vehicular emissions labels showing the CO<sub>2</sub> g/km performance data for each motor vehicle model at motor vehicle showrooms and on any printed promotional material or advertisement distributed in relation to the motor vehicles.

### Road Tax

All motor vehicle owners are required to have a valid road tax for their motor vehicles and must renew it every six or twelve months. Motor vehicle owners must fulfil the prerequisites (e.g. obtain motor insurance coverage for the new road tax renewal period, pass the periodic motor vehicle inspection, clear any outstanding fines, etc.) at least 3 working days prior to the renewal of their motor vehicles' road taxes. The road tax is calculated based on the engine capacity of the motor vehicle.

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## GOVERNMENT REGULATIONS

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### Electronic Road Pricing

The Electronic Road Pricing (“**ERP**”) is a system used to manage road congestion in Singapore by imposing charges on motorists for the usage of ERP-priced roads during certain peak hours of the day.

The ERP charges are levied on motorists based on a pay-as-you-use principle. ERP rates vary for different time periods and roads and are determined by taking into account projected local traffic conditions and the tendency for traffic congestion to occur at certain hours and/or locations.

### Motor Vehicle Loan Financing Restrictions

Motor vehicle loan financing restrictions in Singapore were previously in place from February 1995 to January 2003 and were re-introduced by MAS in February 2013, with a view to moderating the demand for private motor vehicles in Singapore and alleviating overall inflationary pressures in the Singapore economy. The MAS has since eased restrictions through higher borrowing limits and longer loan tenures for the purchase of motor vehicles with effect from 27 May 2016.

Under current restrictions, the maximum loan-to-value ratio for motor vehicles with OMV of more than S\$20,000 is 60% of the purchase price and the maximum loan-to-value ratio for motor vehicles with OMV of less than or equal to S\$20,000 is 70% of the purchase price. The maximum tenure of motor vehicle loan financing is seven years.

### Motor Vehicles (Third Party Risks and Compensation) Act 1960

The Motor Vehicles (Third Party Risks and Compensation) Act 1960 (“**MVA**”) ensures that motorists are insured against liability for third party risks and the payment of compensation in respect of death or bodily injury arising out of and/or from the use of motor vehicles in Singapore or in any of the territories specified in the schedule to the MVA (“**Third Party Risks**”).

Pursuant to the MVA, a motor vehicle owner in Singapore is required to possess a valid policy of insurance or security in respect of Third Party Risks in accordance with the prescribed requirements, and the insurer of such policy will be liable to indemnify the third party injured victims in respect of any Third Party Risks. Further, while an injured victim is not a party to the insurance contract, under the MVA, such injured victim is granted an enforceable right to claim damages from the insurer if he first obtains judgment against the motorist.

### Laws Relating to Sales of Motor Vehicles

The Group sells new and pre-owned motor vehicles to individuals, corporate customers and motor vehicle dealers. The Group's supply of pre-owned motor vehicles comes primarily through online auction platforms, or from existing car owners (either through direct sale, trade-in or on a consignment basis) or other car dealers.

### General Licence for Motor Vehicle Test-Drive and Trial

Section 28 of the Road Traffic Act 1961 (“**RTA**”) states that any person being a manufacturer or repairer of or a dealer in vehicles may apply to the Registrar of Vehicles, in lieu of taking out a licence for each vehicle kept or used by the person, to take out a general licence in respect of all vehicles kept or used by the person.

The general licence shall only be used for motor vehicles which are in the licensee's possession in the course of its business as a manufacturer or repairer of or dealer in motor vehicle dealer. A general licence may be suspended or revoked if the licensee or any person under its employment is found to have contravened any provision of the RTA or its regulations or breached any condition of the general licence.

### Hire Purchase Act 1969

Our Group offers our customers, who include both car owners who purchase motor vehicles from us and other motor vehicle dealers whose end customers require motor vehicle financing, with motor vehicle financing through hire-purchase agreements, pursuant to which our customers pay for their motor vehicle via monthly instalments whilst enjoying the benefit of immediate use of the motor vehicle. Please refer to the section entitled “General Information on our Group – Automobile Financing and Related Services – Providing motor vehicle financing in-house” for further details.



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## GOVERNMENT REGULATIONS

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Under the Group's hire purchase financing model, the Group purchases motor vehicles which are then let to customers for hire for an agreed period in return for instalment payments.

Under the Hire Purchase Act 1969 ("HPA"), all hire purchase agreements relating to goods specified in the First Schedule to the HPA (which include, on or after 15 July 1994, any motor vehicle the value of which does not exceed S\$55,000 including GST and import and excise duties but excluding the cost of its COE) must contain all information prescribed in the Second Schedule to the HPA, such as details of the price (including the price of the COE), applied and effective interest rates and total interest, date of commencement of instalment payments, due dates for each instalment payment, amount of each instalment, number of instalments, processing fees and other fees and charges, total amount payable, additional charges for assignment and early settlement, and interest rate for overdue instalments. In relation to such agreements relating to goods specified in the First Schedule to the HPA, the hirer must also be given notification of his rights under the Third Schedule to the HPA, such as being able to make a notice in writing to the owner to require the owner to assign his right, title and interest under the hire purchase agreement to another person. However, the HPA does not require the owner to obtain any specific licence for the provision of hire purchase financing to customers.

The Hire-Purchase (Motor Vehicles) Regulations 2013 ("HPR") is applicable to any hire purchase agreement or conditional sale agreement made on or after 6 April 2013. The HPR stipulates the minimum amount of deposit to be paid by the hirer under a hire purchase agreement for a motor vehicle as: (i) 30% of the purchase price of the motor vehicle if the applicable value of the motor vehicle does not exceed S\$20,000; or (ii) 40% of the purchase price of the motor vehicle if the applicable value of the motor vehicle exceeds S\$20,000. In addition, the maximum tenure of a hire purchase agreement for a motor vehicle shall be seven years unless the tenure was extended in accordance with the requirements under the HPR (the hire purchase agreement was made on or before 5 May 2020, an extension of the tenure of the hire purchase agreement is requested by the hirer between 18 February 2020 and the expiry date (both dates inclusive) and an extension of the tenure for a period not exceeding twelve (12) months is granted by the owner).

Our Group is not required under the HPA to obtain any specific licences for the provision of hire purchase financing to our customers.

### **Lemon Laws for Motor Vehicles**

Lemon laws were enacted to protect consumers and provide remedies for consumers in the event of defective purchases, where goods purchased do not conform to the description as stipulated within the sales contract at the time of delivery.

Lemon laws are applicable to the sale and purchase of motor vehicles and both new and used motor vehicles. Lemon laws provide remedies to the consumer for a period of six months after the delivery of the motor vehicle for proven defects in the motor vehicle, which shall be generally presumed to have existed at the time of delivery, unless proven otherwise by the motor vehicle dealer. The burden of proof that the defect existed at the time of delivery is shifted to the consumer upon the lapse of the six months period in order to successfully effect a claim under lemon laws.

Lemon laws provide a two-stage recourse framework. The consumer may require the motor vehicle dealer to repair or replace the defective motor vehicle within a reasonable period of time and without significant inconvenience to the consumer. If repair or replacement is not possible or reasonable to the motor vehicle dealer or the motor vehicle dealer did not provide repair or replacement within a reasonable period and without significant inconvenience to the consumer, the consumer may keep the defective motor vehicle and request for a reduction in price or return the defective motor vehicle for a refund, the amount of which would depend on the use the consumer had of the motor vehicle.

### **Laws on Motor Vehicle Dealer Deposits**

Under the Consumer Protection (Fair Trading) (Motor Vehicle Dealer Deposits) Regulations 2009, a motor vehicle dealer shall, before collecting any deposit from a consumer in relation to or in contemplation of a motor vehicle sale contract, inform the consumer in writing of the terms of the refund policy of the motor vehicle dealer in respect of the deposit.

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## GOVERNMENT REGULATIONS

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A motor vehicle dealer shall not exercise any right to retain a deposit, or any part of a deposit, paid by a consumer in relation to or in contemplation of a motor vehicle sale contract unless the motor vehicle dealer has complied with the notification requirement above.

In addition, unless the motor vehicle dealer proves that the motor vehicle dealer's failure to comply with paragraphs (a) and (b) below did not cause or contribute to the circumstances resulting in the retention of the deposit in respect of any deposit paid by a consumer in relation to or in contemplation of a motor vehicle sale contract involving financing arranged by the motor vehicle dealer on behalf of the consumer, the motor vehicle dealer shall not be entitled to retain such deposit unless the motor vehicle dealer has (a) within a reasonable period of time, applied for a loan from a financial institution on behalf of the consumer in respect of the motor vehicle sale contract on the terms agreed by the consumer; and (b) if the loan application was rejected by the financial institution, provided the consumer upon his request with a written statement from the financial institution containing certain prescribed particulars.

### **Laws relating to Motor Vehicles Leasing**

The Group's motor vehicle leasing activities consist of, *inter alia*, motor vehicle leasing to individuals who wish to provide ride-sourcing services through private-hire vehicle booking service operators.

The RTA sets out the requirement for a public service vehicle licence if a person uses, or causes or permits, a motor vehicle to be used as a private hire car. Private hire cars are defined as motor cars that do not ply for hire on any road but are hired, or made available for hire, under a contract (express or implied) for use as a whole (i) with a driver for the purpose of conveying one or more passengers in that car; or (ii) by a hirer, or any other person authorised by the hirer in the contract, to drive the motor car personally. It also includes a motor vehicle that (i) is in use in connection with a hiring to provide an on-demand passenger transport service; or (ii) is immediately available to a provider of a ride-hail service to take or facilitate the taking of bookings for an on-demand passenger transport services provided using that vehicle (whether immediately or at a later time).

Any person who causes or permits a motor vehicle to be used as a private hire car without a public service vehicle licence may contravene the RTA. In addition, the RTA also states that the owner of a public service vehicle is, unless the owner satisfies the court that the owner took every reasonable precaution to avoid the commission thereof, responsible for every offence committed under the RTA or the rules in connection with the use of the vehicle and may, in the discretion of the Registrar of Vehicles, be prosecuted for the offence either in addition to or instead of the driver or conductor, as the case may be.

Further, according to the Road Traffic (Public Service Vehicles) Rules, the holder of a chauffeured private hire car licence must cause decalcomanias bearing the chauffeured private hire car marking and a set of serial numbers assigned by the Registrar of Vehicles to that vehicle to be affixed on prescribed places on the motor vehicle that is the subject of the licence. The holder of a private hire car licence must also keep a register in which certain information is entered e.g. the registration number of the private hire car, the particulars of the licence, the details of the use of the private hire car (where the private hire car is hired out to an individual, (i) the identification and contact details of the driver; (ii) the particulars of the vocational licence of such driver if the car is a chauffeured private hire car; and (iii) the date and time during which the private hire car is in the charge of every driver).

On 19 February 2025, the LTA introduced a mandatory three-year lock-in period for all newly registered or converted chauffeured private hire cars (cPHCs) and all cPHCs transferred from individuals to businesses. The lock-in period does not apply to existing business-owned cPHCs that were registered, converted or transferred before 19 February 2025 and cPHCs owned by individuals. This is to ensure that businesses who acquire cPHCs do so mainly for the purpose of leasing them to drivers providing ride-hail services and to achieve a more stable supply of vehicles available for ride-hail services.

### **General laws relating to our business**

The Group is subject to the employment laws of Singapore. We also employ foreign workers, in particular in our motor vehicle maintenance and repair business.

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### Workplace Safety and Health Act 2006

The Workplace Safety and Health Act 2006 (“**WSHA**”) applies to all workplaces, which includes factories. Pursuant to Section 5 and Fourth Schedule of the WSHA, the definition of “factory” under the WSHA includes, *inter alia*, (i) any premises within which persons are employed in the repair, construction or manufacturing of any vehicle; and (ii) any premises where the construction, reconstruction or repair of vehicles or other plant for use for transport purposes is carried on as ancillary to a transport undertaking or other industrial or commercial undertaking, not being any premises used for the purpose of housing vehicles where only cleaning, washing, running repairs or minor adjustments are carried out.

All factories must either register or notify their activities with the MOM by way of an online application before commencing operations. Factories that fall within the classes of factories described in the First Schedule to the Workplace Safety and Health (Registration of Factories) Regulations 2008 (“**WSHRF**”) are regarded as engaging in high-risk activities and are subject to registration requirements, while other factories not falling within the First Schedule to the WSHA are regarded as engaging in low-risk activities and are subject to notification requirements.

Pursuant to Regulation 3 of the WSHRF, a premise will be exempted from the registration or notification requirement if: (a) the number of persons at work within the premises is ordinarily less than 10 (whether or not they are all at work at those premises at the same time); and (b) the premise does not use or create any of the following (i) mechanical power, steam boiler, steam container, steam receiver, air receiver, refrigerating plant pressure receiver or gas plant; and (ii) any highly flammable or noxious substance.

The Group’s activities do not fall under the First Schedule to the WSHA and the Group is not exempted from the notification requirements under the WSHRF.

Under the WSHA, every employer has the duty to take, so far as is reasonably practicable, measures which are necessary to ensure the safety and health of its employees at work, as well as persons who may be affected by any undertaking carried on by the employer in the workplace. “Workplace” means any premises where a person is at work or is to work, for the time being works, or customarily works, and includes a factory. The measures necessary to ensure the safety and health of persons at work include (i) providing and maintaining a work environment which is safe, without risk to health, and adequate as regards facilities and arrangements for such persons’ welfare at work and (ii) ensuring that there is adequate instruction, information, training and supervision as is necessary for such persons to perform their work.

In addition, under Section 17(1) of the WSHA, a person who erects, installs or modifies any machinery or equipment for use at work must ensure, so far as is reasonably practicable, that the machinery or equipment is erected, installed or modified in such a manner that it is safe, and without risk to health, when properly used.

The Commissioner for Workplace Safety and Health (“**CWSH**”) may serve a remedial or stop-work order under Section 21 of the WSHA if he is satisfied that:

- the workplace is in such condition, or is so located, or any part of the machinery, equipment, plant or article in the workplace is so used, that any work or process carried on in the workplace cannot be carried on with due regard to the safety, health and welfare of persons at work;
- any person has contravened any duty imposed by the WSHA; or
- any person has done any act, or has refrained from doing any act which, in the opinion of the CWSH, poses or is likely to pose a risk to the safety, health and welfare of persons at work.

The remedial order shall direct the person served with the order to take such measures, to the satisfaction of the CWSH, to remedy any danger so as to enable the work or process in the workplace to be carried on with due regard to the safety, health and welfare of the persons at work, to comply with any duty imposed under the WSHA, or to do or refrain from doing any act which, in the opinion of the CWSH,

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poses or is likely to pose a risk to the safety, health and welfare of persons at work. The stop-work order shall direct the person served with the order to immediately cease to carry on any work indefinitely or until such measures as are required by the CWSH have been taken, to the satisfaction of the CWSH, to remedy any danger so as to enable the work or process at the workplace to be carried on with due regard to the safety, health and welfare of the persons at work.

The Workplace Safety and Health (General Provisions) Regulations (“**WSH General Regulations**”) sets out more specific duties of employers regarding workplace safety and health. For example, employers have the duty to take reasonably practicable and effective measures to protect persons in the workplace from overcrowding, excessive heat or cold and harmful radiations, or exposure to infectious agents or biohazardous material. Employers must also ensure that there is sufficient ventilation, lighting, floor drainage and sanitary conveniences at the workplace.

### *Regulation of use of certain equipment*

Under the WSH General Regulations, hoists or lifts, lifting gears and lifting appliances and lifting machines are, among other things, required to be tested and examined by an authorised examiner before they can be used and thereafter, thoroughly examined by an authorised examiner at specified intervals. Upon examination, the authorised examiner will issue and sign a certificate of test and examination, specifying the safe working load of the equipment. Such certificate of test and examination must be kept available for inspection.

The occupier of the workplace is also required to keep a register containing particulars with respect to lifting gears, lifting appliances and lifting machines.

The owner of a pressure vessel used in any workplace that contains any hazardous substance must ensure that it is of good construction, sound material and adequate strength, free from patent defects, properly maintained and inspected by a competent person before use and thereafter within such period as the commissioner may specify. The owner of a pressure vessel also has to maintain a record of the inspection and keep such record available for inspection by an inspector.

Under the WSHA and the Workplace Safety and Health (Workplace Safety and Health Officers) Regulations 2007 (“**WSHO Regulations**”), certain prescribed workplaces as set out in the Second Schedule of the WSHO Regulations are required to appoint a workplace safety and health officer. Further, under the WSHA and the Workplace Safety and Health (Workplace Safety and Health Committee) Regulations 2008 (“**WSHC Regulations**”), certain prescribed workplaces as set out in Section 3 of the WSHC Regulations are required to appoint a workplace safety and health committee.

### *Noise*

The Workplace Safety and Health (Noise) Regulations 2011 (“**WSH Noise Regulations**”) set out the duties of employers in respect of workplaces where a person is exposed or is likely to be exposed to excessive noise caused by any machinery or equipment used in the workplace, or any process, operation or work carried out in the workplace.

Under Section 4(1) of the WSH Noise Regulations, the occupier of such workplace has a duty to take, so far as is reasonably practicable, such measures to reduce or control the noise from any machinery or equipment used, so that no person at work in the workplace is exposed or is likely to be exposed to excessive noise. Under Section 4(4) of the WSH Noise Regulations, where it is not practicable to reduce the noise, the occupier of such workplace has a duty to limit the duration of time persons at work in the workplace are exposed to the noise so that such persons are not exposed to excessive noise. Further, under Section 8(1) of the WSH Noise Regulations, the employer has a duty to provide suitable hearing protectors to every person in the workplace who is exposed or is likely to be exposed to excessive noise. Under Section 7(1) of the WSH Noise Regulations, where there are 10 or more persons (who are exposed or are likely to be exposed to excessive noise) employed or working in a workplace, it shall be the duty of the occupier of the workplace to cause noise monitoring to be carried out at least once every 3 years. Under Section 5(1) of the WSH Noise Regulations, where there are 50 or more persons (who are exposed or are likely to be exposed to excessive noise) employed or working in a workplace, it shall be the duty of the occupier of the workplace to appoint a competent person to advise on all proper noise control measures.

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Further, the Environmental Protection and Management (Boundary Noise Limits for Factory Premises) Regulations prescribe the maximum permissible noise level for factory premises. “Factory premises” means *inter alia*, any premises used for any industrial or manufacturing purposes and includes any repair or processing workshop, and warehouse.

### Work Injury Compensation Act 2019

Work injury compensation is governed by the Work Injury Compensation Act 2019 (“WICA”). The WICA applies to employees in respect of injuries suffered by them arising out of and in the course of their employment and sets out, amongst others, the amount of compensation they are entitled to and the methods of calculating such compensation. The WICA provides, subject to certain prescribed exceptions, that if in any employment, personal injury by accident arising out of and in the course of the employment is caused to an employee, his employer shall be liable to pay compensation in accordance with the provisions of the WICA. The amount of compensation shall be computed in accordance with the First Schedule of the WICA, subject to a maximum and minimum limit, taking into account factors such as the severity and permanence of the personal injury suffered.

Further, Section 13 of the WICA provides that where any person (referred to as the principal) in the course of or for the purpose of his trade or business contracts with any other person (referred to as the contractor) for the execution by the contractor of the whole or any part of any work, or for the supply of labour to carry out any work, undertaken by the principal, the Commissioner for Labour may direct the principal to fulfil the obligations of the employer under the WICA in relation to any employee of the contractor employed in the execution of the work. Where such a direction has been made, the principal shall be liable to pay to any employee of the contractor employed in the execution of the work any compensation which he would have been liable to pay under the WICA if that employee had been immediately employed by the principal, except that the amount of compensation is to be calculated with reference to the earnings of the employee under the contractor.

Every employer is required to maintain work injury compensation insurance for all employees. Failure to do so is an offence carrying a fine of up to S\$10,000 and/or imprisonment of up to 12 months. Under the Work Injury Compensation (Insurance) Regulations 2020 (“WICIR”), every employer entering into a contract of insurance in accordance with the requirements of WICA shall be issued, by the insurer with whom he contracts, with a certificate of insurance which shall contain certain prescribed particulars. The WICIR further provides that such employer shall display a copy of the certificate of insurance at each place of business at which he employs any employee whose claims may be the subject of indemnity under the policy of insurance to which that certificate relates.

### Ministry of Manpower

The Ministry of Manpower (“MOM”) is the ministry of the Singapore Government responsible for all labour and workforce-related matters in Singapore. Divisions of the MOM include the occupational health and safety division, which promotes workplace safety and health; the work pass division, which oversees the employment of foreign nationals in Singapore; and the labour relations and workplaces division, which formulates policies on employment matters and industrial relations.

### Employment Act 1968

The Employment Act 1968 (“Employment Act”) is administered by the MOM and sets out the basic terms and conditions of employment and the rights and responsibilities of employers as well as employees. Section 20 provides that an employer may fix salary periods in respect of which salary earned is payable. However, a salary period must not exceed one month, and where the employer does not fix the salary period, the salary period is deemed to be one month. Salary earned by an employee under a contract of service, other than additional payments for overtime work, must be paid before the expiry of the 7<sup>th</sup> day after the last day of the salary period in respect of which the salary is payable, whereas additional payments for overtime work must be paid not later than 14 days after the last day of the salary period during which the overtime work was performed. Subject to the provisions of the Employment Act, the total salary and any sum due to an employee who has been dismissed must be paid on the day of dismissal or, if this is not possible, within 3 days thereafter, not being a rest day or public holiday or other holiday. Further, subject to the provisions of the Employment Act, (a) the total salary due to an employee who terminates his contract of service with his employer under Section 11



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of the Employment Act (i.e. termination of the contract of service without notice or, if notice has already been given, without waiting for the expiry of that notice, by paying to the other party a sum equal to the amount of salary at the gross rate of pay which would have accrued to the employee during the period of the notice and in the case of a monthly-rated employee where the period of the notice is less than a month, the amount payable for any one day is the gross rate of pay for one day's work), or after giving due notice to the employer, must be paid to the employee on the day on which the contract of service is terminated, and (b) the total salary due to an employee who terminates his or her contract of service without giving prior notice to his employer, or, if notice has already been given under that section, but the employee terminates the contract of service without waiting for the expiry of the notice, must be paid to the employee before the expiry of the 7<sup>th</sup> day after the day on which the employee terminates the contract of service.

Part 4 of the Employment Act sets out requirements for rest days, hours of work and other conditions of service for workmen who receive salaries not exceeding S\$4,500 a month and employees (other than workmen or persons employed in managerial or executive positions) who receive salaries not exceeding S\$2,600 a month. Section 38(8) of the Employment Act provides that an employee is not allowed to work for more than 12 hours in any one day except in specified circumstances, including, amongst others, where there is an accident, actual or threatened, where work is essential to the life of the community, where work is essential for defence or security, where urgent work is to be done to machinery or plant, or where an interruption of work which was impossible to foresee. In addition, Section 38(5) of the Employment Act limits the extent of overtime work that an employee can perform to 72 hours a month.

Employers must seek the prior approval of the Commissioner for Labour (“CL”) for exemption if they require an employee or class of employees to work for more than 12 hours a day or more than 72 overtime hours a month. The CL may, after considering the operational needs of the employer and the health and safety of the employee or class of employees, by order in writing, exempt such employees from the overtime limits subject to such conditions as the CL thinks fit. Where such exemptions have been granted, the employer shall display the order or a copy thereof conspicuously in the place where such employees are employed.

Under Section 53 of the Employment Act, an employer who breaches the provisions of Part 4 of the Employment Act shall be guilty of an offence and shall be liable on conviction to a fine not exceeding S\$5,000, and for a second or subsequent offence to a fine not exceeding S\$10,000 and/or to imprisonment for a term not exceeding 12 months.

### **Employment of Foreign Manpower Act 1990 and Employment of Foreign Manpower (Work Passes) Regulations 2012**

The employment of foreign workers in Singapore is governed by the Employment of Foreign Manpower Act 1990 (“EFMA”). Under Section 5(1) of the EFMA, no person shall employ a foreign employee unless the foreign employee has obtained a valid work pass. Any person who contravenes Section 5(1) of the EFMA shall be guilty of an offence and shall be liable on conviction to a fine at least S\$5,000 and not more than S\$30,000 or to imprisonment for a term not exceeding 12 months or to both; and on a second or subsequent conviction: (i) in the case of an individual, be punished with a fine of at least S\$10,000 and not more than S\$30,000 and with imprisonment for a term of not less than one (1) month and not more than twelve (12) months; or (ii) in any other case, be punished with a fine of at least S\$20,000 and not more than S\$60,000.

A work pass includes, amongst others: (a) employment pass, for foreign professionals, managers and executives earning at least S\$5,000 per month in all sectors (except financial services) for renewals of employment passes expiring from 1 January 2025 to 31 December 2025, and at least S\$5,600 per month for new applications of employment passes from 1 January 2025 and for renewals of employment passes expiring from 1 January 2026, and at least S\$5,500 per month for financial services sector for renewals of employment passes expiring from 1 January 2025 to 31 December 2025, and at least S\$6,200 per month for new applications of employment passes from 1 January 2025 and for renewals of employment passes expiring from 1 January 2026, and who have passed the points-based complementary assessment framework (unless otherwise exempted); (b) S Pass, for mid-level skilled workers who earn at least S\$3,150 per month in all sectors (except financial services), and at least S\$3,650 per month for financial



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services sector, which is benchmarked against the top one-third of the local associate professionals and technicians salaries by age, and for new applications from 1 September 2025 and for renewals from 1 September 2026, at least S\$3,300 for all sectors (except financial services) and at least S\$3,800 for financial services sector; and (c) work permit for skilled and semi-skilled migrant workers in the construction, manufacturing, marine shipyard, process or services sectors.

As at the Latest Practicable Date, we have 58 foreign employees, of which 26 employees are work permit holders, 5 employees are S Pass holders and 27 employees are Employment Pass holders.

Under the First Schedule and Fourth Schedule of the Employment of Foreign Manpower (Work Passes) Regulations 2012 (“**EFMA(R)**”), employers of work permit holders are required, among others, to:

- bear the costs of medical treatment (unless in excess of the minimum mandatory coverage in certain instances);
- provide safe working conditions and take such measures as are necessary to ensure the safety and health of the foreign employee;
- provide acceptable accommodation consistent with any law or governmental regulations;
- purchase and maintain medical insurance with prescribed coverage for inpatient care and day surgery, for each 12-month period (or for such shorter period where the foreign employee’s period of employment is less than 12 months); and
- (compulsory only for work permit holders who are residents of a licensed dormitory or an unregulated dormitory and/or whose work permit specifies that they are employed in the construction sector, marine shipyard sector or process sector) purchase and maintain a primary care plan (where a medical provider provides basic healthcare services and enrol the foreign worker as a member of the plan).

Under the Second Schedule and Fifth Schedule of the EFMA(R), employers of S Pass holders are required, among others, to:

- bear the costs of medical treatment (unless in excess of the minimum mandatory coverage in certain instances);
- purchase and maintain medical insurance with prescribed coverage for inpatient care and day surgery, for each 12-month period (or for such shorter period where the foreign employee’s period of employment is less than 12 months); and
- (compulsory only for S Pass holders who are residents of a licensed dormitory or an unregulated dormitory and/or whose S Pass specifies that they are employed in the work in construction sector, marine shipyard sector or process sector) purchase and maintain a primary care plan (where a medical provider provides basic healthcare services and enrol the foreign worker as a member of the plan).

An employer of foreign workers is also subject to, among others, the Employment Act and the Immigration Act 1959.

### Tripartite Guidelines on Fair Employment Practices

The Tripartite Guidelines on Fair Employment Practices (“**Guidelines**”), formulated by the Tripartite Alliance for Fair and Progressive Employment Practices (“**TAFEP**”), sets out fair employment practices that should be adopted by employers to help prevent discrimination at the workplace. The MOM and TAFEP make reference to the Guidelines in promoting fair and responsible employment practices. Employers are expected to abide by the principles of fair employment and adopt the recommended good practices.

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The five principles of fair employment practices are:

- Recruit and select employees on the basis of merit (such as skills, experience or ability to perform the job), and regardless of age, race, gender, religion, marital status and family responsibilities, or disability.
- Treat employees fairly and with respect and implement progressive human resource management systems.
- Provide employees with fair opportunity to be considered for training and development based on their strengths and needs to help them achieve their full potential.
- Reward employees fairly based on their ability, performance, contribution and experience.
- Abide by labour laws and adopt the Guidelines.

The Guidelines set out fair employment practices in respect of, amongst others, selection criteria, recruitment process, remuneration, performance appraisal and promotion, posting and training, disciplinary actions, and dismissals and retrenchments. For instance, the Guidelines provide that, in respect of the recruitment process, objective and fair selection criteria should be consistently applied at all stages of the process, and in respect of remuneration, employers should remunerate employees fairly, taking into consideration factors such as ability, performance, contribution, skills, knowledge and experience.

### Fair Consideration Framework

The Fair Consideration Framework (“**Framework**”) sets out requirements for employers in Singapore to consider Singaporeans fairly for job opportunities before hiring foreign professionals on S Passes and employment passes. To promote fair employment practices and improve labour market transparency, subject to certain prescribed exemptions, employers submitting employment pass and S Pass applications must first advertise on the government job-matching portal MyCareersFuture for at least 14 days and fairly consider all candidates.

The advertising must clearly explain the job requirements and salary offered. Employment pass / S Pass applications linked to advertisements that are discriminatory and do not represent the job accurately will be rejected:

- (a) The advertisement must not contain discriminatory words or phrases.
- (b) The job advertised must match the occupation in the employment pass / S Pass application.
- (c) The employer submitting the employment pass / S Pass application must be the same as the one in the job advertisement.
- (d) The salary offered must be clear, specific, and consistent. The salary range advertised must be visible to all candidates and cannot be hidden, cannot be too broad and must contain the salary offered to the employment pass / S Pass candidate.
- (e) If the advertisement is used for multiple employment pass / S Pass applications, the total number of employment pass / S Pass applications cannot exceed the number of vacancies in the advertisements.
- (f) The advertisement must be open for at least 14 consecutive days.
- (g) If any changes are made to the details of the advertisement, it must be kept open for at least another 14 consecutive days before submission of the employment pass / S Pass application.

Employers with indications of discriminatory hiring practices are identified and placed by MOM on a watchlist for closer scrutiny.

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### Electricity Act 2001

Under the Electricity Act 2001 (“**Electricity Act**”), and the Electricity (Electrical Installations) Regulations 2002, the use and operation of electrical and supply installations require licensing by Energy Market Authority (“**EMA**”) to ensure that they are operated and maintained by licensed electrical workers, and are safe to use. The grant or renewal of the licence may be subject to such conditions as EMA determines. EMA may in its discretion reject an application for the licence or its renewal from any person whose licence was previously cancelled or suspended.

As at the Latest Practicable Date, Vin’s Auto holds two (2) electrical installation licence which are valid until 11 April 2025 and 6 April 2025 respectively.

### Fire Safety Act 1993

Under Section 35(2) of the Fire Safety Act 1993 (“**FS Act**”), a person must not occupy or use a building or permit a building owned or managed by the person to be occupied or used, unless there is a fire certificate authorising the occupation or use.

Under Section 60 of the FS Act, any person for whom any fire safety works had been carried out and completed must apply to the commissioner and obtain a fire safety certificate in respect of the completed fire safety works. Under Section 2 of the FS Act, “fire safety works” means any fire protection works, the installation, provision or removal of, or addition or alteration to, any fire safety measure, any relevant pipeline works or any relevant works, and “relevant works” means (a) the erection, extension, alteration, addition or repair of a building (i) that involves the use of combustible materials; or (ii) that affects the means of escape from the building or the effectiveness of fire safety measures; (b) the provision, extension or alteration of any air-conditioning service or ventilating system in or in connection with a building; or (c) the provision, extension or alteration of any system for the delivery of liquefied petroleum gas from a cylinder to the point of use, in or in connection with any building that is used for a non-residential purpose.

As at the Latest Practicable Date, our Group Companies have obtained the relevant fire safety certificates in respect of carrying out relevant fire safety works at our premises, save for the automobile workshop located at 160 Sin Ming Drive #08-10 Sin Ming AutoCity Singapore 575722, where the relevant Group Company has obtained a notice of approval from Singapore Civil Defence Force for the relevant fire safety works and is in the process of obtaining JTC’s approval to commerce renovation works.

### Personal Data Protection Act 2012

The Personal Data Protection Act 2012 (“**PDPA**”) establishes the Singapore regime for the protection of personal data (i.e. data, whether true or not, about an individual who can be identified from that data, or from that data and other information to which the organisation has or is likely to have access) and seeks to ensure that organisations comply with a baseline standard of protection for personal data of individuals. Some of the 10 data protection obligations are summarised as follows:

- (a) Purpose limitation obligation – personal data must be collected, used or disclosed only for purposes that a reasonable person would consider appropriate in the circumstances, and if applicable, have been notified to the individual concerned;
- (b) Notification obligation – individuals must be notified of the purposes for the collection, use or disclosure of their personal data, on or prior to such collection, use or disclosure;
- (c) Consent obligation – the consent of individuals must be obtained for any collection, use or disclosure of their personal data, unless exceptions apply. Additionally, an organisation must allow the withdrawal of consent which has been given or is deemed to have been given;

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- (d) Access and correction obligations – when requested by an individual and unless exceptions apply, an organisation must: (i) provide that individual with access to his personal data in the possession or under the control of the organisation and information about the ways in which his personal data may have been used or disclosed within a year before such request; and/or (ii) correct an error or omission in his personal data that is in the possession or under the control of the organisation as soon as practicable and send the corrected data to every other organisation to which the personal data was disclosed (or to selected organisations that the individual has consented to) within a year before the correction is made;
- (e) Accuracy obligation – an organisation must make reasonable efforts to ensure that personal data collected by it or on its behalf is accurate and complete, especially if such data is likely to be used to make a decision affecting the individual to whom the personal data relates, or if such data is likely to be disclosed to another organisation;
- (f) Protection obligation – an organisation must implement reasonable security arrangements for the protection of personal data in its possession or under its control to prevent unauthorised access, collection, use, disclosure or similar risks;
- (g) Retention limitation obligation – an organisation must not keep personal data for longer than it is necessary to fulfil: (i) the purposes for which it was collected; or (ii) a legal or business purpose;
- (h) Transfer limitation obligation – personal data must not be transferred out of Singapore except in accordance with the requirements prescribed under the PDPA and applicable regulations, unless exempted by the Personal Data Protection Commission of Singapore (“**Commission**”);
- (i) Accountability obligation – an organisation must implement the necessary policies and procedures in order to meet the obligations under the PDPA, designate a data protection officer and shall make business contact information and information about its policies and procedures publicly available; and
- (j) Data breach notification obligation – an organisation must assess if a data breach will result in, or is likely to result in, significant harm to an affected individual, or is, or is likely to be, of a significant scale. If so, the organisation must notify the Commission as soon as is practicable, but in any case, no later than three (3) calendar days after the organisation makes that assessment. The organisation must also notify each affected individual in any manner that is reasonable in the circumstances.

Non-compliance may lead to financial penalties or to a term of imprisonment, or both. The Commission also has broad powers to direct the organisations to comply with the provisions of the PDPA.

### Central Provident Fund Act 1953

The Central Provident Fund Act 1953 (“**CPF Act**”) governs the contributions made by employers and employees into the CPF. The CPF Act is administered by the Central Provident Fund Board.

Section 7(1) of the CPF Act provides that subject to certain exemptions and regulations, every employer of an employee shall pay to the CPF monthly in respect of each employee contributions at the appropriate rates set out in the First Schedule of the CPF Act. Pursuant to Section 7(2) of the CPF Act, notwithstanding the provisions of any written law or any contract to the contrary, an employer is entitled to recover from the monthly wages of an employee the amount shown in the First Schedule of the CPF Act as so recoverable from the employee.

Section 9(1) of the CPF Act provides that, in respect of an employer, where the amount of the contributions which an employer or the platform operator (as the case may be) is liable to pay under Section 7 of the CPF Act in respect of any month is not paid within such period as may be prescribed, the employer shall be liable to pay interest on the amount for every day the amount remains unpaid commencing from the first day of the month succeeding the month in respect of which the amount is payable and such interest shall be calculated at the rate of 1.5% per month or the sum of S\$5, whichever is greater.

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Section 7(3) of the CPF Act provides that where any employer who has recovered any amount from the monthly wages of an employee in accordance with the CPF Act and fails to pay the contributions to the CPF within such time as may be prescribed, he shall be guilty of an offence and shall be liable on conviction to a fine not exceeding S\$10,000 or to imprisonment for a term not exceeding seven (7) years or to both.

Section 61(1) of the CPF Act provides that except as otherwise provided in Section 61(2) of the CPF Act, any person convicted of an offence under the CPF Act for which no penalty is provided shall be liable on conviction (a) to a fine not exceeding S\$5,000 or to imprisonment for a term not exceeding six (6) months or to both; and (b) if that person is a repeat offender in relation to the same offence, to a fine not exceeding S\$10,000 or to imprisonment for a term not exceeding 12 months or to both.

Section 61(2) of the CPF Act provides that where any person:

- (a) is guilty of an offence under Section 7(5), 8A(5) or 58(1)(b) of the CPF Act; or
- (b) being a director, manager or secretary or any other officer of a body corporate, is guilty of an offence under Section 60 of the CPF Act by virtue of the fact that an offence under Section 7(3) or (5), 8A(3) or (5) or 58(1)(b) of the CPF Act has been committed by that body corporate and is found to have been committed with the consent or connivance of or to be attributable to any act or default on the part of that person,

that person shall be liable on conviction:

- (c) to a fine of not less than S\$1,000 and not more than S\$5,000 or to imprisonment for a term not exceeding six (6) months or to both; and
- (d) if that person is a repeat offender in relation to the same offence, to a fine of not less than S\$2,000 and not more than S\$10,000 or to imprisonment for a term not exceeding twelve (12) months or to both.

### Government Grants

#### Job Support Scheme

The Job Support Scheme (“JSS”) was introduced in February 2020 to provide wage support to employers to help them retain Singapore Citizen and permanent resident employees (“**local employees**”) during the COVID-19 pandemic. All employers who had made mandatory CPF contributions for their local employees are qualified for the pay-outs, with the level and duration of support each employer receives varying based on the sector in which such employer operates. The JSS initially provided co-funding of between 25.0% and 75.0% of the first S\$4,600 of gross monthly wages paid to each local employee up to August 2020. Since its introduction, the JSS has been extended and enhanced multiple times, in view of the protracted duration and effects of the COVID-19 pandemic. The final tranche of JSS pay-outs were disbursed from 31 March 2022, covering the wages for July 2021 to December 2021.

In FY2021 and FY2022, our Group recognised S\$57,000 and S\$6,000 of pay-outs respectively, under the JSS.

#### Wage Credit Scheme and Progressive Wage Credit Scheme

The Wage Credit Scheme (“WCS”) was introduced in Budget 2013 pursuant to which the Singapore Government provided co-funding for wage increases given to Singapore Citizen employees who earned a gross monthly wage of up to S\$4,000. In Budget 2018, the scheme was extended for three (3) years (i.e. 2018, 2019 and 2020) to support businesses embarking on transformation efforts and to encourage sharing of productivity gains with workers. Government co-funding was maintained at 20% in 2018. In 2020, the co-funding ratios for wage increases in 2019 and 2020 was raised from 15.0% and 10.0%, to 20.0% and 15.0% respectively. The qualifying gross wage ceiling was also raised from S\$4,000 to S\$5,000 for both years. The WCS was further extended by one (1) year to 2021, with the co-funding ratio remaining at 15.0% and the qualifying gross wage ceiling at S\$5,000.

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## GOVERNMENT REGULATIONS

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The Progressive Wage Credit Scheme (“**PWCS**”) was announced in Budget 2022 to provide transitional wage support for employers to adjust to upcoming mandatory wage increases for lower-wage workers covered by the Progressive Wage and Local Qualifying Salary requirements, and to voluntarily raise wages of lower-wage workers. Under the PWCS, the Singapore Government will co-fund wage increases of eligible Singapore citizen and permanent resident employees for the qualifying years 2022 to 2026. In Budget 2023, it was announced that the Singapore Government will increase its co-funding share of eligible wage increases in the qualifying year 2023 from 50.0% to 75.0% for resident employees with gross monthly wages of up to S\$2,500 (first tier) and from 30.0% to 45.0% for employees with gross monthly wages of above S\$2,500 and up to S\$3,000 (second tier). The enhanced 2023 co-funding support will also apply to wage increases given in qualifying year 2022 and sustained in 2023. In Budget 2024, it was announced that the PWCS will be enhanced as follows:

- (a) The PWCS co-funding support will be raised for wage increases given in the qualifying year 2024 from 30% to 50% for the first tier, and 15% to 30% for the second tier. The enhanced 2024 co-funding support will also apply to wage increases given in qualifying year 2023 and are sustained in 2024.
- (b) The gross monthly wage ceiling for PWCS co-funding will be increased from S\$2,500 to S\$3,000 in qualifying years 2025 and 2026.
- (c) To keep PWCS targeted at supporting the wage growth of lower-wage employees, there will be a wage cut-off at S\$4,000 from qualifying year 2024 onwards (i.e. PWCS support is not applicable to employees whose average monthly wage exceeds S\$4,000 post-wage increase).

In Budget 2025, it was announced that the PWCS will be enhanced as follows:

- (a) For wage increases given in the qualifying year 2025, the PWCS co-funding support will be raised from 30% to 40%, which will also apply to wage increases given in qualifying year 2024 and sustained in 2025; and
- (b) For wage increases given in the qualifying year 2026, the PWCS co-funding support will be raised from 15% to 20%, which will also apply to wage increases given in qualifying year 2025 and sustained in 2026.

A company will qualify for the PWCS if the company gives wage increases to resident employees who:

- 1. Received CPF contributions from a single employer for at least three (3) calendar months (which need not be consecutive) in the preceding year;
- 2. Have been on the company’s payroll for at least three (3) calendar months in the qualifying year; and
- 3. Have an average gross monthly wage increase of at least S\$100 in the qualifying year.

In FY2021 and FY2022, our Group recognised S\$15,000 and S\$14,000 of pay-outs respectively, under the WCS.

In FY2023 and 9M2024, our Group recognised S\$88,000 and S\$91,000 of pay-outs respectively, under the PWCS.



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## GOVERNMENT REGULATIONS

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### Jobs Growth Incentive

The Jobs Growth Incentive (“**JGI**”) was first announced on 17 August 2020 to promote the hiring of Singapore citizens and permanent residents. It is a salary support scheme that provides employers with salary support for new local employees hired between September 2020 to March 2023. The duration of JGI support will depend on when the new local employee was hired and the characteristics of the new local employee, such as their age. For the period from April 2022 to September 2022, salary support was provided for 40.0% of the first S\$6,000 of gross monthly wages for the first six months, and 20.0% of the first S\$6,000 of gross monthly wages for the subsequent six months for mature local employees aged 40 and above who have not been in work for at least six (6) months, persons with disabilities or ex-offenders (“**vulnerable workers**”), provided that employers met the eligibility criteria. For a further six (6) months from October 2022 to March 2023, employers that hire vulnerable workers are eligible for JGI support provided that the employers met the eligibility criteria.

In FY2021 and FY2023, our Group recognised S\$16,000 and S\$11,000 of pay-outs respectively, under the JGI.

### Senior Employment Credit Scheme

The Singapore Government provides wage offsets under the Senior Employment Credit Scheme (“**SEC**”) to help employers that employ older Singaporean workers adjust to the higher retirement age and re-employment age.

For 2021 and 2022, the wage offset applied to Singaporean workers aged 55 and above and earning up to S\$4,000 per month with more support given for the higher age bands. For wages paid from 1 January 2021 to 31 December 2022, employers would have received up to 8.0% of the wages paid to Singaporean workers aged 55 and above who earn up to S\$4,000 per month.

For 2023 to 2025, the wage offset applies to Singaporean workers aged 60 and above and earning up to \$4,000 per month. For wages paid between 1 January 2024 and 31 December 2026, employers will receive up to 7.0% of the wages for Singaporean workers aged 60 and above and earning up to S\$4,000 per month, depending on their age and wage.

In Budget 2025, the Singapore government announced that it will extend the SEC until 2026. The qualifying age group for the highest SEC wage support tier will be raised to 69 years in 2026, up from 68 years in 2025.

In FY2021, FY2022, FY2023 and 9M2024, our Group recognised S\$1,000, S\$7,000, S\$2,000 and S\$5,000 of pay-outs respectively, under the SEC.

### CPF Transition Offset

Commencing in 2022, to alleviate the rise in business costs due to the increase in CPF contribution rates for senior workers, the Singapore Government provided employers with a transitional wage offset equivalent to 50% of each year’s increase in employer CPF contribution rates for every local employee aged above 55 to 70 they employ. The offset to employers is calculated based on the employees’ monthly incomes paid up to the CPF salary ceiling. The CPF Transition Offset (“**CTO**”) will be available until 2026.

In FY2022, FY2023 and 9M2024, our Group recognised S\$92, S\$143 and S\$800 of pay-outs respectively, under the CTO.

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## GOVERNMENT REGULATIONS

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### Enterprise Development Grant

The Enterprise Development Grant (“**EDG**”), administered by Enterprise Singapore, was introduced in 2018 to support projects that help companies upgrade their business, innovate or venture overseas. The EDG funds qualifying project costs namely third-party consultancy fees, software and equipment, and internal manpower costs. From 1 April 2023, SMEs can receive up to 50% support for EDG and sustainability-related projects may be supported at up to 70% from 1 April 2023 to 31 March 2026.

In FY2021, FY2022 and FY2023, our Group received support under the category of innovation and productivity. Innovation and productivity category support companies that review existing processes identify possible areas to improve efficiency before undertaking automation or technology transformation, improve resource efficiency through adopting automation and technology, and/or develop innovative technology and products with the end goal of commercialisation.

In FY2021, FY2022, FY2023 and 9M2024, our Group recognised S\$26,000, S\$24,000, S\$41,000 and S\$47,000 of pay-outs respectively, under the EDG.

### EXCHANGE CONTROLS

#### Singapore

There are no Singapore governmental laws, decrees, regulations or other legislation that may affect the following:

- (a) the import or export of capital, including the availability of cash and cash equivalents for use by our Group; and
- (b) the remittance of dividends, interest or other payments to non-resident holders of our Company’s securities.

#### Cayman Islands

There are currently no exchange control regulations or currency restrictions in the Cayman Islands.

#### British Virgin Islands

There are currently no exchange control regulations or currency restrictions in the British Virgin Islands.

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## DIRECTORS, EXECUTIVE OFFICERS AND STAFF

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### MANAGEMENT REPORTING STRUCTURE

Our management reporting structure as at the Latest Practicable Date is set out below:



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## DIRECTORS, EXECUTIVE OFFICERS AND STAFF

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### DIRECTORS

Our Directors are entrusted with the responsibility for the overall management of our Group. The particulars of our Directors are set out below:

Name	Age	Designation
Vincent Khong	67	Executive Director and Chairman
Galvin Khong	41	Executive Director and CEO
Loke Wai Ming	52	Executive Director and Deputy CEO
Kong Kian Siong	44	Lead Independent Director
Liew Chok San	56	Independent Director
He Dingding	48	Independent Director
Lu Beilin	43	Independent Director

The correspondence address of all our Directors is 20 Sin Ming Lane, #06-65/66, Midview City, Singapore 573968.

Information on the business and working experience, education and professional qualifications, if any, and areas of responsibilities of our Directors is set out below:

#### Vincent Khong

Vincent Khong was appointed to our Board on 27 January 2022 as a Director. Pursuant to the Service Agreement dated 10 March 2025, he will be appointed as our Executive Director and Chairman on the date of admission of the Company to Catalist. He is the father of Galvin Khong, our Executive Director and CEO, and the spouse of Boong Lan Hiong, our Controlling Shareholder.

Vincent Khong is the founder of the Group and is the Executive Director and Chairman of the Company. He has close to four decades of experience in the automobile industry. Vincent Khong is responsible for overseeing the business development activities, workshop operations and overall growth of the Group. Since the founding of the Group's business in 1987, he has witnessed and is instrumental in the transformation of its business from a modest car repair workshop into a reputable enterprise which prides itself in being a one-stop automobile solutions provider selling new and pre-owned motor vehicles, and providing related services such as after-sales services, vehicle financing, motor vehicle rental and leasing services. His foresight and commitment have not only expanded the Group's services but have also established it as a trusted name in the automobile industry. He also serves as a director on the boards of our subsidiaries.

Vincent Khong holds a Singapore-Cambridge General Certificate of Education (Ordinary Level) obtained in 1973.

#### Galvin Khong

Galvin Khong was appointed to our Board on 27 January 2022 as a Director. Pursuant to the Service Agreement dated 10 March 2025, he will be appointed as our Executive Director and CEO on the date of admission of the Company to Catalist. He is the son of Vincent Khong, our Executive Director and Chairman and Boong Lan Hiong, our Controlling Shareholder.

Galvin Khong is primarily responsible for overseeing the strategic planning and operations of our Group. He began his career at Toyota Motor Corporation, Japan in April 2011, where he gained experience in automotive engineering and manufacturing as a research and development engineer. He joined the Group as a business development director in 2014 and his roles include marketing and sales, customer relations management, and strategic planning. Under his leadership, the Group has expanded its rental fleet and ventured into new areas of growth, including motor vehicle sales and in-house motor vehicle financing.

Galvin Khong holds a Bachelor of Science in Mechanical Engineering from the National University of Singapore and a Masters in Engineering from the Nagoya Institute of Technology.

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## DIRECTORS, EXECUTIVE OFFICERS AND STAFF

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### **Loke Wai Ming**

Loke Wai Ming was appointed to our Board on 25 September 2024 as our Director. Pursuant to the Service Agreement dated 10 March 2025, he will be appointed as our Executive Director and Deputy CEO on the date of admission of the Company to Catalist.

Loke Wai Ming is responsible for supporting the CEO in the oversight and management of the Group in the aspect of capital markets fund raising opportunities and capital management of the Group. Loke Wai Ming has more than 28 years' experience in commercial banking, capital markets and investment banking, institutional broking and direct investment businesses. He served as an investment banking professional at multiple international investment banks in Hong Kong, including a general manager and board director of Anbang Asset Management (Hong Kong) Co. Limited from April 2014 to March 2015, a managing director of Ceneric Asia Limited from April 2015 to March 2017, a managing director in the corporate finance department of China Everbright Securities International Limited from March 2017 to October 2017 and a chief executive officer of RHB Hong Kong Limited from November 2017 to March 2019. He was the managing director of Pulun International Capital Limited (formerly known as Titan Financial Services Limited) from March 2020 to April 2024, and an executive director of RMH Holdings, a company listed on the Growth Enterprises Market of the Hong Kong Stock Exchange from February 2024 to 12 March 2025.

Loke Wai Ming obtained a Bachelor's Degree in Accountancy from Nanyang Technological University in 1996 and a Master's Degree of Business Administration from Goizueta Business School, Emory University, in 2002.

### **Kong Kian Siong**

Kong Kian Siong was appointed to our Board on 21 February 2025 as our Lead Independent Director.

Kong Kian Siong has over 20 years of auditing experience. He currently serves as an audit partner at Infinity Assurance LLP, a firm involved in the provision of auditing and business advisory services. Prior to joining Infinity Assurance LLP in January 2011 as audit partner, Kong Kian Siong worked as an audit assistant at Y.C. Foo and Company from February 2002 to December 2004, and at KPMG Singapore from December 2004 to January 2010, where his last position was Manager.

Kong Kian Siong graduated from The University of Adelaide with a Bachelor's Degree in Accounting, and was awarded the status of Certified Practising Accountant by CPA Australia in January 2007. Kong Kian Siong has been a Chartered Accountant registered with the Institute of Singapore Chartered Accountants (ISCA) since November 2009, and has also been a public accountant registered with the Accounting and Corporate Regulatory Authority of Singapore since May 2010.

### **Liew Chok San**

Liew Chok San was appointed to our Board on 21 February 2025 as our Independent Director.

Liew Chok San is currently a Chief Operating Officer and an executive director of TNT Global Capital Pte. Ltd., a company involved in fund management services.

Liew Chok San began his career at KPMG Services Pte. Ltd. from January 1996 to December 1999 as an audit senior. He had nearly 20 years of experience in the line of audit, finance and accounting before joining Ocean Equity Partners Limited where he was an investment director from September 2014 to July 2018 and subsequently Galilee Investment Management Pte Ltd from July 2018 to November 2019 as a chief operating officer cum executive director. He then went on to set up a business consulting firm, A Star Management Pte Ltd in November 2019. He took on the role of Chief Operating Officer and executive director of TNT Global Capital Pte Ltd in July 2020 and has been responsible for managing day to day operations of the fund management and developing and implementing investment strategies and managing investment and divestment activities for the funds since then.

He is a graduate of the Association of Chartered Certified Accountants in the UK.

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## DIRECTORS, EXECUTIVE OFFICERS AND STAFF

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### He Dingding

He Dingding was appointed to our Board on 21 February 2025 as our Independent Director.

He Dingding has over 15 years of extensive experience in capital markets, corporate finance, investment and finance, and corporate management through working in investment banks, advisory firms and listed companies in Singapore and Hong Kong since 2005. He currently serves as the chief executive officer and executive director of Link Holdings Limited, a company listed on the GEM of the HKEX, an independent non-executive director of Sino Harbour Holdings Group Limited, a company listed on the Main Board of the HKEX, and an independent non-executive director of China New Consumption Group Limited, a company listed on the GEM of the HKEX. He Dingding has worked with Ta Yang Group Holdings Limited, a company listed on the Main Board of the HKEX from October 2018 to November 2022 and his last position was chief executive officer cum chief financial officer. He was also an independent non-executive director of China Kangda Food Company Limited, a company listed on the Main Board of both the HKEX and SGX-ST between August 2012 and June 2015, a non-executive director of Perfect Group International Holdings Limited, a company listed on the Main Board of the HKEX ("**Perfect Group**") between March 2017 and February 2018 and the deputy CEO of Perfect Group between March 2018 and August 2018.

He Dingding graduated from Nanyang Technological University of Singapore with a Bachelor's Degree in Civil Engineering and was awarded the Chartered Financial Analyst ("**CFA**") Charter by the CFA Institute in September 2006.

### Lu Beilin

Lu Beilin was appointed to our Board on 21 February 2025 as our Independent Director.

Lu Beilin has over 18 years of executive search and human resources experience in Hong Kong and Mainland China. She is the founder of First Calibre Limited, a company engaged in executive search and human resource functions, where she has served as the managing partner since July 2015. Lu Beilin began her career as a manager with The Hongkong and Shanghai Banking Corporation from September 2004 to July 2007 working in the human resource department. She worked as a researcher at Whitney Group LLC from September 2007 to April 2008, as a consultant at The Omerta Group from June 2008 to August 2009, as a human resource executive consultant at Correlate Search from September 2009 to March 2013, and as a partner cum consultant at Capital Access Limited from April 2013 to June 2015 where she was responsible for business development.

Ms Lu graduated from Dong Hua University, China with a Bachelor's Degree in Marketing. She holds an NLP Practitioner Certificate, conferred by Guangdong Yuanwen Education Consulting Limited on 28 May 2023, and an International Coaching Federation Level Two Certificate conferred by Paradigm21 Executive Leadership Coaching Academy on 29 May 2024.



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## DIRECTORS, EXECUTIVE OFFICERS AND STAFF

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The list of present and past directorships of each Director over the last five (5) years preceding the date of this Offer Document excluding those held in our Company, is set out below:

<b>Name</b>	<b>Present Directorships</b>	<b>Past Directorships</b>
Vincent Khong	<p><b>Within our Group</b></p> <p>Vin's Auto Vin's Credit Vin's Motor K &amp; V Car Rental Vin's Leasing Vin's Automotive Group</p> <p><b>Outside our Group</b></p> <p>Vin's Capital</p>	<p><b>Within our Group</b></p> <p>Vin's Car Rental</p> <p><b>Outside our Group</b></p> <p>MG Insurance Agency Pte. Ltd. (formerly known as Vin's Insurance Agency Pte. Ltd.) Sin Ming Autocare BFG Pte. Ltd.</p>
Galvin Khong	<p><b>Within our Group</b></p> <p>Vin's Auto Vin's Credit Vin's Motor Vin's Car Rental Vin's Leasing Vin's Automotive Group</p> <p><b>Outside our Group</b></p> <p>Vin's Capital.</p>	<p><b>Within our Group</b></p> <p>K &amp; V Car Rental</p> <p><b>Outside our Group</b></p> <p>MG Insurance Agency Pte. Ltd. (formerly known as Vin's Insurance Agency Pte. Ltd.)</p>
Loke Wai Ming	<p><b>Within our Group</b></p> <p>NIL</p> <p><b>Outside our Group</b></p> <p>Phoenix International Capital Pte. Ltd. Dream Re Investment Pte. Ltd. Hebe Biotechnology Pte. Ltd. Queen's Road Medical Company Limited Hong Kong – ASEAN Economic Corporation Foundation Limited</p>	<p><b>Within our Group</b></p> <p>NIL</p> <p><b>Outside our Group</b></p> <p>RMH Holdings Limited<sup>(1)</sup></p>
Kong Kian Siong	<p><b>Within our Group</b></p> <p>NIL</p> <p><b>Outside our Group</b></p> <p>NIL</p>	<p><b>Within our Group</b></p> <p>NIL</p> <p><b>Outside our Group</b></p> <p>NIL</p>

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## DIRECTORS, EXECUTIVE OFFICERS AND STAFF

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<b>Name</b>	<b>Present Directorships</b>	<b>Past Directorships</b>
Liew Chok San	<p><b>Within our Group</b></p> <p>NIL</p> <p><b>Outside our Group</b></p> <p>TNT Global Capital Pte. Ltd. A Star Management Pte. Ltd. Volcano Ventures VCC</p>	<p><b>Within our Group</b></p> <p>NIL</p> <p><b>Outside our Group</b></p> <p>Star Magic Investment Ltd Galilee Investment Management Pte Ltd</p>
He Dingding	<p><b>Within our Group</b></p> <p>NIL</p> <p><b>Outside our Group</b></p> <p>Cloud AI Solutions Pte. Ltd. Link Holdings Limited China New Consumption Group Limited Sino Harbour Holdings Group Limited Link Hotels International Pte. Ltd. Hang Huo Investment Pte. Ltd. Kirin Intelligence Pte. Ltd. Kaki Intelligence Pte. Ltd. Link Investment Management Limited Ta Yang Finance Limited Silverine Pacific Ltd. Duchess Global Ltd Mandale Globe Ltd Ak Enterprise Incorporation Limited Maple Pacific Investments Limited Silver Stone Investments Limited</p>	<p><b>Within our Group</b></p> <p>NIL</p> <p><b>Outside our Group</b></p> <p>Jinluo Investment Holdings Pte. Ltd. Crown International Corporation Limited Perfect Group International Holdings Limited China Kangda Food Company Limited Mobile Internet (China) Holdings Limited Toppoint Holdings Inc.</p>
Lu Beilin	<p><b>Within our Group</b></p> <p>NIL</p> <p><b>Outside our Group</b></p> <p>First Calibre Ltd. First Calibre Pte. Ltd.</p>	<p><b>Within our Group</b></p> <p>NIL</p> <p><b>Outside our Group</b></p> <p>NIL</p>

**Note:**

- (1) Loke Wai Ming was appointed as an independent non-executive director of RMH Holdings Limited from 11 May 2021 to 9 November 2023, and was re-appointed as an executive director of RMH Holdings Limited from 21 February 2024 to 12 March 2025. Please refer to paragraph (a) under the section entitled "General and Statutory Information – Disclosures relating to Loke Wai Ming" of this Offer Document for more details.

The Directors have been briefed on the roles and responsibilities of a director of a public-listed company in Singapore.

Our Directors do not have experience as directors of public-listed companies in Singapore. As at the Latest Practicable Date, our Directors have attended the prescribed mandatory training under Schedule 1 of Practice Note 4D of the Catalist Rules to familiarise themselves with the roles and responsibilities of a director of a company listed on the SGX-ST.

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## DIRECTORS, EXECUTIVE OFFICERS AND STAFF

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None of our Independent Directors have been appointed to the board of any of our subsidiaries.

There is no arrangement or understanding with any Substantial Shareholder, customer or supplier of our Group or any other person, pursuant to which any of our Directors was selected as a Director of our Group. Save as disclosed in the Section entitled “Corporate Governance - Opinion of Nominating Committee on the suitability of Liew Chok San to act as Director pursuant to Catalist Rule 406(3)(b)”, as at the Latest Practicable Date, none of our Independent Directors has existing or past business or professional relationship of a material nature with our Group, and has not, directly or indirectly, previously received any payments from the Group.

### EXECUTIVE OFFICERS

Our day-to-day operations are entrusted to our Chairman, Vincent Khong and our CEO, Galvin Khong, who are assisted by our experienced and qualified team of Executive Officers. The particulars of our Executive Officers are set out below:

Name	Age	Designation
Yat Wan Thiam	56	Chief Financial Officer
Wee Aik Bin	69	Workshop Manager
Yap Jun Hong (Ye Junhong)	36	Sales Manager

The correspondence address of all our Executive Officers is 20 Sin Ming Lane, #06-65/66, Midview City, Singapore 573968.

Information on the business and working experience, education and professional qualifications, if any, and areas of responsibilities of our Executive Officers are set out below:

#### Yat Wan Thiam

Yat Wan Thiam joined our Group in June 2024 as our Chief Financial Officer.

Yat Wan Thiam is responsible for all matters related to the finance, accounting and auditing of our Group. She has more than 30 years of experience in corporate finance, accounting and auditing. Prior to joining our Group, Yat Wan Thiam held the Group Financial Officer and similar appointments at various companies across a wide range of industries, including manufacturing, oil and gas, marine, engineering, trading and private equity. This includes the international private equity firm Titan Capital Asia and companies listed on the SGX-ST such as Heatec Jietong Holdings Ltd, SK Jewellery Group Limited and Mooreast Holdings Ltd. She was also the Director of Special Projects at Gain City Best-Electric Pte Ltd from April 2022 to June 2023 where she was responsible for financial and business improvement, and the Group Finance Director at Phaos Technology Pte. Ltd. from August 2023 to May 2024 where she was responsible for internal controls, including financial reporting and budgeting.

Yat Wan Thiam is a Chartered Accountant registered with the Institute of Singapore Chartered Accountants (ISCA) since May 2015. She is also an affiliate of the Associated of Chartered Certified Accounts (ACCA) since December 2005.

#### Wee Aik Bin

Wee Aik Bin has been the Group's Workshop Manager since the start of the Group's business in 1987, and he has more than 35 years of experience in the automobile maintenance and repair industry. He is primarily responsible for the overall day-to-day operations of the Group's workshops, including the maintenance and repair of automobiles and installation of automobile parts and accessories. Wee Aik Bin is also responsible for conducting checks on maintenance and workshop operations, ensuring compliance with workplace safety policies, and ensuring that workshop inspection and maintenance records are updated.

Wee Aik Bin holds a primary school certificate obtained in 1970.

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## DIRECTORS, EXECUTIVE OFFICERS AND STAFF

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### Yap Jun Hong (Ye Junhong)

Yap Jun Hong (Ye Junhong) joined our Group in April 2017 as Sales Manager.

Yap Jun Hong (Ye Junhong) is the Group's Sales Manager and is primarily responsible for car sales, management of the sales team, and the overall management and improvement of sales operations of the Group. He has more than 10 years of experience in sales. He started his career as a telemarketer at OCBC Bank Ltd from October 2010 to February 2012 where he was responsible for telesales, and worked at Singapore Enriched Group Pte Ltd as a media and publishing executive from March 2012 to May 2014, where he was responsible for responding to cold calls for sales. He also worked as an insurance claims officer at Asia Success Motor Services Pte Ltd from June 2014 to June 2015 where he assisted in accident and insurance claims, and as a Telesales Officer at OCM Ventures Pte Ltd between July 2015 to February 2017 where he was responsible for telesales.

Yap Jun Hong (Ye Junhong) holds a Singapore-Cambridge General Certificate of Education (N Levels) obtained in 2005.

The list of present and past directorships of each Executive Officer over the last five (5) years preceding the date of this Offer Document excluding those held in our Company, is set out below:

<b>Name</b>	<b>Present Directorships</b>	<b>Past Directorships</b>
Yat Wan Thiam	<b>Within our Group</b>	<b>Within our Group</b>
	NIL	NIL
	<b>Outside our Group</b>	<b>Outside our Group</b>
	NIL	Solos (S) Pte Ltd
Wee Aik Bin	<b>Within our Group</b>	<b>Within our Group</b>
	NIL	NIL
	<b>Outside our Group</b>	<b>Outside our Group</b>
	NIL	NIL
Yap Jun Hong (Ye Junhong)	<b>Within our Group</b>	<b>Within our Group</b>
	NIL	NIL
	<b>Outside our Group</b>	<b>Outside our Group</b>
	NIL	NIL

There is no arrangement or understanding with any Substantial Shareholder, customer or supplier of our Group or any other person, pursuant to which any of our Executive Officers was selected as an Executive Officer of our Group.

### STAFF

As at the Latest Practicable Date, we have a workforce of 108 employees, of which all are full-time employees. As at the Latest Practicable Date, we do not employ any temporary employees. We do not experience any significant seasonal fluctuations in our number of employees.

None of our employees are unionised. During the Track Record Period, there has not been any incidence of work stoppages or labour disputes that affected our operations. Accordingly, we consider our relationship with our employees to be good.

## DIRECTORS, EXECUTIVE OFFICERS AND STAFF

The number of employees of our Group as at the end of each of 31 December 2021, 31 December 2022 and 31 December 2023 and 30 September 2024 segmented by function are as follows:

	← Number of Employees →			
	As at 31 December 2021	As at 31 December 2022	As at 31 December 2023	As at 30 September 2024
<b>Function</b>				
Accounting and Finance	5	9	13	14
Loan Administrative and Credit Control	6	9	17	19
Marketing and Sales	4	8	14	12
Claims	2	7	6	6
Operations	3	4	5	7
Human Resource	1	2	2	2
Information Technology	—	—	—	2
Management	3	3	3	5
Workshop	16	17	16	25
<b>Total</b>	40	59	76	92

The increase in the number of our staff is mainly due to an increase in business volume during the Track Record Period.

The geographical distribution of our Group's full-time employees as at the end of each of 31 December 2021, 31 December 2022 and 31 December 2023 and 30 September 2024 is as follow:

	← Number of Employees →			
	As at 31 December 2021	As at 31 December 2022	As at 31 December 2023	As at 30 September 2024
<b>Country</b>				
Singapore	39	55	68	83
Malaysia <sup>(1)</sup>	—	3	7	7
Philippines <sup>(1)</sup>	1	1	1	2
<b>Total</b>	40	59	76	92

**Note:**

- (1) Our employees based in Malaysia and Philippines are mainly engaged in administrative support and these employees work remotely.

## DIRECTORS, EXECUTIVE OFFICERS AND STAFF

### REMUNERATION OF DIRECTORS, EXECUTIVE OFFICERS AND RELATED EMPLOYEES

#### Directors and Executive Officers

The remuneration (which includes benefits-in-kind and bonuses) paid to our Directors and Executive Officers for services rendered to us on an aggregate basis and in remuneration bands of S\$250,000 during FY2022 and FY2023 (being the two (2) most recent completed financial years) and as estimated for FY2024 (excluding bonuses under any profit-sharing plan or any other profit-linked agreement(s)) are as follow:

	FY2022	FY2023	FY2024 (estimated)
<b>Directors</b>			
Vincent Khong	Band A <sup>(1)</sup>	Band A <sup>(1)</sup>	Band A <sup>(1)</sup>
Galvin Khong	Band B <sup>(2)</sup>	Band B <sup>(2)</sup>	Band B <sup>(2)</sup>
Loke Wai Ming	N.A. <sup>(3)</sup>	N.A. <sup>(3)</sup>	Band A <sup>(1)</sup>
Kong Kian Siong	N.A. <sup>(3)</sup>	N.A. <sup>(3)</sup>	N.A. <sup>(3)</sup>
Liew Chok San	N.A. <sup>(3)</sup>	N.A. <sup>(3)</sup>	N.A. <sup>(3)</sup>
He Dingding	N.A. <sup>(3)</sup>	N.A. <sup>(3)</sup>	N.A. <sup>(3)</sup>
Lu Beilin	N.A. <sup>(3)</sup>	N.A. <sup>(3)</sup>	N.A. <sup>(3)</sup>
<b>Executive Officers</b>			
Yat Wan Thiam	N.A. <sup>(3)</sup>	N.A. <sup>(3)</sup>	Band A <sup>(1)</sup>
Wee Aik Bin	Band A <sup>(1)</sup>	Band A <sup>(1)</sup>	Band A <sup>(1)</sup>
Yap Jun Hong (Ye Junhong)	Band A <sup>(1)</sup>	Band A <sup>(1)</sup>	Band A <sup>(1)</sup>

#### Notes:

- (1) Band A: Compensation from S\$0 to S\$250,000 per annum.
- (2) Band B: Compensation from S\$250,001 to S\$500,000 per annum.
- (3) These persons were not yet appointed or employed by our Group during the relevant periods. Yat Wan Thiam joined our Group in June 2024, Loke Wai Ming was appointed as a Director on 25 September 2024 and Kong Kian Siong, Liew Chok San, He Dingding and Lu Beilin were appointed as our Independent Directors on 21 February 2025.

As at the Latest Practicable Date, save for the Vin's PSP, no compensation has been paid or will be paid in the form of new Shares (including share options) to any of our Directors, Executive Officers or employees.

As at the Latest Practicable Date, save as required for compliance with the applicable laws of Singapore, we have not set aside or accrued any amounts to provide for pension, retirement or similar benefits for our employees and Directors.

#### Related Employees

During the Track Record Period and as at the Latest Practicable Date, save as disclosed below, none of our employees are immediate family members or are otherwise related to our Directors, CEO or Substantial Shareholders.

Ikushima Saeko, is the spouse of our Executive Director and CEO, Galvin Khong. Ikushima Saeko was an employee of Vin's Motor from February 2019 to December 2021 and an employee of Vin's Credit from July 2022 to July 2024, and a director of Vin's Auto from December 2018 to July 2024. She is no longer employed by the Group as at the Latest Practicable Date.



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## DIRECTORS, EXECUTIVE OFFICERS AND STAFF

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Boong Lan Hiong is the spouse of our Executive Director and Chairman, Vincent Khong and the mother of our Executive Director and CEO, Galvin Khong. She is the general manager of Vin's Auto, mainly responsible for providing high-level leadership and guidance to the Group.

For completeness, Yap Jun Hong (Ye Junhong) is the son-in-law of our Executive Director and Chairman, Vincent Khong and the brother-in-law of our Executive Director and CEO, Galvin Khong. He is the Group's Sales Manager.

Save as set out below, none of our employees is an immediate family member of our Directors or CEO, and whose remuneration exceeds S\$50,000 during the two (2) most recently completed financial years.

	FY2022	FY2023
<u>Employee</u>		
Ikushima Saeko	Band A	Band A
Boong Lan Hiong	Band C	Band C
Yap Jun Hong (Ye Junhong)	Band C	Band D

### Remuneration bands:

- (1) Band A: Compensation from S\$0 to S\$50,000 per annum.
- (2) Band B: Compensation from S\$50,001 to S\$100,000 per annum.
- (3) Band C: Compensation from S\$100,001 to S\$150,000 per annum.
- (4) Band D: Compensation from S\$150,001 to S\$200,000 per annum.

The remuneration of employees who are related to our Directors, CEO or Substantial Shareholders will be reviewed annually by our Remuneration Committee to ensure that their remuneration packages are in line with our staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities. Any bonuses, pay increments and/or promotions for these related employees will also be subject to the review and approval of our Remuneration Committee. In addition, any new employment of related employees and the proposed terms of their employment will be subject to the review and approval of our Nominating Committee. In the event that a member of our Remuneration Committee or the Nominating Committee is related to the employee under review, he will abstain from the review.

In line with the Code of Corporate Governance, we will disclose in our annual report the names and remuneration of employees who are Substantial Shareholders of the Company, or who are immediate family members of our Directors, CEO or Substantial Shareholders, and whose remuneration exceeds S\$100,000 during the year, in bands of no wider than S\$100,000.

### SERVICE AGREEMENTS

On 10 March 2025, our Company entered into a Service Agreement with each of Vincent Khong, Galvin Khong and Loke Wai Ming ("**Executive**") for an initial term of three (3) years each ("**Initial Term**" commencing from the date of admission of the Company to Catalist). During the Initial Term, the Service Agreements may be terminated by the Company upon giving to the Executive notice in writing of six (6) months or by the Company paying the Executive an amount equal to six (6) months' salary in lieu of notice. Upon expiry of the Initial Term, the Service Agreements shall be automatically renewed on a yearly basis and may be terminated by either party upon giving to the other party notice in writing of six (6) months or by the Company paying the Executive an amount equal to six (6) months' salary in lieu of notice. Our Company may also terminate the employment of an Executive immediately without prior notice or payment in lieu of notice if, in the reasonable opinion of the Board, any of the following has occurred:

- (a) if the Executive is guilty of any gross default or grave misconduct in connection with or affecting the business of the Group;

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## DIRECTORS, EXECUTIVE OFFICERS AND STAFF

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- (b) if the Executive shall be guilty of conduct likely to bring himself or any member of the Group into disrepute;
- (c) in the event of any serious or repeated breach or non-observance by the Executive of any of the stipulations contained in this Service Agreement;
- (d) if the Executive becomes bankrupt or has bankruptcy proceedings commenced against him whether in Singapore or elsewhere (and such proceedings are not withdrawn within ninety (90) days from the date of commencement) or makes any composition or enters into any deed of arrangement with his creditors;
- (e) if the Executive shall become of unsound mind or is otherwise medically certified to be unfit to perform the duties of his position;
- (f) if the Executive commits any act of criminal breach of trust, fraud or dishonesty; or
- (g) if the Executive is convicted of any criminal offence (save an offence under road traffic legislation for which he is not sentenced to any term of immediate or suspended imprisonment) and sentenced to any term of immediate or suspended imprisonment.

Save as disclosed above, there are no existing or proposed service agreement between our Group and any of our Directors. There is also no existing or proposed service agreement entered or to be entered into by our Directors with our Company or our subsidiaries which provide for benefits upon termination of employment.

Pursuant to the terms of their respective Service Agreements, each of Vincent Khong, Galvin Khong and Loke Wai Ming are entitled to (a) a monthly salary of S\$20,000, S\$20,000 and S\$12,500 respectively; (b) a fixed bonus of one (1) month's basic salary per annum; and (c) a performance bonus ("**Performance Bonus**") in respect of each financial year commencing from FY2025 to be recommended by the Remuneration Committee and determined at the Board's discretion.

The Service Agreements contain restrictions on the disclosure of our confidential information, including trade secrets, processes and dealings of our Group. None of the Service Agreements contain any clause whereby our Company may pay a gratuity or other retirement, superannuation, death or disability benefits to any of them or to his widow or dependents or relations or connections or to any persons in respect or may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.

The Service Agreements with each of Vincent Khong, Galvin Khong and Loke Wai Ming also contains non-compete undertaking provisions where each of them has agreed, *inter alia*, that he shall not, and shall procure that his Associates<sup>(1)</sup> shall not:

- (a) during the period of his employment hereunder and within a period of 12 months upon his ceasing to be an Executive Director of the Company in all territories where the Company or any Group Company operates ("**Territories**"), directly or indirectly, except with the Company's prior written consent:
  - (i) either on his own account or for any other person directly or indirectly solicit, interfere with or endeavour to entice away from any Group Company any person who to his knowledge is now or has been a client, customer or employee of, or in the habit of dealing with, any Group Company;
  - (ii) either alone or jointly with or as a manager, agent for or employee of any person, directly or indirectly carry on or be engaged or concerned or interested in business with any person who is now or has been a client or customer of the Company or any Group Company;

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## DIRECTORS, EXECUTIVE OFFICERS AND STAFF

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- (iii) either alone or jointly with or as a manager, agent for, consultant to or employee of any person, directly or indirectly carry on or be engaged or concerned or interested in any business which shall be in competition with the business carried on by any Group Company at the date hereof or as at the time of cessation of employment (as the case may be) (“**Relevant Business**”); and
  - (iv) act as a director or otherwise of any other person, firm or company engaging directly or indirectly in the Relevant Business which is in competition with the business of any Group Company;
- (b) during the period of his employment hereunder and upon his ceasing to be an Executive Director of the Company without limit in point of time, directly or indirectly, except with the Company’s prior written consent:
- (i) use the name “Vin’s” or any colourable imitation thereof in connection with any business; and/or
  - (ii) use any trade mark of any Group Company in connection with any business;
- (c) during the period of his employment hereunder and upon his ceasing to be an Executive Director of the Company, directly or indirectly, except with the Company’s prior written consent, disclose to any person, or himself use for any purpose, and shall use his best endeavours to prevent the publication or disclosure of, any confidential information concerning the business, accounts or finances of any Group Company or any of its clients’ or customers’ transactions or affairs, which may, or may have, come to his knowledge.

**Note:**

- (1) For purposes of the non-compete undertakings, “Associates” in relation to Vincent Khong will not cover the Khong Brothers as he has no control over the Khong Brothers’ businesses (i.e., Khong Ah Heng Family Business and the Khong Chin Wah Family Business). Please refer to the section entitled “Interested Person Transactions – Potential Conflicts of Interests” for details of the business conducted by Vincent Khong’s siblings.

Had the Service Agreements been in place with effect from FY2023, the aggregate remuneration paid to the Executive Directors for FY2023 would have been approximately S\$842,000 instead of approximately S\$420,000 and our Group’s profit before income tax for FY2023 would have decreased from approximately S\$3.6 million to approximately S\$3.2 million.

Save as disclosed above, as well as commissions and incentive payments payable to our selected employees in the ordinary course of our business and the Vin’s PSP, there are no bonus or profit-sharing plans or any other profit-linked agreements or arrangements between our Group and any of our Directors, Executive Officers or employees.

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## CORPORATE GOVERNANCE

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Corporate governance refers to the processes and structure by which the business and affairs of a company are directed and managed, in order to enhance long-term shareholder value through enhancing corporate performance and accountability. Good corporate governance therefore embodies both enterprise (performance) and accountability (conformance).

Our Directors recognise the importance of corporate governance and the offering of high standards of accountability to our Shareholders. Our Board of Directors has formed three (3) committees: (a) an Audit and Risk Management Committee, (b) a Nominating Committee, and (c) a Remuneration Committee. Each committee formed has written terms of reference which clearly set out the authority and duties of the committee.

We have seven (7) Directors on our Board of Directors, of which four (4) are Independent Directors. Our Independent Directors do not have any existing business or professional relationship with our Group, our other Directors and/or Substantial Shareholders. Our Independent Directors are also not related to our other Directors and/or Substantial Shareholders.

Our Directors are of the view that given the current board composition and based on the above, there are sufficient safeguards and checks to ensure that the process of decision-making by our Board is independent and based on collective decision-making.

### **Audit and Risk Management Committee**

Our Audit and Risk Management Committee comprises Kong Kian Siong, Liew Chok San and He Dingding. The chairman of our Audit and Risk Management Committee is Kong Kian Siong. The quorum for any meeting of the Audit and Risk Management Committee shall be any three (3) members, including the chairman of our Audit and Risk Management Committee.

Kong Kian Siong, Liew Chok San and He Dingding all have recent and relevant accounting or related financial management expertise or experience.

Our Audit and Risk Management Committee will assist our Board in discharging its responsibility to safeguard our assets, maintain adequate accounting records and develop and maintain effective systems of internal control, with the overall objective of ensuring that our management creates and maintains an effective control environment in our Group.

Our Audit and Risk Management Committee will provide a channel of communication between our Board, our management and our external auditors on matters relating to audit.

Our Audit and Risk Management Committee shall meet periodically to perform, among others, the following functions:

- (a) assist our Board in fulfilling its responsibility for overseeing the integrity of our Company's system of accounting and financial reports and in maintaining a high standard of transparency and reliability in its corporate disclosures;
- (b) review, with the internal and external auditors, the relevance and consistency of the accounting standards, the audit plans, scope of work, their evaluation of our system of internal controls, risk management system and accounting system, audit reports, their management letters and our management's response, and the results of audits compiled by our internal and external auditors, and will review at regular intervals with the management the implementation by our Group of the internal control recommendations made by our internal and external auditors;
- (c) review the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of our Group and any formal announcements relating to our Group's financial performance before submission to our Board for approval, focusing in particular on changes in accounting policies and practices, major risk areas, significant adjustments arising from the audit, compliance with accounting standards, compliance with the Catalist Rules and any other statutory

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## CORPORATE GOVERNANCE

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and regulatory requirements, concerns and issues arising from their audits including review of the assistance given by our management to the internal and external auditors, and any matters which the auditors may wish to discuss in the absence of our management, where necessary, before submission to our Board for approval;

- (d) review and report to the Board, at least annually, the adequacy and effectiveness of our Group's internal control procedures (including financial, operational, compliance and information technology controls), and risk management systems and have oversight of the internal control processes of our Group;
- (e) meet with the external auditors, and with the internal auditors, in each case without the presence of our management, at least annually;
- (f) review and discuss with our internal auditors and our external auditors, any issues and concerns arising from the internal audits and the external audits, any suspected fraud, irregularity or infringement of any relevant laws, rules and regulations, which has or is likely to have a material impact on our Group's financial performance or financial position and our management's response;
- (g) review our key financial risk areas, with a view to providing an independent oversight on our Group's financial reporting, the outcome of such review to be disclosed in the annual reports or if the findings are material, to be immediately announced via SGXNET;
- (h) review the risk profile of our Group and the appropriate steps to be taken to mitigate and manage risks at acceptable levels determined by our Board;
- (i) monitor and exercise oversight over the Group's compliance with the terms and conditions of the Group's loan facilities, including compliance with loan covenants;
- (j) review and approve all hedging policies implemented by our Group (if any) and conduct periodic review of foreign exchange transactions and hedging policies and procedures;
- (k) review the co-operation given by our management to our internal and external auditors, where applicable;
- (l) review the adequacy, effectiveness, independence and objectivity, scope and results of the external audit and the Company's internal audit function;
- (m) make recommendations to the Board on the proposals to the shareholders on the appointment and removal of external auditors and their remuneration and terms of engagement as well as consider the appointment or re-appointment of the internal auditors, including approving their remuneration and terms of engagement and ensuring the internal audit function is adequately resourced and staffed with persons with the relevant qualifications and experience and that the internal auditors comply with the standards set by internationally recognised professional bodies, where applicable;
- (n) consider the appointment or re-appointment of a qualified tax adviser to ensure that our Group remains in compliance with applicable tax regulations and having oversight of issues and concerns raised by the tax adviser, if any, to prevent recurrence of non-compliance with tax regulations;
- (o) review the job scope and level of responsibility of related employees (being employees that are related to our Directors, Executive Officers and/or Substantial Shareholders) and to resolve or mitigate any actual or potential conflicts of interest that may arise from the involvement of such related employees in the relevant job functions;
- (p) where applicable, ensure that the internal audit function has unfettered access to all our Group's documents, records, properties and personnel, including our Audit and Risk Management Committee, and has appropriate standing within our Group;

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## CORPORATE GOVERNANCE

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- (q) review and approve transactions falling within the scopes of Chapter 8, 9 and 10 of the Catalist Rules (if applicable), including reviewing any interested person transactions and monitoring the procedures established to regulate interested person transactions, ensuring compliance with our Company's internal control systems and the relevant provisions of the Catalist Rules;
- (r) review potential conflicts of interests (if any), set out a framework to resolve or mitigate any potential conflicts of interests, monitoring compliance with such framework, including whether the terms of the Service Agreements and non-compete undertakings provided to our Company have been complied with, and to propose additional measures where appropriate;
- (s) review the whistle-blowing policy and ensure that we publicly disclose, clearly communicate to our employees the existence of a whistle-blowing policy and review such procedures by which employees of our Group may, in confidence, report to the chairman of our Audit and Risk Management Committee, possible improprieties in matters of financial reporting or other matters and ensure that there are arrangements in place for the receipt, retention and treatment of complaints received by our Group (including criminal offences involving our Group or its employees, questionable accounting, auditing, business, safety or other matters that impact negatively on our Group), the independent investigation and follow-up actions thereto;
- (t) review and approve the related party transactions policy implemented by our Group and conduct periodic review of such policy;
- (u) review the assurance from our CEO and CFO on our financial records and financial statements;
- (v) appraise the performance of our CFO on an annual basis;
- (w) review the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of our Company and any announcements relating to our financial performance;
- (x) review our Group's compliance with such functions and duties as may be required under the relevant statutes or the Catalist Rules, including such amendments made thereto from time to time;
- (y) undertake such other reviews and projects as may be requested by our Board, and report to our Board its findings from time to time on matters arising and requiring the attention of our Audit and Risk Management Committee;
- (z) monitor the use of our proceeds from the Placement;
- (aa) monitor the adequacy of our current system of monitoring debtors' aging profile and ensure that such aspect will be included as part of the review scope for subsequent internal audits;
- (bb) undertake generally such other functions and duties as may be required by law, the Code of Corporate Governance or the Catalist Rules, and by such amendments made thereto from time to time;
- (cc) review the procedures and policies put in place to ensure the compliance with various laws and regulations, including all laws and regulations imposed by MOM, NEA, SFA and IRAS;
- (dd) monitor the measures undertaken by our Group to mitigate and to the extent possible remediate non-compliance by our Group, and having oversight of and reviewing such measures to monitor and to the extent possible prevent further recurrence of non-compliances;
- (ee) where necessary, commission an independent audit on internal controls and risk management systems for the assurance of the Audit and Risk Management Committee, or where it is not satisfied with the systems of internal controls and risk management;
- (ff) review of the cash management processes of our Group;



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## CORPORATE GOVERNANCE

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- (gg) monitor and have oversight of our Group's process of forecasting cash flows and compliance with loan covenants;
- (hh) monitor the implementation of a policy and procedures for sustainability reporting;
- (ii) investigate any matters within its terms of reference;
- (jj) examine the internal control procedures and review procedures put in place by our Company to determine if such procedures put in place are sufficient to ensure that interested person transactions are conducted on normal commercial terms and will not be prejudicial to our Company and our minority Shareholders;
- (kk) review any actual or potential conflicts of interest that may involve our Directors as disclosed by them to our Board and the exercise of Directors' fiduciary duties in this respect. Upon disclosure of an actual or potential conflict of interests by a Director, our Audit and Risk Management Committee will consider whether a conflict of interests does in fact exist. A Director who is a member of our Audit and Risk Management Committee will not participate in any proceedings of our Audit and Risk Management Committee in relation to the review of a conflict of interests relating to him. The review will include an examination of the nature of the conflict and such relevant supporting data, as our Audit and Risk Management Committee may deem reasonably necessary;
- (ll) appoint independent financial advisers as and when necessary to review such interested person transactions and opine on whether such transactions are fair and reasonable to us, not prejudicial to our interests and the interests of our minority Shareholders;
- (mm) monitor the investments in our customers, suppliers and competitors made by our Directors, Controlling Shareholders and their respective associates who are involved in the management of or have shareholding interests in similar or related business of our Company (to the extent as disclosed by them to our Audit and Risk Management Committee) and make assessments on whether there are any potential conflicts of interest;
- (nn) review and assess from time to time whether additional processes are required to be put in place to manage any material conflicts of interest with the Directors, Controlling Shareholders and their respective associates and propose, where appropriate, the relevant measures for the management of such conflicts; and
- (oo) review and propose, where appropriate, the relevant measures for the management of all conflicts of interest matters referred to it.

Apart from the duties listed above, our Audit and Risk Management Committee shall commission and review the findings of internal investigations into matters where there is any suspected fraud or irregularity, or failure of internal controls or infringement of any law, rule or regulation which has or is likely to have a material impact on our Group's operating results and/or financial position. In the event that a member of our Audit and Risk Management Committee is interested in any matter being considered by our Audit and Risk Management Committee, he will abstain from reviewing and deliberating on that particular transaction or voting on that particular resolution.

### Adequacy of Internal Controls

Our Company has commissioned In.Corp Business Advisory Pte. Ltd., as internal auditors, to conduct a review and assessment of the pertinent business process and operations of our Group, including:

- (i) general control environment;
- (ii) cash and bank management;
- (iii) revenue, receipts and receivables;
- (iv) procurement, payments and payables;

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## CORPORATE GOVERNANCE

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- (v) human resource management and payroll;
- (vi) fixed assets management;
- (vii) inventory management;
- (viii) information technology general controls;
- (ix) compliance with personal data protection act;
- (x) customer service and dispute management; and
- (xi) business continuity management.

Our Directors noted that no material internal control weakness has been raised by the internal auditors in the course of its internal audit.

Currently, based on the internal controls established and maintained by our Group, work performed by the internal and external auditors, and reviews performed by our management, our Board, to the best of its knowledge and belief, with the concurrence of our Audit and Risk Management Committee, is of the opinion that (i) our Group's current risk management systems are adequate and effective; and (ii) the internal controls of our Group are adequate and effective in addressing the financial, operational, compliance and information technology risks of our Group.

In preparation for our Listing, our Group has held discussions with the internal auditors, In.Corp Business Advisory Pte. Ltd., in relation to our internal controls. During the course of discussions, our Group was given a broad overview of our Group's current internal control procedures. Our Board also noted that the internal auditors has confirmed that they are satisfied that the management of our Group has adequately addressed all material points raised in relation to our Group's internal control weaknesses. Further, the internal auditors have also reviewed, where applicable, the effectiveness of measures put in place and/or enhanced by our Group to mitigate and to the extent possible prevent the recurrence of past non-compliances. Where any outstanding internal control points remain, a follow up review will be conducted post-Listing as part of the internal audit plan on such outstanding internal control weaknesses. The scope of the internal auditors' overall internal control environment assessment covered the operating entities of our Group.

Our Group will continue to outsource the internal audit function of our Group. Our Group shall commission an annual internal controls audit by a suitable accounting firm approved by our Audit and Risk Management Committee, to review and assess the adequacy and effectiveness of our Group's risk management and internal control systems, including financial, operational, compliance and information technology controls of our Group. The appointed internal auditors will report directly to our Audit and Risk Management Committee. Before each annual internal audit, the internal auditors will propose an internal audit plan to our Audit and Risk Management Committee and obtain the approval of our Audit and Risk Management Committee before the internal auditors can proceed with the internal audit plan. The findings of such internal audit will be submitted by the appointed internal auditors to our Audit and Risk Management Committee for their review.

### Suitability of Yat Wan Thiam as CFO

Our Audit and Risk Management Committee, having conducted an interview with our CFO, Yat Wan Thiam, and considering the following:

- (a) the qualifications and past working experience of Yat Wan Thiam (as described in the section entitled "Directors, Executive Officers and Staff" of this Offer Document);
- (b) Yat Wan Thiam's past audit, financial and accounting related experiences;
- (c) Yat Wan Thiam's demonstration of the requisite competency in finance-related matters of our Group;

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## CORPORATE GOVERNANCE

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- (d) the absence of negative feedback on Yat Wan Thiam from the representatives of our Group's Independent Auditor and Reporting Accountant, Moore Stephens LLP, as well as our Group's internal auditors, In.Corp Business Advisory Pte. Ltd.;
- (e) the absence of negative findings from the commercial investigations and reference checks commissioned by or conducted by the Issue Manager, Full Sponsor and Placement Agent on Yat Wan Thiam; and
- (f) negative responses to the questions under paragraph 8, Part 7 of the Fifth Schedule, SFR by Yat Wan Thiam,

is of the view that Yat Wan Thiam is suitable for the position of CFO of our Group.

Our Audit and Risk Management Committee confirms that, after making all reasonable enquiries, and to the best of their knowledge and belief, nothing has come to the attention of our Audit and Risk Management Committee to cause them to believe that Yat Wan Thiam does not have the competence, character and integrity expected of a chief financial officer (or its equivalent rank) of a listed company.

### **Nominating Committee**

Our Nominating Committee comprises Lu Beilin, Galvin Khong, Loke Wai Ming, Liew Chok San and Kong Kian Siong. The chairman of our Nominating Committee is Lu Beilin. The quorum for any meeting of the Nominating Committee shall be any three (3) members, including the chairman of our Nominating Committee.

Our Nominating Committee will be responsible for, among others:

- (a) reviewing and recommending the appointment of new Directors and Executive Officers (including alternate Directors, if applicable) and re-nomination of our Directors having regard to each Director's contribution, performance and ability to commit sufficient time, resources and attention to the affairs of our Group, and each Director's respective commitments outside our Group including his principal occupation and board representations on other companies, if any. Our Nominating Committee will conduct such reviews at least once a year, or more frequently as it deems fit;
- (b) ensuring that the Directors submit themselves for re-nomination and re-election at least once every three years, and reviewing and recommending the nomination or re-nomination of our Directors having regard to each Director's contribution and performance;
- (c) determining and recommending to our Directors the maximum number of listed company board representations which any Director may hold and disclosing this in our Company's annual report;
- (d) where a Director has multiple board representations, deciding whether the Director is able and has been adequately carrying out his duties as a Director, taking into consideration the competing time commitments that are faced by the Director's number of listed company board representations and discharging his duties toward other principal commitments;
- (e) determining annually, and as and when circumstances require, whether or not a Director is independent having regard to the Code of Corporate Governance 2018 and any other salient factors;
- (f) deciding whether or not a Director is able to and has been adequately carrying out his duties as a Director;
- (g) developing and recommending a process for evaluating the performance of our Board as a whole and its committees, and for assessing the contribution of each Director to the effectiveness of our Board and proposing objective performance criteria, as approved by our Board that allows comparison with our industry peers, and address how our Board has enhanced long-term shareholders value;

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## CORPORATE GOVERNANCE

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- (h) reviewing the Board composition and our Directors' mix of skills, experience, core competencies, and knowledge and other aspects of diversity, such as gender and age, to avoid groupthink and foster constructive debate;
- (i) developing and maintaining a formal and transparent process for the selection, appointment and re-appointment of Directors;
- (j) monitoring the progressive renewal of the Board;
- (k) recommending to the Board on matters relating to the review of succession plans for our Executive Directors and key management personnel;
- (l) recommending to the Board on matters relating to the review of the training and professional development programmes for the Board and its Directors;
- (m) ensuring that new Directors are aware of their duties and obligations; and
- (n) reviewing and approving the employment of persons related to our Directors, CEO or Substantial Shareholders and the proposed terms of their employment.

Each member of our Nominating Committee will not take part in determining his own re-nomination or independence and shall abstain from voting on any resolutions in respect of the assessment of his performance, independence or re-nomination as Director. In the event that a member of our Nominating Committee is interested in any matter being considered by our Nominating Committee (including opining on his suitability to act as a Director pursuant to Catalist Rule 406(3)(b)), he will abstain from reviewing and deliberating on that particular decision or voting on that particular resolution.

### Nominating Committee's view of our Independent Directors

In assessing the suitability and independence of our Independent Directors, our Nominating Committee has considered the guidance from the Code. The Code requires that the board of directors of a company listed on the SGX-ST ("**Listco**") has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the Listco.

Under the Code, an "independent director" is one who is independent in conduct, character and judgment, and has no relationship with the Listco, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgment in the best interests of the Listco.

Under the Catalist Rules, a director who falls under the following circumstances is not independent:

- (i) if he is employed by the Listco or any of its related corporations for the current or any of the past three financial years;
- (ii) if he has an immediate family member who is, or has been in any of the past three financial years, employed by the Listco or any of its related corporations and whose remuneration is determined by the remuneration committee of the Listco; or
- (iii) if he has been a director of the Listco for more than nine (9) years whether before or after listing. Such director may continue to be considered independent until the conclusion of the next annual general meeting of the Listco.

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Other examples of relationships which should deem a director not to be independent include:

- (A) a director, or a director whose immediate family member, in the current or immediate past financial year, provided to or received from the Listco or any of its subsidiaries any significant payments or material services (which may include auditing, banking, consulting and legal services), other than compensation for board service. The amount and nature of the service, and whether it is provided on a one-off or recurring basis, are relevant in determining whether the service provided is material. As a guide, payments aggregated over any financial year in excess of S\$50,000 should generally be deemed significant;
- (B) a director, or a director whose immediate family member, in the current or immediate past financial year, is or was, a substantial shareholder or a partner in (with 5.0% or more stake), or an executive officer of, or a director of, any organisation which provided to or received from the Listco or any of its subsidiaries any significant payments or material services (which may include auditing, banking, consulting and legal services). The amount and nature of the service, and whether it is provided on a one-off or recurring basis, are relevant in determining whether the service provided is material. As a guide, payments aggregated over any financial year in excess of S\$200,000 should generally be deemed significant irrespective of whether they constitute a significant portion of the revenue of the organisation in question; and
- (C) a director who is or has been directly associated with a substantial shareholder of the Listco, in the current or immediate past financial year. A director is considered “directly associated” with a substantial shareholder when he is accustomed or under the obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the substantial shareholder in relation to the corporate affairs of the Listco. A director will not be considered “directly associated” with a substantial shareholder by reason only of his or her appointment having been proposed by that substantial shareholder.

Our Nominating Committee, after having considered the following:

- (a) the number of listed company directorships held by each of our Independent Directors;
- (b) the principal occupation and commitments of our Independent Directors;
- (c) the confirmations by our Independent Directors that they are each able to devote sufficient time and attention to the matters of our Group;
- (d) the confirmations by our Independent Directors that each of them is not accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of any Substantial Shareholder of our Company, has no material relationship with our Company, its related corporations or with any directors of these corporations, its Substantial Shareholders or its officers that could interfere or be reasonably perceived to interfere, with the exercise of his or her independent business judgement with a view to the best interests of our Company;
- (e) the professional experience and expertise of our Independent Directors in different areas of specialisation; and
- (f) the composition of our Board,

is of the opinion that (i) our Independent Directors do not have any relationship with our Group, our Substantial Shareholders or our Executive Officers which could interfere, or be reasonably perceived to interfere with the exercise of their independent business judgment; (ii) each of our Independent Directors is individually and collectively able to commit sufficient time and resources to discharge their respective duties, and are suitable and possess the relevant experience to be appointed as Independent Directors of our Company; and (iii) our Independent Directors, as a whole, represent a strong and independent element on the Board which is able to exercise objective judgement on corporate affairs independently from the Substantial Shareholders.

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## CORPORATE GOVERNANCE

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### Opinion of Nominating Committee on the suitability of Vincent Khong to act as Director pursuant to Catalist Rule 406(3)(b)

Our Nominating Committee has considered the section entitled “General and Statutory Information – Information on Directors, Executive Officers and Controlling Shareholders – Disclosures relating to Vincent Khong” and is of the opinion that Vincent Khong remains suitable to act as a Director of the Company having regard to the following:

- (a) Vincent Khong has confirmed that he was not the subject of the CPIB’s investigations in relation to the subject matter of the Warning Letter issued to Wee Aik Bin by CPIB on 30 June 2020. He was called in by the CPIB to assist in the investigations. There were no follow up matters subsequent to the CPIB interview concerning himself. He has never received any warning letter nor has he ever run into any issues with the CPIB and was never charged with any offences and no penalties or fines were imposed on him in relation to this matter.
- (b) Both civil litigation cases involving Vincent Khong were concluded in June 2007 and August 2011 respectively with no claim outstanding against him.
- (c) Vincent Khong is the founder of our Group. Since the founding of our Group’s business in 1987, he has witnessed and is instrumental in the transformation of its business from a modest car repair workshop into a reputable enterprise which prides itself in being a one-stop automobile solutions provider selling new and pre-owned motor vehicles, and providing related services such as after-sales services, vehicle financing, motor vehicle rental and leasing services. His foresight and commitment have not only expanded the Group’s services but have also established it as a trusted name in the automobile industry.

### Opinion of Nominating Committee on the suitability of Loke Wai Ming to act as Director pursuant to Catalist Rule 406(3)(b)

Our Nominating Committee has considered the section entitled “General and Statutory Information – Information on Directors, Executive Officers and Controlling Shareholders – Disclosures relating to Loke Wai Ming” and is of the opinion that Loke Wai Ming remains suitable to act as a Director of the Company having regard to the following:

- (a) Loke Wai Ming’s disqualification as director of RMH Holdings on 9 November 2023 was made pursuant to Article 86(3) of the company’s articles of association, which stipulates that a director’s office shall be vacated if they are absent from Board meetings for six consecutive months without special leave of absence and their alternate director does not attend in their stead. The aforesaid requirement is part of the company’s internal governance rules and not a regulation or requirement set by the HKEX or a requirement under the Cayman Islands Companies Act. Loke Wai Ming has not breached the listing rules of the HKEX or the Cayman Islands Companies Act, nor has he been sanctioned or reprimanded by the HKEX.
- (b) Loke Wai Ming was subsequently re-appointed as executive director of RMH Holdings on 21 February 2024 as the underlying issues leading to his disqualification were identified as miscommunications and misunderstandings between him and the board of RMH Holdings, which were subsequently resolved.
- (c) In relation to the Petition Against RMH, Loke Wai Ming had no direct responsibilities for the day-to-day operations of the company in his capacity as the then INED. The Petition Against RMH was withdrawn on 29 July 2024, while Loke Wai Ming was an executive director of the company.
- (d) Subsequent to the re-appointment of Loke Wai Ming as the executive director of RMH on 21 February 2024 and under the leadership of the board of directors of RMH Holdings (including Loke Wai Ming as an executive director), the company announced on 21 May 2024 that it had successfully fulfilled the conditions for the resumption of trading in the company’s shares.



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## CORPORATE GOVERNANCE

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- (e) On the civil litigation case filed by BOC, Loke Wai Ming has informed the Group that due to the COVID-19 travel restrictions, he was in Singapore during the period from 3 October 2020 to 30 July 2021. Upon his return to Hong Kong, he had to serve a 14-day quarantine period in a designated hotel in Hong Kong. As a result, he was unaware that he had been served the letter of demand by BOC and of the legal proceedings commenced against him by BOC until he returned to his place of residence in Hong Kong in mid-August 2021. He has since settled all outstanding amounts owing to BOC, and BOC has confirmed by way of a letter dated 23 August 2024 that his loan account with BOC has been full and finally settled on 22 August 2024.
- (f) The disclosures relating to BOC did not affect Loke Wai Ming's re-appointment as the executive director of RMH Holdings. No bankruptcy application was taken by BOC against Loke Wai Ming.
- (g) On the civil litigation case with He Yanyan, Loke Wai Ming confirmed that he had paid He Yanyan the settlement sum of HKD740,000.00. A notice of discontinuance was filed with the Hong Kong District Court on 29 December 2020 by He Yanyan's solicitors, and the action against Loke Wai Ming has been discontinued.
- (h) Save for the matters disclosed in the section entitled "General and Statutory Information – Information on Directors, Executive Officers and Controlling Shareholders – Disclosures relating to Loke Wai Ming", Loke Wai Ming confirms that there is no other information relating to him that is required to be disclosed in the declaration pursuant to paragraph 8, Part 7 of the Fifth Schedule, SFR and that he is not aware of any other matters that need to be brought to the attention of the Sponsor and SGX-ST in the context of Catalist Rule 406(3)(b).
- (i) Loke Wai Ming has confirmed that:
  - (i) He has not been disqualified from acting as a company director or an equivalent person under any law;
  - (ii) He has not breached any law or regulatory requirement that relates to the securities or futures industry; and
  - (iii) No disciplinary actions have ever been taken against him nor was he the subject of any current or past investigations or disciplinary proceedings by any regulatory authorities, exchanges, professional bodies or governmental agencies.
- (j) With a wealth of more than 28 years' experience in the banking and finance industry ranging from commercial banking, capital markets and investment banking, institutional broking and direct investment businesses, Loke Wai Ming has the relevant expertise, skills and experience to fill the position of the Company's Deputy CEO and Executive Director. He will be responsible for supporting the CEO in the oversight and management of the Group in the aspect of capital markets fund raising opportunities and capital management of the Group.

### Opinion of Nominating Committee on the suitability of He Dingding to act as Director pursuant to Catalist Rule 406(3)(b)

Our Nominating Committee has considered the section entitled "General and Statutory Information – Information on Directors, Executive Officers and Controlling Shareholders – Disclosures relating to He Dingding" and is of the opinion that He Dingding remains suitable to act as a Director of the Company having regard to the following:

- (a) The Petition Against Silverine and the First Petition Against Crown took place before he took office. The Second Petition Against Crown took place more than one year after he stepped down from his position as INED. His role in those companies is INED, except Link Holdings where his role is the executive director and CEO. All petitions were subsequently withdrawn.

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## CORPORATE GOVERNANCE

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- (b) In relation to the failure in/late filing of returns of Link Holdings, He Dingding has confirmed that it was due to an administrative oversight and the fine amount was not material and has been fully paid.
- (c) In relation to the censure by HKEX, the misconduct by the Former Directors took place before He Dingding took office. HKEX in its statement on 16 May 2024 has confirmed that the sanctions and direction apply only to the company and the Former Directors, and not to any other past or present directors of the company.
- (d) The disclaimer of opinion/emphasis of matter and cancellation of listing of Mobile Internet by the HKEX are pre-existing matters and issues faced by the respective companies prior to He Dingding's appointments, do not directly relate to him and he was not a party that caused the occurrence of these events.
- (e) Save for the matters disclosed in the section entitled "General and Statutory Information – Information on Directors, Executive Officers and Controlling Shareholders – Disclosures relating to He Dingding", He Dingding confirms that there is no other information relating to him that is required to be disclosed in the declaration pursuant to paragraph 8, Part 7 of the Fifth Schedule, SFR and that he is not aware of any other matters that need to be brought to the attention of the Sponsor and SGX-ST in the context of Catalist Rule 406(3)(b).
- (f) He Dingding has the relevant expertise, skills and experience to act as the Independent Director of the Company. He has nearly 20 years of experience in capital markets, corporate finance, investment and finance, and corporate management through working in investment banks, advisory firms and listed companies in Hong Kong and Singapore since 2005. He has more than 10 years of experience on the board of Hong Kong and Singapore listed companies serving executive and non-executive positions and appointments as members of Audit, Nomination and Remuneration Committees. Due to He Dingding's vast experience and network in the financial industry in Hong Kong, he was often nominated by shareholders or potential investors of distressed public companies to strengthen the board effectiveness, particularly in overseeing the areas of corporate governance, financial reporting, internal control and stakeholder communication.
- (g) He Dingding currently has one executive appointment in Link Holdings and two other non-executive appointments in companies listed on the HKEX. With the upcoming non-executive appointment by the Group, he will hold a total of four board appointments. He Dingding has confirmed that he is fully aware of his responsibility as a director of a company listed on the SGX-ST and believes that he is able to devote sufficient time and resources to all the boards he is currently sitting on as well as the upcoming appointment by the Group.

### Opinion of Nominating Committee on the suitability of Liew Chok San to act as Director pursuant to Catalist Rule 406(3)(b)

On 17 March 2022, an introducer agreement ("**Introducer Agreement**") was entered into between A Star Management Pte. Ltd. ("**A Star**"), a management consultancy services company that is wholly-owned by Liew Chok San and Vin's Capital, for A Star to act as an introducer in procuring investors for fundraising exercises of Vin's Automotive Group, Vin's Capital or its related companies. A Star was entitled to receive a success fee from Vin's Capital or its related company as an introducer/referral fee on the amount invested by investors procured by them. The Introducer Agreement was valid for 24 months from 17 March 2022.

Liew Chok San was referred to Galvin Khong by one of the Group's bankers. At that time, the Group was also assessing the feasibility of a listing, and was looking for pre-IPO investor(s) to help fund the IPO expenses. The Introducer Agreement was therefore entered into following which Liew Chok San arranged meet-ups between the Group and potential investor(s). For the avoidance of doubt, the referrals by Liew Chok San did not lead to any of such referred parties being appointed/engaged by the Group or pre-IPO investments, and the Company had no prior attempts to list on the SGX-ST or any other stock exchange.

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## CORPORATE GOVERNANCE

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Galvin Khong and Liew Chok San have confirmed that, notwithstanding that the Introducer Agreement was signed, there were no transactions carried out and no fees (whether in cash, or in kind) were paid or received between the parties in the Introducer Agreement which expired in March 2024. Save for the Introducer Agreement, there are no other relationships (whether familial, business, financial, employment or otherwise) between Liew Chok San and the Group, its related corporations, substantial shareholders or officers.

Having considered the above, our Nominating Committee is of the opinion that the Introducer Agreement does not interfere with Liew Chok San's independent business judgement and he remains suitable and eligible to be appointed as an Independent Director of the Group following the Listing on the following grounds:

- (a) there were no transactions carried out or fees paid or received between the parties in respect of the Introducer Agreement which expired in March 2024. Therefore, it would not interfere Liew Chok San in exercising his independent business judgement in the best interest of the Group;
- (b) save for the Introducer Agreement, there are no other relationships (whether familial, business, financial, employment or otherwise) between Liew Chok San and the Group, its related corporations, substantial shareholders or officers;
- (c) the appointment of Liew Chok San as Independent Director is in compliance with "Director Independence" of Practice Guidance 2 of the Catalist Rules for the following reasons:
  - (i) He is not or has not been employed by the Company or any of its related corporations for the current or any of the past three financial years;
  - (ii) He has no immediate family member who is, or has been in any of the past three financial years, employed by the company or any of its related corporations and whose remuneration is determined by the Remuneration Committee; and
  - (iii) He has not been a director of the Company or any of its related corporations.
- (d) Independent Directors will make up a majority of the Board where the Group will have three other independent directors. An appropriate level of independence in the Board is maintained.

### Opinion of Nominating Committee on the suitability of Wee Aik Bin to act as Executive Officer pursuant to Catalist Rule 406(3)(b)

Our Nominating Committee has considered the section entitled "General and Statutory Information – Information on Directors, Executive Officers and Controlling Shareholders – Disclosures relating to Wee Aik Bin" and is of the opinion that Wee Aik Bin remains suitable to act as an Executive Officer of the Company having regard to the following:

- (a) No other actions were taken against Wee Aik Bin by the CPIB save for the Warning Letter.
- (b) Wee Aik Bin was not charged or convicted of any offence nor were any penalties or fines imposed on him in relation to the Warning Letter.
- (c) The Warning Letter clearly states that it is only an expression of the opinion of the public prosecutor that Wee Aik Bin has committed the offence and not that he has been found to have committed the offence.
- (d) Wee Aik Bin has been an integral part of the Group since the inception of the business in 1987. Serving as the Workshop Manager for over 35 years, Wee Aik Bin has consistently demonstrated exemplary leadership and expertise in automotive services. His extensive experience and deep industry knowledge have been pivotal in shaping the workshop's operational excellence. As the Group continues to advance, Wee Aik Bin will play a crucial role in mentoring and transferring his valuable skills to the younger generation of workshop employees. His commitment to fostering a culture of continuous learning and improvement will undoubtedly contribute to the ongoing success and growth of the Group's workshop business in the immediate future.

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## CORPORATE GOVERNANCE

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### Remuneration Committee

Our Remuneration Committee comprises Lu Beilin, He Dingding and Kong Kian Siong. The chairman of our Remuneration Committee is Lu Beilin. The quorum for any meeting of the Remuneration Committee shall be any three (3) members, including the chairman of our Remuneration Committee.

Our Remuneration Committee will, among others, recommend to our Board a framework of remuneration for our Directors, CEO and Executive Officers, and determine specific remuneration packages for each Executive Director and Executive Officer and ensure that remuneration policies and systems of our Group support our Group's objectives and strategies and are consistently administered and being adhered to within our Group. The recommendations of our Remuneration Committee will be submitted for endorsement by our entire Board. All aspects of remuneration of the Board and Executive Officers, including but not limited to Directors' fees, salaries, allowances, bonuses, options and benefits-in-kind shall be reviewed by our Remuneration Committee. In the case of service contracts, our Remuneration Committee shall review our obligations arising in the event of termination of an Executive Director's or Executive Officer's service contract, to ensure that such service contracts contain fair and reasonable termination clauses which are not overly generous.

Our Remuneration Committee will be responsible for (a) reviewing and approving the design of all share option plans, employee share option schemes and/or other equity-based plans (including performance-related remuneration scheme, incentive schemes) and benefits-in-kind and determining the eligibility criteria of the employees who can participate in such scheme; (b) administering Vin's PSP and in the event that our Company adopts any other performance-related remuneration scheme in addition to the Vin's PSP, reviewing the terms of and determining the eligibility criteria of the employees who can participate in such scheme; (c) ensuring that the remuneration of our non-executive directors is appropriate to their level of contribution, taking into account factors such as effort, time spent and responsibilities; (d) reviewing our Group's remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation and the statements in the annual report with a view to achieving clear disclosure of the same; and (e) approving performance targets for assessing the performance of each of our key management personnel and recommending such targets as well as employee specific remuneration packages for each of such key management personnel, for endorsement by the Board.

The remuneration of employees who are related to our Directors, CEO or Substantial Shareholders will also be reviewed annually by our Remuneration Committee to ensure that their remuneration package are in line with our staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities. Our Remuneration Committee will also review and approve any bonuses, pay increments and/or promotions for these related employees. In addition, any new employment of related staff and the proposed terms of their employment will also be subject to the review and approval of our Remuneration Committee. In the event that a member of our Remuneration Committee is related to the staff under review, he or she will abstain from the review.

Our Remuneration Committee shall also ensure that the level and structure of remuneration of our Board and our Executive Officers are appropriate and proportionate to the sustained performance and value creation of our Company, taking into account the strategic objectives of our Company, and should be aligned with the long-term interest and risk policies of our Group and should be appropriate, to attract, retain and motivate (a) our Directors to provide good stewardship of our Group and (b) our Executive Officers to successfully manage our Company and our Group for the long term, as well as ensure accountability of our Group.

Each member of the Remuneration Committee shall abstain from voting on any resolutions and/or participating in deliberations in respect of his remuneration package or that of employees related to him.

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## CORPORATE GOVERNANCE

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### BOARD PRACTICES

Our Directors are appointed by our Shareholders at a general meeting, and an election of Directors takes place annually. Our Articles of Association provides that our Board will consist of not less than two (2) Directors. Save for Vincent Khong, Galvin Khong and Loke Wai Ming, with whom we have entered into Service Agreements, our Directors do not have fixed terms of office. The Service Agreements for Vincent Khong, Galvin Khong and Loke Wai Ming provide that the Initial Term shall be for a period of three (3) years with effect from the date of admission to Catalist and thereafter automatically renewed on a yearly basis. Each Director is required to retire from office at least once every three (3) years. Directors who retire are eligible to stand for re-election.

The remuneration of employees who are related to our Directors, CEO or Substantial Shareholders will be reviewed annually by our Remuneration Committee to ensure that their remuneration packages are in line with our staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities. Any bonuses, pay increments and/or promotions for these related employees will also be subject to the review and approval of our Remuneration Committee. In addition, any new employment of related employees and the proposed terms of their employment will be subject to the review and approval of our Nominating Committee. In the event that a member of our Remuneration Committee or the Nominating Committee is related to the employee under review, he will abstain from the review.

In line with the Code of Corporate Governance, we will disclose in our annual report details of the remuneration of employees who are Substantial Shareholders, or who are immediate family members of our Directors, our CEO or Substantial Shareholders, and whose remuneration exceeds S\$100,000 during the year, in bands of no wider than S\$100,000.

Our Articles of Association has been summarised and set out in “Appendix C – Summary of our Memorandum and Articles of Association” of this Offer Document.

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## VIN'S PERFORMANCE SHARE PLAN

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In conjunction with our listing on the Catalist, we have adopted the Vin's PSP, which was approved at an Extraordinary General Meeting of our Shareholders held on 7 March 2025. The rules of the Vin's PSP are set out in "Appendix G – Rules of the Vin's Performance Share Plan" of this Offer Document. These rules comply with the requirements set out in the Catalist Rules and the Singapore Companies Act. All capitalised terms used in this section entitled "Vin's Performance Share Plan" shall have the meaning ascribed to them in "Appendix G – Rules of the Vin's Performance Share Plan" of this Offer Document unless otherwise stated.

The Vin's PSP will provide eligible participants ("**PSP Participants**") with an opportunity to participate in the equity of our Company and to motivate them towards better performance through increased dedication and loyalty. The Vin's PSP forms an integral and important component of our compensation plan and is designed primarily to reward and retain employees whose services are vital to the growth and performance of our Company and/or our Group.

As at the Latest Practicable Date, no Awards have been granted under the Vin's PSP.

The rules of Vin's PSP may be inspected by Shareholders at the principal place of business of our Company for a period of six (6) months from the date of this Offer Document.

### Summary of the Vin's PSP

A summary of the rules of the Vin's PSP is set out as follows:

#### 1. Eligibility

Group Executives who have attained the age of 21 years on or before the date of the grant of the Award and hold such rank as may be designated by the Remuneration Committee from time to time, shall be eligible to participate in the Vin's PSP, at the absolute discretion of the Remuneration Committee. The PSP Participant must also not be an undischarged bankrupt and must not have entered into a composition with his creditors. For this purpose, "**Group Executives**" means full time employees of our Group and Directors of our Company (including non-executive Directors).

Employees who are Controlling Shareholders or Associates of Controlling Shareholders, and who are also Group Executives shall be eligible to participate in the Vin's PSP at the absolute discretion of the Remuneration Committee if their participation and the terms of each grant of Award and the actual number of Shares to be granted to them have been approved by the independent Shareholders at a general meeting in separate resolutions for each such person, and in respect of each such person, in separate resolutions for each of (a) his participation, and (b) the terms of each grant of Award and the actual number of Shares to be granted to him, provided always that it shall not be necessary to obtain the approval of the independent Shareholders of our Company for the participation in the Vin's PSP of a Controlling Shareholder or an Associate of a Controlling Shareholder who is, at the relevant time, already a PSP Participant.

Directors and full-time employees of our Company's parent company and its subsidiaries who have contributed to the success and development of our Company shall not be eligible to participate in the Vin's PSP unless they are Group Executives. Where any Group Executives are also directors or full-time employees of our Company's parent company and/or its subsidiaries, the Company will ensure compliance with the Catalist Rules in the grant of any Awards (including seeking shareholders' approval by way of independent resolution where required) and will make the necessary disclosures in its annual report on the number of Awards granted to such directors and full-time employees in accordance with the Catalist Rules.



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## VIN'S PERFORMANCE SHARE PLAN

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### 2. Plan Administration

The Remuneration Committee will be designated as the committee responsible for the administration of the Vin's PSP. The Remuneration Committee will determine, among others, the following in relation to an Award:

- (i) the PSP Participant;
- (ii) the Award Date;
- (iii) the Performance Period;
- (iv) the number of Shares which are the subject of the Award;
- (v) the Performance Condition;
- (vi) the Vesting;
- (vii) the Release Schedule; and
- (viii) any other condition(s) which the Remuneration Committee may determine in relation to that Award.

Except as provided in the provisions of the Vin's PSP, the Remuneration Committee may grant awards to Group Executives, Controlling Shareholders and/or Associates of Controlling Shareholders who are eligible to participate under the Vin's PSP, and in each case, as the Remuneration Committee may select, in its absolute discretion, at any time during the period when the Vin's PSP is in force, provided that in the event that an announcement on any matter of an exceptional nature involving unpublished price sensitive information is made, awards may only be granted on or after the second Market Day from the date on which such announcement is released. In addition, no award shall be granted during the period of 30 days immediately preceding the date of announcement of our Company's interim or final results (as the case may be).

In compliance with the requirements of the Catalist Rules, a Plan Participant of the Vin's PSP who is a member of the Remuneration Committee shall not be involved in its deliberations in respect of Awards to be granted or held by that member of the Remuneration Committee.

### 3. Awards Share

Awards represent the right of a participant to receive fully paid Shares free of charge provided that certain prescribed performance targets (if any) are met and upon expiry of the prescribed performance period.

An award shall be personal to the PSP Participant and, prior to the allotment and/or transfer to the participant of the shares to which the released award relates, shall not be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part, except with the prior approval of our Remuneration Committee and if a PSP Participant shall do, suffer or permit any such act or thing as a result of which he would or might be deprived of any rights under an Award or Award released in accordance with the Vin's PSP ("**Released Award**") without the prior approval of our Remuneration Committee, that Award or Released Award shall immediately lapse.

### 4. Timing

While our Remuneration Committee has the discretion to grant awards at any time in the year, it is currently anticipated that awards would in general be made once a year. An award letter confirming the award and specifying (among others) the number of Shares which are the subject of the award, the prescribed performance target(s), the performance period during which the performance conditions(s) must be satisfied and the vesting date, will be sent to each PSP Participant as soon as reasonably practicable after the making of an award.

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## VIN'S PERFORMANCE SHARE PLAN

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### 5. Events Prior to Vesting

Special provisions for the vesting and lapsing of awards apply in certain circumstances including the following:

- (a) where the PSP Participant being a Group Executive ceases to be in the employment of our Group by reason of:
  - (i) ill health, injury or disability (in each case, evidenced to the satisfaction of our Remuneration Committee);
  - (ii) redundancy;
  - (iii) retirement at or after the legal retirement age;
  - (iv) retirement before the legal retirement age with the consent of our Remuneration Committee;
  - (v) the Company by which he is employed or to which he is seconded, as the case may be, ceasing to be a company within our Group or the undertaking or part of the undertaking of such company being transferred otherwise than to another company within our Group;
  - (vi) (where applicable) his transfer of employment between companies within our Group;
  - (vii) his transfer to any government ministry, governmental or statutory body or corporation at the direction of any company within our Group; or
  - (viii) any other event approved by our Remuneration Committee.

Upon the occurrence of any of the events specified above, our Remuneration Committee may, in its absolute discretion, preserve all or any part of any Award, and decide as soon as reasonably practicable following such event either to Vest some or all of the Shares which are the subject of any Award or to preserve all or part of any Award until the end of the Performance Period and subject to the provisions of Vin's PSP. In exercising its discretion, our Remuneration Committee will have regard to all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that PSP Participant and the extent to which the Performance Condition has been satisfied.

### 6. Size and Duration of the Vin's PSP

The aggregate number of Shares which may be issued or transferred pursuant to Awards granted under the Vin's PSP on any date, when aggregated with the aggregate number of Shares over which options or awards are granted under any share option schemes or share schemes of our Company, shall not exceed 15.0% of total number of issued Shares (excluding Shares held by our Company as treasury shares and subsidiary holdings from time to time) on the day preceding that date, provided that after issuance of any and all such Shares, the total number of issued Shares will not exceed the maximum number of authorized Shares in the authorized share capital of the Company at relevant time.

This 15.0% size is intended to accommodate the potential pool of participants arising from our base of eligible participants. We also hope that with the significant portion of our issued share capital set aside for our Vin's PSP, our employees and Executive Directors will recognise that we are making a good effort to reward them for their invaluable contributions to our Company by allowing them greater opportunities to participate in our equity.

The aggregate number of Shares which may be issued or transferred pursuant to Awards granted under the Vin's PSP to PSP Participants who are Controlling Shareholders and their Associates shall not exceed 25.0% of the Shares available under the Vin's PSP.

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## VIN'S PERFORMANCE SHARE PLAN

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The aggregate number of Shares which may be issued or transferred pursuant to Awards granted under the Vin's PSP to each PSP Participant who is a Controlling Shareholder or his Associate shall not exceed 10.0% of the Shares available under the Vin's PSP.

The number of Shares which are the subject of each Award to be granted to a PSP Participant who is a non-executive director of our Company shall not exceed 10.0% of the total number of Shares available under the Vin's PSP. We are of the view that the size of our Vin's PSP is reasonable, taking into account the share capital base of our Company, the contributions by our employees and Executive Directors and the potential number of employees as our business expands. Implementing our Vin's PSP with the maximum amount of Award Shares not exceeding 15.0% of the total issued and paid-up Shares of our Company will enable us to maintain flexibility and remain competitive in the industry.

The Vin's PSP shall continue to be in force at the discretion of the Remuneration Committee subject to a maximum period of ten (10) years commencing on the Adoption Date, provided always that it may continue beyond the above stipulated period with the approval of Shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

### 7. Operation of the Vin's PSP

Subject to:

- (i) (in relation to a performance-related Award) the Remuneration Committee having determined that the Performance Condition has been satisfied;
- (ii) the relevant Participant (being an employee of the Group) having continued to be an employee from the Award Date up to the end of the relevant vesting period, the duration of which is to be determined by the Committee at the Award Date;
- (iii) the Committee being of the opinion that the job performance of the relevant Participant has been satisfactory;
- (iv) such consents (including any approvals required by the SGX-ST) as may be necessary;
- (v) compliance with the terms of the Award, the Vin's PSP and the Articles of Association;
- (vi) where Shares are to be allotted or transferred on the release of an Award, the Participant having a securities account with CDP and compliance with the applicable requirements of CDP; and
- (vii) where Shares are to be allotted on the release of an Award, the Company being satisfied that the Shares which are the subject of the Released Award will be listed for quotation on the SGX-ST,

upon the expiry of each vesting period in relation to an Award, the Company shall Release to the relevant Participant the Shares to which his/her Award relates on the Vesting Date.

Subject to the Singapore Companies Act and the Catalist Rules, our Company shall have the flexibility to deliver Shares to PSP Participants upon the Release of their Awards by way of (a) the allotment and issuance to each Participant of the number of new Shares, deemed to be fully paid or credited upon their allotment and issuance, and/or (b) the transfer of existing Shares to the Participant, including (subject to applicable laws) any Shares acquired by our Company pursuant to a share purchase mandate and/or held by our Company as treasury shares. Any proposed allotment and issue of new Shares will be subject to there being in force at the relevant time the requisite Shareholders approval under the Singapore Companies Act for the issue of Shares.

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## VIN'S PERFORMANCE SHARE PLAN

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It is the intention of the Company that Shares will typically be delivered to Participants upon the Release of their Awards by way of an issue of new Shares. However, the Company anticipates that it may, in very limited circumstances, purchase existing Shares on behalf of the Participants upon the Release of their Awards. In determining whether to allot and issue new Shares or to purchase existing Shares for delivery to the Participants upon the Release of their Awards, the Committee will take into account factors such as (but not limited to) the number of Shares to be delivered, the prevailing Market Value of the Shares, the cash position of the Company, the projected cash needs of the Company, the dilution impact (if any), the cost to the Company of either issuing new Shares or purchasing existing Shares, and the liquidity of the Shares based on the average daily trading volume of the Shares, and in particular whether the repurchase by the Company of existing Shares to deliver to Participants upon Release of their Awards would materially impact the Market Value of the Shares.

New Shares allotted and issued, and existing Shares procured by our Company for transfer, on the Release of an Award shall (i) be subject to all the provisions of the Articles of Association of our Company (including provisions relating to the liquidation of our Company) and the Singapore Companies Act; (ii) and rank in full for all entitlements, including dividends or other distributions declared or recommended in respect of the then existing Shares, the Record Date for which is on or after the relevant Vesting Date, and shall in all other respects rank *pari passu* with other existing Shares then in issue. For this purpose, “**Record Date**” means the date fixed by our Company for the purposes of determining entitlements to dividends or other distributions to or rights of holders of Shares.

PSP Participants are not required to pay for the grant of Awards.

### 8. Abstention From voting

Shareholders who are eligible to participate in the Vin's PSP are to abstain from voting on any shareholders' resolution relating to the Vin's PSP, including the participation in the Vin's PSP and the grant of awards to the Controlling Shareholders, and should not accept nominations as proxy or otherwise for voting unless specific instructions have been given in the proxy form on how the vote is to be cast. In particular, Shareholders who are eligible to participate in the Vin's PSP shall abstain from voting on the following resolutions, where applicable: (a) the implementation of the Vin's PSP, and (b) participation by and grant of Awards to Controlling Shareholders and their Associates.

### Adjustments and Alterations under the Vin's PSP

The following describes the adjustment events under, and provisions relating to the alterations of, the Vin's PSP.

#### 1. Adjustment Events

If a variation in the issued ordinary share capital of our Company (whether by way of a bonus issue, rights issue, capital reduction, subdivision, consolidation, distribution of Shares, or otherwise howsoever, provided that this shall not include the issue of securities as consideration for an acquisition) shall take place, then:

- (a) the class and/or number of Shares which is/are the subject of an Award to the extent not yet Vested; and/or
- (b) the class and/or number of Shares in respect of which future Awards may be granted under the Vin's PSP,

shall be adjusted in such manner as the Remuneration Committee may determine to be appropriate, provided that no adjustment shall be made if as a result, the Participant receives a benefit that a Shareholder does not receive and, except in relation to a bonus issue, upon the written confirmation of the auditors of the Company for the time being (acting only as experts and not as arbitrators), that in their opinion, such adjustment is fair and reasonable.

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## VIN'S PERFORMANCE SHARE PLAN

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### 2. Modifications or Alterations to the Vin's PSP

Any or all the provisions of the Vin's PSP may be modified and/or altered at any time and from time to time by a resolution of the Remuneration Committee, subject to compliance with the Catalist Rules or such other stock exchange on which the Shares are quoted or listed, and for so long as our Company is listed on the Catalist Board of the SGX-ST, shall not be made without the prior approval of Issue Manager, Full Sponsor and Placement Agent (acting as agent and on behalf of the SGX-ST) and such other regulatory authorities as may be necessary. However, no modification or alteration shall alter adversely the rights attached to any Award granted prior to such modification or alteration except with the consent in writing of such number of PSP Participants who, if their Awards were Released to them upon the Performance Conditions for their Awards being satisfied in full, would become entitled to not less than three-quarters of all the Shares which would fall to be Vested upon Release of all outstanding Awards upon the Performance Conditions for all outstanding Awards being satisfied in full.

No alteration shall be made to the particular rules of the Vin's PSP to the advantage of the PSP Participants, except with the prior approval of Shareholders in a general meeting.

### **Rationale for participation of Controlling Shareholders and their Associates of our Group in the Vin's PSP**

Our Company acknowledges that the services and contributions of employees who are Controlling Shareholders or Associates of our Controlling Shareholders are important to the development and success of our Group. The extension of the Vin's PSP to Controlling Shareholders or their Associates and who are also Group Executives allows our Group to have a fair and equitable system to reward employees who have actively contributed to the progress and success of our Group. The participation of the Controlling Shareholders and their Associates in the Vin's PSP will serve both as a reward to them for their dedicated services to our Group and a motivation for them to take a long-term view of our Group.

Although participants who are Controlling Shareholders or their Associates may already have shareholding interests in our Company, the extension of the Vin's PSP to include them ensures that they are equally entitled, as the other employees of our Group, who are not Controlling Shareholders or their Associates, to take part and benefit from this system of remuneration. We are of the view that a person who would otherwise be eligible should not be excluded from participating in the Vin's PSP solely by reason that he/she is a Controlling Shareholder or an Associate of our Controlling Shareholders.

The specific approval of our independent Shareholders is required for the participation of such persons as well as the actual number of and terms of such Awards. A separate resolution must be passed for each of such participant. In seeking such approval from our independent Shareholders, clear justification as to the participation of our Controlling Shareholders and their Associates, the number of and terms of the Awards to be granted to the Controlling Shareholders and their Associates shall be provided. Accordingly, we are of the view that there are sufficient safeguards against any abuse of the Vin's PSP resulting from the participation of employees who are our Controlling Shareholders or their Associates.

### **Rationale for participation of non-executive directors (including our Independent Directors) of our Group in the Vin's PSP**

Although our Group Non-Executive Directors (including Independent Directors) are not involved in day-to-day running of our Group's business, they nonetheless play an invaluable role in furthering the business interests of our Group by contributing their experience and expertise. The participation by our Group Non-Executive Directors (including Independent Directors) in the Vin's PSP will provide our Company with a further avenue to acknowledge and recognise their services and contributions to our Group as it may not always be possible to compensate them fully or appropriately by increasing the directors' fees or other forms of cash payment. The extension of the Vin's PSP to Group Non-Executive Directors (including Independent Directors) allows our Group to have a fair and equitable system to reward Group Non-Executive Directors of our Group who have made and who continue to make significant contributions the long-term growth of our Group.

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## VIN'S PERFORMANCE SHARE PLAN

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### Rationale for having the Vin's PSP

The Vin's PSP will provide eligible participants with an opportunity to participate in the equity of our Company and to motivate them towards better performance through increased dedication and loyalty. The Vin's PSP forms an integral component of our compensation plan and are designed primarily to reward and retain employees whose services are vital to the growth and performance of our Company and/or our Group. It allows our Group to provide an incentive for participants to achieve certain specific performance targets by awarding fully paid Shares to participants after these targets have been met. The assessment criteria for granting of Awards under the Vin's PSP will be based on specific performance targets or to impose time-based service conditions, or a combination of both.

### Financial Effects of the Vin's PSP

The Vin's PSP is considered a share-based payment that falls under SFRS (I) 2 where participants will receive Shares and the awards would be accounted for as equity-settled share-based transactions, as described in the following paragraphs.

The fair value of employee services received in exchange for the grant of the awards would be recognised as a charge to the income statement over the period between the grant date and the vesting date of an award. The fair value per share of the awards granted will be determined using a generally accepted valuation methodology for pricing financial instruments. The significant inputs into the valuation methodology will include, among others, the share price as at the date of grant of the award, the risk-free interest rate, the vesting period, volatility of the share and dividend yield. The total amount of the charge over the vesting period is determined by reference to the fair value of each award granted at the grant date and the number of Shares vested at the vesting date, with a corresponding credit to the reserve account. Before the end of the vesting period, at each accounting year end, the estimate of the number of awards that are expected to vest by the vesting date is revised, and the impact of the revised estimate is recognised in the income statement with a corresponding adjustment to the reserve account. After the vesting date, no adjustment to the charge to the income statement is made.

The amount charged to the income statement also depends on whether or not the performance target attached to an award is measured by reference to the market price of the Shares. This is known as a market condition. If the performance target is a market condition, the probability of the performance target being met is taken into account in estimating the fair value of the award granted at the grant date, and no adjustments to the amounts charged to the income statement are made whether or not the market condition is met. However, if the performance target is not a market condition and the awards vest as a result of meeting such performance target, the fair value per share of the awards granted at the grant date is used to compute the amount to be charged to the income statement at each accounting date, based on an assessment by the management at such accounting date of whether the non-market conditions have been met to enable the awards to vest. Thus, where the vesting conditions do not include a market condition, there would be no cumulative charge to the profit or loss if the awards do not ultimately vest.

In the event that the participants receive cash, our Company shall measure the fair value of the liability at grant date. Until the liability is settled, our Company shall re-measure the fair value of the liability at each accounting date and at the date of settlement, with changes in the fair value recognised in the income statement.

The following sets out the financial effects of the Vin's PSP.

#### 1. Share Capital

The Vin's PSP will result in an increase in our Company's issued share capital when new Shares are allotted to participants. The number of new Shares allotted will depend on, among others, the size of the awards granted under the Vin's PSP. In any case, the Vin's PSP provides that the total number of Shares over which our Remuneration Committee may grant new awards on any date, when added to:

- (i) the total number of new Shares allotted and issued and/or to be allotted and issued and issued Shares (including treasury shares) delivered and/or to be delivered, pursuant to awards already granted under the Vin's PSP;



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## VIN'S PERFORMANCE SHARE PLAN

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- (ii) the total number of Shares subject to any other share option or share schemes of our Company,

shall not exceed 15.0% of the total number of issued Shares (excluding Shares held by our Company as treasury shares and subsidiary holdings from time to time) on the date preceding the date of the relevant new award. If instead of allotting new Shares to participants, existing Shares are transferred to participants, the Vin's PSP will have no impact on our Company's issued share capital.

### 2. NTA

As described in paragraph (3) below on EPS, the Vin's PSP is likely to result in a charge to our Company's income statement over the period from the grant date to the vesting date of the awards. The amount of the charge will be computed in accordance with SFRS (I) 2. When new Shares are allotted under the Vin's PSP, there would be no effect on the NTA due to the offsetting effect of expenses recognised and the increase in share capital. However, if instead of allotting new Shares to participants, existing Shares are purchased for transfer to participants, the NTA would be impacted by the cost of the Shares purchased. It should be noted that the delivery of Shares to participants under the Vin's PSP will generally be contingent upon the eligible participants meeting prescribed performance targets and conditions.

### 3. EPS

The Vin's PSP is likely to result in a charge to earnings over the period from the grant date to the vesting date, computed in accordance with SFRS (I) 2.

It should again be noted that the delivery of Shares to participants of the Vin's PSP will generally be contingent upon the participants meeting the prescribed performance targets and conditions.

### 4. Dilutive Impact

The allotment of new Shares under the Vin's PSP will have a dilutive impact on our consolidated EPS.

## Application to the SGX-ST

We have made an application to the SGX-ST for permission to deal in and for quotation of the Performance Shares which may be issued upon the vesting of awards to be granted under the Vin's PSP. The approval of the SGX-ST is not to be taken as an indication of the merits of the Vin's PSP or the Performance Shares.

## Disclosures in the Annual Reports

Our Company will ensure disclosures in our annual report for so long as the Vin's PSP is in operation as from time to time required by the Catalist Rules including the following (where applicable):

- (a) The names of the members of our Remuneration Committee administering the Vin's PSP;
- (b) The information required in the table below for the following PSP Participants:
  - (i) Directors of our Company;
  - (ii) Controlling Shareholders and their Associates; and

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## VIN'S PERFORMANCE SHARE PLAN

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- (iii) PSP Participants, other than those in (i) and (ii) above, who have received 5.0% or more of the total number of Shares available under the Vin's PSP; and

Name of Participant	Aggregate number of Shares comprised in Awards under the Vin's PSP during the financial year under review	Aggregate number of Shares comprised in Awards which have been granted to such participant since the commencement of the Vin's PSP to end of financial year under review	Aggregate number of Shares comprised in Awards issued since commencement of the Vin's PSP to end of financial year under review	Aggregate number of Shares comprised in Awards which have not been released as at end of financial year under review

- (c) (i) the names of and number and terms of Awards granted to each director or employee of the parent company and its subsidiaries who receives 5.0% or more of the total number of Awards available to all directors and employees of the parent company and its subsidiaries under the Plan, during the financial year under review; and
- (ii) the aggregate number of Awards granted to the directors and employees of the parent company and its subsidiaries for the financial year under review, and since the commencement of Plan to the end of the financial year under review;
- (d) Such other information as may be required by the Catalist Rules or the Singapore Companies Act,

provided that if any of the above requirements are not applicable, an appropriate negative statement shall be included therein.

## INTERESTED PERSON TRANSACTIONS

In general, transactions between our Group and any of its interested persons (namely, our Directors, CEO, Controlling Shareholder or their respective Associates) constitute interested person transactions. Details of interested person transactions of our Group for the Relevant Period are set out below.

Save as disclosed below and in the “Restructuring Exercise” section of this Offer Document, none of our Directors, CEO, Controlling Shareholder or their respective Associates (each, an “**Interested Person**”) was or is interested in any material transaction undertaken by our Group during the Relevant Period.

In line with the rules set out in Chapter 9 of the Catalist Rules, a transaction of value less than S\$100,000 is not considered material in the context of the Placement and is not taken into account for the purposes of aggregation in this section.

### INTERESTED PERSONS

Interested Person	Relationship with our Group
Boong Lan Hiong	: Our Controlling Shareholder
Boong Nan Jing	: Father of Boong Lan Hiong
Ikushima Saeko	: Spouse of Galvin Khong
Khong Ah Heng	: Brother of Vincent Khong
Vincent Khong	: Our Executive Director and Chairman
Khong Chin Wah	: Brother of Vincent Khong
Galvin Khong	: Our Executive Director and CEO

### PAST INTERESTED PERSON TRANSACTIONS

#### (I) Advances to our Group by Boong Nan Jing

During the Relevant Period, Boong Nan Jing, an associate of our Controlling Shareholder, Boong Lan Hiong, made interest free advances to Vin’s Motor for working capital purposes. The amount of advances granted to Vin’s Motor, and the amounts outstanding as at the end of FY2021, FY2022, FY2023, 9M2024 and the Latest Practicable Date and the largest amounts outstanding during the Relevant Period are as follows:

	FY2021 (S\$’000)	FY2022 (S\$’000)	FY2023 (S\$’000)	9M2024 (S\$’000)	1 October 2024 to the Latest Practicable Date (S\$’000)
Amount of advance extended by Boong Nan Jing to Vin’s Motor	400	NIL	NIL	NIL	NIL
Total amount outstanding and due to Boong Nan Jing as at the end of the respective periods	300	200	100	NIL	NIL

The largest amounts outstanding under these loans during the Relevant Period is S\$400,000.

As the advances from Boong Nan Jing were interest-free, unsecured and had no fixed term of repayment, our Directors are of the view that such advances were not extended on an arm’s length basis and not on normal commercial terms but were not prejudicial to the interests of our Company and our minority Shareholders. As at the Latest Practicable Date, all amounts owing to Boong Nan Jing by Vin’s Motor have been repaid in full. We do not intend to obtain any further advances from Boong Nan Jing following the Listing.

## INTERESTED PERSON TRANSACTIONS

### (II) Advances to our Group by Vincent Khong and Boong Lan Hiong

Prior to the Relevant Period, our Executive Director and Chairman, Vincent Khong, and our Controlling Shareholder, Boong Lan Hiong have made interest-free loans to Vin's Auto and Vin's Credit for working capital purposes. The largest amount outstanding and due to Vincent Khong and Boong Lan Hiong in FY2021 is S\$1.1 million and S\$1.2 million respectively and the outstanding has been fully repaid as at the end of FY2021.

As the advances from Vincent Khong and Boong Lan Hiong were interest-free, unsecured and had no fixed term of repayment, our Directors are of the view that such advances were not extended on an arm's length basis and not on normal commercial terms but were not prejudicial to the interests of our Company and our minority Shareholders. As at the Latest Practicable Date, all amounts owing to Vincent Khong and Boong Lan Hiong by our Group have been repaid in full. We do not intend to obtain any further advances from Vincent Khong and Boong Lan Hiong following the Listing.

### (III) Guarantees by the Khong Family to secure credit facilities for our Group

During the Relevant Period, the Khong Family provided personal guarantees to secure our Group's obligations under certain past credit facilities, details of which are set out below:

Guarantors	Lender	Borrower	Type of Facilities <sup>(1)</sup>	Amount of facilities granted <sup>(2)</sup> (S\$'000)	Amount outstanding and guaranteed as at the Latest Practicable Date (S\$'000) <sup>(2)</sup>	Largest amount outstanding and guaranteed during the Relevant Period (S\$'000) <sup>(2)</sup>
(1) Galvin Khong (2) Boong Lan Hiong	SCB	Vin's Motor	Temporary Bridging Loan	300	–	300
(1) Vincent Khong (2) Boong Lan Hiong (3) Galvin Khong	UOB	Vin's Car Rental	Hire Purchase Loan	1,000	–	506
(1) Vincent Khong (2) Boong Lan Hiong (3) Galvin Khong	OCBC	K & V Car Rental	Temporary Bridging Loan	45	–	39
(1) Vincent Khong (2) Boong Lan Hiong (3) Galvin Khong	DBS	Vin's Credit	Temporary Bridging Loan	500	–	500
(1) Vincent Khong (2) Boong Lan Hiong (3) Galvin Khong	SIF	Vin's Leasing	Hire Purchase Loan	500	–	54
(1) Vincent Khong (2) Boong Lan Hiong (3) Galvin Khong	UOB	K & V Car Rental	Hire Purchase Loan	1,000	–	531
(1) Vincent Khong (2) Boong Lan Hiong (3) Galvin Khong	OCBC	Vin's Car Rental	Temporary Bridging Loan	250	–	231
(1) Boong Lan Hiong (2) Galvin Khong	OCBC	Vin's Motor	Temporary Bridging Loan	200	–	184
(1) Vincent Khong (2) Boong Lan Hiong (3) Galvin Khong	Singapura Finance	Vin's Leasing	Hire Purchase Loan	500	–	218
(1) Vincent Khong (2) Boong Lan Hiong (3) Galvin Khong	Singapura Finance	Vin's Leasing	Hire Purchase Loan	500	–	296

## INTERESTED PERSON TRANSACTIONS

Guarantors	Lender	Borrower	Type of Facilities <sup>(1)</sup>	Amount of facilities granted <sup>(2)</sup> (S\$'000)	Amount outstanding and guaranteed as at the Latest Practicable Date (S\$'000) <sup>(2)</sup>	Largest amount outstanding and guaranteed during the Relevant Period (S\$'000) <sup>(2)</sup>
(1) Vincent Khong (2) Boong Lan Hiong (3) Galvin Khong	Singapura Finance	Vin's Leasing	Hire Purchase Loan	500	–	387
(1) Vincent Khong (2) Boong Lan Hiong (3) Galvin Khong	Singapura Finance	Vin's Leasing	Hire Purchase Loan	1,000	–	–
(1) Vincent Khong (2) Boong Lan Hiong (3) Galvin Khong	Hong Leong Finance	Vin's Car Rental	Hire Purchase Loan	500	–	130
(1) Vincent Khong (2) Boong Lan Hiong (3) Galvin Khong	Hong Leong Finance	Vin's Car Rental	Hire Purchase Loan	300	–	–
(1) Vincent Khong (2) Boong Lan Hiong (3) Galvin Khong	DBS	Vin's Credit	Temporary Bridging Loan	500	–	500
(1) Vincent Khong (2) Boong Lan Hiong (3) Galvin Khong	SCB	Vin's Auto	Short Term Loan 1	2250	–	2,250
(1) Vincent Khong (2) Boong Lan Hiong (3) Galvin Khong	SCB	Vin's Auto	Short Term Loan 2	2250	–	2,250
(1) Vincent Khong (2) Boong Lan Hiong (3) Galvin Khong	SCB	Vin's Auto	Overdraft Facility	900	–	–

**Notes:**

- (1) The table above does not take into account personal guarantees given by the Khong Family to secure credit facilities which expired but have since been renewed. The personal guarantees for the renewed facilities are set out in the section entitled “Interested Person Transactions – Present and On-going Interested Person Transactions”.
- (2) Rounded to the nearest S\$1,000

The interest rates charged for the facilities ranged from 2.00% to 2.50% per annum.

As no consideration was paid to any of the guarantors for the provision of the aforesaid personal guarantees, our Directors are of the view that these transactions were not conducted on arm's length basis and were not on normal commercial terms but they were not prejudicial to the interests of our Group and our minority shareholders. These personal guarantees have been fully discharged as at the Latest Practicable Date following the repayment, closure and/or expiration of the credit facilities.

**(IV) Transactions with Khong Ah Heng, Khong Chin Wah and their family businesses**

- (a) Khong Ah Heng is the brother of our Executive Director and Chairman, Vincent Khong. During the Relevant Period, Khong Ah Heng is a director and (to the best of the Vincent Khong's knowledge) a shareholder of K. Kim. The Group Companies have sold motor vehicle spare parts and provided automobile rental services to K. Kim, and sold/purchased pre-owned motor vehicles from K. Kim during the Relevant Period.

## INTERESTED PERSON TRANSACTIONS

- (b) Khong Chin Wah, is the brother of our Executive Director and Chairman, Vincent Khong. During the Relevant Period, Khong Chin Wah is a director and (to the best of the Vincent Khong's knowledge) a shareholder of Alan's United. The Group Companies have sold motor vehicle spare parts and provided automobile rental services to Alan's United during the Relevant Period.

The aggregate value of transactions between the Group Companies and each of K. Kim and Alan's United during the Relevant Period are less than S\$100,000.

The spouse and children of Khong Ah Heng and Khong Chin Wah are also involved in various businesses as shareholder, director and/or owner. Please refer to the section entitled "Interested Person Transactions – Potential Conflicts of Interests" of this Offer Document for more information. During the Relevant Period, the Group Companies have sold motor vehicle spare parts, sold/purchased pre-owned cars and/or provided automobile rental services to Khong Ah Heng Family Business and Khong Chin Wah Family Business. The aggregate value of transactions between the Group Companies and each of Khong Ah Heng Family Business and Khong Chin Wah Family Business during the Relevant Period are as follow:

<b>Aggregate value of transactions (excluding GST)</b>	<b>FY2021 (S\$'000)</b>	<b>FY2022 (S\$'000)</b>	<b>FY2023 (S\$'000')</b>	<b>9M2024 (S\$'000)</b>	<b>1 October 2024 to the Latest Practicable Date (S\$'000)</b>
Khong Ah Heng Family Business	223	485	139	N.A. <sup>(1)</sup>	N.A. <sup>(1)</sup>
Khong Chin Wah Family Business	N.A. <sup>(1)</sup>	NIL	NIL	NIL	NIL

Note 1: The aggregate value of transactions with the Group Companies for this period is less than S\$100,000.

The above transactions were conducted on an arm's length basis and on normal commercial terms as the transaction terms are in line with the terms that the Group Companies would have applied for sale of motor vehicle spare parts, sale/purchase of pre-owned motor vehicles and provision of automobile rental services to its customers. Hence, the transactions are not prejudicial to the interests of the Company and the minority Shareholders. In the event that the Group enters into similar transactions of the above nature in the future, such transactions shall be subject to the review procedure set out in the section entitled "Interested Person Transactions-Guidelines and Review Procedures for On-Going and Future Interested Person Transactions" below.

### (V) Purchase and sale of motor vehicles with the Group

During the Relevant Period, our Executive Director and Chairman, Vincent Khong, purchased a wrecked motor vehicle from Vin's Auto on 27 February 2024. The purchase consideration paid by Vincent Khong to Vin's Auto was S\$200,000. The said vehicle was purchased by Vin's Auto on 24 May 2023 for S\$195,400.

During the Track Record Period, we also assisted Vincent Khong to sell two (2) of his motor vehicles. We purchased the vehicles from him on 25 May 2022 and 1 March 2023. The purchase consideration paid by Vin's Auto to Vincent Khong amounted to S\$217,000 in total, and the vehicles were sold to our customers. We earned loan commissions for the sale of both vehicles and a profit margin for the sale of the second vehicle.

All of the above transactions were conducted on an arm's length basis and on normal commercial terms, and hence were not were prejudicial to the interests of the Company and the minority shareholders.



## INTERESTED PERSON TRANSACTIONS

### (VI) Transactions with The Car Catalogue Pte Ltd and Carpital Pte Ltd

During the Relevant Period, Ikushima Saeko, the spouse of our Executive Director and CEO, Galvin Khong, is a director and shareholder of The Car Catalogue Pte Ltd and shareholder of Carpital Pte Ltd (The Car Catalogue Pte Ltd and Carpital Pte Ltd collectively, the “IS Entities”). The Group has sold/purchased motor vehicles, paid brokerage commissions and documentation expenses to the IS Entities during the Relevant Period.

Galvin Khong’s spouse ceased to be a director and shareholder of The Car Catalogue Pte Ltd in May 2021 and May 2023 respectively, and ceased to be a shareholder of Carpital Pte Ltd in May 2023. Hence, the IS Entities are no longer “interested persons” as of the Latest Practicable Date. The aggregate value of transactions between the IS Entities and the Group during the Relevant Period are as follows:

Aggregate value of transactions	FY2021 (S\$’000)	FY2022 (S\$’000)	FY2023 (S\$’000)	9M2024 (S\$’000)	1 October 2024 to the Latest Practicable Date (S\$’000)
IS Entities	2,246	250	NIL	NIL	NIL

The above transactions between our Group and the IS Entities were conducted on an arm’s length basis and on normal commercial terms. Going forward, transactions, if any, entered into with the IS Entities will no longer amount to interested person transactions since Ikushima Saeko ceased to be a shareholder and director of the IS Entities.

### PRESENT AND ON-GOING INTERESTED PERSON TRANSACTIONS

#### (a) Guarantees by the Khong Family to secure credit facilities for our Group

During the Relevant Period, the Khong Family provided personal guarantees to secure our Group’s obligations under certain existing facilities, details of which are set out below:

Guarantors	Lender	Borrower	Type of Facilities	Amount of facilities granted (S\$’000)	Amount outstanding and guaranteed as at the Latest Practicable Date (S\$’000)	Largest amount outstanding and guaranteed during the Relevant Period (S\$’000) <sup>(1)</sup>
(1) Vincent Khong (2) Boong Lan Hiong (3) Galvin Khong	DBS	Vin’s Auto	Floor stock financing, temporary bridging loan, fixed advance facility, trade facilities, working capital loan	7,500	1,555	4,547
(1) Vincent Khong (2) Boong Lan Hiong (3) Galvin Khong	DBS	Vin’s Motor	Sales invoice financing	1,000	NIL	NIL

## INTERESTED PERSON TRANSACTIONS

Guarantors	Lender	Borrower	Type of Facilities	Amount of facilities granted (S\$'000)	Amount outstanding and guaranteed as at the Latest Practicable Date (S\$'000)	Largest amount outstanding and guaranteed during the Relevant Period (S\$'000) <sup>(1)</sup>
(1) Vincent Khong (2) Boong Lan Hiong (3) Galvin Khong	DBS	Vin's Credit	Block discounting facility, working capital loan, premium financing, temporary bridging loan	23,400	12,545	15,344
(1) Boong Lan Hiong (2) Galvin Khong	DBS	Vin's Car Rental	Non-revolving hire purchase lines, working capital loan	3,750	808	1,422
(1) Vincent Khong (2) Galvin Khong	DBS	K & V Car Rental	Non-revolving hire purchase lines, working capital loan	3,750	875	1,473
(1) Vincent Khong (2) Galvin Khong	DBS	Vin's Leasing	Working capital loan, non-revolving hire purchase lines	3,750	835	1,236
(1) Vincent Khong (2) Boong Lan Hiong (3) Galvin Khong	HL Bank	Vin's Auto	Premium financing, commercial property loan, revolving credit facilities, floor stock financing, import invoice financing, import IVF preshipment financing	20,277	13,115	14,168
(1) Vincent Khong (2) Boong Lan Hiong	HL Bank	K & V Car Rental	Non-revolving hire purchase lines	500	144	198
(1) Vincent Khong (2) Boong Lan Hiong (3) Galvin Khong	HL Bank	Vin's Credit	Block discounting facilities, revolving credit facility	21,500	13301	15,393
(1) Boong Lan Hiong (2) Galvin Khong	HL Bank	Vin's Car Rental	Non-revolving hire purchase lines	500	336	467
(1) Vincent Khong (2) Galvin Khong	HL Bank	Vin's Leasing	Non-revolving hire purchase lines	500	424	433

## INTERESTED PERSON TRANSACTIONS

Guarantors	Lender	Borrower	Type of Facilities	Amount of facilities granted (S\$'000)	Amount outstanding and guaranteed as at the Latest Practicable Date (S\$'000)	Largest amount outstanding and guaranteed during the Relevant Period (S\$'000) <sup>(1)</sup>
(1) Vincent Khong (2) Boong Lan Hiong (3) Galvin Khong	HSBC	Vin's Auto	Trade facilities, revolving credit facilities, corporate credit card	7,100	5,200	5,971
(1) Vincent Khong (2) Boong Lan Hiong (3) Galvin Khong	Maybank	Vin's Auto	Floor stocking facility, trust receipt	7,000	2,940	4,521
(1) Vincent Khong (2) Boong Lan Hiong (3) Galvin Khong	Maybank	Vin's Credit	Block discounting facility term loan, premium financing	30,148	13,979	17,205
(1) Vincent Khong (2) Boong Lan Hiong (3) Galvin Khong	Maybank	Vin's Motor	Temporary bridging loan	500	53	461
(1) Vincent Khong (2) Boong Lan Hiong (3) Galvin Khong	SCB	Vin's Auto	Premium financing	115	70	98
(1) Boong Lan Hiong (2) Galvin Khong	SCB	Vin's Motor	Trade facilities	575	–	326
(1) Vincent Khong (2) Boong Lan Hiong (3) Galvin Khong	SIF	Vin's Auto	Revolving floor stock facility	7,000	5,248	6,777
(1) Vincent Khong (2) Boong Lan Hiong	SIF	Vin's Motor	Hire purchase loan	85	74	85
(1) Vincent Khong (2) Boong Lan Hiong (3) Galvin Khong	SIF	Vin's Credit	Temporary bridging loans, block discounting facility	14,500	6,194	10,263
(1) Vincent Khong (2) Boong Lan Hiong (3) Galvin Khong	UOB	Vin's Car Rental	Temporary bridging loan	500	70	476
(1) Vincent Khong (2) Boong Lan Hiong (3) Galvin Khong	UOB	Vin's Auto	Line of credit premium financing loan, corporate credit card, temporary bridging loan	1,212	225	1,155
(1) Vincent Khong (2) Boong Lan Hiong (3) Galvin Khong	UOB	Vin's Credit	Block discounting facilities, commercial property loan	9,117	5,431	6,006

## INTERESTED PERSON TRANSACTIONS

Guarantors	Lender	Borrower	Type of Facilities	Amount of facilities granted (S\$'000)	Amount outstanding and guaranteed as at the Latest Practicable Date (S\$'000)	Largest amount outstanding and guaranteed during the Relevant Period (S\$'000) <sup>(1)</sup>
(1) Vincent Khong (2) Boong Lan Hiong (3) Galvin Khong	CIMB	Vin's Motor	Temporary bridging loan, term loan, working capital loan	1,442	760	1,414
(1) Vincent Khong (2) Boong Lan Hiong (3) Galvin Khong	RHB Bank Berhad	Vin's Motor	Temporary bridging loan	800	100	750
(1) Vincent Khong (2) Boong Lan Hiong (3) Galvin Khong	Hong Leong Finance	Vin's Credit	Block discounting facility	4,000	1,436	2,233
(1) Boong Lan Hiong (2) Galvin Khong	Hong Leong Finance	Vin's Car Rental	Non-revolving hire purchase lines	1,000	223	380
(1) Vincent Khong (2) Boong Lan Hiong (3) Galvin Khong	Singapura Finance	Vin's Credit	Block discounting facility	4,000	2,027	3,033
(1) Vincent Khong (2) Boong Lan Hiong (3) Galvin Khong	Singapura Finance	Vin's Leasing	Non-revolving credit facility	2,000	64	1,411

**Note:**

(1) Based on month-end figures

Some of the facilities disclosed in the table above have been renewed during the Relevant Period.

Please refer to the section entitled "Capitalisation and Indebtedness" of this Offer Document for the details of the facilities, including their interest rates and maturity profiles.

The provision of the abovementioned personal guarantees was not conducted on an arm's length basis as the Khong Family did not receive any compensation for the provision of such guarantees. Nevertheless, as the guarantees are to secure the obligations of our Group, our Directors are of the view that they are not prejudicial to the interests of our Company and our minority Shareholders.

Following the Listing, we intend to request that the respective financial institutions release the above personal guarantees and to replace them with corporate guarantees provided by our Group on terms similar to our existing facilities or on terms acceptable to us. In the event that the financial institutions do not agree to discharge the above personal guarantees or to replace with corporate guarantees on comparable or better terms, each of the Khong Family members has undertaken to continue to provide the aforesaid personal guarantees until such time when we are able to source alternative financing at no less favourable terms from other financial institutions. Each of them has further confirmed that he/she will not receive any consideration, monetary or otherwise, for the provision of the above guarantees in the future.

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## INTERESTED PERSON TRANSACTIONS

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### **GUIDELINES AND REVIEW PROCEDURES FOR ON-GOING AND FUTURE INTERESTED PERSON TRANSACTIONS**

To ensure that future transactions with interested persons are not prejudicial to the interests of our Company and our minority Shareholders and are undertaken on an arm's length basis, on normal commercial terms and are consistent with our Group's usual business practices and policies, which are generally no more favourable to the interested persons than those transacted with unrelated third parties, the following procedures will be implemented by our Group.

In relation to any purchase of products or procurement of services from interested persons, quotes from at least two (2) unrelated third parties in respect of the same or substantially the same type of transactions will be used as comparison wherever possible. The purchase price, procurement price or fee for services shall not be higher than the most competitive price of the two (2) comparative prices from the two (2) unrelated third parties. Our Audit and Risk Management Committee will review the comparable quotes, taking into account, among others, the quality, requirements, delivery time and the track record of the supplier.

In relation to any sale of products or provision of services to interested persons, the price and terms of two (2) other completed transactions of the same or substantially the same type of transactions to unrelated third parties are to be used as comparison wherever possible. The interested persons shall not be charged at rates lower than that charged to the unrelated third parties.

All interested person transactions above S\$100,000 (either individually or as part of a series or are aggregated with other transactions involving the same interested person during the same financial year) are to be approved by a Director who shall not be an interested person in respect of the particular transaction. Any contracts to be made with an interested person shall not be approved unless the pricing is determined in accordance with our usual business practices and policies, consistent with the usual margin given or price received/paid by us for the same or substantially similar type of transactions between us and unrelated parties and the terms are no more/less favourable than those extended to/received from unrelated parties.

When renting properties from or to an interested person, appropriate steps will be taken to ensure that such rent is commensurate with the prevailing market rates, including adopting measures such as making relevant enquiries with landlords of similar properties and obtaining suitable reports or reviews published by property agents (as necessary), including an independent valuation report by a property valuer, where appropriate. The rent payable shall be based on the most competitive market rental rate of similar property in terms of size and location, based on the results of the relevant enquiries.

For the purposes above, where applicable, contracts for the same or substantially similar type of transactions entered into between us and unrelated third parties will be used as a basis for comparison to determine whether the price and terms offered to/received from the interested person are no more/less favourable than those extended to/received from unrelated parties. In the event that it is not possible for appropriate information for comparative purposes to be obtained, the matter will be referred to our Audit and Risk Management Committee, and our Audit and Risk Management Committee will determine whether the relevant price and terms are fair and reasonable and consistent with our Group's usual business practices and policies.

In addition, we shall monitor all interested person transactions entered into by us categorising the transactions as follow:

- (a) a "category one" interested person transaction (either individually or as part of a series or if aggregated with other transactions involving the same interested person during the same financial year) is one where the value or aggregate value thereof is equal to or in excess of 3.0% of the latest audited NTA of our Group; and
- (b) a "category two" interested person transaction (either individually or as part of a series or if aggregated with other transactions involving the same interested person during the same financial year) is one where the value or aggregate value thereof is below 3.0% of the latest audited NTA of our Group.

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## INTERESTED PERSON TRANSACTIONS

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All “category one” interested person transactions must be approved by our Audit and Risk Management Committee prior to entry. All “category two” interested person transactions need not be approved by our Audit and Risk Management Committee prior to entry but shall be reviewed on a quarterly basis by our Audit and Risk Management Committee.

We will prepare relevant information to assist our Audit and Risk Management Committee in its review and will keep a register recording all interested person transactions. The register shall also record the basis for entry into the transactions, including the quotations and other evidence obtained to support such basis. Our Audit and Risk Management Committee will include the review of interested person transactions as part of its procedures while examining the adequacy of our internal controls. Further, if during these periodic reviews, our Audit and Risk Management Committee believes that the guidelines and review procedures as stated above are not sufficient to ensure that the interested person transactions will be on normal commercial terms, on an arm’s length basis and not prejudicial to the interests of our Company and our minority Shareholders, we will adopt new guidelines and review procedures for future interested person transactions as may be appropriate. Our Audit and Risk Management Committee may request for an independent financial adviser’s opinion if it deems fit.

Before any agreement or arrangement with an interested person that is not in the ordinary course of business of our Group is transacted, prior approval must be obtained from our Audit and Risk Management Committee. In the event that a member of our Audit and Risk Management Committee is interested in any interested person transactions, he will abstain from reviewing that particular transaction. Any decision to proceed with such an agreement or arrangement would be recorded for review by our Audit and Risk Management Committee.

We will also comply with the provisions in Chapter 9 of the Catalist Rules in respect of all future interested person transactions, and if required under the Catalist Rules or the SFA, we will make immediate announcements and/or seek independent Shareholders’ approval for such transactions. In particular, interested persons and their Associates shall abstain from voting on resolutions approving interested person transactions involving themselves. In addition, such interested persons shall not act as proxies in relation to such resolutions unless specific instructions as to voting have been given by the Shareholders.

Our Board will also ensure that all disclosures, approvals and other requirements on interested person transactions, including those required by prevailing legislation, the Catalist Rules and accounting standards are complied with.

### POTENTIAL CONFLICTS OF INTERESTS

#### **Interests of Directors, CEO, Controlling Shareholders or Their Associates**

In general, a conflict of interests situation arises when any of our Directors, CEO, Controlling Shareholders or their respective Associates carries on or has any interest in any other corporation carrying on the same business or dealing in similar products or services as our Group.

We summarise below the potential conflicts of interests which may arise from the interests of our Directors, CEO, Controlling Shareholders or their respective associates.

#### *Interest of Associates of our Executive Director and Chairman, Vincent Khong*

Khong Ah Heng, the brother of our Executive Director and Chairman, Vincent Khong, is a director and one of the shareholders of K. Kim and Lai Heng. Khong Ah Heng and his companies, K. Kim and Lai Heng are Associates of Vincent Khong for purposes of Chapter 9 of the Catalist Rules. K. Kim and Lai Heng are principally engaged in the business of maintenance and repair of motor vehicles.



## INTERESTED PERSON TRANSACTIONS

For completeness of disclosure, to the best of Vincent Khong's knowledge, as at the Latest Practicable Date, Khong Ah Heng's spouse and children are also involved in various similar businesses as shareholder and/or director as set out below:

Company	Principal Business Activity	Name of Individual	Relationship to Khong Ah Heng	Position/ Interest
CDS Car Rental Pte. Ltd.	Renting and leasing of private cars without driver	1. Quek Po Yong 2. Khong Yee Lian	1. Spouse 2. Daughter	1. Director and shareholder 2. Director and shareholder
DS Car Rental Pte. Ltd.	Renting and leasing of private cars without driver	1. Quek Po Yong 2. Khong Yee Teng	1. Spouse 2. Daughter	1. Director and shareholder 2. Director and shareholder
K. Kim	Maintenance and repair of motor vehicles	1. Quek Po Yong 2. Khong Yee Teng	1. Spouse 2. Daughter	1. Director and shareholder 2. Director
Lai Heng	Maintenance and repair of motor vehicles	Quek Po Yong	Spouse	Director and shareholder
PT Car Rental Pte. Ltd.	Renting and leasing of private cars without driver	Quek Po Yong	Spouse	Director and shareholder
Richards Car Rental Pte. Ltd.	Renting and leasing of private cars and land transport equipment without driver	1. Quek Po Yong 2. Khong Yee Teng	1. Spouse 2. Daughter	1. Director and shareholder 2. Director and shareholder
SC Car Rental Pte. Ltd.	Renting and leasing of private cars without driver	1. Khong Yee Teng 2. Khong Yee Lian	1. Daughter 2. Daughter	1. Director and shareholder 2. Director and shareholder

The companies listed above shall be collectively referred to in this Offer Document as ("**Khong Ah Heng Family Business**").

Khong Chin Wah, another brother of Vincent Khong, is a director and one of the shareholders of Alan's United and owner of Chin Hui. Khong Chin Wah and his companies, Alan's United and Chin Hui are Associates of Vincent Khong for purposes of Chapter 9 of the Catalist Rules. Alan's United is principally engaged in the business of maintenance and repair of motor vehicles while Chin Hui is principally engaged in the business of renting and leasing of private cars and land transport equipment without driver.

For completeness of disclosure, to the best of Vincent Khong's knowledge, as at the Latest Practicable Date, Khong Chin Wah's children are also involved in similar business as director, shareholder and/or owner as set out below:

Company	Principal Business Activity	Name of individual	Relationship to Khong Chin Wah	Position/ Interest
Hui Shoon Car Rental	Renting and leasing of private cars without driver  Renting and leasing of cars with driver	Khong Shi Jie	Daughter	Owner

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## INTERESTED PERSON TRANSACTIONS

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The companies listed above, together with Alan's United and Chin Hui, shall be collectively referred to in this Offer Document as ("**Khong Chin Wah Family Business**").

Please refer to the section entitled "Interested Person Transactions - Transactions with Khong Ah Heng, Khong Chin Wah and their family businesses" of this Offer Document for details of the transactions entered into between the Group and each of Khong Ah Heng Family Business and Khong Chin Wah Family Business during the Relevant Period.

For completeness of disclosure, Khong Ah Heng and Khong Chin Wah (collectively the "**Khong Brothers**") are uncles of our Executive Director and CEO, Galvin Khong and brothers-in-law of our Controlling Shareholder, Boong Lan Hiong.

Our Directors who are independent of the aforementioned matters (i.e. the Board excluding Vincent Khong and Galvin Khong) are of the view that any potential conflict of interest in the present situation is minimised in view of the confirmations given by the Khong Family set out in paragraphs (a) to (e) below and other considerations set out in paragraph (f) to (h) below:

- (a) the Khong Family (i) have no shareholding interest, directly or indirectly, in any of Khong Ah Heng Family Business or Khong Chin Wah Family Business; (ii) are not involved in the management of and does not hold any directorships in any of Khong Ah Heng Family Business or Khong Chin Wah Family Business; and (iii) are not an employee of Khong Ah Heng Family Business or Khong Chin Wah Family Business;
- (b) the Khong Brothers and their spouses and children (i) have no shareholding interest, directly or indirectly, in any Group Company; (ii) are not involved in the management of and does not hold any directorships in any Group Company; and (iii) are not employees of our Group;
- (c) each member of the Khong Family has confirmed that he/she is (i) financially independent of the Khong Brothers, (ii) not involved in any capacity with the Khong Brothers' businesses and (iii) not under the control and not accustomed to act under the instructions of the Khong Brothers in respect of his/her financial investments and business activities;
- (d) each member of the Khong Family has confirmed that the Khong Brothers and their spouses and children are (i) financially independent of him/her, (ii) not involved in any capacity with the Khong Family's businesses and (iii) not under the control and not accustomed to act under the Khong Family's instructions in respect of their financial investments and business activities;
- (e) there was no lending or borrowing between the Group and the Khong Brothers and/or their respective associates during the Relevant Period;
- (f) each of Vincent Khong and Galvin Khong has entered into a Service Agreement with our Group which contains non-compete undertaking provisions where each of them has agreed, *inter alia*, the he shall not, and shall procure that his Associates<sup>(1)</sup> shall not:
  - (i) during the period of his employment hereunder and within a period of 12 months upon his ceasing to be an Executive Director of the Company in the Territories, directly or indirectly, except with the Company's prior written consent:
    - a. either on his own account or for any other person directly or indirectly solicit, interfere with or endeavour to entice away from any Group Company any person who to his knowledge is now or has been a client, customer or employee of, or in the habit of dealing with, any Group Company;
    - b. either alone or jointly with or as a manager, agent for or employee of any person, directly or indirectly carry on or be engaged or concerned or interested in business with any person who is now or has been a client or customer of the Company or any Group Company;

## INTERESTED PERSON TRANSACTIONS

- c. either alone or jointly with or as a manager, agent for, consultant to or employee of any person, directly or indirectly carry on or be engaged or concerned or interested in any Relevant Business; and
  - d. act as a director or otherwise of any other person, firm or company engaging directly or indirectly in the Relevant Business which is in competition with the business of any Group Company;
- (ii) during the period of his employment hereunder and upon his ceasing to be an Executive Director of the Company without limit in point of time, directly or indirectly, except with the Company's prior written consent:
- a. use the name "Vin's" or any colourable imitation thereof in connection with any business; and/or
  - b. use any trade mark of any Group Company in connection with any business;
- (iii) during the period of his employment hereunder and upon his ceasing to be an Executive Director of the Company, directly or indirectly, except with the Company's prior written consent, disclose to any person, or himself use for any purpose, and shall use his best endeavours to prevent the publication or disclosure of, any confidential information concerning the business, accounts or finances of any Group Company or any of its clients' or customers' transactions or affairs, which may, or may have, come to his knowledge.
- (g) Boong Lan Hiong has provided substantially similar non-compete undertakings to the Company as sub-paragraph (f) above so long as she remains a Controlling Shareholder and/or is employed by the Company; and
- (h) Our Group's principal business is more comprehensive in terms of service offerings as compared to the principal service offerings of Khong Ah Heng Family Business and Khong Chin Wah Family Business, as evidenced below:

Group's Revenue Segment	Our Group	Khong Ah Heng Family Business	Khong Chin Wah Family Business
<b>Automobile Sales and Related Services</b>	Yes	No	No
<b>Automobile After-Sales Services</b>	Yes	Yes	Yes
<b>Automobile Financing and Related Services</b>	Yes	No	No
<b>Automobile Rental and Leasing Services</b>	Yes	Yes	Yes

**Note:**

- (1) For purposes of the non-compete undertakings, "Associates" in relation to Vincent Khong will not cover the Khong Brothers as he has no control over the Khong Brothers' businesses (i.e., Khong Ah Heng Family Business and the Khong Chin Wah Family Business).

### Mitigation of Potential Conflicts of Interests

In addition to the factors described above, we also believe that any potential conflict of interests, whether with our Directors, CEO, Controlling Shareholders and their respective associates or otherwise (including those mentioned above), are mitigated as follows:

- (a) each member of the Khong Family has provided non-compete undertakings to the Company;
- (b) our Directors have a duty to disclose their interests in respect of any contract, proposal, transaction or any other matter whatsoever in which they have any personal material interest, directly or indirectly, or any actual or potential conflicts of interest (including conflicts of interest that arise from their directorship(s) or executive position(s) or personal investments in any other corporation(s)) that may involve them. Upon such disclosure, such Directors shall not participate

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## INTERESTED PERSON TRANSACTIONS

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in any proceedings of our Board of Directors, and shall in any event abstain from voting in respect of any such contract, arrangement, proposal, transaction or matter in which the conflict of interest arises, unless and until our Audit and Risk Management Committee has determined that no such conflict of interest exists;

- (c) our Audit and Risk Management Committee is required to examine the internal control procedures and review procedures put in place by our Company to determine if such procedures put in place are sufficient to ensure that interested person transactions are conducted on normal commercial terms and will not be prejudicial to our Company and our minority Shareholders;
- (d) our Audit and Risk Management Committee will review any actual or potential conflicts of interest that may involve our Directors as disclosed by them to our Board and the exercise of Directors' fiduciary duties in this respect. Upon disclosure of an actual or potential conflict of interests by a Director, our Audit and Risk Management Committee will consider whether a conflict of interests does in fact exist. A Director who is a member of our Audit and Risk Management Committee will not participate in any proceedings of our Audit and Risk Management Committee in relation to the review of a conflict of interests relating to him. The review will include an examination of the nature of the conflict and such relevant supporting data, as our Audit and Risk Management Committee may deem reasonably necessary;
- (e) upon our listing on the SGX-ST, we will be subject to Chapter 9 of the Listing Manual in relation to interested person transactions. The objective of these rules is to ensure that our interested person transactions do not prejudice the interests of our Shareholders as a whole. These rules require us to make prompt announcements, disclosures in our annual report and/or seek Shareholders' approval for certain material interested person transactions. Our Audit and Risk Management Committee may also have to appoint independent financial advisers to review such interested person transactions and opine on whether such transactions are fair and reasonable to us, not prejudicial to our interests and the interests of our minority Shareholders. For the avoidance of doubt, the term "*associates*" for the purposes of Chapter 9 of the Catalist Rules will apply to the Khong Brothers;
- (f) our Audit and Risk Management Committee will also monitor the investments in our customers, suppliers and competitors made by our Directors, Controlling Shareholders and their respective associates who are involved in the management of or have shareholding interests in similar or related business of our Company (to the extent as disclosed by them to our Audit and Risk Management Committee) and make assessments on whether there are any potential conflicts of interest;
- (g) our Directors owe fiduciary duties to us, including the duty to act in good faith and in our best interests. Our Directors are also subject to a duty of confidentiality that precludes a Director from disclosing to any third party (including their associates) confidential information which he has obtained in his capacity as a director; and
- (h) Our Audit and Risk Management Committee will, following the listing of our Company on the SGX-ST, undertake the following additional responsibilities:
  - (i) review and assess from time to time whether additional processes are required to be put in place to manage any material conflicts of interest with our Directors, Controlling Shareholders and their respective associates and propose, where appropriate, the relevant measures for the management of such conflicts; and
  - (ii) review and propose, where appropriate, the relevant measures for the management of all conflicts of interest matters referred to it.

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## INTERESTED PERSON TRANSACTIONS

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Save as disclosed above in this section, none of our Directors, CEO, Controlling Shareholders or any of their respective Associates has any interest, whether direct or indirect, in:

- (a) any transactions to which our Company or any of our subsidiaries was or is a party;
- (b) any company or entity carrying on the same business or dealing in similar products or services as our Group;
- (c) any company or entity that is our customer or supplier of goods and services; and
- (d) any existing contract or arrangement which was or is significant in relation to the business of our Group.

### Interests of Experts

None of the experts named in this Offer Document:

- (a) is employed on a contingent basis by our Company or our subsidiaries;
- (b) has a material interest, whether direct or indirect, in our Shares or in the shares of our subsidiaries; or
- (c) has a material economic interest, whether direct or indirect, in our Company, including having an interest in the success of the Placement.

### Interests of the Issue Manager, Full Sponsor and Placement Agent

In the reasonable opinion of our Directors, the Issue Manager, Full Sponsor and Placement Agent do not have material relationships with our Company save for the following:

- (a) RHB is the Issue Manager, Full Sponsor and Placement Agent in relation to the Listing and Placement; and
- (b) RHB will be the continuing Sponsor of our Company for a period of three (3) years from the date our Company is admitted and listed on Catalist;
- (c) RHB is the Receiving Bank for the Placement; and
- (d) RHB, its subsidiaries, associated companies and/or affiliates ("**RHB Group Companies**") may in the ordinary course of business, extend credit facilities or engage in commercial banking, investment banking, private banking, securities trading, asset and fund management, research, insurance and/or advisory services with any member of our Group, their respective affiliate and/or our Shareholders, and may receive a fee in respect thereof. In addition, in the ordinary course of its business, any member of the RHB Group Companies may at any time offer or provide services to or engage in any transactions (on its own account or otherwise) with any member of our Group, their respective affiliates, our Shareholders or any other entity or other person, and may receive a fee in respect thereof. This may include, but is not limited to, holding long or short positions in securities issued by member of our Group and their respective affiliates, and trading or otherwise effecting transactions, for its own account or the accounts of its customers, in debt or equity (or related derivative instruments) of any member of our Group and their respective affiliates.

Please refer to the section entitled "Sponsorship, Management and Placement Arrangements" of this Offer Document for further details on our Management and Placement Agreement.

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## CLEARANCE AND SETTLEMENT

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Upon listing and quotation on Catalist, our Shares will be traded under the book-entry settlement system of the CDP, and all dealings in and transactions of the Shares through Catalist will be effected in accordance with the terms and conditions for the operation of Securities Accounts with the CDP, as amended, modified or supplemented from time to time.

Our Shares will be registered in the name of CDP or its nominee and held by CDP for and on behalf of persons who maintain, either directly or through Depository Agents, Securities Accounts with CDP. Persons named as direct securities account holders and Depository Agents in the Depository Register maintained by CDP will not be treated, under the Cayman Islands Companies Act and the Articles of Association, as members of our Company in respect of the number of our Shares credited to their respective Securities Accounts. The Depositors and Depository Agents on whose behalf CDP holds Shares for may not be accorded the full rights of membership such as voting rights, the right to appoint proxies, or the right to receive shareholders circulars, proxy forms, annual reports, prospectuses and takeover documents. In such an event, Depositors and Depository Agents will be accorded only such rights as CDP may make available to them pursuant to CDP's terms and conditions to act as depository for foreign securities.

Persons holding our Shares in Securities Accounts with CDP may withdraw the number of Shares they own from the book-entry settlement system in the form of physical share certificates. Such share certificates will, however, not be valid for delivery pursuant to trades transacted on Catalist, although they will be *prima facie* evidence of title and may be transferred in accordance with our Articles of Association. A fee of S\$10.00 for each withdrawal of 1,000 Shares or less and a fee of S\$25.00 for each withdrawal of more than 1,000 Shares is payable upon withdrawing the Shares from the book-entry settlement system and obtaining physical share certificates. In addition, a fee of S\$2.00 or such other amount as our Directors may decide, is payable to the share registrar for each share certificate issued and a stamp duty of S\$10.00 is also payable where our Shares are withdrawn in the name of the person withdrawing our Shares or S\$0.20 per S\$100.00 or part thereof of the last-transacted price where it is withdrawn in the name of a third party. Persons holding physical share certificates who wish to trade on Catalist must deposit with CDP their share certificates together with the duly executed and stamped instruments of transfer in favour of CDP, and have their respective Securities Accounts credited with the number of Shares deposited before they can effect the desired trades. A fee of S\$10.00 is payable upon the deposit of each instrument of transfer with CDP. Transfers and settlements pursuant to on-exchange trades will be charged a fee of S\$30.00 and transfers and settlements pursuant to off-exchange rates will be charged a fee of 0.015% of the value of the transaction, subject to a minimum of S\$75.00.

The above fees may be subject to such charges as may be in accordance with CDP's prevailing policies or the current tax policies that may be in force in Singapore from time to time.

Transactions in our Shares under the book-entry settlement system will be reflected by the seller's Securities Account being debited with the number of Shares sold and the buyer's Securities Account being credited with the number of Shares acquired. No transfer of stamp duty is currently payable for the Shares that are settled on a book-entry basis.

A Singapore clearing fee for trades in our Shares on Catalist is payable at the rate of 0.0325% of the transaction value. The clearing fee, instrument of transfer deposit fee and share withdrawal fee may be subject to GST at the prevailing rate of 9.0% (or such other rate prevailing from time to time).

Dealings in our Shares will be carried out in Singapore dollars and will be effected for settlement through CDP on a scripless basis. Settlement of trades on a normal "ready" basis on Catalist generally takes place on the second Market Day following the transaction date, and payment for the securities is generally settled on the following business day. CDP holds securities on behalf of investors in Securities Accounts. An investor may open a direct account with CDP or a sub-account with a CDP Depository Agent. The CDP Depository Agent may be a member company of the SGX-ST, bank, merchant bank or trust company.



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### INFORMATION ON DIRECTORS, EXECUTIVE OFFICERS AND CONTROLLING SHAREHOLDERS

1. As at the date of this Offer Document, save as disclosed below, none of our Directors, Executive Officers and Controlling Shareholder:
  - (a) has at any time during the last 10 years, had an application or a petition under any bankruptcy laws of any jurisdiction filed against him or her or against a partnership of which he or she was a partner at the time when he was a partner or at any time within two (2) years after the date he or she ceased to be a partner;
  - (b) has at any time during the last 10 years, had an application or a petition under any law of any jurisdiction filed against an entity (not being a partnership) of which he or she was a director or an equivalent person or a key executive, at the time when he or she was a director or an equivalent person or a key executive of that entity or at any time within two (2) years after the date he or she ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency;
  - (c) has any unsatisfied judgment against him or her;
  - (d) has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he or she is aware) for such purpose;
  - (e) has been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including pending criminal proceedings of which he or she is aware) for such breach;
  - (f) at any time during the last 10 years, had judgment entered against him or her in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his or her part, or been the subject of any civil proceedings (including any pending civil proceedings of which he or she is aware) involving an allegation of fraud, misrepresentation or dishonesty on his or her part;
  - (g) has been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust;
  - (h) has been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust;
  - (i) has been the subject of any order, judgment or ruling of any court, tribunal or governmental body permanently or temporarily enjoining him or her from engaging in any type of business practice or activity;
  - (j) has ever, to his or her knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:
    - (i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere;
    - (ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere;
    - (iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or

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## GENERAL AND STATUTORY INFORMATION

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- (iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,

in connection with any matter occurring or arising during the period when he or she was so concerned with the entity or business trust; or

- (k) has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Authority or any other regulatory authority, exchange, professional body or governmental agency, whether in Singapore or elsewhere.

### Disclosures relating to Vincent Khong

- (a) **Assistance with CPIB Investigation:** In April 2020, Vincent Khong was called in to CPIB as a witness for questioning in relation to the notice of stern warning issued to Wee Aik Bin on 30 June 2020. Please refer to the section entitled “General and Statutory Information – Information on Directors, Executive Officers and Controlling Shareholders – Disclosures relating to Wee Aik Bin” for more details on the notice of stern warning issued to Wee Aik Bin.
- (b) **Civil Litigation Cases:** For completeness of disclosure, Vincent Khong was involved in two (2) civil litigation cases in respect of negligence in a motor accident claim (without death or injury) in 2007 where he is the defendant and a claim for breach of contract in 2010 where he is the plaintiff. The former was a minor motor accident whereby a civil litigation case was filed as part of the insurance claim procedures, while the latter arose due to cancellation of a car sale transaction. Both cases were settled and there is no claim outstanding against Vincent Khong in respect of both cases.

### Disclosures relating to Loke Wai Ming

- (a) **Vacation of Office:** Loke Wai Ming was appointed as an INED of RMH Holdings, a company listed on GEM, on 11 May 2021. On 9 November 2023, RMH Holdings announced that Loke Wai Ming, then an INED of RMH Holdings, had not attended any board meetings for six consecutive months since 16 February 2023 without special leave of absence from the board. During the period from 16 February 2023 up to 9 November 2023, the board had effectively convened and held fourteen meetings to transact the business of the company. His office was vacated via board resolution pursuant to the articles of association of the company with effect from 9 November 2023. RMH Holdings also announced that the board is not aware of any disagreement between Loke Wai Ming and the board or any matters that needed to be brought to the attention of the shareholders of RMH Holdings or the HKEX. Approximately three months later, on 21 February 2024, RMH Holdings announced the appointment of Loke Wai Ming as executive director of the company. The company clarified in the announcement that there had been miscommunications and misunderstandings between the RMH Holdings board and Loke Wai Ming, which were subsequently resolved.
- (b) **Disclaimer of Opinion, Suspension and Resumption of Trading:** On 2 April 2023, RMH Holdings published its FY2022 annual report and noted a disclaimer opinion by the auditors on the company’s financial statements for the financial year ended 31 December 2022 due to (i) multiple uncertainties related to going concern; and (ii) insufficient accounting records of certain subsidiaries in Singapore. As a result of the disclaimer of opinion, the shares of RMH Holdings were suspended from trading on 3 April 2023 at the direction of HKEX and the company was notified with several resumption guidance which it has to adhere to. Subsequent to the re-appointment of Loke Wai Ming as the executive director of the company on 21 February 2024 and under the leadership of the board of directors of RMH Holdings (including Loke Wai Ming as an Executive Director), the company announced on 21 May 2024 that it had successfully fulfilled the resumption conditions for the resumption of trading in the company’s shares.
- (c) **Winding Up Petition received by RMH Holdings:** On 17 October 2023, during the time when Loke Wai Ming was serving as an INED of RMH Holdings, the company announced that it had received a petition from Dermatology & Surgery Clinic Pte Ltd (In Liquidation) (“D&S”) filed with the High Court of The Hong Kong Special Administrative Region (“HK High Court”) that RMH Holdings be wound up by the HK High Court under the provisions of the Companies (Winding Up

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and Miscellaneous Provision) Ordinance (Chapter 32 of the Laws of Hong Kong) on the ground that RMH Holdings is unable to pay its debts amounting to approximately S\$1.12 million owing to D&S (“**Petition Against RMH**”). On 30 July 2024, the company announced that it had received an order of the High Court of Hong Kong dated 17 July 2024 that, upon the joint application of the solicitors for D&S and the solicitors for the company, the Petition Against RMH be withdrawn and the hearing of the Petition Against RMH on 29 July 2024 be vacated.

- (d) **Civil Litigation cases:** In April 2013, Loke Wai Ming had taken out a loan with BOC Credit Card (International) Limited (“**BOCCC**”), which, following Loke Wai Ming’s request for a top-up in May 2016, amounted to HK\$1,930,000.00. BOCCC assigned all of its rights, benefits, title and interest in and under the loan to Bank of China (Hong Kong) Limited (“**BOC**”), with effect from 27 January 2019. Loke Wai Ming subsequently failed to make payment of the monthly instalments under the loan as and when the same fell due and/or upon demand. As of 9 April 2021, Loke Wai Ming owed BOC a total sum of HK\$748,577.41 together with interest on the outstanding principal of HK\$599,735.44 at the default interest rate of 0.1% per day (i.e., 36.50% per annum) from 10 April 2021 until payment in full. By a letter dated 12 April 2021 from BOC’s solicitors, BOC demanded immediate payment of the whole outstanding indebtedness within seven (7) days from the date of the said letter (“**BOC Letter of Demand**”). On 23 April 2021, BOC commenced legal proceedings against Loke Wai Ming in the District Court of the Hong Kong Special Administrative region (“**HK District Court**”) for failure to make payment of monthly instalments pursuant to the loan. Due to Loke Wai Ming’s failure to defend the action, a final judgment was issued against him by the HK District Court on 4 June 2021, pursuant to which, it was adjudged that Loke Wai Ming be required to pay BOC the sum of HK\$748,577.41 together with interest on the outstanding principal of HK\$599,735.44 at the rate of 36.50% per annum from 10 April 2021 until 4 June 2021, and thereafter at judgement rate until payment, and HK\$7,300.00 fixed costs.

An action was taken out by an individual named He Yanyan in the HK District Court against Loke Wai Ming in relation to sums allegedly owed by Loke Wai Ming to He Yanyan amounting to HK\$1,500,000.00. As Loke Wai Ming had not filed any notice of intention to defend the proceedings, a final judgment was issued by the HK District Court on 17 June 2020 against Loke Wai Ming, pursuant to which, it was adjudged that Loke Wai Ming pay He Yanyan the sum of HK\$500,000.00 together with interest thereon at the rate of 0.1% per day from 1 July 2019 to 17 June 2020, and thereafter at judgement rate until payment, and \$6,500.00 fixed costs (“**Final Judgment**”). Subsequently, Loke Wai Ming and He Yanyan agreed to a settlement of the outstanding sums, whereby Loke Wai Ming agreed to, *inter alia*, pay to He Yanyan a sum of HK\$740,000.00 (inclusive of interest and costs) as full and final settlement of the Final Judgment.

### Disclosures relating to He Dingding

- (a) **Winding Up Petition Received by Silverine:** He Dingding is currently a director of Silverine, a directly-wholly owned subsidiary of Link Holdings. On 15 June 2023, Silverine received a petition (the “**Petition Against Silverine**”) filed by Taigof Credit Opportunities Ltd. for an order that Silverine be wound up by the High Court of the Republic of Singapore (the “**Singapore High Court**”). On 17 July 2023, Silverine received the court order dated 7 July 2023 issued by the Singapore High Court whereby it was ordered that leave to withdraw the Petition Against Silverine be granted. He Dingding has been the CEO and executive director of Link Holdings and a director of Silverine since May 2023 and the matter relating to the Petition Against Silverine took place before he took office.
- (b) **Winding Up Petition Received by Crown:** On 30 April 2021, a winding-up petition (“**First Petition Against Crown**”) was filed by a creditor with the Court of First Instance of the HK High Court for the winding up of Crown. On 7 July 2021, a hearing in connection with, amongst other matters, the withdrawal of the First Petition Against Crown, took place in the HK High Court, and the HK High Court granted the order to permit the First Petition Against Crown to be formally withdrawn after the hearing.

On 14 November 2022, a winding-up petition (“**Second Petition Against Crown**”) was filed by a creditor with the Court of First Instance of the HK High Court for the winding up of Crown on the ground that the company was unable to pay a HK\$100,000 outstanding financial advisory service fee (“**Outstanding Amount**”). The company clarified in the announcement dated 15 November

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2022 that it had settled the Outstanding Amount in full, but merely the creditor's bank account could not receive due to some reasons. The creditor requested the company to settle the Outstanding Amount by paying to their personal bank account but the company refused to do so. While the company was still negotiating with the creditor the methods to settle the Outstanding Amount, it received a petition from the creditor issued under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), which was filed against the company for failure to settle the Outstanding Amount payable by the company to the creditor. A settlement agreement was subsequently entered into between Crown and the creditor for the payment of outstanding fees and legal costs. On 22 December 2022, Crown announced that the HK High Court had ordered a withdrawal of the Second Petition Against Crown.

He Dingding was an INED of Crown from 20 May 2021 to 30 September 2021 and the matter relating to the First Petition Against Crown and the First Petition Against Crown itself took place before he took office. The Second Petition Against Crown took place more than one year after he stepped down from his position as INED of Crown.

- (c) **Censure by HKEX of Link Holdings and its former directors:** On 16 May 2024, HKEX issued a statement of disciplinary action against Link Holdings and two former directors in which the HKEX censured Link Holdings, imposed a prejudice to investors' interests statement against two former directors of Link Holdings, namely Mr Ngan Iek and Datuk Siew Pek Tho (collectively, the "**Former Directors**"), and further directed an independent review of Link Holdings' internal controls for procuring compliance with the continuing obligations under Chapters 17 and 18 of the GEM listing rules. The censure on Link Holdings was made due to certain misconduct by the Former Directors in 2020, which caused Link Holdings to breach the relevant listing rules. The HKEX confirmed that the sanctions and direction apply only to the company and the Former Directors, and not to any other past or present directors of the company.

He Dingding became the executive director and CEO of Link Holdings in May 2023 and the matters relating to the censure took place before he took office. The new board of Link Holdings including He Dingding have engaged an internal control review adviser to conduct a thorough review and make recommendations to improve the company's internal control.

Link Holdings subsequently announced the results of internal control review on 2 August 2024, in which the company disclosed the internal control review adviser's recommendations and the opinions of the audit committee and the board of directors. In addition, the company will furnish the HKEX with the written report of the internal control review adviser on the company's full implementation of such recommendations within four months.

- (d) **Failure in/Late Filing of Returns:** He Dingding is the chief executive officer and executive director of Link Holdings since May 2023. In March 2024, Link Holdings was charged for failure in or late filing of return of changes of company secretary, directors or authorised representatives of registered non-Hong Kong company under sections 791(2)(b) or 791(2)(c) of the Companies Ordinance due to an administrative oversight. The fine amount was HKD80,500, which has been fully paid.
- (e) **Cancellation of Listing of Mobile Internet by HKEX:** He Dingding was appointed as INED of Mobile Internet on 20 March 2023. Trading in Mobile Internet's shares has been suspended since 1 September 2022 due to the delay in publishing its six months interim results for the period ended 30 June 2022 as a result of Covid-19 control measures in China which prevented the finalisation of accounts. The company has since received letters from the HKEX setting out the guidance for the resumption of trading of the company shares on 25 November 2022 and 20 January 2023 and providing quarterly updates. On 8 August 2024, Mobile Internet announced that it was informed by HKEX that the last day of listing of the company's shares will be 13 August 2024 and that the listing of the shares will be cancelled with effect from 9:00 a.m. on 14 August 2024 ("**Cancellation of Listing**").



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In a separate announcement released by the HKEX on 12 August 2024, the HKEX stated that trading in the company's shares had been suspended since 1 September 2022 and the company failed to fulfil the resumption guidance set by the HKEX and resume trading in its shares by 29 February 2024. On 15 March 2024, the Listing Committee of the HKEX decided to cancel the listing of the company's shares on the HKEX under Rule 6.01A(1) of the HKEX listing rules. On 25 March 2024, the company sought a review of the Listing Committee's decision by the Listing Review Committee. On 10 July 2024, the Listing Review Committee upheld the decision of the Listing Committee to cancel the company's listing. Accordingly, the HKEX cancelled Mobile Internet's listing with effect from 9:00 am on 14 August 2024.

- (f) **Disclaimer of Opinion on Link Holdings' Financial Statements for FY2022.** On 5 January 2024, Link Holdings announced the audit of the consolidated financial statements of the company for the year ended 31 December 2022 ("**2022 Annual Results**") with the full text of the annual report for the same year ("**2022 Annual Report**"). It was disclosed that the independent auditor's report on 2022 Annual Results contained a disclaimer of opinion due to appropriateness of going concern assumptions in view of the adverse impact of COVID-19, which began in early 2020, on the group's hotel operations in Singapore and Japan, among other things. The auditor also disclaimed its opinion on the group's consolidated financial statements for the year ended 31 December 2019, 2020 and 2021 relating to the going concern basis of preparing the consolidated financial statements due to the adverse effects of the COVID-19 pandemic on the group's financial results and financial positions, among other things.
- (g) **Disclaimer of Opinion on Mobile Internet's Financial Statements for FY2022 and FY2023.** On 3 April 2023, Mobile Internet announced delay in publication of annual results for the year ended 31 December 2022 and on 5 May 2023, the company announced the resignation of its auditor as it was unable to reach a consensus in respect of the audit fee for the financial year ended 31 December 2022. The audit committee of Mobile Internet confirmed that there are no disagreements between Mobile Internet and the auditor and there are no matters relating to the resignation that needs to be brought to the attention of the shareholders. The company appointed a new auditor to fill the causal vacancy.

Mobile Internet published its annual report for the financial year 31 December 2022 and 2023 on 15 February 2024 and 14 June 2024 respectively. The audited accounts for both financial years contained disclaimer of opinion on material uncertainties relating to going concern, limitation of scope on the accounting books and records of one of its subsidiary company due to insufficiency of supporting documents and explanations and limitation of scope on inventories as there were no other satisfactory audit procedures that could be adopted by the new auditor to obtain sufficient evidence regarding the existence and valuation of the inventories.

Prior to the appointment of He Dingding, Mobile Internet's audited accounts contain disclaimer of opinion on material uncertainties relating to going concern for the financial year ended 31 December 2019, 31 December 2020 and 31 December 2021 partly due to the severe impact of COVID-19 outbreak.

- (h) **Emphasis of Matter on the Financial Statements of China Kangda Food Company Limited for FY2012, FY2013 and FY2014.** He Dingding was an INED of China Kangda Food Company Limited ("**China Kangda**"), a company listed on the Main Board of the HKEX (stock code 834) and Mainboard of the SGX-ST (stock code P74), from 25 August 2012 to June 2015. During the period of his appointment, the independent auditor's report for the company's audited financial statements for the financial years ended 31 December 2012, 31 December 2013 and 31 December 2014 contained emphasis on the existence of material uncertainty which may cast doubt about the group's ability to continue as a going concern. The auditor's opinion is not qualified in respect of the emphasis of matter. Similar emphasis of matter already existed in the company's audited accounts for the previous financial years ended 31 December 2011 and 31 December 2010 prior to the appointment of He Dingding as INED.

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### Disclosures relating to Wee Aik Bin

- (a) **CPIB Warning Letter:** On 30 June 2020, CPIB issued a notice of stern warning (“**Warning Letter**”) to Wee Aik Bin, pursuant to Section 6(b) of the Prevention of Corruption Act (Cap 241), for corruptly for offering gratification, in the form of a red packet containing S\$50, to a motor surveyor (“**Motor Surveyor**”), as an inducement for the Motor Surveyor to expedite certain documentation in relation to the repair jobs performed by Vin’s Motor so that payments to Vin’s Motor would not be delayed. As stated in the Warning Letter, the incident took place in Singapore on 17 February 2020.

The Warning Letter states that after careful consideration of the facts of the case, and with the concurrence of the Attorney-General’s Chambers, Wee Aik Bin is warned to refrain from any criminal conduct. If Wee Aik Bin commits any offence in future, the same leniency may not be shown towards him.

The Warning Letter further notes that the stern warning:

- (i) is an expression of the opinion of the public prosecutor that Wee Aik Bin has committed the offence mentioned above;
- (ii) does not bind Wee Aik Bin in that it affects his legal rights, interest or liabilities;
- (iii) does not form part of a “criminal record” against him (as this term is defined in the Registration of Criminal Act (Cap 268, 1985 Rev Ed));
- (iv) does not amount to a legally binding pronouncement of guilt or finding of fact, which can only be made by a court of law; and
- (v) will not be raised by the prosecution, whether as an antecedent or not, for the purpose of enhancing a sentence.

Save for the Warning Letter, Wee Aik Bin has confirmed that no other action was taken against him. He was not charged with an offence nor was he convicted. No penalties or fines were imposed on him. There were no follow up matters by the CPIB in relation to the Warning Letter. Save for the Warning Letter, Wee Aik Bin has not run into any issues with the CPIB. No other action was taken against Wee Aik Bin.

- (b) **Civil Litigation Cases:** Wee Aik Bin was involved in two (2) civil litigation cases in 2008 relating to negligence in a motor accident claim (without death or injury). Both cases concluded in 2009 and there is no claim outstanding against Wee Aik Bin in respect of both cases.

### CHANGES IN SHARE CAPITAL

2. As at the Latest Practicable Date, there is only one (1) class of shares, being ordinary shares, in the capital of our Company. There are no founder, management, deferred shares or unissued shares reserved for issuance for any purpose. The rights and privileges attached to our Shares are stated in our Articles of Association.



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3. Save as disclosed below and in the sections entitled “Share Capital” and “Restructuring Exercise” of this Offer Document and below, there are no changes in the issued and paid-up capital of our Company and our subsidiaries within the three (3) years preceding the Latest Practicable Date:

Date of issue	Number of shares issued/change in the number of shares	Issue price per share/ Consideration	Purpose of issue/ change	Resultant share capital
<b>Our Company</b>				
27 January 2022	39,340,800 ordinary shares	US\$39,340.80	Subscriber shares issued on incorporation	US\$39,340.80
29 July 2024	60,659,200 ordinary shares	US\$60,659.20	Increase in paid-up capital	US\$100,000
19 September 2024	11,111,110 ordinary shares	S\$1,500,000	Subscription by Loke Wai Ming pursuant to the Subscription Agreement	US\$111,111.11
<b>Subsidiaries</b>				
<b>Vin's Group</b>				
3 March 2022	1 ordinary share	US\$1.00	Subscriber share issued on incorporation	US\$1.00
<b>Vin's Automotive Group</b>				
4 April 2022	1 ordinary share	S\$1.00	Subscriber share issued on incorporation	S\$1.00
21 February 2025	8,890,000 ordinary shares	S\$8,890,000	Subscription by Vin's Group	S\$8,890,001
<b>Vin's Auto</b>				
19 May 2021	300,000 ordinary shares	S\$300,000	Subscription by Vincent Khong	S\$2,000,000
19 May 2021	500,000 ordinary shares	S\$500,000	Subscription by Boong Lan Hiong	
19 May 2021	200,000 ordinary shares	S\$200,000	Subscription by Galvin Khong	
1 December 2021	450,000 ordinary shares	S\$450,000	Subscription by Vincent Khong	S\$3,000,000
1 December 2021	550,000 ordinary shares	S\$550,000	Subscription by Boong Lan Hiong	
<b>Vin's Motor</b>				
1 December 2021	30,000 ordinary shares	S\$30,000	Subscription by Galvin Khong	S\$530,000
1 December 2021	150,000 ordinary shares	S\$150,000	Subscription by Vincent Khong	
<b>Vin's Credit</b>				
19 May 2021	370,000 ordinary shares	S\$370,000	Subscription by Vincent Khong	S\$2,200,000
19 May 2021	740,000 ordinary shares	S\$740,000	Subscription by Boong Lan Hiong	
19 May 2021	390,000 ordinary shares	S\$390,000	Subscription by Galvin Khong	
1 December 2021	500,000 ordinary shares	S\$500,000	Subscription by Vincent Khong	S\$4,200,000
1 December 2021	1,150,000 ordinary shares	S\$1,150,000	Subscription by Boong Lan Hiong	
1 December 2021	350,000 ordinary shares	S\$350,000	Subscription by Galvin Khong	

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4. Save as disclosed above and in the sections entitled “Share Capital” and “Restructuring Exercise” of this Offer Document, no shares in, or debentures of, our Company or any of our subsidiaries have been issued, or are proposed to be issued, as fully or partly paid for cash or for a consideration other than cash, during the three (3) years preceding the date of this Offer Document.
5. No option to subscribe for Shares in, or debentures of, our Company or any of our subsidiaries has been granted to, or was exercised by, any person within the last two (2) years preceding the date of this Offer Document.
6. As at the Latest Practicable Date, no person has been or is entitled to be, given an option to subscribe for any shares in or debentures of our Company or any of our subsidiaries.

### MATERIAL CONTRACTS

7. The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by our Company and our subsidiaries within the two (2) years preceding the date of lodgement of this Offer Document and are or may be material:
  - (a) the Subscription Agreement referred to in the section entitled “Restructuring Exercise” of this Offer Document;
  - (b) the Service Agreements referred to in the section entitled “Directors, Executive Officers and Staff – Service Agreements” of this Offer Document; and
  - (c) the Share Swap Agreement referred to in the section entitled “Restructuring Exercise” of this Offer Document.

### MATERIAL LITIGATION

8. As at the Latest Practicable Date, our Group was not engaged in any legal or arbitration proceedings, including those which are pending or known to be contemplated, which may have or have had during the last twelve (12) months before the date of lodgement of this Offer Document, a material effect on our Group’s financial position or profitability.

### ARTICLES OF ASSOCIATION

9. The nature of our Company’s business has been stated earlier in this Offer Document. Our objects can be found in our Articles of Association.
10. An extract of our Articles of Association relating to, among others, Directors’ powers to vote on contracts in which they are interested, Directors’ remuneration, Directors’ borrowing powers, Directors’ retirement, Directors’ share qualification, rights pertaining to shares, convening of general meetings and alteration of capital are set out in “Appendix C - Summary of our Memorandum and Articles of Association” of this Offer Document. The Articles of Association of our Company is available for inspection at our principal place of business in accordance with paragraph 24 in this section.

### MISCELLANEOUS

11. Save as disclosed in the section entitled “Sponsorship, Management and Placement Arrangements” of this Offer Document, no commission, discount or brokerage has been paid or other special terms granted within the two (2) years preceding the Latest Practicable Date or is payable to any Director, promoter, expert, proposed director or any other person for subscribing or agreeing to subscribe or procuring or agreeing to procure subscriptions for any shares in, or debentures of, our Company or any of our subsidiaries.

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12. Application monies received by our Company in respect of successful applications (including successful applications which are subsequently rejected) will be placed in a separate non-interest bearing account with the Receiving Banker. Any refund of all or part of the application monies to unsuccessful or partially successful applicants will be made without any interest or any share of revenue or any other benefit arising therefrom.
13. Save as disclosed in the “Subsequent Events” section in Appendix A and Appendix B of this Offer Documents and the sections entitled “Risk Factors”, “Capitalisation and Indebtedness”, “Management’s Discussion and Analysis of Results of Operations and Financial Position” and “General Information on our Group” of this Offer Document, our Directors are not aware of any event which has occurred between 30 September 2024 and the Latest Practicable Date, which may have a material effect on the results of operations and financial position of our Group or the financial information provided in this Offer Document.
14. Save as disclosed in the sections entitled “Risk Factors”, “Capitalisation and Indebtedness”, “Management’s Discussion and Analysis of Results of Operations and Financial Position” and “General Information on our Group” of this Offer Document, the results of operations and financial position of our Group are not likely to be affected by any of the following:
- (a) known trends or demands, commitments, events or uncertainties that will result in or are reasonably likely to result in our Group’s liquidity increasing or decreasing in any material way;
  - (b) material commitments for capital expenditure;
  - (c) unusual or infrequent events or transactions or any significant economic changes that may materially affect the amount of reported income from operations; and
  - (d) known trends or uncertainties that have had or that we reasonably expect will have a material favourable or unfavourable impact on revenues or operating income.
15. Details, including the name, address and professional qualifications including membership in a professional body of the auditors of our Company for the Track Record Period are as follow:

<b>Name and address</b>	<b>Professional body</b>	<b>Partner-in-charge / Professional qualification</b>
Moore Stephens LLP 10 Anson Road #29-15 International Plaza Singapore 079903	Public Accountants and Chartered Accountants Singapore	Lao Mei Leng / a practising member of the Institute of Singapore Chartered Accountants

We currently have no intention of changing the auditors of our Group after our Listing.

### CONSENTS

16. RHB, the Issue Manager, Full Sponsor and Placement Agent, has given and has not withdrawn its written consent to the issue of this Offer Document with the inclusion herein of its name and all references thereto in the form and context in which they are included and appear in the Offer Document, including the statements attributed to it in the section entitled “Management’s Discussion and Analysis of Results of Operations and Financial Position - Liquidity and Capital Resources” and to act in such capacity in relation of this Offer Document.
17. Moore Stephens LLP, the Independent Auditor and Reporting Accountant, has given and has not withdrawn their written consent to the issue of this Offer Document with the inclusion herein of the “*Independent Auditor’s Report on the Combined Financial Statements for the Financial Years ended 31 December 2021, 2022 and 2023 and Nine Months Period ended 30 September 2024 of Vin’s Holdings Ltd and its Subsidiaries*” and the “*Independent Auditor’s Assurance Report on the Compilation of Unaudited Pro Forma Combined Financial Information for the Financial Year ended 31 December 2023 and the Nine Months Period ended 30 September 2024 of Vin’s Holdings Ltd*”

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*and its Subsidiaries*” as set out in Appendices A and B respectively of this Offer Document, and (ii) the statements attributed to it in the sections entitled “Corporate Governance” of this Offer Document, in the form and context in which they are included and references to its name in the form and context in which it appears in this Offer Document and to act in such capacity in relation of this Offer Document.

18. CNPLaw LLP, the Solicitors to the Placement and Legal Adviser to our Company on Singapore Law has given, and has not withdrawn its written consent to the issue of this Offer Document with the inclusion herein of its name and references thereto, in the form and context in which it appears in this Offer Document and to act in such capacity in relation to this Offer Document.
19. Ogier, the Legal Adviser to our Company as to Cayman Islands Law and BVI Law, has given, and has not withdrawn its written consent to the issue of this Offer Document with the inclusion herein of its name and references thereto, in the form and context in which it appears in this Offer Document and to act in such capacity in relation to this Offer Document.
20. Duane Morris & Selvam LLP, the Solicitors to the Issue Manager, Full Sponsor and Placement Agent on Singapore Law have given, and have not withdrawn their written consent to the issue of this Offer Document with the inclusion herein of their name and references thereto, in the form and context in which they appear in this Offer Document and to act in such capacity in relation to this Offer Document.
21. In.Corp Business Advisory Pte. Ltd., our internal auditors, has given and has not withdrawn its written consent to the issue of this Offer Document with the inclusion herein of its name and the statements attributed to it in the sections entitled “Corporate Governance” of this Offer Document, and all references thereto in the form and context in which it appears in this Offer Document and to act in such capacity in relation to this Offer Document.
22. The Converging Knowledge Private Limited, the Industry Consultant, has given and has not withdrawn its written consent to the issue of this Offer Document with the inclusion herein of its name and the extracts of the Independent Market Report in the sections entitled “General Information on our Group - Industry Overview and Prospects” and “General Information on our Group – Competition” of this Offer Document, and all references thereto in the form and context in which it appears in this Offer Document and to act in such capacity in relation to this Offer Document.
23. Each of the Issue Manager, Full Sponsor and Placement Agent, the Solicitors to the Placement, Legal Adviser to our Company on Singapore Law, Legal Adviser to our Company as to Cayman Islands Law and British Virgin Islands Law, Solicitors to the Issue Manager, Full Sponsor and Placement Agent on Singapore Law, the Share Registrar and the Principal Bankers and Receiving Banker do not make, or purport to make, any statement in this Offer Document or any statement upon which a statement in this Offer Document is based and to the maximum extent permitted by law, expressly disclaim and takes no responsibility for any liability to any person which is based on, or arises out of, any statement, information or opinions in, or omission from, this Offer Document.

### DOCUMENTS AVAILABLE FOR INSPECTION

24. Copies of the following documents may be inspected at our principal place of business during normal business hours for a period of six (6) months from the date of registration by the SGX-ST acting as agent on behalf of the Authority, of this Offer Document:
  - (i) the Memorandum and Articles of Association;
  - (ii) the material contracts referred to in this Offer Document;
  - (iii) the letters of consent referred to in this Offer Document;
  - (iv) the Service Agreements;

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## GENERAL AND STATUTORY INFORMATION

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- (v) the Independent Auditor's Report on the Combined Financial Statements for the Financial Years ended 31 December 2021, 2022 and 2023 and Nine Months Period ended 30 September 2024 of Vin's Holdings Ltd and its Subsidiaries as set out in Appendix A of this Offer Document;
- (vi) the Independent Auditor's Assurance Report on the Compilation of Unaudited Pro Forma Combined Financial Information for the Financial Year ended 31 December 2023 and the Nine Months Period ended 30 September 2024 of Vin's Holdings Ltd and its Subsidiaries as set out in Appendix B of this Offer Document;
- (vii) the Independent Market Report of the Industry Consultant; and
- (viii) the rules of the Vin's PSP as set out in Appendix G of this Offer Document.

### RESPONSIBILITY STATEMENT BY OUR DIRECTORS

25. This Offer Document has been seen and approved by our Directors and they collectively and individually accept full responsibility for the accuracy of the information given in this Offer Document and confirm, after making all reasonable enquiries, that to the best of their knowledge and belief, this Offer Document constitutes full and true disclosure of all material facts about the Placement and our Group, and our Directors are not aware of any facts the omission of which would make any statement in this Offer Document misleading. Where information in this Offer Document has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of our Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Offer Document in its proper form and context.

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**APPENDIX A – INDEPENDENT AUDITOR’S REPORT ON THE COMBINED  
FINANCIAL STATEMENTS FOR THE FINANCIAL YEARS ENDED 31 DECEMBER  
2021, 2022 AND 2023 AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024  
OF VIN’S HOLDINGS LTD AND ITS SUBSIDIARIES**

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**Company Registration No: 386652**

**VIN’S HOLDINGS LTD  
(Incorporated in Cayman Islands)**

**AND ITS SUBSIDIARIES**

**INDEPENDENT AUDITOR’S REPORT AND THE AUDITED  
COMBINED FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2021, 2022 AND 2023  
AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024**



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**APPENDIX A – INDEPENDENT AUDITOR’S REPORT ON THE COMBINED  
FINANCIAL STATEMENTS FOR THE FINANCIAL YEARS ENDED 31 DECEMBER  
2021, 2022 AND 2023 AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024  
OF VIN’S HOLDINGS LTD AND ITS SUBSIDIARIES**

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**STATEMENT BY DIRECTORS**

**FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2021, 2022 AND 2023  
AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024**

In the opinion of the directors,

- (a) the combined financial statements of Vin’s Holdings Ltd (the “Company”) and its subsidiaries (collectively the “Group”) as set out on pages A-6 to A-108 are drawn up so as to give a true and fair view of the combined financial position of the Group as at 31 December 2021, 31 December 2022, 31 December 2023 and 30 September 2024 and the combined financial performance, combined changes in equity and combined cash flows of the Group for the financial years ended 31 December 2021, 2022 and 2023 and nine months period ended 30 September 2024 in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) and
- (b) at the date of this statement, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they fall due.

On behalf of the Board of Directors,

.....  
KHONG KENG LENG

.....  
KHONG CHIN KIAT @ TAI CHIN KIAT

Singapore  
3 April 2025

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**APPENDIX A – INDEPENDENT AUDITOR’S REPORT ON THE COMBINED  
FINANCIAL STATEMENTS FOR THE FINANCIAL YEARS ENDED 31 DECEMBER  
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OF VIN’S HOLDINGS LTD AND ITS SUBSIDIARIES**

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**INDEPENDENT AUDITOR’S REPORT ON THE  
COMBINED FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2021, 2022 AND 2023  
AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024 OF  
VIN’S HOLDINGS LTD AND ITS SUBSIDIARIES**

**Report on the Audit of the Combined Financial Statements**

**Opinion**

We have audited the combined financial statements of Vin’s Holdings Ltd (the “Company”) and its subsidiaries (collectively the “Group”), which comprises the combined statements of financial position as at 31 December 2021, 31 December 2022, 31 December 2023 and 30 September 2024, and the combined statements of comprehensive income, combined statements of changes in equity and combined statements of cash flows for each of the financial years ended 31 December 2021, 31 December 2022, 31 December 2023 and the nine months period ended 30 September 2024 (the “Relevant Periods”), and notes to the combined financial statements, including material accounting policy information.

In our opinion, the accompanying combined financial statements of the Group are properly drawn up in accordance with the Singapore Financial Reporting Standards (International) (“SFRS(Is)”) so as to give a true and fair view of the combined financial position of the Group as at 31 December 2021, 31 December 2022, 31 December 2023 and 30 September 2024, and of the combined financial performance, combined changes in equity and combined cash flows of the Group for the Relevant Periods.

**Basis for Opinion**

We conducted our audit in accordance with Singapore Standards on Auditing (“SSAs”). Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Combined Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (“ACRA”) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (“ACRA Code”) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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**APPENDIX A – INDEPENDENT AUDITOR’S REPORT ON THE COMBINED  
FINANCIAL STATEMENTS FOR THE FINANCIAL YEARS ENDED 31 DECEMBER  
2021, 2022 AND 2023 AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024  
OF VIN’S HOLDINGS LTD AND ITS SUBSIDIARIES**

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**INDEPENDENT AUDITOR’S REPORT ON THE  
COMBINED FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2021, 2022 AND 2023  
AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024 OF  
VIN’S HOLDINGS LTD AND ITS SUBSIDIARIES**

(cont’d)

**Responsibilities of Management and Directors for the Combined Financial Statements**

Management is responsible for the preparation of combined financial statements that give a true and fair view in accordance with SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the combined financial statements, management is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors’ responsibilities include overseeing the Group’s financial reporting process.

**Auditor’s Responsibilities for the Audit of the Combined Financial Statements**

Our objectives are to obtain reasonable assurance about whether the combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these combined financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the combined financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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**APPENDIX A – INDEPENDENT AUDITOR’S REPORT ON THE COMBINED  
FINANCIAL STATEMENTS FOR THE FINANCIAL YEARS ENDED 31 DECEMBER  
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OF VIN’S HOLDINGS LTD AND ITS SUBSIDIARIES**

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**INDEPENDENT AUDITOR’S REPORT ON THE  
COMBINED FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2021, 2022 AND 2023  
AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024 OF  
VIN’S HOLDINGS LTD AND ITS SUBSIDIARIES**

(cont’d)

**Auditor’s Responsibilities for the Audit of the Combined Financial Statements (cont’d)**

- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the combined financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the combined financial statements, including the disclosures, and whether the combined financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the combined financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Other Matters**

We have not carried out an audit or review in accordance with Singapore Standards on Auditing or Singapore Standards on Review Engagements on the financial information for the nine months period ended 30 September 2023 included as comparatives in the combined financial statements and, accordingly, we do not express any assurance on the comparative financial information. The financial information for the nine months period ended 30 September 2023 is the responsibility of management.

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**APPENDIX A – INDEPENDENT AUDITOR’S REPORT ON THE COMBINED  
FINANCIAL STATEMENTS FOR THE FINANCIAL YEARS ENDED 31 DECEMBER  
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OF VIN’S HOLDINGS LTD AND ITS SUBSIDIARIES**

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**INDEPENDENT AUDITOR’S REPORT ON THE  
COMBINED FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2021, 2022 AND 2023  
AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024 OF  
VIN’S HOLDINGS LTD AND ITS SUBSIDIARIES**

**Restriction on Distribution and Use**

This report is made solely to you as a body and for the inclusion in the Offer Document to be issued in relation to the proposed offering of shares of the Company in connection with the Company’s listing on the Catalist Board of the Singapore Exchange Securities Trading Limited.

**Moore Stephens LLP**  
Public Accountants and  
Chartered Accountants  
Singapore

Lao Mei Leng  
Partner-in-charge

3 April 2025

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT ON THE COMBINED  
FINANCIAL STATEMENTS FOR THE FINANCIAL YEARS ENDED 31 DECEMBER  
2021, 2022 AND 2023 AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024  
OF VIN’S HOLDINGS LTD AND ITS SUBSIDIARIES**

**VIN’S HOLDINGS LTD  
AND ITS SUBSIDIARIES**

**COMBINED STATEMENTS OF COMPREHENSIVE INCOME**

**FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2021, 2022 AND 2023  
AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024**

		Year ended 31 December			Nine months period ended 30 September	
	Note	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
		S\$	S\$	S\$	S\$	S\$
						(unaudited)
Revenue	6	75,391,045	91,837,915	106,429,159	83,689,250	82,799,369
Cost of sales		(67,796,075)	(82,437,163)	(94,362,864)	(72,854,714)	(74,149,994)
Gross profit		7,594,970	9,400,752	12,066,295	10,834,536	8,649,375
Other income	7	249,746	396,933	867,080	639,375	583,870
Selling and marketing expenses		(714,332)	(883,353)	(1,087,986)	(768,865)	(835,565)
Administration expenses		(3,417,367)	(4,251,422)	(6,290,252)	(6,069,500)	(4,239,590)
Net allowance for expected credit losses	18	(191,736)	(218,271)	(392,214)	(422,214)	(173,341)
Finance expenses	8	(503,887)	(971,937)	(1,518,896)	(1,469,517)	(1,164,890)
Other operating expenses	9	(91,796)	(184,916)	-	(22,299)	-
Profit before income tax	10	2,925,598	3,287,786	3,644,027	2,721,516	2,819,859
Income tax expense	12	(459,947)	(512,362)	(375,073)	(679,539)	(329,403)
<b>Profit for the year/period, representing total comprehensive income for the year/period</b>		<b>2,465,651</b>	<b>2,775,424</b>	<b>3,268,954</b>	<b>2,041,977</b>	<b>2,490,456</b>
<b>Profit and the total comprehensive income for the year/period attributable to:</b>						
Equity holders of the Company		2,465,651	2,775,424	3,268,954	2,041,977	2,490,456
<b>Earnings per share</b>	13					
Basic (cents per share)		2.22	2.50	2.94	1.84	2.24
Diluted (cents per share)		2.22	2.50	2.94	1.84	2.24

The accompanying notes form an integral part of the financial statements



**APPENDIX A – INDEPENDENT AUDITOR’S REPORT ON THE COMBINED  
FINANCIAL STATEMENTS FOR THE FINANCIAL YEARS ENDED 31 DECEMBER  
2021, 2022 AND 2023 AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024  
OF VIN’S HOLDINGS LTD AND ITS SUBSIDIARIES**

**VIN’S HOLDINGS LTD  
AND ITS SUBSIDIARIES**

**COMBINED STATEMENTS OF FINANCIAL POSITION**

**AS AT 31 DECEMBER 2021, 2022 AND 2023 AND 30 SEPTEMBER 2024**

	Note	31 December <u>2021</u> S\$	31 December <u>2022</u> S\$	31 December <u>2023</u> S\$	30 September <u>2024</u> S\$
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	14	7,697,716	12,615,090	12,986,914	14,881,086
Investment property	15	1,010,961	990,537	970,114	954,796
Intangible assets	16	-	57,507	54,315	51,917
Trade and other receivables	18	24,286,471	34,296,728	47,011,518	48,595,271
		<u>32,995,148</u>	<u>47,959,862</u>	<u>61,022,861</u>	<u>64,483,070</u>
<b>Current assets</b>					
Inventories	17	10,235,812	17,442,238	12,588,010	18,687,792
Trade and other receivables	18	11,189,340	14,431,709	19,392,221	23,683,320
Financial assets, at fair value through profit or loss	19	1,153,057	1,351,264	1,365,178	1,363,049
Cash and cash equivalents	20	9,694,266	10,882,547	13,309,352	14,351,816
		<u>32,272,475</u>	<u>44,107,758</u>	<u>46,654,761</u>	<u>58,085,977</u>
<b>Total assets</b>		<u>65,267,623</u>	<u>92,067,620</u>	<u>107,677,622</u>	<u>122,569,047</u>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity attributable to owners of the Company</b>					
Share capital	21	8,890,000	8,943,126	8,943,126	9,038,911
Share premium		-	-	-	1,485,608
Retained earnings		4,654,016	7,429,440	10,698,394	12,740,371
<b>Total equity</b>		<u>13,544,016</u>	<u>16,372,566</u>	<u>19,641,520</u>	<u>23,264,890</u>
<b>Non-current liabilities</b>					
Borrowings	22	26,394,001	37,163,125	48,351,060	49,249,610
Contract liabilities	6	83,930	96,908	84,734	65,231
Lease liabilities	23	65,811	466,253	252,236	367,732
Deferred tax liabilities	24	15,473	15,473	63,100	198,010
		<u>26,559,215</u>	<u>37,741,759</u>	<u>48,751,130</u>	<u>49,880,583</u>
<b>Current liabilities</b>					
Borrowings	22	20,608,841	33,909,873	35,892,846	44,862,617
Contract liabilities	6	58,120	63,502	66,030	55,146
Lease liabilities	23	303,182	318,532	430,099	462,959
Trade and other payables	25	3,776,228	3,101,133	2,497,284	3,495,575
Current tax liabilities		418,021	560,255	398,713	547,277
		<u>25,164,392</u>	<u>37,953,295</u>	<u>39,284,972</u>	<u>49,423,574</u>
<b>Total liabilities</b>		<u>51,723,607</u>	<u>75,695,054</u>	<u>88,036,102</u>	<u>99,304,157</u>
<b>Total equity and liabilities</b>		<u>65,267,623</u>	<u>92,067,620</u>	<u>107,677,622</u>	<u>122,569,047</u>

The accompanying notes form an integral part of the financial statements

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**APPENDIX A – INDEPENDENT AUDITOR’S REPORT ON THE COMBINED  
FINANCIAL STATEMENTS FOR THE FINANCIAL YEARS ENDED 31 DECEMBER  
2021, 2022 AND 2023 AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024  
OF VIN’S HOLDINGS LTD AND ITS SUBSIDIARIES**

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**VIN’S HOLDINGS LTD  
AND ITS SUBSIDIARIES**

**COMBINED STATEMENTS OF CHANGES IN EQUITY**

**FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2021, 2022 AND 2023  
AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024**

	Note	Attributable to equity holders of the Company		
		Share <u>capital</u>	Retained <u>earnings</u>	Total <u>equity</u>
		S\$	S\$	S\$
Balance at 1 January 2021		3,210,000	2,188,365	5,398,365
<i>Profit for the year</i>		-	2,465,651	2,465,651
<i>Other comprehensive income for the year</i>		-	-	-
Total comprehensive income for the year		-	2,465,651	2,465,651
Issuance of ordinary shares	21	5,680,000	-	5,680,000
Balance at 31 December 2021		8,890,000	4,654,016	13,544,016

The accompanying notes form an integral part of the financial statements

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**APPENDIX A – INDEPENDENT AUDITOR’S REPORT ON THE COMBINED  
FINANCIAL STATEMENTS FOR THE FINANCIAL YEARS ENDED 31 DECEMBER  
2021, 2022 AND 2023 AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024  
OF VIN’S HOLDINGS LTD AND ITS SUBSIDIARIES**

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**VIN’S HOLDINGS LTD  
AND ITS SUBSIDIARIES**

**COMBINED STATEMENTS OF CHANGES IN EQUITY**

**FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2021, 2022 AND 2023  
AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024**

(cont’d)

		Attributable to equity holders of the Company		
	Note	Share <u>capital</u>	Retained <u>earnings</u>	Total <u>equity</u>
		S\$	S\$	S\$
Balance at 1 January 2022		8,890,000	4,654,016	13,544,016
<i>Profit for the year</i>		-	2,775,424	2,775,424
<i>Other comprehensive income for the year</i>		-	-	-
Total comprehensive income for the year		-	2,775,424	2,775,424
Issuance of ordinary shares	21	53,126	-	53,126
Balance at 31 December 2022		8,943,126	7,429,440	16,372,566

The accompanying notes form an integral part of the financial statements

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**APPENDIX A – INDEPENDENT AUDITOR’S REPORT ON THE COMBINED  
FINANCIAL STATEMENTS FOR THE FINANCIAL YEARS ENDED 31 DECEMBER  
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OF VIN’S HOLDINGS LTD AND ITS SUBSIDIARIES**

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**VIN’S HOLDINGS LTD  
AND ITS SUBSIDIARIES**

**COMBINED STATEMENTS OF CHANGES IN EQUITY**

**FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2021, 2022 AND 2023  
AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024**

(cont’d)

	Note	Attributable to equity holders of the Company		
		Share capital	Retained earnings	Total equity
		S\$	S\$	S\$
Balance at 1 January 2023		8,943,126	7,429,440	16,372,566
<i>Profit for the year</i>		-	3,268,954	3,268,954
<i>Other comprehensive income for the year</i>		-	-	-
Total comprehensive income for the year		-	3,268,954	3,268,954
Balance at 31 December 2023		8,943,126	10,698,394	19,641,520

The accompanying notes form an integral part of the financial statements

**APPENDIX A – INDEPENDENT AUDITOR’S REPORT ON THE COMBINED  
FINANCIAL STATEMENTS FOR THE FINANCIAL YEARS ENDED 31 DECEMBER  
2021, 2022 AND 2023 AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024  
OF VIN’S HOLDINGS LTD AND ITS SUBSIDIARIES**

**VIN’S HOLDINGS LTD  
AND ITS SUBSIDIARIES**

**COMBINED STATEMENTS OF CHANGES IN EQUITY**

**FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2021, 2022 AND 2023  
AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024**

(cont’d)

		Attributable to equity holders of the Company			
	Note	Share capital S\$	Share premium S\$	Retained earnings S\$	Total equity S\$
Balance at 1 January 2024		8,943,126	-	10,698,394	19,641,520
<i>Profit for the period</i>		-	-	2,041,977	2,041,977
<i>Other comprehensive income for the period</i>		-	-	-	-
Total comprehensive income for the period		-	-	2,041,977	2,041,977
Issuance of ordinary shares	21	95,785	1,485,608	-	1,581,393
Balance at 30 September 2024		9,038,911	1,485,608	12,740,371	23,264,890

The accompanying notes form an integral part of the financial statements

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**APPENDIX A – INDEPENDENT AUDITOR’S REPORT ON THE COMBINED  
FINANCIAL STATEMENTS FOR THE FINANCIAL YEARS ENDED 31 DECEMBER  
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OF VIN’S HOLDINGS LTD AND ITS SUBSIDIARIES**

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**VIN’S HOLDINGS LTD  
AND ITS SUBSIDIARIES**

**COMBINED STATEMENTS OF CHANGES IN EQUITY**

**FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2021, 2022 AND 2023  
AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024**

(cont’d)

	Note	Attributable to equity holders of the Company		Total equity
		Share <u>capital</u>	Retained <u>earnings</u>	<u>equity</u>
		S\$	S\$	S\$
Balance at 1 January 2023		8,943,126	7,429,440	16,372,566
<i>Profit for the period</i>		-	2,490,456	2,490,456
<i>Other comprehensive income for the period</i>		-	-	-
Total comprehensive income for the period		-	2,490,456	2,490,456
Balance at 30 September 2023 ( <i>unaudited</i> )		8,943,126	9,919,896	18,863,022

The accompanying notes form an integral part of the financial statements



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**COMBINED STATEMENTS OF CASH FLOWS**

**FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2021, 2022 AND 2023  
AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024**

	Year ended 31 December			Nine months period ended 30 September	
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	S\$	S\$	S\$	S\$	S\$
					(unaudited)
<b>Cash Flows from Operating Activities</b>					
Profit before income tax	2,925,598	3,287,786	3,644,027	2,721,516	2,819,859
Adjustments for:					
Depreciation of property, plant and equipment	1,467,471	1,663,099	2,122,939	1,626,090	1,586,565
Depreciation of investment property	20,424	20,424	20,423	15,318	15,318
Amortisation of intangible assets	-	2,493	3,192	2,398	2,394
Property, plant and equipment written off	4,588	1,965	-	20,170	-
Allowance for impairment losses on trade receivables, net	191,736	218,271	392,214	422,214	173,341
Bad debts written off	5,541	-	-	-	-
Gain on disposal of property, plant and equipment, net	(32,789)	(104,452)	(188,973)	(33,847)	(191,406)
Loss on lease remeasurement	-	16,027	-	-	-
Interest expense	503,887	971,937	1,518,896	1,469,517	1,164,890
Interest income	(898)	(1,033)	(129,137)	(71,483)	(401)
Fair value loss/(gain) on financial assets at FVPL	81,667	166,924	(13,914)	2,129	-
Issuance of share capital	-	53,126	-	-	-
Operating cash flow before working capital changes	5,167,225	6,296,567	7,369,667	6,174,022	5,570,560
Changes in working capital:					
Inventories	(3,827,172)	(7,206,426)	4,854,228	(6,099,782)	5,216,390
Trade and other receivables	(18,167,072)	(13,470,897)	(18,067,516)	(7,179,853)	(12,296,726)
Trade and other payables	1,706,124	(575,095)	(503,849)	1,098,291	(108,057)
Contract liabilities	(68,413)	18,360	(9,646)	(30,387)	150,584
Block discounting loans	13,573,421	13,602,734	15,555,721	3,512,119	11,748,669
Cash (used in)/generated from operations	(1,615,887)	(1,334,757)	9,198,605	(2,525,590)	10,281,420
Interest received	898	1,033	129,137	71,483	401
Income tax paid	(106,456)	(370,128)	(488,988)	(396,065)	(593,822)
<b>Net cash (used in)/ generated from operating activities</b>	<b>(1,721,445)</b>	<b>(1,703,852)</b>	<b>8,838,754</b>	<b>(2,850,172)</b>	<b>9,687,999</b>
<b>Cash Flows from Investing Activities</b>					
Purchase of property, plant and equipment	(1,577,327)	(6,261,663)	(3,342,614)	(3,135,315)	(2,104,661)
Purchase of intangible assets	-	(60,000)	-	-	-
Proceeds from disposal of property, plant and equipment	498,948	630,160	1,487,452	1,109,277	974,962
Purchase of financial assets at FVPL	(515,695)	(365,131)	-	-	-
<b>Net cash used in investing activities</b>	<b>(1,594,074)</b>	<b>(6,056,634)</b>	<b>(1,855,162)</b>	<b>(2,026,038)</b>	<b>(1,129,699)</b>

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**VIN’S HOLDINGS LTD  
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**COMBINED STATEMENTS OF CASH FLOWS**

**FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2021, 2022 AND 2023  
AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024**

(cont’d)

	Year ended 31 December			Nine months period ended 30 September	
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	S\$	S\$	S\$	S\$	S\$
					<i>(unaudited)</i>
<b>Cash Flows from Financing Activities</b>					
Proceeds from issuance of share capital	5,680,000	-	-	1,500,000	-
Fixed deposits pledged	(4,500,000)	(500,000)	(161,463)	(512,417)	(150,000)
Repayments of secured bank loans and hire purchase borrowings	(5,082,723)	(8,006,772)	(9,725,587)	(13,139,876)	(9,451,220)
Proceeds from secured bank loans and hire purchase borrowings	12,320,708	18,474,194	7,340,774	19,496,078	3,985,397
Interest paid	(486,347)	(952,967)	(1,490,087)	(1,451,475)	(1,142,379)
Repayments of lease liabilities	(426,530)	(446,718)	(553,078)	(368,011)	(382,053)
Interest expense on lease liabilities	(17,540)	(18,970)	(28,809)	(18,042)	(22,511)
Repayment of amounts due to the directors	(1,354,659)	-	-	-	-
Advances from/(Repayment to) a related party	300,000	(100,000)	(100,000)	(100,000)	(100,000)
<b>Net cash generated from/(used in) financing activities</b>	<b>6,432,909</b>	<b>8,448,767</b>	<b>(4,718,250)</b>	<b>5,406,257</b>	<b>(7,262,766)</b>
<b>Net increase in cash and cash equivalents</b>	<b>3,117,390</b>	<b>688,281</b>	<b>2,265,342</b>	<b>530,047</b>	<b>1,295,534</b>
Cash and cash equivalents at the beginning of the year/period	2,076,876	5,194,266	5,882,547	8,147,889	5,882,547
<b>Cash and cash equivalents at the end of the year/period (Note 20)</b>	<b>5,194,266</b>	<b>5,882,547</b>	<b>8,147,889</b>	<b>8,677,936</b>	<b>7,178,081</b>

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**FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2021, 2022 AND 2023  
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(cont’d)

Reconciliation of liabilities arising from financing activities is as follows:

				Non-cash changes		
	<u>1 January</u>	<u>Proceeds</u>	<u>Principal</u>	<u>Interest</u>	<u>Lease</u>	<u>31</u>
	<u>S\$</u>	<u>S\$</u>	<u>and interest</u>	<u>expense</u>	<u>remeasurement</u>	<u>December</u>
			<u>payments</u>	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>
<u>Year ended 31 December</u>						
<u>2021</u>						
Secured bank loans and hire purchase						
borrowings	16,285,068	12,320,708	(5,569,070)	486,347	-	23,523,053
Lease liabilities	795,523	-	(444,070)	17,540	-	368,993
Amount due to directors	1,354,659	-	(1,354,659)	-	-	-
Amount due to a related party	-	400,000	(100,000)	-	-	300,000
<u>Year ended 31 December</u>						
<u>2022</u>						
Secured bank loans and hire purchase						
borrowings	23,523,053	18,474,194	(8,959,739)	952,967	-	33,990,475
Lease liabilities	368,993	869,641	(465,688)	18,970	(7,131)	784,785
Amount due to a related party	300,000	-	(100,000)	-	-	200,000
<u>Year ended 31 December</u>						
<u>2023</u>						
Secured bank loans and hire purchase						
borrowings	33,990,475	7,340,774	(11,215,674)	1,490,087	-	31,605,662
Lease liabilities	784,785	450,628	(581,887)	28,809	-	682,335
Amount due to a related party	200,000	-	(100,000)	-	-	100,000

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(cont’d)

Reconciliation of liabilities arising from financing activities is as follows: (cont’d)

	<u>1 January</u>	<u>Proceeds</u>	<u>Principal</u>	<u>Non-cash changes</u>	<u>30 September</u>
	<u>S\$</u>	<u>S\$</u>	<u>and interest</u>	<u>Interest expense</u>	<u>S\$</u>
			<u>payments</u>	<u>S\$</u>	
			<u>S\$</u>		
<u>Nine months period ended</u>					
<u>30 September 2024</u>					
Secured bank loans					
and hire purchase					
borrowings	31,605,662	11,325,262	(6,420,535)	1,451,475	37,961,864
Lease liabilities	682,335	516,367	(386,053)	18,042	830,691
Amount due to a related					
party	100,000	-	(100,000)	-	-
<u>Nine months period ended</u>					
<u>30 September 2023</u>					
<i>(unaudited)</i>					
Secured bank loans					
and hire purchase					
borrowings	33,990,476	2,125,400	(8,733,602)	1,142,379	28,524,653
Lease liabilities	784,785	427,337	(404,564)	22,511	830,069
Amount due to					
a related party	200,000	-	(100,000)	-	100,000

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**APPENDIX A – INDEPENDENT AUDITOR’S REPORT ON THE COMBINED  
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**NOTES TO THE COMBINED FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2021, 2022 AND 2023  
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These notes form an integral part of and should be read in conjunction with the accompanying financial statements:

**1 General Information**

(a) Introduction

The Combined Financial Statements of Vin’s Holdings Ltd (the “Company”) and its subsidiaries (together referred to as the “Group” and individually as “Group entities”) have been prepared in accordance with the principles and the accounting policies set out in Note 3.

The Combined Financial Statements have been prepared solely for inclusion in the Offer Document to be issued in relation to the proposed offering of shares of the Company in connection with the Company’s listing on the Catalist Board of Singapore Exchange Securities Trading Limited (“SGX-ST”).

These Combined Financial Statements of the Group are authorised for issue by the directors of the Company on 14 March 2025.

(b) The Company

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under Cayman Islands Companies Act on 27 January 2022 and became the holding company of our Group upon completion of the Reorganisation, details of which are set out in the section headed “History, Reorganisation and Development” of this prospectus.

The immediate holding company is Vin’s Capital Pte. Ltd., a company incorporated in Singapore. The ultimate controlling shareholder of Vin’s Capital Pte. Ltd. is Madam Boong Lan Hiong.

The Company’s principal activities included the sale, after sales, financing activities and rental and leasing and related services in the automobile industry. The principal activities of its subsidiaries are set out in Notes 5.

**2 Group Reorganisation and Presentation of the Combined Financial Statements**

Prior to the group reorganisation (the “Group Reorganisation”), Vin’s Group Ltd, Khong Chin Kiat, Boong Lan Hiong and Khong Keng Leng (collectively referred to as the “Controlling Shareholders”) held, in aggregate, 100% equity interests of each of the principal subsidiaries of the Company, as disclosed in Note 5. Vin’s Group Ltd, Khong Chin Kiat, Boong Lan Hiong and Khong Keng Leng are acting in concert, historically and throughout the financial years ended 31 December 2021, 2022, 2023 and the nine months period ended 30 September 2024 and beyond, on their ownership and exercise their control over the entities comprising the Group.

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**2 Group Reorganisation and Presentation of the Combined Financial Statements (cont’d)**

In the preparation for the listing of the Company’s shares on the Singapore Stock Exchange, the entities comprising the Group underwent the Group Reorganisation, which included the following steps:

**(i) Incorporation of the Company**

The Company was incorporated on 27 January 2022 in Cayman Islands in accordance with the Cayman Islands Companies Act as an exempted company with limited liability with 1 Share issued and allotted to Vistra (Cayman) Limited at par value per share of US\$0.001. On the same day, Vistra (Cayman) Limited transferred 1 Share to Vin’s Capital Pte. Ltd. and the Company further issued 39,340,799 shares to Vin’s Capital Pte. Ltd. at par value of US\$0.001 per share. Subsequently, the issued and paid-up share capital of the Company became US\$39,341 (equivalent to approximately S\$53,126) comprising 39,340,800 shares entirely held by Vin’s Capital Pte. Ltd..

**(ii) Incorporation of Vin’s Group Ltd**

Vin’s Group Ltd was incorporated on 3 March 2022 with limited liability in British Virgin Islands in accordance with the BVI Business Companies Act, 2004 with 1 ordinary share issued and allotted to the Company. The paid-in capital of US\$1 (approximately S\$1) held directly by the Company.

**(iii) Incorporation of Vin’s Automotive Group Pte. Ltd.**

Vin’s Automotive Group Pte. Ltd. was incorporated on 4 April 2022 under the laws of Singapore as a private company limited by shares with 1 ordinary share issued and allotted to Vin’s Group Ltd. The paid-up capital of S\$1 held directly by Vin’s Group Ltd.

**(iv) Issuance of shares to Vin’s Capital Pte. Ltd.**

On 29 July 2024, the Company issued 60,659,200 ordinary shares to Vin’s Capital Pte. Ltd., for a consideration of US\$60,659 (approximately S\$81,393). Following such issuance of shares, the issued and paid-up share capital of the Company became US\$100,000 (approximately S\$134,519), comprising 100,000,000 shares.

**(v) Increase of authorised share capital of the Company**

On 29 August 2024, the authorised share capital of the Company was increased from US\$100,000 divided into 100,000,000 shares to US\$1,000,000 divided into 1,000,000,000 shares.



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**2 Group Reorganisation and Presentation of the Combined Financial Statements (cont’d)**

In the preparation for the listing of the Company’s shares on the Singapore Stock Exchange, the entities comprising the Group underwent the Group Reorganisation, which included the following steps: (cont’d)

(vi) Issuance of share to Loke Wai Ming

On 6 September 2024, the Company entered into the subscription agreement with Loke Wai Ming for the issue of 11,111,110 ordinary shares to Loke Wai Ming, for a consideration of S\$1,500,000. The share issuance was effected on 19 September 2024 and following such issuance of shares, the issued and paid-up share capital of the Company became US\$111,111 (approximately S\$148,911), comprising 111,111,110 shares. The proceeds from the share issuance may be used for payment of expenses incurred in connection with the Placement and for general working capital purpose.

Under the terms and conditions of the subscription agreement:

- (a) Loke Wai Ming has the right to appoint one executive director to the board of directors, subject to the continuing satisfaction of the board of directors (including the nominating committees or equivalent body), where applicable, the SGX-ST, and the sponsor, of his suitability and eligibility to act as the executive director of the Company, However, such right will cease upon the listing of the Company on the SGX-ST.
- (b) Loke Wai Ming acknowledges that in connection with the listing of the Company, due diligence checks will be conducted to him to ascertain suitability as a director and agrees to extend all relevant cooperation to the Company.
- (c) Loke Wai Ming, the Company and Vincent Khong agree that the Company shall not be liable in the event Loke Wai Ming’s directorship is terminated by the events beyond the control of the Company.

Loke Wai Ming was appointed as a director of the Company on 25 September 2024.

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**2 Group Reorganisation and Presentation of the Combined Financial Statements (cont’d)**

In the preparation for the listing of the Company’s shares on the Singapore Stock Exchange, the entities comprising the Group underwent the Group Reorganisation, which included the following steps: (cont’d)

(vii) Share swap

On 21 February 2025, Vin’s Automotive Group Pte. Ltd. (an indirect wholly-owned subsidiary of the Company) entered into a share swap agreement with each of the sellers set out below, pursuant to which Vin’s Automotive Group Pte. Ltd. acquired all of the issued share capital of each of the corresponding subsidiaries set out below, in return for the issue and allotment of an aggregated 8,890,000 new ordinary shares in the capital of Vin’s Automotive Group Pte. Ltd. (“Consideration Shares”):

<u>Seller</u>	<u>Subsidiary</u>	<u>Number of ordinary shares acquired</u>	<u>Percentage of shares acquired</u>	<u>Number of ordinary shares issued to the relevant seller</u>
Khong Chin Kiat	Vin’s Auto Pte. Ltd.	1,150,000	38%	1,150,000
Boong Lan Hiong		1,350,000	45%	1,350,000
Khong Keng Leng		500,000	17%	500,000
Khong Chin Kiat	Vin’s Motor Pte. Ltd.	150,000	28%	150,000
Boong Lan Hiong		350,000	66%	350,000
Khong Keng Leng		30,000	6%	30,000
Khong Chin Kiat	Vin’s Credit Pte. Ltd.	1,050,000	25%	1,050,000
Boong Lan Hiong		2,250,000	54%	2,250,000
Khong Keng Leng		900,000	21%	900,000
Boong Lan Hiong	Vin’s Car Rental Pte. Ltd.	140,000	70%	140,000
Khong Keng Leng		60,000	30%	60,000
Khong Chin Kiat	K&V Car Rental Pte. Ltd.	380,000	50%	380,000
Boong Lan Hiong		380,000	50%	380,000
Khong Chin Kiat	Vin’s Leasing Pte. Ltd.	140,000	70%	140,000
Khong Keng Leng		60,000	30%	60,000
		<u>8,890,000</u>		<u>8,890,000</u>

The aggregated consideration for the sale and acquisition of the entire share capital of the subsidiaries set out above is S\$8,890,000, arrived at on a willing buyer-willing seller basis based on the share capital of each relevant subsidiary.

The sellers in turn unanimously nominated Vin’s Group Ltd as the allottee of the Consideration Shares, such that Vin’s Group Ltd solely holds all the Consideration Shares as the legal and beneficial owner of such shares.

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**3 Material Accounting Policies**

**(a) Basis of preparation**

The Combined Financial Statements of the Group, expressed in Singapore dollar (“S\$”), have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) consistently throughout the financial years ended 31 December 2021, 2022, 2023 and the nine months period ended 30 September 2024 (“Relevant Periods”).

The Combined Financial Statements have been prepared under the historical cost basis except as disclosed in the accounting policies below.

The preparation of Combined Financial Statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and contingent liabilities at the date of the Combined Financial Statements, and the reported amounts of revenue and expenses during the financial year. Although these estimates are based on management’s best knowledge of current events and actions, actual results may ultimately differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Combined Financial Statements are disclosed in Note 4.

**(b) Application of new and revised SFRS(I)s issued which are effective**

On 1 January 2021, the Group has adopted the new or amended SFRS(I)s that are mandatory for application for the financial year. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I)s. The adoption of these new amendments did not result in substantial changes to the Group’s accounting policies and had no material effect on the amounts reported for the current or prior financial years.

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**3 Material Accounting Policies (cont’d)**

**(c) New and revised SFRS(I)s issued but not yet effective**

At the date of authorisation of these financial statements, the following standards have been issued and are relevant to the Group and Company but not yet effective:

Description		Effective for annual periods beginning on or after
Amendments to SFRS(I) 1-21	Lack of Exchangeability	1 January 2025
Amendments to SFRS(I) 9 and SFRS(I) 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to SFRS(I)s – Volume 11		1 January 2026
SFRS(I) 18	Presentation and Disclosure in Financial Statements	1 January 2027
SFRS(I) 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to SFRS(I) 10 and SFRS(I) 1-28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred indefinitely, early application is still permitted

The directors expect that the adoption of the standards above will have no material impact on the financial statements in the period of initial application.

**SFRS(I) 18: Presentation and Disclosure in Financial Statements**

This standard will replace SFRS(I) 1-1 Presentation of Financial Statements. Whilst many of the requirements will remain consistent, the new standard will have impacts on the presentation of the statement of comprehensive income and consequential impacts on the statement of cash flows. It will also require the disclosure of the non-SFRS(I) management performance measures and may impact the level of aggregation and disaggregation throughout the primary financial statements and the notes.

An entity is required to apply the amendments to SFRS(I) 1-1 for annual reporting periods beginning on or after 1 January 2027. Earlier application is permitted. SFRS(I) 18 requires retrospective application with specific transition provisions.

Other than the above, the directors do not expect any material impact from the application of these standards.

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**3 Material Accounting Policies (cont’d)**

**(d) Group accounting**

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

Goodwill on acquisitions of subsidiaries and businesses, represents the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previously-held equity interest in the acquiree over the fair value of the fair value of the investee’s identifiable net assets acquired. Goodwill on acquisitions of subsidiaries is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment loss. Gains and losses on the disposal of subsidiaries, include the carrying amount of goodwill relating to the entity sold.

The Group applies the acquisition method to account for business combinations when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether an integrated set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process that together significantly contribute to the ability to create output. A business can exist without including all of the inputs and processes needed to create output. The Group has an option to apply a ‘fair value concentration test’ that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The concentration test can be applied on a transaction-by-transaction basis. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. If the test is met, the set of activities and assets is determined not to be a business and no further assessment is needed. If the test is not met, or if the Group elects not to apply the test, a detailed assessment must be performed applying the normal requirements in SFRS(I) 3.

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**3 Material Accounting Policies (cont’d)**

**(d) Group accounting (cont’d)**

Subsidiaries (cont’d)

The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest’s proportionate share of the recognised amounts of acquiree’s identifiable net assets. Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer’s previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

If the total of consideration transferred, non-controlling interest recognised and previously-held interest measured is less than the fair value of the net assets of the subsidiary acquired as in the case of a bargain purchase, the difference is recognised directly in the income statement.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred assets. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group’s accounting policies.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals of interests in subsidiaries to non-controlling interests without loss of control are also recorded in equity.



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**3 Material Accounting Policies (cont’d)**

**(d) Group accounting (cont’d)**

Subsidiaries (cont’d)

When the Group loses control of a subsidiary, it:

- derecognises the assets (including any goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- derecognises the carrying amount of any non-controlling interest (including any components of other comprehensive income attributable to them);
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained in the former subsidiary at its fair value;
- re-classifies the Group’s share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate; and
- recognises any resulting difference in profit or loss.

Business Combinations involving entities under common control

Business Combinations involving entities under common control are accounted for by applying the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts reported in the combined financial statements of the controlling holding company. No adjustments are made to reflect the fair values on the date of combination, or recognise any new assets or liabilities. No additional goodwill is recognised as a result of the combination. Any difference between the consideration paid and the share capital of the “acquired” entity is reflected within equity as merger reserve. The statement of comprehensive income reflects the results of the combining entities for the full year, irrespective of when the combination takes place. Comparatives are presented as if the entities had always been combined since the date the entities had come under common control.

**(e) Investment in subsidiary companies**

Investments in subsidiary companies are carried at cost less accumulated impairment losses in the statement of financial position of the Company.

On disposal of investments in subsidiaries, the difference between the net disposal proceeds and the carrying amount of the investments are recognised in the profit or loss.

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**3 Material Accounting Policies (cont’d)**

**(f) Foreign currencies**

**(i) Functional and presentation currency**

The individual financial statements of each entity in the Group are presented in the currency of the primary economic environment in which the entity operates (its functional currency).

For the purposes of the Combined Financial Statements, the results and financial position of each entity in the Group are expressed in Singapore Dollar (“S\$” or “S\$’000”), which is the functional currency of the Company and the presentation currency for the Combined Financial Statements.

**(ii) Transactions and balances**

In preparing the financial statements of each individual entity, transactions in currencies other than the entity’s functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in profit or loss. Monetary items include primarily financial assets (other than equity investments), contract assets and financial liabilities. However, in the Combined Financial Statements, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and net investment in foreign operations, are recognised in the other comprehensive income and accumulated in the currency translation reserve.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

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**3 Material Accounting Policies (cont’d)**

**(g) Property, plant and equipment**

**(i) Measurement**

All items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

**(ii) Subsequent expenditure**

Subsequent expenditure related to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

**(iii) Depreciation**

Freehold land has an unlimited useful life and therefore is not depreciated.

Depreciation is recognised so as to write off the cost of assets, less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis. In addition, the Group considers climate-related matter when assessing the useful lives or residual values, for example, obsolescence of assets from changes in market demand and other economic factors, or legal restrictions might be placed on the Group’s assets or lead to inaccessibility of the assets.

The following useful lives are used in the calculation of depreciation:

	<u>Useful lives</u>
Leasehold properties	Over the lease period
Computer and Software	3 to 5 years
Office equipment, electrical, fixtures and fittings	3 to 5 years
Machinery	5 years
Renovation	5 to 10 years
Motor vehicles	1 to 10 years

Assets held under leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant leases.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

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**3 Material Accounting Policies (cont’d)**

**(g) Property, plant and equipment (cont’d)**

**(iii) Depreciation (cont’d)**

The residual value, useful life and depreciation method are reviewed at each financial year and adjusted as appropriate at each reporting date. The effects of any revision are recognised in profit or loss when the changes arise.

**(iv) Disposal**

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss. Any amount in revaluation reserve relating to that asset is transferred to retained earnings directly. No transfer is made from the revaluation reserve to retained earnings except when an asset is derecognised.

**(h) Investment property**

Investment property, which are property held to earn rentals and/or for capital appreciation (including property under construction for such purposes and land under operating leases that is held for long-term capital appreciation or for a current indeterminate use), are measured initially at its cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated using a straight-line method to allocate the depreciable amounts over the estimated useful lives of 57 years.

The residual value, useful life and depreciation method is reviewed at the end of each reporting period. The effects of any revision is included in profit or loss for the financial year in which the changes arise.

The Group considers the effect of physical and transition risks and whether investors would consider those risks in their valuation. The group should consider impacts of transition risks due to climate-related legislation and regulations, whereas Governments may implement stricter building codes and energy efficiency standards, necessitating substantial investments to upgrade the existing investment properties. This could drive the market shifts toward sustainable and energy-efficient properties, affecting the rental income and the value of older and less desirable properties. Additionally, profitability may decline due to higher operational costs stemming from increased carbon pricing. For example, lenders and banks may charge higher interest rates for financing less sustainable properties, thereby raising borrowing costs for investors.

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**3 Material Accounting Policies (cont’d)**

**(h) Investment property (cont’d)**

Investment property is subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised and the carrying amounts of the replaced components are recognised in profit or loss. The cost of maintenance, repairs and minor improvements is recognised in profit or loss when incurred.

Investment property is derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the retirement or disposal of an investment property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in profit or loss in the year of retirement or disposal.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use.

When the use of a property changes from owner-occupied to investment property, the property is remeasured to fair value and reclassified accordingly. Any gain arising on remeasurement is recognised in profit or loss to the extent that it reverses a previous impairment loss on the specific property, with any remaining gain recognised in other comprehensive income and presented in the revaluation reserve in equity. Any loss is recognised immediately in profit or loss. When the property is sold, the related amount in the revaluation reserve is transferred to retained earnings.

**(i) Intangible asset**

Intangible assets acquired separately are measured initially at cost. Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least once at each financial year-end.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible asset.

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**3 Material Accounting Policies (cont’d)**

**(i) Intangible asset (cont’d)**

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the profit or loss when the asset is derecognised.

**(j) Government grants**

Grants from the government are recognised at their fair value when there is reasonable assurance that the grant will be received and the Company will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

Government grants relating to assets are deducted against the carrying amount of the assets.

**(k) Inventories**

Inventories are stated at the lower of cost and net realisable value. Costs are determined using the first-in-first-out method.

The cost of finished goods and work-in-progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity) but excludes borrowing costs. Cost also includes any gains or losses on qualifying cash flow hedges of foreign currency purchases of inventories that are transferred from the hedging reserve.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.



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**3 Material Accounting Policies (cont’d)**

**(I) Financial assets**

**(i) Classification and Measurement**

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value either through other comprehensive income (“FVOCI”) or through profit or loss (“FVPL”), and
- those to be measured at amortised cost.

The classification depends on the Group’s business model for managing the financial assets and the contractual terms of the cash flows. The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Initial recognition

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amount collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

The Group recognises a financial asset arising from a service concession arrangement when it has an unconditional contractual right to receive cash from or at the direction of the grantor for the construction services provided, and the right to receive cash depends only on the passage of time. Such financial assets are measured at fair value on initial recognition and classified as financial assets measured at amortised cost.

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**3 Material Accounting Policies (cont’d)**

**(I) Financial assets (cont’d)**

**(i) Classification and Measurement (cont’d)**

Subsequent measurement

**a) Debt instruments**

Debt instruments mainly comprise of cash and bank balances and trade and other receivables. Subsequent measurement of debt instruments depends on the Group’s business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

Amortised cost

These assets are subsequently measured at amortised cost using the effective interest method unless they are part of a designated hedging relationship. Impairment losses and reversals, interest income, and foreign exchange gains and losses (except where designated as a hedging instrument) on such assets are recognised in profit and loss. Interest income is based on the effective interest method which allocates interest income over the life of the financial asset based on an effective interest rate that discounts estimated future cash receipts to its gross carrying amount.

For debt investments at amortised cost that will be affected by the interest rate benchmark reform, changes to the contractual cash flows that are required by the interest rate benchmark reforms are effected by adjusting the effective interest rate of the debt investments, without recognising any immediate gains or losses.

FVPL

These assets are subsequently measured at fair value. All fair value movements are recorded in profit and loss.

In addition, debt instruments that meet either the amortised cost criteria or the FVOCI criteria may be designated as at FVPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instruments as at FVPL.

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**3 Material Accounting Policies (cont’d)**

**(I) Financial assets (cont’d)**

**(ii) Impairment**

At each reporting date, the Group assesses ECLs on the following financial instruments:

- financial assets that are debt instruments measured at amortised costs and FVOCI;
- contract assets (as defined in SFRS(I) 15); and
- financial guarantee contracts.

ECLs is a probability-weighted estimate of credit losses. Credit losses are measured at the present value of all shortfalls between the cash flows due to the Group in accordance with contractual terms, and the cash flows that the Group actually expects to receive. ECLs is discounted at the effective interest rate of the financial asset. The Group records allowances on financial assets based on either the:

- 12-month ECLs – representing the ECLs that results from default events that are possible within the 12 months after the reporting date (or the expected life of the instrument if shorter); or
- Lifetime ECLs – representing the ECLs that results from all possible default events over the expected life of the contract.

The impairment methodology applied depends on whether there has been a significant increase in credit risk.

**Simplified approach - Trade receivables**

For all trade receivables (including hire purchase receivables), the Group adopts a simplified approach whereby an allowance for lifetime ECLs is assessed upon initial recognition. The Group estimates lifetime ECLs using a provision matrix based on historical credit loss experience, adjusted for various factors including debtor-specific factors, forward-looking information such as industry and economic forecasts, climate-related risks and other as appropriate.

**General approach – Other financial instruments and financial guarantee contracts (“FGC”)**

For all other financial instruments on which ECLs is assessed, an allowance for 12-month ECLs is recorded upon initial recognition. The allowance is increased to lifetime ECLs if the credit risk at each reporting date has increased significantly as compared to the credit risk at initial recognition. In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group considers all reasonable and supportable information that is relevant and available without undue cost or effort including both historical credit experience and forward-looking information and climate-related risks.

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**3 Material Accounting Policies (cont’d)**

**(I) Financial assets (cont’d)**

**(ii) Impairment (cont’d)**

General approach – Other financial instruments and financial guarantee contracts (“FGC”)  
(cont’d)

Forward-looking information considered includes the future prospects of the industries in which the Group’s debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group’s core operations.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group regards the following as events of default:

- events that make it unlikely for the borrower to repay in full unless the Group undertakes actions to recover the assets (e.g., exercising rights over collateral or other credit enhancements); or
- the financial instrument has become overdue in excess of 90 days.

The Company considers a FGC to be in default when the debtor of the loan is unlikely to pay its credit obligations to the creditor and the Company in full, without recourse by the Company to actions such as realising security (if any is held). The Company only applies a discount rate if, and to the extent that, the risks are not taken into account by adjusting the expected cash shortfalls.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Credit-impaired financial assets

At each reporting date, the Group assesses whether a financial instrument on which ECLs assessment is required has become credit-impaired. This is the case when one or more events have occurred that are considered to be detrimental to the estimated future cash flows of the instruments.

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**3 Material Accounting Policies (cont’d)**

**(I) Financial assets (cont’d)**

**(ii) Impairment (cont’d)**

Credit-impaired financial assets (cont’d)

Evidence that a financial asset is credit-impaired includes the observable data about the following events:

- significant financial difficulty of the borrower;
- a breach of contract such as a default or past due event (e.g., more than 90 days past due);
- other lenders granting concessions (such as loan restructuring) to the borrower due to economic or contractual reasons, that would not have been considered in the absence of the borrower’s financial difficulty;
- increasing likelihood that the borrower will enter bankruptcy or other financial re-organisation; and
- the disappearance of an active market for the borrower’s securities due to financial difficulties.

For credit-impaired financial assets, interest income is determined by applying the effective interest rate to the net carrying amount of the financial asset (after deduction of ECLs allowance).

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, such as when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group’s recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

**(iii) Recognition and derecognition**

Financial assets are recognised when, and only when the Group becomes party to the contractual provisions. All regular way purchases and sales of financial assets are recognised on trade-date, which is the date on which the Group commits to purchase or sell the asset.

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

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**3 Material Accounting Policies (cont’d)**

**(l) Financial assets (cont’d)**

**(iii) Recognition and derecognition (cont’d)**

On derecognition of a financial asset that is a debt instrument, the difference between the asset’s carrying amount and the sum of the consideration received and the receivable is recognised in profit or loss. In addition, for a financial asset that is a debt instrument at FVOCI, the cumulative gain or loss previously accumulated in the fair value adjustment reserve is reclassified to profit or loss.

On derecognition of an equity instrument at FVPL, the difference between the asset’s carrying amount and the sum of the consideration received and the receivable is recognised in profit or loss. For equity investments at FVOCI, the difference is instead recognised directly in equity as part of retained earnings. Cumulative gains or loss previously accumulated in equity are also transferred directly to retained earnings upon derecognition of FVOCI equity investments.

**(m) Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowings of funds.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

**(n) Cash and cash equivalents**

For the purpose of presentation in the combined statements of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are presented as current borrowings on the statements of financial position.

**(o) Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are charged to equity, net of any tax effects.



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**3 Material Accounting Policies (cont’d)**

**(p) Provisions**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

**(q) Financial guarantees**

The Company has issued corporate guarantees to banks for borrowings of its subsidiaries. These guarantees are financial guarantees as they require the Company to reimburse the bank if the subsidiaries fail to make principal or interest payments when due in accordance with the terms of their borrowings.

Financial guarantees contracts are recognised as a financial liability at the time the guarantee is issued. Financial guarantees are measured initially at their fair values and, if not designated as at FVPL and do not arise from a transfer of a financial assets, are subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with expected credit loss model under SFRS(I) 9; and
- the amount initially recognised less, where appropriate, cumulative amount of income recognised in accordance with the principles of SFRS(I) 15.

Financial guarantee in the separate financial statements

ECLs are a probability-weighted estimate of credit losses. ECLs are measured for financial guarantees issued as the expected payments to reimburse the holder less any amounts that the Group expects to recover. Loss allowances for ECLs for financial guarantees issued are presented in the Group’s statement of financial position as ‘other financial liabilities’.

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**3 Material Accounting Policies (cont’d)**

**(r) Financial liabilities**

**(i) Financial liabilities**

The Group recognises financial liability on its statements of financial position when, and only when, the entity becomes a party to the contractual provisions of the instruments.

Financial liabilities (including bank borrowings and trade and other payables) are recognised initially at fair value plus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial liability. All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVPL.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integrated part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period to the amortised cost of a financial liability.

Bank borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the reporting period.

A financial liability is classified as non-current if the Group has the right to defer settlement for at least twelve months after the reporting period. This right must exist and be substantive as of the reporting date.

**(ii) Derecognition of financial liabilities**

The Group derecognises financial liabilities when, and only when, the Group’s obligations are discharged, cancelled or they have expired. The difference between the carrying amount of the financial liability that has been derecognised and the consideration paid and payable (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

**(s) Impairment of non-financial assets other than goodwill**

Non-financial assets other than goodwill are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

At the end of each reporting period, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any), on an individual asset.

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**3 Material Accounting Policies (cont’d)**

**(s) Impairment of non-financial assets other than goodwill (cont’d)**

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

The Group should also take into account the climate-related risks, including physical risks and transition risks (if applicable), in the cash-flow forecasts when determining value-in-use amounts, as these climate related risks will have an impact on the viability of their business going forward. Various physical risks should be considered by the Group, such as increased frequency and severity of weather events like floods, hurricanes and droughts can disrupt the supply chains by damaging the infrastructure, as this disruption can impact the revenue recognition and potentially impair the value of the intangible assets. Transitional risks associated with the swift to a low-carbon economy may require businesses to adopt new technologies or modify their business models, resulting in significant investments and operational regulations, carbon pricing mechanisms, and shifting market preferences, as consumers increasingly favor more sustainable products and services.

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**3 Material Accounting Policies (cont’d)**

**(t) Revenue recognition**

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation (“PO”) by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A PO may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied PO.

**(i) Sales of motor vehicles**

Revenue from the sale of motor vehicles and spare parts is recognised upon the transfer of control to the customer which generally coincides with the time the motor vehicles or spare parts are delivered and accepted by the customers.

**(ii) Rental income**

Rental income from leasing of motor vehicles is recognised on a straight-line basis in accordance with the terms of the operating leases.

**(iii) Service income**

Service income from the provision of repair of motor vehicles is recognised at a point of time upon the conclusion of the service rendered.

**(iv) Interest income and expense from car financing services**

Interest income and expense from car financing services are recognised in profit or loss as they accrue, taking into account the effective yield of the asset or liability or an applicable fixed or floating rate. Where charges are added to the principal financed at the commencement of the period, the general principle adopted for crediting income to profit or loss is to spread the income over the period in which the repayments are due.

Term charges on hire purchase transactions are accounted for using the effective interest rate method. The balance of such term charges at the financial year end is carried forward as unearned charges.

**(v) Other income from car financing services**

Other income from car financing services consists of processing fee income and early settlement fee income. Processing fee income are recognised on a time proportion basis. Early settlement fee income is recognised in the period which the early settlement has been made by the hirer.

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**3 Material Accounting Policies (cont’d)**

**(t) Revenue recognition (cont’d)**

**(vi) Commission income**

Commission income is recognised in the period in which the services have been performed and rendered.

**(u) Leases**

**(i) When the Group is a lessee**

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

The Group recognises right-of-use assets and lease liabilities at the date which the underlying assets become available for use. Right-of-use assets are measured at cost, which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement dates, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

Right-of-use assets are subsequently depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use assets are periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the corresponding lease liabilities. The Group presents its right-of-use assets in “property, plant and equipment” in the statement of financial position.

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**3 Material Accounting Policies (cont’d)**

**(u) Leases (cont’d)**

**(i) When the Group is a lessee (cont’d)**

The initial measurement of lease liabilities is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivables;
- Variable lease payments that are based on an index or rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under residual value guarantees;
- The exercise price of a purchase option if it is reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

For contracts that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease components. The Group has elected not to separate lease and non-lease components for property leases; instead, these are accounted for as one single lease component.

Lease liabilities are measured at amortised cost, and are remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Group’s assessment of whether it will exercise lease extension and termination options;
- There is a change in the Group’s estimate of the amount expected to be payable under a residual value guarantee; or
- There is a modification to the lease term.

When lease liabilities are remeasured, corresponding adjustments are made against the right-of-use assets. If the carrying amounts of the right-of-use assets have been reduced to zero, the adjustments are recorded in profit or loss. The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less, as well as leases of low value assets, except in the case of sub-lease arrangements. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

Variable lease payments that are based on an index or a rate are included in the measurement of the corresponding right-of-use assets and lease liabilities. Other variable lease payments are recognised in profit or loss when incurred.



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**3 Material Accounting Policies (cont’d)**

**(u) Leases (cont’d)**

**(i) When the Group is a lessee (cont’d)**

Short-term lease and lease of low-value assets

The Group applies the short-term leases recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payment on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

**(ii) When the Group is a lessor**

Each lease in which the Group acts as a lessor is classified as either an operating or a finance lease at lease inception. Leases that transfer substantially all of the risks and rewards incidental to ownership of the underlying assets are classified as finance leases. Other leases are classified as operating leases.

Lessor – operating leases

Leases of investment properties where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income. Contingent rents are recognised as income in profit or loss when earned.

Leases in which the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

Sub-lease arrangements where the Group acts as an intermediate lessor are classified as finance or operating leases with reference to the right-of-use asset arising from the head lease, rather than the underlying asset. Where the Group has applied the short-term lease exemption to the head lease, then the sub-lease will be classified as an operating lease.

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**3 Material Accounting Policies (cont’d)**

**(v) Income tax**

Income tax expense represents the sum of the tax currently payable and deferred tax.

**(i) Current tax**

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The Group periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

In October 2024, Singapore has introduced new tax provisions for in-scope multinational enterprise groups, which are defined as those with annual group consolidated revenue of at least EUR 750 million in two or more of the four preceding financial years, and with at least one entity or permanent establishment that is not located in the jurisdiction of the parent entity (“Pillar Two tax legislation”). The Group is not in scope of the new regulations.

**(ii) Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Such assets and liabilities are not recognised if the temporary difference arises from (i) initial recognition of goodwill or (ii) initial recognition of assets and liabilities in a transaction that is not a business combination, and at the time of the transaction affects neither accounting nor taxable profit, and does not give rise to equal taxable and deductible temporary differences.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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**3 Material Accounting Policies (cont’d)**

**(v) Income tax (cont’d)**

**(ii) Deferred tax (cont’d)**

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

The Group recognises a previously unrecognised deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, would be recognised subsequently if new information about facts and circumstances changed. The adjustment would either be treated as a reduction to goodwill (as long as it does not exceed goodwill) if it is incurred during the measurement period or in profit or loss.

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefit embodied in the investment property over time, rather than through sale.

**(iii) Current and deferred tax for the period**

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where the current and deferred tax arises from the initial accounting for a business combination, the tax effect is taken into account in the accounting for the business combination.

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**3 Material Accounting Policies (cont’d)**

**(w) Related parties**

A related party is defined as a related party is a person or entity that is related to the entity that is preparing its financial statements (referred to as the “reporting entity”).

- a. A person or a close member of that person’s family is related to the Group and Company if that person:
  - i. has control or joint control over the reporting entity;
  - ii. has significant influence over the reporting entity; or
  - iii. is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- b. An entity is related to the Group and the Company if any of the following conditions applies:
  - i. the entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
  - ii. one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
  - iii. both entities are joint ventures of the same third party;
  - iv. one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
  - v. the entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity;
  - vi. the entity is controlled or jointly controlled by a person identified in (a);
  - vii. a person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
  - viii. the entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

**(x) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the executive committee whose members are responsible for allocating resources and assessing performance of the operating segments.

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**4 Critical Accounting Judgements and Key Sources of Estimation Uncertainty**

In the application of the Group’s accounting policies, which are described in Note 3, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

**(i) Critical judgements in applying accounting policies**

Management is of the opinion that there are no significant judgements made in applying accounting estimates and policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**(ii) Key sources of estimation uncertainty**

The following are the key assumptions concerning the future, including climate-related risks and opportunities (where appropriate) and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**(a) Net realisable value of inventories**

The Group’s motor vehicles held as inventory for sale are reviewed periodically for their net realisable value. Management determines the net realisable value of motor vehicles by applying judgement and certain key assumptions. Management evaluates, among other factors, the conditions of the motor vehicles, prevailing Certificate of Entitlement quota and premium, customer’s preferences, past sales performance of respective models and future marketing strategies. Management will adjust the carrying amount of the motor vehicles to the realisable value when they are different to the previously estimated cost.

The carrying amount of the Group’s inventories as at 31 December 2021, 2022, and 2023 and 30 September 2024 are set out in Note 17.

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**4 Critical Accounting Judgements and Key Sources of Estimation Uncertainty (cont’d)**

(ii) Key sources of estimation uncertainty (cont’d)

(b) Provision for expected credit losses of trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables (including hire purchase receivables). The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group’s historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group’s historical credit loss experience and forecast of economic conditions may also not be representative of customer’s actual default in the future. The information about the ECLs on the Group’s trade receivables is disclosed in Note 29.

The carrying amount of the Group’s trade receivables as at 31 December 2021, 2022, 2023 and 30 September 2024 is disclosed in Note 18.

(c) Useful lives of property, plant and equipment

The Group’s property, plant and equipment is depreciated on a straight-line basis over the plant and equipment’s economic useful lives. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets; therefore, depreciation charges could be revised.

The carrying amount of the Group’s property, plant and equipment as at 31 December 2021, 2022, 2023 and 30 September 2024 is disclosed in Note 14.



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**5 Subsidiaries**

The Group, after the restructuring exercise, comprises the Company and the following subsidiaries:

Name of Company and Country of incorporation	Principal activities	Effective equity interest held by the Group				
		As at 31 December			As at 30 September	
		<u>2021</u> %	<u>2022</u> %	<u>2023</u> %	<u>2024</u> %	<u>2023</u> %
Vin’s Group Ltd <sup>(1) (2)</sup> British Virgin Islands (“BVI”)	Equity holding	-	100	100	100	100
Vin’s Automotive Group Pte. Ltd. <sup>(1) (2)</sup> Singapore	Investment holding	-	100	100	100	100
Vin’s Auto Pte. Ltd. <sup>(3)</sup> Singapore	Automobile sales	-	100	100	100	100
Vin’s Credit Pte. Ltd. <sup>(3)</sup> Singapore	Automobile financing	-	100	100	100	100
Vin’s Motor Pte. Ltd. <sup>(3)</sup> Singapore	Automobile maintenance and repair	-	100	100	100	100
Vin’s Car Rental Pte. Ltd. <sup>(3)</sup> Singapore	Automobile rental and leasing services	-	100	100	100	100
Vin’s Leasing Pte. Ltd. <sup>(3)</sup> Singapore	Automobile rental and leasing services	-	100	100	100	100
K&V Car Rental Pte. Ltd. <sup>(3)</sup> Singapore	Automobile rental and leasing services	-	100	100	100	100

<sup>(1)</sup> Incorporated in financial year ended 31 December 2022.

<sup>(2)</sup> Reviewed by Moore Stephens LLP, Singapore for the audit of this set of Combined Financial Statements

<sup>(3)</sup> Audited by Moore Stephens LLP Singapore.

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**6 Revenue and Contract Liabilities**

(a) Disaggregation of revenue

The Group’s revenue is disaggregated by the type of goods or services provided to customers, and timing of goods or services transferred.

	Year ended 31 December			Nine months period ended 30 September	
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	S\$	S\$	S\$	S\$	S\$
					<i>(unaudited)</i>
Sales of motor vehicles	65,735,188	78,617,533	88,601,528	67,473,514	69,923,993
Service income	4,691,436	6,108,728	8,585,561	8,360,505	6,185,161
From motor vehicles financing services:					
- Interest income	1,842,772	3,291,757	4,364,703	4,063,567	3,120,803
- Other income	686,347	1,071,409	1,406,811	1,092,057	946,620
Rental income	1,890,645	2,166,438	2,601,103	2,023,759	1,989,902
Sales of spare parts	69,109	132,231	141,019	151,728	99,448
Commission income	475,548	449,819	728,434	524,120	533,442
	<u>75,391,045</u>	<u>91,837,915</u>	<u>106,429,159</u>	<u>83,689,250</u>	<u>82,799,369</u>
Timing of revenue recognition:					
- At a point in time	70,880,251	86,127,761	99,293,620	77,362,966	77,616,497
- Over time	4,510,794	5,710,154	7,135,539	6,326,284	5,182,872
	<u>75,391,045</u>	<u>91,837,915</u>	<u>106,429,159</u>	<u>83,689,250</u>	<u>82,799,369</u>

(b) Contract liabilities

	1 January <u>2021</u> S\$	31 December <u>2021</u> S\$	31 December <u>2022</u> S\$	31 December <u>2023</u> S\$	30 September <u>2024</u>
<u>Contract liabilities</u>					
Non-current	83,930	83,930	96,908	84,734	65,231
Current	126,533	58,120	63,502	66,030	55,146
	<u>210,463</u>	<u>142,050</u>	<u>160,410</u>	<u>150,764</u>	<u>120,377</u>

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**6 Revenue and Contract Liabilities (cont’d)**

(b) Contract liabilities (cont’d)

Contract liabilities relate to the Group’s obligation to provide services to customers for which the Group has received advances from customers. Contract liabilities are recognised as revenue over the period the services are provided.

	<u>2021</u> S\$	31 December <u>2022</u> S\$	<u>2023</u> S\$	30 September <u>2024</u> S\$
Revenue recognised in the current year that was included in the contract liabilities at the beginning of the year	88,350	58,120	63,502	49,523
Changes due to cash received, excluding amount recognised as revenue during the year	19,937	76,480	53,856	19,136

**7 Other Income**

	<u>2021</u> S\$	Year ended 31 December <u>2022</u> S\$	<u>2023</u> S\$	Nine months period ended 30 September <u>2024</u> S\$	<u>2023</u> S\$ (unaudited)
Interest income	898	1,033	129,137	71,483	401
Finance income	6,108	6,278	1,825	-	1,825
Gain on disposal of property, plant and equipment, net	32,789	104,452	188,973	33,847	191,406
Fair value gains in financial assets, at fair value through profit or loss	-	-	13,914	-	-
Government grants	126,925	138,899	224,364	172,407	224,846
Operating lease rental income:					
- investment property	29,813	33,241	34,845	28,800	28,800
Rental income	-	-	28,800	24,000	21,600
Road tax rebates	39,458	63,950	44,769	-	36,126
Sundry income	13,755	49,080	200,453	308,838	78,866
	249,746	396,933	867,080	639,375	583,870

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**8 Finance Expenses**

	Year ended 31 December			Nine months period ended 30 September	
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	S\$	S\$	S\$	S\$	S\$
					(unaudited)
Interest expense on:					
- borrowings	486,347	952,967	1,490,087	1,451,475	1,142,379
- lease liabilities (Note 23)	17,540	18,970	28,809	18,042	22,511
	<u>503,887</u>	<u>971,937</u>	<u>1,518,896</u>	<u>1,469,517</u>	<u>1,164,890</u>

**9 Other Operating Expenses**

	Year ended 31 December			Nine months period ended 30 September	
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	S\$	S\$	S\$	S\$	S\$
					(unaudited)
Bad debts written off	5,541	-	-	-	-
Property, plant and equipment written off	4,588	1,965	-	20,170	-
Loss on lease remeasurement	-	16,027	-	-	-
Fair value losses in financial assets, at fair value through profit or loss (Note 19)	81,667	166,924	-	2,129	-
	<u>91,796</u>	<u>184,916</u>	<u>-</u>	<u>22,299</u>	<u>-</u>

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**10 Profit before IncomeTax**

Profit before income tax has been arrived at after charging:

	Year ended 31 December			Nine months period ended 30 September	
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	S\$	S\$	S\$	S\$	S\$
					<i>(unaudited)</i>
Audit fees paid to: *					
- auditors of the Company	78,343	17,485	37,774	35,674	29,119
- other auditors	14,693	-	-	-	-
Amortisation of intangible assets	-	2,493	3,192	2,398	2,394
Depreciation of property, plant and equipment	1,467,471	1,663,099	2,122,939	1,626,090	1,586,565
- recognised in cost of sales	925,183	1,009,390	1,247,866	983,798	941,148
- recognised in administration expenses	542,288	653,709	875,073	642,292	645,417
Depreciation expense on investment property	20,424	20,424	20,423	15,318	15,318
Advertising and promotions	214,970	310,249	486,214	399,008	324,294
Commissions paid	300,784	379,447	413,005	201,060	316,846
Legal and professional fees	50,265	100,108	49,888	51,222	4,790
Listing expenses	-	-	-	585,898	-

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**11 Employee Benefits**

	Year ended 31 December			Nine months period ended 30 September	
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	S\$	S\$	S\$	S\$	S\$
					(unaudited)
Directors’ fees	120,000	150,000	200,000	-	-
Directors’ remuneration					
- salaries and related costs	369,010	398,417	373,002	306,060	282,000
- defined contribution plans	38,600	45,468	47,250	39,870	34,770
Key management personnel (other than directors)					
- salaries and related costs	193,063	193,346	222,492	310,228	171,782
- defined contribution plans	26,249	25,120	28,315	34,053	23,163
Other than directors and key management personnel					
- salaries and related costs	1,146,116	1,679,880	2,781,181	2,626,544	1,966,116
- defined contribution plans	74,804	93,240	202,416	163,500	123,072
	<u>1,967,842</u>	<u>2,585,471</u>	<u>3,854,656</u>	<u>3,480,255</u>	<u>2,600,903</u>



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**12 Income Tax**

	Year ended 31 December			Nine months period ended 30 September	
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	S\$	S\$	S\$	S\$	S\$
					(unaudited)
Current income tax					
- Current year/period	465,532	458,964	399,165	544,629	329,403
- (Over)/under provision in respect of prior years	(5,585)	53,398	(71,719)	-	-
	459,947	512,362	327,446	544,629	329,403
Deferred tax (Note 24)					
- Arising from temporary differences	-	-	47,627	-	-
- Under provision in respect of prior years	-	-	-	134,910	-
	459,947	512,362	375,073	679,539	329,403

A reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the Relevant Periods was as follows:

	Year ended 31 December			Nine months period ended 30 September	
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	S\$	S\$	S\$	S\$	S\$
					(unaudited)
Profit before income tax	2,925,598	3,287,786	3,644,027	2,721,516	2,819,859
Tax calculated at tax rates of 17%	497,352	558,924	619,485	462,658	479,376
Non-deductible expenses	57,356	81,369	83,040	141,342	48,841
Non-taxable income	(36,901)	(36,243)	(89,458)	(7,096)	(32,539)
Singapore statutory stepped income exemption and tax rebate	(52,275)	(52,275)	(166,275)	(52,275)	(166,275)
Utilisation of capital allowances not recognised previously	-	(92,811)	-	-	-
(Over)/under provision in respect of prior years:					
- income tax	(5,585)	53,398	(71,719)	-	-
- deferred tax	-	-	-	134,910	-
	459,947	512,362	375,073	679,539	329,403

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**12 Income Tax (cont’d)**

Non-deductible expenses mainly pertain to the depreciation of plant and equipment and the fair value loss on financial assets at FVPL.

Non-taxable income for the financial year ended 31 December 2023 mainly pertains to the fair value gain on financial assets at FVPL.

**13 Earnings Per Share**

	Year ended 31 December			Nine months period ended 30 September	
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	Singapore cents	Singapore cents	Singapore cents	Singapore cents	Singapore cents (unaudited)
Basic earnings per share	2.22	2.50	2.94	1.84	2.24
Fully diluted earnings per share	2.22	2.50	2.94	1.84	2.24

Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the Company by the pre-placement share capital of 111,111,110 shares.

The earnings and pre-placement share capital used in the calculation of basic earnings per share are as follows:

	Year ended 31 December			Nine months period ended 30 September	
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	S\$	S\$	S\$	S\$	S\$ (unaudited)
Profit for the year attributable to equity holders of the Company	2,465,651	2,775,424	3,268,954	2,041,977	2,490,456
Pre-placement share capital for the purposes of basic earnings per share	111,111,110	111,111,110	111,111,110	111,111,110	111,111,110

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**13 Earnings Per Share (cont’d)**

Diluted earnings per share

For the purpose of calculating diluted earnings per share, profit attributable to equity holders of the Company and the pre-placement share capital are adjusted for the effects of all dilutive potential ordinary shares of the Company.

The Group has no dilution in its earnings per share as at 30 September 2024 (31 December 2023: nil, 31 December 2022: nil, 31 December 2021: nil).

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**14 Property, Plant and Equipment**

<u>31 December 2021</u>	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>
<b>Cost</b>								
At 1 January	1,318,475	508,946	246,235	94,980	346,313	9,831,590	12,346,539	
Additions	-	82,178	5,000	-	92,929	1,397,220	1,577,327	
Disposals	-	-	-	-	-	(662,570)	(662,570)	
Written off	(175,735)	(34,461)	-	-	-	-	(210,196)	
At 31 December	1,142,740	556,663	251,235	94,980	439,242	10,566,240	13,051,100	
<b>Accumulated depreciation</b>								
At 1 January	573,534	461,581	178,370	91,830	174,844	2,807,773	4,287,932	
Depreciation for the year	401,460	23,760	28,312	2,520	80,443	930,976	1,467,471	
Disposals	-	-	-	-	-	(196,411)	(196,411)	
Written off	(175,735)	(29,873)	-	-	-	-	(205,608)	
At 31 December	799,259	455,468	206,682	94,350	255,287	3,542,338	5,353,384	
<b>Net book value</b>								
At 31 December	343,481	101,195	44,553	630	183,955	7,023,902	7,697,716	

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**14 Property, Plant and Equipment (cont’d)**

<u>31 December 2022</u>	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>
<b>Cost</b>							
At 1 January	1,142,740	556,663	251,235	94,980	439,242	10,566,240	13,051,100
Additions	4,978,841	166,268	33,515	-	151,780	1,800,900	7,131,304
Disposals	-	-	-	-	-	(787,784)	(787,784)
Written off	(476,094)	-	-	-	(3,275)	(3,539)	(482,908)
Lease modification	(23,158)	-	-	-	-	-	(23,158)
At 31 December	5,622,329	722,931	284,750	94,980	587,747	11,575,817	18,888,554
<b>Accumulated depreciation</b>							
At 1 January	799,259	455,468	206,682	94,350	255,287	3,542,338	5,353,384
Depreciation for the year	515,104	37,308	24,624	630	69,483	1,015,950	1,663,099
Disposals	-	-	-	-	-	(262,076)	(262,076)
Written off	(476,094)	-	-	-	(1,310)	(3,539)	(480,943)
At 31 December	838,269	492,776	231,306	94,980	323,460	4,292,673	6,273,464
<b>Net book value</b>							
At 31 December	4,784,060	230,155	53,444	-	264,287	7,283,144	12,615,090

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**14 Property, Plant and Equipment (cont’d)**

<u>31 December 2023</u>	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>
<b>Cost</b>	<b>Leasehold properties</b>	<b>Computer &amp; software</b>	<b>Office equipment, electrical, fixtures &amp; fittings</b>	<b>Machinery</b>	<b>Renovation</b>	<b>Motor vehicles</b>	<b>Total</b>		
At 1 January	5,622,329	722,931	284,750	94,980	587,747	11,575,817	18,888,554		
Additions	450,628	42,310	15,423	-	249,881	3,035,000	3,793,242		
Disposals	-	-	-	-	-	(2,294,015)	(2,294,015)		
Written off	(643,489)	-	-	-	-	-	(643,489)		
At 31 December	5,429,468	765,241	300,173	94,980	837,628	12,316,802	19,744,292		
<b>Accumulated depreciation</b>									
At 1 January	838,269	492,776	231,306	94,980	323,460	4,292,673	6,273,464		
Depreciation for the year	689,210	74,094	27,491	-	77,718	1,254,426	2,122,939		
Disposals	-	-	-	-	-	(995,536)	(995,536)		
Written off	(643,489)	-	-	-	-	-	(643,489)		
At 31 December	883,990	566,870	258,797	94,980	401,178	4,551,563	6,757,378		
<b>Net book value</b>									
At 31 December	4,545,478	198,371	41,376	-	436,450	7,765,239	12,986,914		



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**14 Property, Plant and Equipment (cont’d)**

<u>30 September 2024</u>	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>
<b>Cost</b>	<b>Leasehold properties</b>	<b>Computer &amp; software</b>	<b>Office equipment, electrical, fixtures &amp; fittings</b>	<b>Machinery</b>	<b>Renovation</b>	<b>Motor vehicles</b>	<b>Total</b>	<b>S\$</b>
At 1 January	5,429,468	765,241	300,173	94,980	837,628	12,316,802	19,744,292	
Additions	2,592,597	55,597	-	-	79,868	1,887,800	4,615,862	
Disposals	-	-	-	-	-	(1,539,975)	(1,539,975)	
Written off	(177,446)	(444,829)	(207,824)	(86,466)	(81,792)	(102,923)	(1,101,280)	
Reclassification	-	3,824	(3,824)	-	-	-	-	
At 30 September	7,844,619	379,833	88,525	8,514	835,704	12,561,704	21,718,899	
<b>Accumulated depreciation</b>								
At 1 January	883,990	566,870	258,797	94,980	401,178	4,551,563	6,757,378	
Depreciation for the year	491,488	61,324	16,214	-	64,713	992,351	1,626,090	
Disposals	-	-	-	-	-	(464,545)	(464,545)	
Written off	(177,446)	(424,659)	(207,824)	(86,466)	(81,792)	(102,923)	(1,081,110)	
Reclassification	-	956	(956)	-	-	-	-	
At 30 September	1,198,032	204,491	66,231	8,514	384,099	4,976,446	6,837,813	
<b>Net book value</b>								
At 30 September	6,646,587	175,342	22,294	-	451,605	7,585,258	14,881,086	

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**14 Property, Plant and Equipment (cont’d)**

As at 30 September 2024, the carrying amount of motor vehicles amounting to S\$5,675,789 (31 December 2023: S\$5,661,336, 31 December 2022: S\$5,850,810, 31 December 2021: S\$5,113,185) were pledged for hire purchase financing (Note 22).

Right-of-use assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 23. Cash payments of S\$3,135,315 (31 December 2023: S\$3,342,614, 31 December 2022: S\$6,261,663, 31 December 2021: S\$1,577,327) were made to purchase plant and equipment.

The breakdown of depreciation charged for the financial periods is as follows:

	Nine months period ended 30 September	
	<u>2024</u>	<u>2023</u>
	S\$	S\$
		(unaudited)
Depreciation included in profit or loss:		
- recognised in cost of sales	983,798	941,148
- recognised in administration expenses	642,292	645,417
	<u>1,626,090</u>	<u>1,586,565</u>

**15 Investment Property**

	<u>2021</u>	31 December <u>2022</u>	<u>2023</u>	30 September <u>2024</u>
	S\$	S\$	S\$	S\$
<b>Cost</b>				
At 1 January and 31 December/ 30 September	1,155,628	1,155,628	1,155,628	1,155,628
<b>Accumulated depreciation</b>				
At 1 January	124,243	144,667	165,091	185,514
Depreciation for the year/period	20,424	20,424	20,423	15,318
At 31 December/30 September	<u>144,667</u>	<u>165,091</u>	<u>185,514</u>	<u>200,832</u>
<b>Net book value</b>				
Balance at 31 December/ 30 September	<u>1,010,961</u>	<u>990,537</u>	<u>970,114</u>	<u>954,796</u>

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**15 Investment Property (cont’d)**

The fair value of the investment property as at 30 September 2024 was approximately S\$1,150,000 (31 December 2023: S\$1,120,000, 31 December 2022: S\$1,508,000, 31 December 2021: S\$1,500,000). The valuation was carried out by management based on research from the market. The valuation was arrived at by reference to market evidence of transacted prices per square feet in the open market for similar properties with an adjustment made to size of unit area.

Investment property is leased to a third party under an operating lease, further summary details of which are included in Note 27 to the financial statements. During the nine months period ended 30 September 2024, rental income from the investment property amounted to S\$28,800 (30 September 2023: S\$28,800, 31 December 2023: S\$34,845, 31 December 2022: S\$33,241, 31 December 2021: S\$29,813) and direct operating expenses amounted to Nil (30 September 2023: S\$1,865, 31 December 2023: S\$2,646, 31 December 2022: S\$2,530, 31 December 2021: S\$2,660).

The investment property was pledged to secure the Group’s borrowings (Note 22).

Investment property is leased to a third party under an operating lease, further summary details of which are included in Note 27 to the financial statement.

The breakdown of depreciation charged for the financial periods is as follows:

	Nine months period ended 30 September	
	<u>2024</u>	<u>2023</u>
	S\$	S\$
		(unaudited)
Depreciation included in profit or loss:		
- recognised in administration expenses	15,318	15,318

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**16 Intangible Asset**

	<u>2021</u> S\$	31 December <u>2022</u> S\$	<u>2023</u> S\$	30 September <u>2024</u> S\$
<b>Cost</b>				
At 1 January	-	-	60,000	60,000
Addition	-	60,000	-	-
At 31 December/30 September	-	60,000	60,000	60,000
<b>Accumulated depreciation</b>				
At 1 January	-	-	2,493	5,685
Depreciation for the year/period	-	2,493	3,192	2,398
At 31 December/30 September	-	2,493	5,685	8,083
<b>Net book value</b>				
At 31 December/30 September	-	57,507	54,315	51,917

Intangible asset relates to a club membership in a golf club in Singapore which is stated at cost less accumulated amortisation and any impairment. As at 30 September 2024, the market value of this club membership was approximately S\$86,800 (31 December 2023: S\$130,000, 31 December 2022: S\$80,800).

The breakdown of depreciation charged for the financial periods is as follows:

	Nine months period ended 30 September	
	<u>2024</u>	<u>2023</u>
	S\$	S\$
		<i>(unaudited)</i>
Depreciation included in profit or loss:		
- recognised in administration expenses	2,398	2,394

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**17 Inventories**

	<u>2021</u> S\$	31 December <u>2022</u> S\$	<u>2023</u> S\$	30 September <u>2024</u> S\$
Finished goods at cost				
- Motor vehicles	10,235,812	17,442,238	12,588,010	18,687,792

The cost of inventories recognised as an expense included in “cost of sales” amounted to S\$56,792,297, S\$69,887,798, S\$80,637,357 and S\$62,219,458 for the financial year ended 31 December 2021, 2022, 2023 and the nine months period ended 30 September 2024 respectively (30 September 2023: S\$57,066,912).

The total carrying amounts of inventories amounted to S\$5,921,877, S\$9,627,787, S\$6,771,374 and S\$9,821,169 have been pledged to secure floor inventory facilities (Note 22) in the financial year ended 31 December 2021, 2022, 2023 and the nine months period ended 30 September 2024 respectively.

**18 Trade and Other Receivables**

	<u>2021</u> S\$	31 December <u>2022</u> S\$	<u>2023</u> S\$	30 September <u>2024</u> S\$
<b>Non-current</b>				
Finance lease receivables				
- third parties	71,392	-	-	-
Hire purchase receivables, net	23,989,223	34,036,858	46,536,688	48,000,566
Prepayments	155,447	-	-	-
Other receivables	70,409	259,870	474,830	594,705
	<u>24,286,471</u>	<u>34,296,728</u>	<u>47,011,518</u>	<u>48,595,271</u>
<b>Current</b>				
Trade receivables - third parties	1,368,119	2,704,588	2,217,308	3,255,192
Finance lease receivables - third parties	56,032	13,225	-	-
Less: Allowance for expected credit losses	(364,813)	(583,084)	(975,298)	(1,397,512)
Hire purchase receivables, net	6,052,412	9,411,485	14,166,767	16,955,983
	<u>7,111,750</u>	<u>11,546,214</u>	<u>15,408,777</u>	<u>18,813,663</u>

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**18 Trade and Other Receivables (cont’d)**

	<u>2021</u> S\$	31 December <u>2022</u> S\$	<u>2023</u> S\$	30 September <u>2024</u> S\$
<b>Current (cont’d)</b>				
Other receivables				
- third parties	636,080	1,171,999	1,758,363	989,951
- related parties	-	-	-	-
Amount due from Shareholder	-	53,126	53,126	134,519
Refundable deposits	89,776	127,089	138,540	155,074
Deposits paid	2,709,200	459,430	964,680	-
Advances to suppliers	313,262	847,244	831,562	3,267,900
Prepayments	160,666	168,090	150,208	120,190
GST receivables, net	168,606	58,517	27,763	179,136
Accrued interest income from fixed deposit	-	-	59,202	22,887
	<u>4,077,590</u>	<u>2,885,495</u>	<u>3,983,444</u>	<u>4,869,657</u>
Total current receivables	<u>11,189,340</u>	<u>14,431,709</u>	<u>19,392,221</u>	<u>23,683,320</u>
Total receivables	<u>35,475,811</u>	<u>48,728,437</u>	<u>66,403,739</u>	<u>72,278,591</u>

Trade receivables are non-interest bearing and are generally on 30 to 90 (31 December 2021, 2022 and 2023: 30 to 90) days terms.

Other receivables are non-trade in nature, include general receivables relating to the payment on behalf of the customer for the road taxes and other administrative expenses upon usage.

In the financial year ended 31 December 2021, the deposits paid included the deposit paid for the purchase of two office units. The units have been delivered in the financial year ended 31 December 2022.

The deposit paid of S\$459,430 and S\$964,680 in the financial year ended 31 December 2022 and 2023 respectively are in relation to the purchase of a showroom. The showroom’s development was completed on 16 July 2024 and the Group has since taken ownership of the property.

Other receivables are non-trade in nature, include general receivables relating to the payment on behalf of the customer for the road taxes and other administrative expenses upon usage.

Amount due from Shareholder is unsecured, interest-free and repayable on demand.

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**18 Trade and Other Receivables (cont’d)**

The movement in allowance for expected credit losses are as follows:

	<u>2021</u> S\$	31 December <u>2022</u> S\$	<u>2023</u> S\$	30 September <u>2024</u> S\$
At 1 January	180,597	364,813	583,084	975,298
Written-off	(7,520)	-	-	-
Allowance for expected credit loss during the year/period	210,688	218,271	435,370	493,330
Write back of allowance for expected credit loss during the year/period	(18,952)	-	(43,156)	(71,116)
Allowance for expected credit loss during the year/period, net	191,736	218,271	392,214	422,214
At 31 December/30 September	<u>364,813</u>	<u>583,084</u>	<u>975,298</u>	<u>1,397,512</u>

The aging analysis of trade receivables and hire purchase receivables of the Group based on invoice date is as follows:

	<u>2021</u> S\$	31 December <u>2022</u> S\$	<u>2023</u> S\$	30 September <u>2024</u> S\$
<u>Trade receivables</u>				
Not past due	264,126	517,980	122,056	-
Within 30 days	516,094	672,575	821,859	873,169
31 - 90 days	354,698	462,281	426,715	984,696
Over 90 days	360,625	1,064,977	846,678	1,397,327
	<u>1,495,543</u>	<u>2,717,813</u>	<u>2,217,308</u>	<u>3,255,192</u>
<u>Hire purchase receivables</u>				
Not past due	29,750,810	42,802,242	59,321,901	62,369,463
Within 30 days	54,920	203,541	446,739	727,139
31 - 90 days	67,493	119,068	208,764	413,713
Over 90 days	168,412	323,492	726,051	1,446,234
	<u>30,041,635</u>	<u>43,448,343</u>	<u>60,703,455</u>	<u>64,956,549</u>



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**18 Trade and Other Receivables (cont’d)**

The hire purchase receivables are as follows:

	<u>Gross</u> S\$	<u>Interest</u> S\$	<u>Principal</u> S\$
<u>31 December 2021</u>			
Within 1 year	8,234,467	(2,182,055)	6,052,412
After 1 year but within 5 years	24,141,080	(4,427,931)	19,713,149
After 5 years	4,535,476	(259,402)	4,276,074
	<u>36,911,023</u>	<u>(6,869,388)</u>	<u>30,041,635</u>
<u>31 December 2022</u>			
Within 1 year	12,478,813	(3,067,328)	9,411,485
After 1 year but within 5 years	34,789,446	(6,016,876)	28,772,570
After 5 years	5,595,481	(331,193)	5,264,288
	<u>52,863,740</u>	<u>(9,415,397)</u>	<u>43,448,343</u>
<u>31 December 2023</u>			
Within 1 year	18,619,418	(4,452,651)	14,166,767
After 1 year but within 5 years	48,584,127	(8,205,958)	40,378,169
After 5 years	6,662,552	(504,033)	6,158,519
	<u>73,866,097</u>	<u>(13,162,642)</u>	<u>60,703,455</u>
<u>30 September 2024</u>			
Within 1 year	21,615,075	(4,659,091)	16,955,984
After 1 year but within 5 years	50,301,424	(8,011,409)	42,290,015
After 5 years	6,113,121	(402,571)	5,710,550
	<u>78,029,620</u>	<u>(13,073,071)</u>	<u>64,956,549</u>

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**19 Financial Assets, at Fair Value through Profit or Loss**

	<u>2021</u> S\$	31 December <u>2022</u> S\$	<u>2023</u> S\$	30 September <u>2024</u> S\$
Investment in life insurance policies, at fair value	1,153,057	1,351,264	1,365,178	1,363,049

Movement in the investment in life insurance policies is as follows:

	<u>2021</u> S\$	31 December <u>2022</u> S\$	<u>2023</u> S\$	30 September <u>2024</u> S\$
At 1 January	719,029	1,153,057	1,351,264	1,365,178
Addition	515,695	365,131	-	-
Fair value (losses)/gains in profit or loss	(81,667)	(166,924)	13,914	(2,129)
At 31 December/30 September	1,153,057	1,351,264	1,365,178	1,363,049

Financial assets at FVPL relates to keyman insurance premiums paid which is classified as current as the Group has the option to encash the surrender values at any point in time.

In previous financial years, the Group purchased insurance plans to insure the life of one of the Group’s directors. The policies will mature on the date when the insured person reaches the age of 70 or upon death, whichever is earlier. The Group will be entitled to 100% of the insured amounts plus any accumulated dividend bonuses.

The carrying values of the insurance policies represent the surrender values as at the end of the financial years.

The carrying and fair value (Level 2) (Note 30) of the insurance policies represent the total cash surrender values stated on the insurance policies as at the end of the financial years.

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**20 Cash and Cash Equivalents**

	<u>2021</u> S\$	31 December <u>2022</u> S\$	<u>2023</u> S\$	30 September <u>2024</u> S\$
Cash at banks	5,194,266	5,858,370	8,065,480	8,507,254
Cash on hand	-	-	500	-
Fixed deposits	4,500,000	5,024,177	5,243,372	5,844,562
Cash and bank balances and fixed deposits	<u>9,694,266</u>	<u>10,882,547</u>	<u>13,309,352</u>	<u>14,351,816</u>
Effective interest rate per annum	<u>0.23%</u>	<u>1.88%</u>	<u>0.97%</u>	<u>0.50%</u>

Fixed deposits have a maturity period of 6 - 12 months (31 December 2021, 2022 and 2023: 6 - 12 months) which are not held for investment purposes but are placed to have better yield returns than cash at banks. These fixed deposits are readily convertible to cash to meet the Group’s cash commitments in the short term, if required.

For the purpose of presentation in the combined statement of cash flows, the combined cash and cash equivalents comprised the following:

	<u>2021</u> S\$	31 December <u>2022</u> S\$	<u>2023</u> S\$	30 September <u>2024</u> S\$
Cash and bank balances and fixed deposits	9,694,266	10,882,547	13,309,352	14,351,816
Less: fixed deposits pledged	<u>(4,500,000)</u>	<u>(5,000,000)</u>	<u>(5,161,463)</u>	<u>(5,673,880)</u>
Cash and cash equivalents	<u>5,194,266</u>	<u>5,882,547</u>	<u>8,147,889</u>	<u>8,677,936</u>

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**21 Share Capital**

The share capital in the combined statements of financial position as at 31 December 2021, 31 December 2022 and 31 December 2023 and 30 September 2024 comprises the aggregate share capital of the Company and its subsidiaries which represents the aggregation of the Group’s interest in the issued and capital of the Company and all of its subsidiaries are under common control before the completion of the Group Reorganisation (Note 2).

	<u>31 December 2021</u>		<u>31 December 2022</u>		<u>31 December 2023</u>		<u>30 September 2024</u>	
	No. of shares	S\$	No. of shares	S\$	No. of shares	S\$	No. of shares	S\$
Issued:								
At 1 January	3,210,000	3,210,000	8,890,000	8,890,000	48,230,800	8,943,126	48,230,800	8,943,126
Issuance of ordinary shares	5,680,000	5,680,000	39,340,800	53,126	-	-	71,770,310	95,785
At 31 December/ 30 September	8,890,000	8,890,000	48,230,800	8,943,126	48,230,800	8,943,126	120,001,110	9,038,911

Ordinary shares of the Company do not have any par value. The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with respect to the Company’s residual assets.

The share capital of the Group comprises the following entities:

		<u>31 December</u>		<u>30 September</u>
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
	S\$	S\$	S\$	S\$
Vin’s Holdings Ltd	-	53,126	53,126	148,911
Vin’s Auto Pte. Ltd.	3,000,000	3,000,000	3,000,000	3,000,000
Vin’s Credit Pte. Ltd.	4,200,000	4,200,000	4,200,000	4,200,000
Vin’s Motor Pte. Ltd.	530,000	530,000	530,000	530,000
Vin’s Car Rental Pte. Ltd.	200,000	200,000	200,000	200,000
Vin’s Leasing Pte. Ltd.	200,000	200,000	200,000	200,000
K&V Car Rental Pte. Ltd.	760,000	760,000	760,000	760,000
	8,890,000	8,943,126	8,943,126	9,038,911

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**22 Borrowings**

	<u>2021</u> S\$	31 December <u>2022</u> S\$	<u>2023</u> S\$	30 September <u>2024</u> S\$
<b>Non-current liabilities</b>				
Secured bank loans	6,749,379	6,786,980	6,139,021	5,816,406
Hire purchase borrowings	1,742,654	2,086,986	3,004,601	2,451,989
Block discounting loans	17,901,968	28,289,159	39,207,438	40,981,215
	<u>26,394,001</u>	<u>37,163,125</u>	<u>48,351,060</u>	<u>49,249,610</u>
<b>Current liabilities</b>				
Secured bank loans	14,260,443	24,119,855	21,314,865	28,600,056
Hire purchase borrowings	770,577	996,654	1,147,175	1,093,413
Block discounting loans	5,577,821	8,793,364	13,430,806	15,169,148
	<u>20,608,841</u>	<u>33,909,873</u>	<u>35,892,846</u>	<u>44,862,617</u>
 Total interest-bearing liabilities	 <u>47,002,842</u>	 <u>71,072,998</u>	 <u>84,243,906</u>	 <u>94,112,227</u>
 Repayable:				
- not later than one year	20,608,841	33,909,873	35,892,846	44,862,617
- two to five years	23,479,204	31,950,471	46,128,005	44,886,954
- more than five years	2,914,797	5,212,654	2,223,055	4,362,656
	<u>47,002,842</u>	<u>71,072,998</u>	<u>84,243,906</u>	<u>94,112,227</u>
 Secured bank loans	 21,009,822	 30,906,835	 27,453,886	 34,416,462
Hire purchase borrowings	2,513,231	3,083,640	4,151,776	3,545,402
	<u>23,523,053</u>	<u>33,990,475</u>	<u>31,605,662</u>	<u>37,961,864</u>
 Block discounting loans	 23,479,789	 37,082,523	 52,638,244	 56,150,363
Total interest-bearing liabilities	<u>47,002,842</u>	<u>71,072,998</u>	<u>84,243,906</u>	<u>94,112,227</u>

The bank loans of the Group are secured by the joint and several guarantees from the directors and secured over inventories (Note 17), leasehold property, motor vehicles (Note 14), fixed and floating charge over assets of a subsidiary (Note 19) and fixed deposits (Note 20).

As at each year/period end, the Group did not meet certain non-financial clauses of some loan agreements. However, as at each year/period end, there is no impact on the loan facilities granted to the Group.

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**22 Borrowings (cont’d)**

Terms and debt repayment schedule

<b>Group</b>	<b>Currency</b>	<b>Nominal interest rate</b>	<b>Year of maturity</b>	<b>31 December 2021 S\$</b>	<b>31 December 2022 S\$</b>	<b>31 December 2023 S\$</b>	<b>30 September 2024 S\$</b>
Secured bank loan	SGD	2.25%	2025	1,390,862	994,783	589,700	279,897
Secured bank loan	SGD	2.50%	2025	777,715	581,955	381,294	227,410
Secured bank loan	SGD	SORA + 1.00%	2033	91,217	84,428	78,189	73,286
Secured bank loan	SGD	COF + 1.00%	2029	111,875	97,890	83,906	83,906
Secured bank loan	SGD	COF + 1.00%	2034	316,080	290,448	264,816	245,592
Secured bank loan	SGD	3.78%	2031	496,120	439,445	382,769	340,261
		Prime rate +					
		0.65%	2024	1,927,600	6,776,569	2,755,508	4,291,440
		Prime rate +					
		1.25%	2024	-	-	587,000	742,000
Secured bank loan	SGD	1.25%	2023	47,000	469,100	-	-
Secured bank loan	SGD	COF + 2.00%	2024	2,539,082	3,079,400	2,674,700	4,614,100
Secured bank loan	SGD	COF + 2.00%	2024	2,000,000	2,000,000	2,500,000	3,500,000
Secured bank loan	SGD	SORA + 1.50%	2024	1,000,000	1,000,000	1,000,000	1,000,000
Secured bank loan	SGD	SORA + 2.50%	2024	3,000,000	4,000,000	3,750,000	4,250,000
Secured bank loan	SGD	SORA + 1.50%	2033	-	-	495,767	1,357,898
Secured bank loan	SGD	2.50%	2025	149,117	109,806	69,500	38,605
Secured bank loan	SGD	2.50%	2025	372,721	274,432	173,658	96,420
Secured bank loan	SGD	SORA + 2.00%	2039	-	2,270,595	2,129,428	2,023,552
Secured bank loan	SGD	4.75%	2023	-	1,043,414	-	-
Secured bank loan	SGD	COF + 1.25%	2024	-	680,000	1,000,000	1,000,000
Secured bank loan	SGD	COF + 2.50%	2023	-	724,165	-	-
Secured bank loan	SGD	COF + 2.50%	2024	-	-	1,082,814	768,668
Secured bank loan	SGD	5.25%	2023	-	352,550	-	-
Secured bank loan	SGD	COF + 2.25%	2024	-	-	-	198,100
Secured bank loan	SGD	COF + 2.00%	2024	-	-	-	362,500
Secured bank loan	SGD	5.75%	2024	-	-	1,384,940	3,066,630
		Prime rate +					
		0.75%	2024	-	-	-	719,050
Secured bank loan	SGD	3.00%	2025	611,130	454,815	293,745	169,747
Secured bank loan	SGD	2.50%	2025	466,632	349,184	228,761	136,462
Secured bank loan	SGD	2.50%	2024	-	152,507	51,264	-
Secured bank loan	SGD	IBR - 6.50%	2024	251,254	-	-	-
Secured bank loan	SGD	2.50%	2025	186,504	137,366	86,986	48,370
Secured bank loan	SGD	2.50%	2025	388,857	290,978	190,622	113,703
Secured bank loan	SGD	5.00%	2027	-	122,950	96,317	75,467
Secured bank loan	SGD	7.50%	2029	-	-	-	188,920
Secured bank loan	SGD	7.50% - 7.75%	2027 - 2029	-	-	1,721,730	1,932,985
Secured bank loan	SGD	2.50%	2023	25,430	10,308	-	-
Secured bank loan	SGD	4.00%	2025	1,056,982	762,469	455,879	217,777
Secured bank loan	SGD	3.25%	2025	749,063	553,472	351,505	195,674
Secured bank loan	SGD	COF + 2.50%	2024	-	-	214,144	-
Secured bank loan	SGD	2.00%	2024	358,264	234,117	107,464	10,803
Secured bank loan	SGD	2.00%	2025	399,064	275,741	149,930	53,912

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**22 Borrowings (cont’d)**

Terms and debt repayment schedule (cont’d)

	<u>Currency</u>	<u>Nominal interest rate</u>	<u>Year of maturity</u>	<u>31 December 2021</u> S\$	<u>31 December 2022</u> S\$	<u>31 December 2023</u> S\$	<u>30 September 2024</u> S\$
<b>Group</b>							
Secured bank loan	SGD	2.25%	2025	343,906	245,974	145,815	69,208
Secured bank loan	SGD	SORA + 1.50%	2031	453,347	409,841	367,202	337,785
Secured bank loan	SGD	2.59%	2024	1,500,000	1,500,000	1,500,000	1,500,000
Secured bank loan	SGD	COF + 1.30%	2027	-	138,133	108,533	86,334
Hire Purchase	SGD	1.88% - 3.00%	2024 - 2031	2,513,231	3,083,640	4,151,776	3,545,402
Block discounting loan	SGD	1.46% - 3.75%	2024 - 2031	23,479,789	37,082,523	52,638,244	56,150,363
				<u>47,002,842</u>	<u>71,072,998</u>	<u>84,243,906</u>	<u>94,112,227</u>

**23 Lease Liabilities**

	<u>2021</u> S\$	<u>31 December 2022</u> S\$	<u>2023</u> S\$	<u>30 September 2024</u> S\$
<b>Non-current liabilities</b>				
- lease liabilities (secured)	65,811	466,253	252,236	367,732
<b>Current liabilities</b>				
- lease liabilities (secured)	303,182	318,532	430,099	462,959
Total interest-bearing liabilities	<u>368,993</u>	<u>784,785</u>	<u>682,335</u>	<u>830,691</u>

Group as Lessee

(a) Nature of the Group’s leasing activities

The Group has lease contracts for leasehold properties. The Group’s obligations under these leases are secured by the lessor’s title to the leased assets.

The Group also has certain leases with lease terms of 12 months or less and leases with low value. The Group applies the ‘short-term lease’ and ‘lease of low-value assets’ recognition exemptions for these leases.



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**23 Lease Liabilities (cont’d)**

Group as Lessee (cont’d)

(b) Carrying amount of right-of-use assets classified within property, plant and equipment

	Leasehold Properties S\$
<u>31 December 2021</u>	
At 1 January	744,941
Additions in the year	-
Depreciation	(401,460)
At 31 December	<u>343,481</u>
<u>31 December 2022</u>	
At 1 January	343,481
Additions in the year	869,641
Depreciation	(448,437)
Lease remeasurement and modification	(23,158)
At 31 December	<u>741,527</u>
<u>31 December 2023</u>	
At 1 January	741,527
Additions in the year	450,628
Depreciation	(523,022)
At 31 December	<u>669,133</u>
<u>30 September 2024</u>	
At 1 January	669,133
Additions in the period	516,367
Depreciation	(368,212)
At 30 September	<u>817,288</u>

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**23 Lease Liabilities (cont’d)**

Group as Lessee (cont’d)

(c) Lease liabilities

A reconciliation of lease liabilities arising from financing activities is as follows:

				Non-cash changes		
	<u>1 January</u>	<u>Additions</u>	<u>Cash flows</u>	<u>Accretion</u>	<u>Lease</u>	<u>31 December/</u>
	S\$	S\$	S\$	<u>of interest</u>	<u>remeasurement</u>	<u>20 September</u>
				S\$	S\$	S\$
<b>Group</b>						
<u>31 December 2021</u>						
Lease liabilities	795,523	-	(444,070)	17,540	-	368,993
<u>31 December 2022</u>						
Lease liabilities	368,993	869,641	(465,688)	18,970	(7,131)	784,785
<u>31 December 2023</u>						
Lease liabilities	784,785	450,628	(581,887)	28,809	-	682,335
<u>30 September 2024</u>						
Lease liabilities	682,335	516,367	(386,053)	18,042	-	830,691

The maturity analysis of lease liabilities is disclosed in Note 29.

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**23 Lease Liabilities (cont’d)**

Group as Lessee (cont’d)

(d) Amounts recognised in profit or loss

	31 December			30 September	
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	S\$	S\$	S\$	S\$	S\$
					(unaudited)
Depreciation of right-of-use assets	401,460	448,437	523,022	368,212	383,775
Short-term lease and low value leases	-	6,109	5,258	63,290	-
Lease remeasurement and modification	-	16,027	-	-	-
Interest expense on lease liabilities	17,540	18,970	28,809	18,042	22,511
Total amount recognised in profit or loss	419,000	489,543	557,089	449,544	406,286

(e) Total cash outflow

The Group has total cash outflows for leases of S\$444,070, S\$465,688, S\$581,887 and S\$386,053 in the financial year ended 31 December 2021, 2022, 2023 and the nine months period ended 30 September 2024 respectively (30 September 2023: S\$404,564).

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**24 Deferred Taxation**

	<u>2021</u> S\$	31 December <u>2022</u> S\$	<u>2023</u> S\$	30 September <u>2024</u> S\$
<u>Deferred tax assets</u>				
Lease liabilities	65,070	133,413	115,996	141,217
Less: net effect of deferred tax liabilities arising from right-of-use assets	<u>(65,070)</u>	<u>(133,413)</u>	<u>(115,996)</u>	<u>(141,217)</u>
	-	-	-	-
<u>Deferred tax liabilities</u>				
Property, plant and equipment	15,473	15,473	63,100	198,010
Right-of-use assets	<u>65,070</u>	<u>133,413</u>	<u>115,996</u>	<u>141,217</u>
	80,543	148,886	179,096	339,227
Less: net effect of deferred tax assets arising from lease liabilities	<u>(65,070)</u>	<u>(133,413)</u>	<u>(115,996)</u>	<u>(141,217)</u>
	15,473	15,473	63,100	198,010

The movement in the deferred taxation are as follows:

	<u>1 January</u> S\$	Recognised in profit or loss S\$	31 December/ 30 September S\$
<u>31 December 2021</u>			
Property, plant and equipment	<u>15,473</u>	-	15,473
<u>31 December 2022</u>			
Property, plant and equipment	<u>15,473</u>	-	15,473
<u>31 December 2023</u>			
Property, plant and equipment	<u>15,473</u>	47,627	63,100
<u>30 September 2024</u>			
Property, plant and equipment	<u>63,100</u>	134,910	198,010

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**25 Trade and Other Payables**

	<u>2021</u>	31 December <u>2022</u>	<u>2023</u>	30 September <u>2024</u>
	S\$	S\$	S\$	S\$
Trade payables:				
- third parties	157,365	336,526	271,423	479,521
Other payables:				
- third parties	2,234,190	1,055,238	505,720	1,123,664
- amount due to a related party	300,000	200,000	100,000	-
Accruals	565,774	534,389	648,992	903,351
Advances from customers	265,417	730,152	585,385	850,895
Advance receipt	-	-	9,450	-
GST payables, net	46,954	47,217	197,120	-
Provision for warranty	55,645	55,645	-	-
Refundable deposits	146,321	138,221	129,944	138,144
Sundry payables	4,562	3,745	49,250	-
	<u>3,776,228</u>	<u>3,101,133</u>	<u>2,497,284</u>	<u>3,495,575</u>

Trade payables are non-interest bearing and are usually settled within 30 (31 December 2021, 2022 and 2023: 30) days.

Other payables due to third parties are payments made on behalf of the customer to the supplier.

Other payables due to third parties are general payable on behalf of the customer to the supplier. Included in FY2021 was the deposit payable for the leasehold building of the Group.

Other payables due to directors and a related party are unsecured, interest-free and repayable on demand.

Refundable deposits are deposit paid by customers in relation to leases of motor vehicles. These deposits are refundable to the customers at the end of the lease term.

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**26 Significant Related Party Transactions**

	<u>2021</u> S\$	31 December <u>2022</u> S\$	<u>2023</u> S\$	30 September <u>2024</u> S\$
Referral commission fee paid to a related company	-	(20,119)	(23,986)	-
Sale of motor vehicle to a director	-	-	-	200,000

The related parties mainly pertain to:

- (i) The entities appointed the Managing Director of the Group as their director.
- (ii) Non-controlling interest of certain subsidiaries and the related parties of the non-controlling interest.

The remuneration of the Group’s key management personnel, which includes the Directors of the Company, are disclosed in Note 11.

**27 Commitments**

(a) Operating lease commitments

Group as lessor

The Group has entered into operating leases on its investment property (Note 15). These leases are negotiated for terms ranging from 2 to 3 years.

Rental income from investment property is disclosed in Note 7.

The future minimum rental receivable under non-cancellable operating leases contracted for at the reporting period are as follows:

	<u>2021</u> S\$	31 December <u>2022</u> S\$	<u>2023</u> S\$	30 September <u>2024</u> S\$
Less than one year	13,550	38,400	38,400	28,800
One to two years	-	38,400	19,200	-
Two to three years	-	19,200	-	-
	13,550	96,000	57,600	28,800

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**27 Commitments (cont’d)**

(b) Capital commitment

Capital expenditure contracted for as at the end of the reporting period but not recognised in the financial statements are as follows:

	<u>2021</u> S\$	31 December <u>2022</u> S\$	<u>2023</u> S\$	30 September <u>2024</u> S\$
Purchase of property	-	1,616,800	1,111,550	202,100

**28 Corporate Guarantee**

	<u>2021</u> S\$	31 December <u>2022</u> S\$	<u>2023</u> S\$	30 September <u>2024</u> S\$
Corporate guarantees provided to banks in connection with banking facilities granted to subsidiaries	26,534,370	39,868,818	56,320,396	60,391,791

The corporate guarantees are provided by one of the subsidiaries, Vin’s Auto Pte. Ltd. to the banks for the banking facilities granted to other subsidiaries within the same Group.

The corporate guarantees disclosed above were not recorded at fair value, as in the opinion of the management, the difference in the interest rates, by comparing the actual rates charged by the banks with these guarantees made available, with the estimated rates that the banks would have charged had those guarantees not been available, is not material.



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**29 Financial Instruments**

The Group’s activities expose it to a variety of financial risks from its operations. The key financial risks include credit risk, liquidity risk and market risk (including interest rate risk and foreign currency risk).

The directors review and agree policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and previous financial year, the Group’s policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Group’s exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Group’s exposure to these financial risks or the manner in which it manages and measures the risks.

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Group. The Group’s exposure to credit risk arises primarily from trade and other receivables and amount due from related companies. For other financial assets (including cash), the Group’s minimises credit risk by dealing exclusively with high credit rating counterparties.

The Group has adopted a policy of only dealing with creditworthy counterparties. The Group performs ongoing credit evaluation of its counterparties’ financial condition and generally do not require a collateral.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Group has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than 60 days, default of interest due for more than 30 days or there is significant difficulty of the counterparty.

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**29 Financial Instruments (cont’d)**

Credit risk (cont’d)

To minimise credit risk, the Group has developed and maintained the Group’s credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by publicly available financial information and the Group’s own trading records to rate its major customers and other debtors. The Group considers available reasonable and supportive forward-looking information which includes the following indicators:

- Internal credit rating
- External credit rating
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor’s ability to meet its obligations
- Actual or expected significant changes in the operating results of the debtor
- Significant increases in credit risk on other financial instruments of the same debtor
- Significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtors in the group and changes in the operating results of the debtor

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making contractual payment.

The Group determined that its financial assets are credit-impaired when:

- There is significant difficulty of the debtor
- A breach of contract, such as a default or past due event
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
- There is a disappearance of an active market for that financial asset because of financial difficulty.

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**29 Financial Instruments (cont’d)**

Credit risk (cont’d)

The Group categorises a receivable for potential write-off when a debtor fails to make contractual payments more than 90 days past due. Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.

The Group’s current credit risk grading framework comprises the following categories:

Category	Definition of category	Basis for recognition of expected credit losses (ECL)
I	Counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
II	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit-impaired
III	Amounts is >90 days past due or there is evidence indicating the asset is credit-impaired (in default).	Lifetime ECL – credit-impaired
IV	There is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.	Amount is written off

The table below details the credit quality of the Group’s financial assets, as well as maximum exposure to credit risk by credit risk rating categories:

	<u>Category</u>	<u>12-month or lifetime ECL</u>	<u>Gross carrying amount S\$</u>	<u>Loss allowance S\$</u>	<u>Net carrying amount S\$</u>
<u>31 December 2021</u>					
Trade receivables	Note 1	Lifetime ECL (simplified)	1,495,543	(154,125)	1,341,418
Hire purchase receivables	III	Lifetime ECL (simplified)	30,041,635	(210,688)	29,830,947
Other receivables*	I	12-month ECL	796,265	-	796,265
				<u>(364,813)</u>	

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**29 Financial Instruments (cont’d)**

Credit risk (cont’d)

The table below details the credit quality of the Group’s financial assets, as well as maximum exposure to credit risk by credit risk rating categories: (cont’d)

	<u>Category</u>	<u>12-month or lifetime ECL</u>	<u>Gross carrying amount S\$</u>	<u>Loss allowance S\$</u>	<u>Net carrying amount S\$</u>
<u>31 December 2022</u>					
Trade receivables	Note 1	Lifetime ECL (simplified)	2,717,813	(154,125)	2,563,688
Hire purchase receivables	III	Lifetime ECL (simplified)	43,448,343	(428,959)	43,019,384
Other receivables*	I	12-month ECL	2,071,514	-	2,071,514
				<u>(583,084)</u>	
<u>31 December 2023</u>					
Trade receivables	Note 1	Lifetime ECL (simplified)	2,217,308	(154,125)	2,063,183
Hire purchase receivables	III	Lifetime ECL (simplified)	60,703,455	(821,173)	59,882,282
Other receivables*	I	12-month ECL	3,448,741	-	3,448,741
				<u>(975,298)</u>	
<u>30 September 2024</u>					
Trade receivables	Note 1	Lifetime ECL (simplified)	3,255,192	(154,125)	3,101,067
Hire purchase receivables	III	Lifetime ECL (simplified)	64,956,549	(1,243,387)	63,713,162
Other receivables*	I	12-month ECL	1,897,136	-	1,897,136
				<u>(1,397,512)</u>	

\* Excluded prepayments, GST receivable and advances to suppliers

Note 1

The Group has applied the simplified approach in SFRS(I) 9 to measure the loss allowance at lifetime ECL

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**29 Financial Instruments (cont’d)**

Credit risk (cont’d)

*Trade receivables and hire purchase receivables*

For trade receivables, the Group has applied the simplified approach in SFRS(I) 9 to measure the loss allowance at lifetime ECL. The Group determines the ECL by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of trade receivables and hire purchase receivables is presented based on their past due status in terms of the provision matrix.

	Trade receivables and hire purchase receivables					Total S\$
	Not past due S\$	1 to 30 S\$	31 to 60 S\$	61 to 90 S\$	91 and above S\$	
<u>31 December 2021</u>						
Trade receivables	264,126	516,094	247,424	107,274	360,625	1,495,543
ECL	-	(22,977)	-	(1,756)	(129,392)	(154,125)
						<u>1,341,418</u>
Hire purchase receivables	29,750,810	54,920	22,608	44,885	168,412	30,041,635
ECL	(19,117)	-	-	(23,159)	(168,412)	(210,688)
						<u>29,830,947</u>
<u>31 December 2022</u>						
Trade receivables	517,980	672,575	338,091	124,190	1,064,977	2,717,813
ECL	-	-	-	-	(154,125)	(154,125)
						<u>2,563,688</u>
Hire purchase receivables	42,802,242	203,541	100,860	18,208	323,492	43,448,343
ECL	-	(45,334)	(60,137)	(11,835)	(311,653)	(428,959)
						<u>43,019,384</u>

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**29 Financial Instruments (cont’d)**

Credit risk (cont’d)

*Trade receivables and hire purchase receivables (cont’d)*

	Trade receivables and hire purchase receivables					Total S\$
	Not past due S\$	1 to 30 S\$	31 to 60 S\$	61 to 90 S\$	91 and above S\$	
<u>31 December 2023</u>						
Trade receivables	122,056	821,859	201,052	225,663	846,678	2,217,308
ECL	-	-	-	-	(154,125)	(154,125)
						<u>2,063,183</u>
Hire purchase receivables	59,321,901	446,739	192,493	16,271	726,051	60,703,455
ECL	-	(72,830)	(31,381)	(2,653)	(714,309)	(821,173)
						<u>59,882,282</u>
<u>30 September 2024</u>						
Trade receivables	-	873,169	664,917	319,779	1,397,327	3,255,192
ECL	-	-	-	-	(154,125)	(154,125)
						<u>3,101,067</u>
Hire purchase receivables	62,369,463	727,139	302,548	111,165	1,446,234	64,956,549
ECL	-	(98,282)	(40,893)	(15,025)	(1,089,187)	(1,243,387)
						<u>63,713,162</u>

Information regarding the loss allowance movement of the Group’s trade receivables and hire purchase receivables are disclosed in Note 18.

*Excessive risk concentration*

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group’s performance to developments affecting a particular industry.

*Exposure to credit risk*

The Group have no significant concentration of credit risk. The Group have credit policies and procedures in place to minimise and mitigate its credit risk exposure.

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**29 Financial Instruments (cont’d)**

Credit risk (cont’d)

*Other receivables*

The Group assessed the latest performance and financial position of the counterparties, adjusted for the future outlook of the industry in which the counterparties operate in, and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets.

Accordingly, the Group measured the impairment loss allowance using 12-month ECL and determined that the ECL is insignificant.

Liquidity risk

Liquidity risk refers to the risk that the Group will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Group exposure to liquidity risks arises primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The Group’s objective is to maintain a balance between funding and bank borrowings. The Group finances its working capital requirements through a combination of funds generated from operations and bank borrowings. The directors are satisfied that funds are available to finance the operations of the Group.

*Analysis of financial liabilities by remaining contractual maturities*

The table below summarises the maturity profile of the Group’s financial liabilities at the reporting date based on contractual undiscounted repayment obligations.

	Within 1 year S\$	Within 2 to 5 years S\$	More than 5 years S\$	Total S\$
<u>31 December 2021</u>				
Trade and other payables	3,463,857	-	-	3,463,857
Borrowings	21,541,692	25,137,568	2,935,484	49,614,744
Lease liabilities	303,182	65,841	-	369,023
	<u>25,308,731</u>	<u>25,203,409</u>	<u>2,935,484</u>	<u>53,447,624</u>
<u>31 December 2022</u>				
Trade and other payables	2,323,764	-	-	2,323,764
Borrowings	35,711,227	34,760,122	5,496,025	75,967,374
Lease liabilities	365,792	439,580	-	805,372
	<u>38,400,783</u>	<u>35,199,702</u>	<u>5,496,025</u>	<u>79,096,510</u>



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**29 Financial Instruments (cont’d)**

Liquidity risk (cont’d)

The table below summarises the maturity profile of the Group’s financial liabilities at the reporting date based on contractual undiscounted repayment obligations.

	Within 1 <u>year</u> S\$	Within 2 to <u>5 years</u> S\$	More than <u>5 years</u> S\$	<u>Total</u> S\$
<u>31 December 2023</u>				
Trade and other payables	1,705,329	-	-	1,705,329
Borrowings	38,749,681	47,640,873	5,467,321	91,857,875
Lease liabilities	442,173	255,437	-	697,610
	<u>40,897,183</u>	<u>47,896,310</u>	<u>5,467,321</u>	<u>94,260,814</u>
<u>30 September 2024</u>				
Trade and other payables	3,495,575	-	-	3,495,575
Borrowings	44,930,445	47,459,964	5,592,548	97,982,957
Lease liabilities	488,856	383,243	-	872,099
	<u>48,914,876</u>	<u>47,843,207</u>	<u>5,592,548</u>	<u>102,350,631</u>

Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Group’s income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Interest rate risk is the risk that the fair value or future cash flows of the Group’s financial instruments will fluctuate because of changes in market interest rates. The Group’s exposure to interest rate risk arises primarily from borrowings.

The Group does not expect any significant effect on the Group’s profit or loss arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the financial year.

At the reporting date, if the interest rates increase/decrease by 500 basis points (31 December 2023: 500 basis points, 31 December 2022: 500 basis points, 31 December 2021: 500 basis points) with all other variables held constant, the Group’s profit before tax would have been S\$1,282,711 (31 December 2023: S\$803,423, 31 December 2022: S\$958,617, 31 December 2021: S\$586,661) higher/lower, a rising mainly as a result of higher/lower interest income/expenses on floating rate cash at bank and floating rate bank borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

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**29 Financial Instruments (cont’d)**

Market risk (cont’d)

*Foreign currency risk*

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the functional currency of the Group, primarily United States dollar.

The Group’s currency exposure to the United States dollar at the reporting date were as follows:

		United States dollar		
		31 December		30 September
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
	S\$	S\$	S\$	S\$
Financial assets, at fair value through profit or loss	875,545	895,178	905,518	897,859
Amount due to shareholders	-	53,126	53,126	134,519
	<u>875,545</u>	<u>948,304</u>	<u>958,644</u>	<u>1,032,378</u>

A 5% (31 December 2021, 2022 and 2023: 5%) strengthening of Singapore dollar against the foreign currency denominated balances as at the reporting date would decrease profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

		Decrease		
		Profit before income tax		
		31 December		30 September
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
	S\$	S\$	S\$	S\$
United States dollar	43,777	47,415	47,932	51,619

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**30 Fair Value of Financial Assets and Financial Liabilities**

Fair value hierarchy

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 - Quoted prices (unadjusted) in active market for identical assets or liabilities that the Company can access at the measurement date,
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 - Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The following table shows an analysis of each class of assets measured at fair value at the reporting date:

Fair value measurements at the reporting date using				
	Quoted prices in active markets for identical <u>instruments</u> (Level 1) S\$	Significant observable inputs other than <u>quoted prices</u> (Level 2) S\$	Significant unobservable <u>inputs</u> (Level 3) S\$	<u>Total</u> S\$
<u>31 December 2021</u>				
Financial assets, at FVPL	-	1,153,057	-	1,153,057
<u>31 December 2022</u>				
Financial assets, at FVPL	-	1,351,264	-	1,351,264
<u>31 December 2023</u>				
Financial assets, at FVPL	-	1,365,178	-	1,365,178
<u>30 September 2024</u>				
Financial assets, at FVPL	-	1,363,049	-	1,363,049

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**30 Fair Value of Financial Assets and Financial Liabilities (cont’d)**

Assets measured at fair value

Financial assets at fair value through profit or loss measured at level 2 were estimated based on inputs other than quoted market prices at the reporting date.

The fair value measurement of the life insurance plans (Note 19) is based on the cash values provided by the insurers without adjustment. There has been no change in the valuation techniques of the financial instruments during the financial year.

There is no transfer between levels for the financial years.

Assets and liabilities not measured at fair value

*Cash and cash equivalents and other receivables and payables*

The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances.

*Trade receivables and trade payables*

The carrying amounts of these receivables and payables approximate their fair values as they are subject to normal trade credit terms.

*Borrowings*

The carrying amounts of bank borrowings approximate their fair values as they are subject to interest rates close to market rate of interests for similar arrangements with financial institutions.

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**31 Segment Information**

The business of the Group is organised into the following business segments:

- Automobile Sales and Related Services
- Automobile After Sales-Services
- Automobile Financing and Related Services
- Automobile Rental and Leasing Services

The accounting policies of the reportable segments are the same as the Group’s accounting policies described in Note 3(x). Segment results represent the profit earned by each segment without allocation of corporate expenses, rental income, share of profit/(loss) of associates, interest income, finance costs and income tax. Segment assets/liabilities are all operating assets/liabilities that are employed by a segment in its operating activities and are either directly attributable to the segment or can be allocated to the segment on a reasonable basis. This is the measure reported to management for the purposes of resource allocation and assessment of segment performance. Segment revenue includes transfer between operating segments. Such transfers are accounted for at competitive market prices charged to unaffiliated customers for similar goods. The transfers are eliminated on consolidation. No operating segments have been aggregated to form the reportable segments above.

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**Segment Information (cont’d)**

(a) Reportable Operating Segments

Year ended 31 December 2021

	Automobile Sales and Related Services S\$’000	Automobile After-Sales Services S\$’000	Automobile Financing and Related Services S\$’000	Automobile Rental and Leasing Services S\$’000	Others S\$’000	Elimination S\$’000	Combined S\$’000
<b>Revenue</b>							
External sales	65,735	4,761	3,005	1,890	-	-	75,391
Inter-segment sales	1,295	40	-	-	-	(1,335)	-
	<u>67,030</u>	<u>4,801</u>	<u>3,005</u>	<u>1,890</u>	<u>-</u>	<u>(1,335)</u>	<u>75,391</u>
<b>Results</b>							
Segment results	1,072	517	1,562	354	(30)	-	3,475
Fair value loss in financial assets, at fair value through profit or loss	-	-	-	-	(82)	-	(82)
Rental income	-	-	-	-	30	-	30
Interest income	-	-	-	-	1	-	1
Finance income	-	-	-	-	-	-	6
Finance costs	-	-	-	6	-	-	(504)
Profit before income tax							<u>2,926</u>
Income tax							<u>(460)</u>
Profit for the year							<u>2,466</u>

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**31 Segment Information (cont’d)**

**(a) Reportable Operating Segments (cont’d)**

Year ended 31 December 2021 (cont’d)

<b>Assets</b>	<b>Automobile Sales and Related Services S\$’000</b>	<b>Automobile After-Sales Services S\$’000</b>	<b>Automobile Financing and Related Services S\$’000</b>	<b>Automobile Rental and Leasing Services S\$’000</b>	<b>Others S\$’000</b>	<b>Elimination S\$’000</b>	<b>Combined S\$’000</b>
Segment assets	14,183	1,510	30,202	7,360	155	-	53,410
Investment property	-	-	-	-	1,011	-	1,011
Financial assets, at fair value through profit or loss	-	-	-	-	1,153	-	1,153
Cash and bank balances	5,528	431	3,388	347	-	-	9,694
Combined total assets as at 31 December							<u>65,268</u>
<b>Liabilities</b>							
Segment liabilities	2,388	804	296	248	183	-	3,919
Bank borrowings	-	-	23,480	2,513	21,010	-	47,003
Lease liabilities	273	96	-	-	-	-	369
Income tax liabilities	-	-	-	-	418	-	418
Deferred tax liabilities	-	-	-	-	15	-	15
Combined total liabilities as at 31 December							<u>51,724</u>



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**31 Segment Information (cont’d)**

**(a) Reportable Operating Segments (cont’d)**

Year ended 31 December 2021 (cont’d)

**Other information**

Capital expenditure on  
- Property, plant and equipment

Other non-cash expenses:

- Depreciation of property, plant and equipment

- Depreciation of investment property

- Trade receivables written off

- Allowance for impairment loss on trade receivables,  
net

- Property, plant and equipment written off

- Write back of allowance for impairment loss on  
trade receivables

- Gain on disposal of property, plant and equipment

- Fair value loss on financial assets at FVPL

	Automobile Sales and Related Services S\$’000	Automobile After-Sales Services S\$’000	Automobile Financing and Related Services S\$’000	Automobile Rental and Leasing Services S\$’000	Others S\$’000	Elimination S\$’000	Combined S\$’000
	11	202	-	1,364	-	-	1,577
	218	309	15	925	-	-	1,467
	-	-	-	-	20	-	20
	-	-	-	5	-	-	5
	-	-	211	-	-	-	211
	-	-	-	5	-	-	5
	-	-	-	(19)	-	-	(19)
	-	-	-	(33)	-	-	(33)
	-	-	-	-	82	-	82

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**31 Segment Information (cont’d)**

(a) Reportable Operating Segments (cont’d)	Automobile Sales and Related Services S\$’000	Automobile After-Sales Services S\$’000	Automobile Financing and Related Services S\$’000	Automobile Rental and Leasing Services S\$’000	Others S\$’000	Elimination S\$’000	Combined S\$’000
<u>Year ended 31 December 2022</u>							
<b>Revenue</b>							
External sales	78,618	6,241	4,813	2,166	-	-	91,838
Inter-segment sales	1,775	400	9	-	-	(2,184)	-
	80,393	6,641	4,822	2,166	-	(2,184)	91,838
<b>Results</b>							
Segment results	727	1,098	1,894	630	38	-	4,387
Fair value loss in financial assets, at fair value through profit or loss	-	-	-	-	(167)	-	(167)
Rental income	-	-	-	-	33	-	33
Interest income	-	-	-	-	1	-	1
Finance income	-	-	-	-	-	-	6
Finance costs	-	-	-	6	-	-	(972)
Profit before income tax							3,288
Income tax							(513)
Profit for the year							2,775

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**31 Segment Information (cont’d)**

(a) Reportable Operating Segments (cont’d)		Automobile Sales and Related Services S\$’000	Automobile After-Sales Services S\$’000	Automobile Financing and Related Services S\$’000	Automobile Rental and Leasing Services S\$’000	Others S\$’000	Elimination S\$’000	Combined S\$’000
<u>Year ended 31 December 2022 (cont’d)</u>								
<b>Assets</b>								
Segment assets		24,447	2,387	44,394	7,446	111	-	78,785
Investment property		-	-	-	-	991	-	991
Intangible assets		-	-	-	-	58	-	58
Financial assets, at fair value through profit or loss		-	-	-	-	1,351	-	1,351
Cash and bank balances		6,036	563	3,793	491	-	-	10,883
Combined total assets as at 31 December								<u>92,068</u>
<b>Liabilities</b>								
Segment liabilities		1,006	751	1,013	217	274	-	3,261
Bank borrowings		-	-	37,083	3,084	30,907	-	71,074
Lease liabilities		386	194	205	-	-	-	785
Income tax liabilities		-	-	-	-	560	-	560
Deferred tax liabilities		-	-	-	-	15	-	15
Combined total liabilities as at 31 December								<u>75,695</u>

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31	Segment Information (cont’d)	(a)	Reportable Operating Segments (cont’d)	Automobile Sales and Related Services S\$’000	Automobile After-Sales Services S\$’000	Automobile Financing and Related Services S\$’000	Automobile Rental and Leasing Services S\$’000	Others S\$’000	Elimination S\$’000	Combined S\$’000
	<u>Year ended 31 December 2022 (cont’d)</u>									
	<b>Other information</b>									
	Capital expenditure on									
	- Property, plant and equipment			112	-	240	1,801	4,109	-	6,262
	Other non-cash expenses:									
	- Depreciation of property, plant and equipment			259	322	73	1,009	-	-	1,663
	- Depreciation of investment property			-	-	-	-	20	-	20
	- Amortisation of intangible assets			-	-	-	-	2	-	2
	- Allowance for impairment loss on trade receivables			-	-	218	-	-	-	218
	- Property, plant and equipment written off			-	2	-	-	-	-	2
	- Gain on disposal of property, plant and equipment			-	-	-	(104)	-	-	(104)
	- Loss on lease remeasurement			-	16	-	-	-	-	16
	- Fair value loss on financial assets at FVPL			-	-	-	-	167	-	167

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**31 Segment Information (cont’d)**

(a)	Reportable Operating Segments (cont’d)	Year ended 31 December 2023					Elimination S\$’000	Others S\$’000	Combined S\$’000
		Automobile Sales and Related Services S\$’000	Automobile After-Sales Services S\$’000	Automobile Financing and Related Services S\$’000	Automobile Rental and Leasing Services S\$’000				
<b>Revenue</b>	External sales	88,601	8,727	6,500	2,601	-	-	-	106,429
	Inter-segment sales	2,942	297	24	-	-	(3,263)	-	-
		91,543	9,024	6,524	2,601	-	(3,263)	-	106,429
<b>Results</b>									
Segment results		141	1,726	2,102	797	217	-	-	4,983
Fair value gain in financial assets, at fair value through profit or loss		-	-	-	-	14	-	-	14
Rental income		-	-	-	-	35	-	-	35
Interest income		-	-	-	-	129	-	-	129
Finance income		-	-	-	2	-	-	-	2
Finance costs		-	-	-	-	-	-	-	(1,519)
Profit before income tax									3,644
Income tax									(375)
Profit for the year									3,269

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**31 Segment Information (cont’d)**

(a) Reportable Operating Segments (cont’d)	Automobile Sales and Related Services S\$’000	Automobile After-Sales Services S\$’000	Automobile Financing and Related Services S\$’000	Automobile Rental and Leasing Services S\$’000	Others S\$’000	Elimination S\$’000	Combined S\$’000
<b>Year ended 31 December 2023 (cont’d)</b>							
<b>Assets</b>							
Segment assets	19,879	2,467	61,693	7,859	81	-	91,979
Investment property	-	-	-	-	970	-	970
Intangible assets	-	-	-	-	55	-	55
Financial assets, at fair value through profit or loss	-	-	-	-	1,365	-	1,365
Cash and bank balances	7,293	1,277	3,075	1,664	-	-	13,309
Combined total assets as at 31 December							<u>107,678</u>
<b>Liabilities</b>							
Segment liabilities	365	638	1,189	248	208	-	2,648
Bank borrowings	-	-	52,638	4,152	27,454	-	84,244
Lease liabilities	208	348	126	-	-	-	682
Income tax liabilities	-	-	-	-	399	-	399
Deferred tax liabilities	-	-	-	-	63	-	63
Combined total liabilities as at 31 December							<u>88,036</u>

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**Segment Information (cont’d)**

(a)	Reportable Operating Segments (cont'd)	Automobile Sales and Related Services S\$'000	Automobile After-Sales Services S\$'000	Automobile Financing and Related Services S\$'000	Automobile Rental and Leasing Services S\$'000	Others S\$'000	Elimination S\$'000	Combined S\$'000
Year ended 31 December 2023 (cont'd)								
Other information								
Capital expenditure on								
- Property, plant and equipment								
Other non-cash expenses:								
- Depreciation of property, plant and equipment								
- Depreciation of investment property								
- Amortisation of intangible assets								
- Allowance for impairment loss on trade receivables, net								
- Gain on disposal of property, plant and equipment								
- Fair value gain on financial assets at FVPL								



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**Segment Information (cont’d)**

(a) Reportable Operating Segments (cont’d)

	Automobile Sales and Related Services S\$’000	Automobile After-Sales Services S\$’000	Automobile Financing and Related Services S\$’000	Automobile Rental and Leasing Services S\$’000	Others S\$’000	Elimination S\$’000	Combined S\$’000
<u>Nine months period ended 30 September 2024</u>							
<b>Revenue</b>							
External sales	67,479	8,512	5,674	2,024	-	-	83,689
Inter-segment sales	1,841	71	32	-	-	(1,944)	-
	<u>69,320</u>	<u>8,583</u>	<u>5,706</u>	<u>2,024</u>	<u>-</u>	<u>(1,944)</u>	<u>83,689</u>
<b>Results</b>							
Segment results	542	1,756	1,513	534	(250)	-	4,095
Fair value loss in financial assets, at fair value through profit or loss	-	-	-	-	(3)	-	(3)
Rental income	-	-	-	-	29	-	29
Interest income	-	-	-	-	71	-	71
Finance costs	-	-	-	-	-	-	(1,470)
Profit before income tax							<u>2,722</u>
Income tax							<u>(680)</u>
Profit for the period							<u>2,042</u>

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**31 Segment Information (cont’d)**

(a) Reportable Operating Segments (cont’d)	Automobile Sales and Related Services S\$’000	Automobile After-Sales Services S\$’000	Automobile Financing and Related Services S\$’000	Automobile Rental and Leasing Services S\$’000	Others S\$’000	Elimination S\$’000	Combined S\$’000
<u>Nine months period ended 30 September 2024 (cont’d)</u>							
<b>Assets</b>							
Segment assets	30,408	3,377	64,046	7,701	315	-	105,847
Investment property	-	-	-	-	955	-	955
Intangible assets	-	-	-	-	52	-	52
Financial assets, at fair value through profit or loss	-	-	-	-	1,363	-	1,363
Cash and bank balances	7,538	2,089	2,725	1,216	784	-	14,352
Combined total assets as at 30 September							<u>122,569</u>
<b>Liabilities</b>							
Segment liabilities	1,512	648	1,216	187	54	-	3,617
Bank borrowings	-	80	56,150	3,465	34,416	-	94,111
Lease liabilities	99	666	66	-	-	-	831
Income tax liabilities	-	-	-	-	547	-	547
Deferred tax liabilities	-	-	-	-	198	-	198
Combined total liabilities as at 30 September							<u>99,304</u>

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**Segment Information (cont’d)**

(a) Reportable Operating Segments (cont’d)	Automobile Sales and Related Services S\$’000	Automobile After-Sales Services S\$’000	Automobile Financing and Related Services S\$’000	Automobile Rental and Leasing Services S\$’000	Others S\$’000	Elimination S\$’000	Combined S\$’000
<u>Nine months period ended 30 September 2024 (cont’d)</u>							
<b>Other information</b>							
Capital expenditure on							
- Property, plant and equipment	82	100	1,166	1,788	-	-	3,136
Other non-cash expenses:							
- Depreciation of property, plant and equipment	274	241	127	984	-	-	1,626
- Depreciation of investment property	-	-	-	-	15	-	15
- Amortisation of intangible assets	-	-	-	-	2	-	2
- Allowance for impairment loss on trade receivables, net	-	-	422	-	-	-	422
- Property, plant and equipment written off	-	1	19	-	-	-	20
- Gain on disposal of property, plant and equipment	-	-	-	(34)	-	-	(34)
- Fair value loss on financial assets at FVPL	-	-	-	-	3	-	3

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**Segment Information (cont’d)**

**(a) Reportable Operating Segments (cont’d)**

	Automobile Sales and Related Services S\$’000	Automobile After-Sales Services S\$’000	Automobile Financing and Related Services S\$’000	Automobile Rental and Leasing Services S\$’000	Others S\$’000	Elimination S\$’000	Combined S\$’000
	69,924	6,284	4,601	1,990	-	-	82,799
	1,783	-	17	-	-	(1,800)	-
	71,707	6,284	4,618	1,990	-	(1,800)	82,799

Nine months period ended 30 September  
2023

**Revenue**

External sales  
Inter-segment sales

**Results**

Segment results  
Rental income  
Interest income  
Finance costs  
Profit before income tax  
Income tax  
Profit for the period

	203	1,208	1,640	721	183	-	3,955
	-	-	-	-	28	-	28
	-	-	-	-	1	-	1
							(1,165)
							2,819
							(329)
							2,490

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OF VIN’S HOLDINGS LTD AND ITS SUBSIDIARIES**

**VIN’S HOLDINGS LTD  
AND ITS SUBSIDIARIES**

**NOTES TO THE COMBINED FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2021, 2022 AND 2023  
AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024**

**31 Segment Information (cont’d)**

(a) Reportable Operating Segments (cont’d)	Automobile Sales and Related Services S\$’000	Automobile After-Sales Services S\$’000	Automobile Financing and Related Services S\$’000	Automobile Rental and Leasing Services S\$’000	Others S\$’000	Elimination S\$’000	Combined S\$’000
<u>Nine months period ended 30 September 2023 (cont’d)</u>							
<b>Other information</b>							
Capital expenditure on							
- Property, plant and equipment	207	48	-	1,850	-	-	2,105
Other non-cash expenses:							
- Depreciation of property, plant and equipment	256	258	117	956	-	-	1,587
- Depreciation of investment property	-	-	-	-	15	-	15
- Amortisation of intangible assets	-	-	-	-	2	-	2
- Allowance for impairment loss on trade receivables, net	-	-	173	-	-	-	173
- Gain on disposal of property, plant and equipment	-	-	-	(191)	-	-	(191)

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**APPENDIX A – INDEPENDENT AUDITOR’S REPORT ON THE COMBINED  
FINANCIAL STATEMENTS FOR THE FINANCIAL YEARS ENDED 31 DECEMBER  
2021, 2022 AND 2023 AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024  
OF VIN’S HOLDINGS LTD AND ITS SUBSIDIARIES**

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**VIN’S HOLDINGS LTD  
AND ITS SUBSIDIARIES**

**NOTES TO THE COMBINED FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2021, 2022 AND 2023  
AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024**

**31 Segment Information (cont’d)**

(b) Information about Major Customers

In the year ended 31 December 2023, included in revenues arising from automobile sales and related services of S\$88,601,528 (2022: S\$78,617,533, 2021: S\$65,735,188, nine months period ended 30 September 2023: S\$82,799,369) are revenues of approximately S\$11,641,609 (2022: S\$9,715,054, 2021: S\$6,741,892, nine months period ended 30 September 2023: S\$82,799,369) which arose from sales to the Group’s largest customer.

**32 Capital Management**

The primary objective of the Group’s capital management is to ensure that it maintains a strong credit rating and net current asset position in order to support its business and maximise shareholder value. The capital structure of the Group comprises issued share capital and retained earnings.

The Group manages its capital structure and make adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made to the objectives, policies or processes during the Relevant Periods.

The Group monitors capital using a net debt-to-equity ratio, which is net debt divided by total equity. Net debt included total liabilities (exclude current tax liabilities and deferred tax liabilities) less cash and cash equivalents. Total equity includes equity attributable to the equity holder of the Group.

	<u>2021</u> S\$	31 December <u>2022</u> S\$	<u>2023</u> S\$	30 September <u>2024</u> S\$
Net debt	41,595,847	64,236,779	74,264,937	84,207,054
Total equity	13,544,016	16,372,566	19,641,520	23,264,890
Net debt-to-equity ratio	307%	392%	378%	362%

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**APPENDIX B – INDEPENDENT AUDITOR’S ASSURANCE REPORT ON THE  
COMPILATION OF UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 AND THE NINE MONTHS  
PERIOD ENDED 30 SEPTEMBER 2024 OF VIN’S HOLDINGS LTD AND ITS SUBSIDIARIES**

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Company Registration No: 386652

**VIN’S HOLDINGS LTD**  
**(Incorporated in Cayman Islands)**

**AND ITS SUBSIDIARIES**

**INDEPENDENT AUDITOR’S ASSURANCE REPORT ON THE  
COMPILATION OF UNAUDITED PRO FORMA  
COMBINED FINANCIAL INFORMATION**

**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023  
AND THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024**



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**APPENDIX B – INDEPENDENT AUDITOR’S ASSURANCE REPORT ON THE  
COMPILATION OF UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 AND THE NINE MONTHS  
PERIOD ENDED 30 SEPTEMBER 2024 OF VIN’S HOLDINGS LTD AND ITS SUBSIDIARIES**

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**INDEPENDENT AUDITOR’S ASSURANCE REPORT ON THE  
COMPILATION OF UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023  
AND THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024  
OF VIN’S HOLDINGS LTD AND ITS SUBSIDIARIES**

The Board of Directors  
Vin’s Holdings Ltd  
20 Sin Ming Lane  
#06-65 Midview City  
Singapore 573968

**Report on the Compilation of Unaudited Pro Forma Combined Financial Information**

We have completed our assurance engagement to report on the compilation of the unaudited pro forma combined financial information of Vin’s Holdings Ltd (the “Company”) and its subsidiaries (the “Group”) by management. The unaudited pro forma combined financial information of the Group consists of the unaudited pro forma combined statements of financial position as at 31 December 2023 and 30 September 2024, the unaudited pro forma combined statements of comprehensive income and the unaudited pro forma combined statements of cash flows for the year ended 31 December 2023 and nine months period ended 30 September 2024 and related notes, as set out on pages B-1 to B-23 of the Offer Document issued by the Company. The applicable criteria on the basis of which management has compiled the unaudited pro forma combined financial information is described in Note 3.

The unaudited pro forma combined financial information has been compiled by the management to illustrate the impact of the significant events set out in Explanatory Note 2 (“Significant Events”) on:

- (i) the combined statements of financial position of the Group as at 31 December 2023 and 30 September 2024 as if the Significant Events had occurred on 31 December 2023 and 30 September 2024 respectively;
- (ii) the combined statements of comprehensive income of the Group for the year/period ended 31 December 2023 and 30 September 2024 as if the Significant Events had occurred on 1 January 2023; and
- (iii) the combined statements of cash flows of the Group for the year/period ended 31 December 2023 and 30 September 2024 as if the Significant Events had occurred on 1 January 2023.

As part of this process, information about the Group’s financial position, statements of comprehensive income and cash flows have been extracted by management from the Group’s audited combined financial statements for the financial year ended 31 December 2023 and nine months period ended 30 September 2024, on which the audit reports have been published.

**Management’s Responsibility for the Unaudited Pro Forma Combined Financial Information**

Management is responsible for compiling the unaudited pro forma combined financial information of the Group on the basis of the applicable criteria as described in Note 3.

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**APPENDIX B – INDEPENDENT AUDITOR’S ASSURANCE REPORT ON THE  
COMPILATION OF UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 AND THE NINE MONTHS  
PERIOD ENDED 30 SEPTEMBER 2024 OF VIN’S HOLDINGS LTD AND ITS SUBSIDIARIES**

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**INDEPENDENT AUDITOR’S ASSURANCE REPORT ON THE  
COMPILATION OF UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023  
AND THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024  
OF VIN’S HOLDINGS LTD AND ITS SUBSIDIARIES**

(cont’d)

**Our Independence and Quality Management**

We have complied with the independence and other ethical requirement of the Accounting and Corporate Regulatory Authority (“ACRA”) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (“ACRA Code”), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Singapore Standard on Quality Management (“SSQM”) 1 which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

**Auditor’s Responsibilities**

Our responsibility is to express an opinion about whether the unaudited pro forma combined financial information has been compiled, in all material respects, by management on the basis of the applicable criteria as described in Note 3.

We conducted our engagement in accordance with Singapore Standard on Assurance Engagements 3420 *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus* (“SSAE 3420”), issued by the Institute of Singapore Chartered Accountants. This standard requires that the auditors comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether management has compiled, in all material respects, the unaudited pro forma combined financial information of the Group on the basis of the applicable criteria as described in Note 3.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the unaudited pro forma combined financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the unaudited pro forma combined financial information.

The purpose of the unaudited pro forma combined financial information included in the Offer Document is solely to illustrate the impact of significant events or transactions on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the events or transactions at the respective dates would have been as presented.

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**APPENDIX B – INDEPENDENT AUDITOR’S ASSURANCE REPORT ON THE  
COMPILATION OF UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 AND THE NINE MONTHS  
PERIOD ENDED 30 SEPTEMBER 2024 OF VIN’S HOLDINGS LTD AND ITS SUBSIDIARIES**

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**INDEPENDENT AUDITOR’S ASSURANCE REPORT ON THE  
COMPILATION OF UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023  
AND THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024  
OF VIN’S HOLDINGS LTD AND ITS SUBSIDIARIES**

(cont’d)

**Auditor’s Responsibilities (cont’d)**

A reasonable assurance engagement to report on whether the unaudited pro forma combined financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the management in the compilation of the unaudited pro forma combined financial information provide a reasonable basis for presenting the significant effects directly attributable to the events or transactions, and to obtain sufficient appropriate evidence about whether:

- (i) The related pro forma adjustments give appropriate effect to those criteria; and
- (ii) The unaudited pro forma combined financial information of the Group reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the auditor’s judgment, having regard to his understanding of the nature of the Group, the event or transaction in respect of which the unaudited pro forma combined financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma combined financial information of the Group.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Opinion**

In our opinion:

- (a) The unaudited pro forma combined financial information has been compiled:
  - (i) in a manner consistent with the accounting policies adopted by the Group in its latest audited financial statements, which are in accordance with Singapore Financial Reporting Standards (International);
  - (ii) on the basis of the applicable criteria stated in Note 3 of the unaudited pro forma combined financial information of the Group; and
- (b) each material adjustment made to the information used in the preparation of the unaudited pro forma combined financial information is appropriate for the purpose of preparing such unaudited financial information.

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**APPENDIX B – INDEPENDENT AUDITOR’S ASSURANCE REPORT ON THE  
COMPILATION OF UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 AND THE NINE MONTHS  
PERIOD ENDED 30 SEPTEMBER 2024 OF VIN’S HOLDINGS LTD AND ITS SUBSIDIARIES**

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**INDEPENDENT AUDITOR’S ASSURANCE REPORT ON THE  
COMPILATION OF UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023  
AND THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024  
OF VIN’S HOLDINGS LTD AND ITS SUBSIDIARIES**

(cont’d)

**Restriction of Use and Distribution**

This report is made solely to you as a body and for the inclusion in the prospectus to be issued in relation to the proposed offering of shares of the Company in connection with the Company’s listing on the Catalist of the Singapore Exchange Securities Trading Limited and for no other purpose.

**Moore Stephens LLP**  
Public Accountants and  
Chartered Accountants  
Singapore

Lao Mei Leng  
Partner-in-charge

3 April 2025

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**APPENDIX B – INDEPENDENT AUDITOR’S ASSURANCE REPORT ON THE  
COMPILATION OF UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 AND THE NINE MONTHS  
PERIOD ENDED 30 SEPTEMBER 2024 OF VIN’S HOLDINGS LTD AND ITS SUBSIDIARIES**

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**VIN’S HOLDINGS LTD  
AND ITS SUBSIDIARIES**

**UNAUDITED PRO FORMA COMBINED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 AND THE NINE MONTHS PERIOD  
ENDED 30 SEPTEMBER 2024**

	31 December <u>2023</u> S\$	30 September <u>2024</u> S\$
Revenue	106,429,159	83,689,250
Cost of sales	<u>(94,362,864)</u>	<u>(72,854,714)</u>
Gross profit	12,066,295	10,834,536
Other income	867,080	639,375
Selling and marketing expenses	(1,087,986)	(768,865)
Administration expenses	(6,343,038)	(6,109,089)
Net allowance for expected credit losses	(392,214)	(422,214)
Finance expenses	(1,579,461)	(1,486,997)
Other operating expenses	<u>-</u>	<u>(22,299)</u>
Profit before income tax	3,530,676	2,664,447
Income tax expense	<u>(364,777)</u>	<u>(676,567)</u>
<b>Profit for the year/period, representing total comprehensive income for the year/period</b>	<u>3,165,899</u>	<u>1,987,880</u>
<b>Profit and the total comprehensive income for the year/period attributable to:</b>		
Equity holders of the Company	<u>3,165,899</u>	<u>1,987,880</u>

**APPENDIX B – INDEPENDENT AUDITOR’S ASSURANCE REPORT ON THE  
COMPILATION OF UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 AND THE NINE MONTHS  
PERIOD ENDED 30 SEPTEMBER 2024 OF VIN’S HOLDINGS LTD AND ITS SUBSIDIARIES**

**VIN’S HOLDINGS LTD  
AND ITS SUBSIDIARIES**

**UNAUDITED PRO FORMA COMBINED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2023 AND 30 SEPTEMBER 2024**

	31 December <u>2023</u> S\$	30 September <u>2024</u> S\$
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	15,010,358	14,788,712
Investment property	970,114	954,796
Intangible assets	54,315	51,917
Trade and other receivables	47,011,518	48,595,271
	<u>63,046,305</u>	<u>64,390,696</u>
<b>Current assets</b>		
Inventories	12,588,010	18,687,792
Trade and other receivables	18,374,915	23,548,801
Financial assets, at fair value through profit or loss	1,365,178	1,363,049
Cash and cash equivalents	14,750,819	14,217,519
	<u>47,078,922</u>	<u>57,817,161</u>
<b>Total assets</b>	<u>110,125,227</u>	<u>122,207,857</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	9,038,911	9,038,911
Share premium	1,485,608	1,485,608
Retained earnings	10,595,339	12,583,219
<b>Total equity</b>	<u>21,119,858</u>	<u>23,107,738</u>
<b>Non-current liabilities</b>		
Borrowings	49,260,510	49,249,610
Contract liabilities	84,734	65,231
Lease liabilities	252,236	367,732
Deferred tax liabilities	63,100	198,010
	<u>49,660,580</u>	<u>49,880,583</u>

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**APPENDIX B – INDEPENDENT AUDITOR’S ASSURANCE REPORT ON THE  
COMPILATION OF UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 AND THE NINE MONTHS  
PERIOD ENDED 30 SEPTEMBER 2024 OF VIN’S HOLDINGS LTD AND ITS SUBSIDIARIES**

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**VIN’S HOLDINGS LTD  
AND ITS SUBSIDIARIES**

**UNAUDITED PRO FORMA COMBINED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2023 AND 30 SEPTEMBER 2024**

(cont’d)

	31 December <u>2023</u> S\$	30 September <u>2024</u> S\$
<b>Current liabilities</b>		
Borrowings	35,760,859	44,671,847
Contract liabilities	66,030	55,146
Lease liabilities	430,099	462,959
Trade and other payables	2,699,384	3,495,575
Current tax liabilities	388,417	534,009
	<u>39,344,789</u>	<u>49,219,536</u>
<b>Total liabilities</b>	<u>89,005,369</u>	<u>99,100,119</u>
<b>Total equity and liabilities</b>	<u><u>110,125,227</u></u>	<u><u>122,207,857</u></u>



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**APPENDIX B – INDEPENDENT AUDITOR’S ASSURANCE REPORT ON THE  
COMPILATION OF UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 AND THE NINE MONTHS  
PERIOD ENDED 30 SEPTEMBER 2024 OF VIN’S HOLDINGS LTD AND ITS SUBSIDIARIES**

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**VIN’S HOLDINGS LTD  
AND ITS SUBSIDIARIES**

**UNAUDITED PRO FORMA COMBINED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2023 AND THE NINE MONTHS PERIOD  
ENDED 30 SEPTEMBER 2024**

	31 December <u>2023</u> S\$	30 September <u>2024</u> S\$
<b>Cash Flows from Operating Activities</b>		
Profit before income tax	3,530,676	2,664,447
Adjustments for:		
Depreciation of property, plant and equipment	2,175,725	1,665,679
Depreciation of investment property	20,423	15,318
Amortisation of intangible assets	3,192	2,398
Property, plant and equipment written off	-	20,170
Allowance for impairment losses on trade receivables, net	392,214	422,214
Gain on disposal of property, plant and equipment, net	(188,973)	(33,847)
Interest expense	1,579,461	1,486,997
Interest income	(129,137)	(71,483)
Fair value (gain)/loss on financial assets at FVPL	(13,914)	2,129
Operating cash flow before working capital changes	7,369,667	6,174,022
Changes in working capital:		
Inventories	4,854,228	(6,099,782)
Trade and other receivables	(18,014,890)	(7,179,353)
Trade and other payables	(301,749)	896,191
Contract liabilities	(9,646)	(30,387)
Block discounting loans	15,555,721	3,512,119
Cash generated from/(used in) operations	9,453,331	(2,727,190)
Interest received	129,137	71,483
Income tax paid	(488,988)	(396,065)
<b>Net cash generated from/(used in) operating activities</b>	<u>9,093,480</u>	<u>(3,051,772)</u>

**APPENDIX B – INDEPENDENT AUDITOR’S ASSURANCE REPORT ON THE  
COMPILATION OF UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 AND THE NINE MONTHS  
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**VIN’S HOLDINGS LTD  
AND ITS SUBSIDIARIES**

**UNAUDITED PRO FORMA COMBINED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2023 AND THE NINE MONTHS PERIOD  
ENDED 30 SEPTEMBER 2024**

(cont’d)

	31 December <u>2023</u> S\$	30 September <u>2024</u> S\$
<b>Cash Flows from Investing Activities</b>		
Purchase of property, plant and equipment	(4,454,165)	(2,023,765)
Proceeds from disposal of property, plant and equipment	1,487,453	1,109,277
<b>Net cash used in investing activities</b>	<u>(2,966,712)</u>	<u>(914,488)</u>
<b>Cash Flows from Financing Activities</b>		
Proceeds from issuance of shares	1,581,393	-
Fixed deposits pledged	(161,463)	(512,417)
Repayments of secured bank loans and hire purchase borrowings	(9,857,575)	(13,198,659)
Proceeds from secured bank loans and hire purchase borrowings	8,250,224	18,586,628
Interest paid	(1,550,652)	(1,468,955)
Repayments of lease liabilities	(553,078)	(368,011)
Interest paid on lease liabilities	(28,809)	(18,042)
Repayment to a related party	(100,000)	(100,000)
<b>Net cash (used in)/generated from financing activities</b>	<u>(2,419,960)</u>	<u>2,920,544</u>
<b>Net increase/(decrease) in the cash and cash equivalents</b>	3,706,808	(1,045,716)
Cash and cash equivalents at the beginning of the year/period	5,882,547	9,589,355
<b>Cash and cash equivalents at the end of the year/period</b>	<u>9,589,355</u>	<u>8,543,639</u>

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**APPENDIX B – INDEPENDENT AUDITOR’S ASSURANCE REPORT ON THE  
COMPILATION OF UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 AND THE NINE MONTHS  
PERIOD ENDED 30 SEPTEMBER 2024 OF VIN’S HOLDINGS LTD AND ITS SUBSIDIARIES**

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**VIN’S HOLDINGS LTD  
AND ITS SUBSIDIARIES**

**NOTES TO THE UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2023 AND  
NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024**

**1 General Information**

Vin’s Holdings Ltd (the “Company”) is an exempted company with limited liability incorporated in the Cayman Islands. The Company’s registered address is Vistra (Cayman) Limited, P.O. Box 31119 Grand Pavillion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1 - 1205 Cayman Islands and its principal place of business is 20 Sin Ming Lane, #06-65 Midview City, Singapore 573968.

The Company’s principal activities included the sale, after sales, financing activities and rental and leasing and related services in the automobile industry. The principal activities of the subsidiaries are disclosed in Note 5 to the audited combined financial statements for the financial year ended 31 December 2023, as set out in page A-47 of the Offer Document.

The immediate holding company is Vin’s Capital Pte. Ltd., a company incorporated in Singapore. The ultimate controlling shareholder of the Vin’s Capital Pte. Ltd. is Madam Boong Lan Hiong.

**2 Significant Events**

Save for the following Significant Events discussed below, the directors, as at the date of this report, are not aware of any other Significant Events subsequent to 30 September 2024.

(a) The Completion of Showroom (“Significant Event 1”)

On 16 July 2024, a subsidiary – Vin’s Credit Pte. Ltd. received the Temporary Occupation Permit for the showroom located in 1 Kampong Ampat #02-12 One KA @ Macpherson Singapore 368314. This showroom was financed by a bank loan amounting to S\$1,616,800 of which S\$505,250 and S\$909,450 of bank proceeds were received before 31 December 2023 and before 30 September 2024 respectively.

(b) The Issuance of Share Capital (“Significant Event 2”)

On 29 July 2024, the Company issued 60,659,200 ordinary shares for a consideration of US\$60,659 (approximately S\$81,393) to Vin’s Capital Pte. Ltd..

On 9 December 2024, a consideration of S\$134,519 was received from Vin’s Capital Pte. Ltd. for the issuance of ordinary shares on 27 January 2022 and 29 July 2024 of S\$53,126 and S\$81,393 respectively.

(c) The Allotment and Issuance of Ordinary Shares to an Investor (“Significant Event 3”)

On 6 September 2024, the Company entered into an agreement to issue 11,111,110 shares of the Company to an investor for a consideration of S\$1,500,000. The consideration was received by the Company on 17 July 2024. The 11,111,110 shares with par value of US\$11,111 (approximately S\$14,392) were issued to the investor on 19 September 2024.

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**APPENDIX B – INDEPENDENT AUDITOR’S ASSURANCE REPORT ON THE  
COMPILATION OF UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 AND THE NINE MONTHS  
PERIOD ENDED 30 SEPTEMBER 2024 OF VIN’S HOLDINGS LTD AND ITS SUBSIDIARIES**

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**VIN’S HOLDINGS LTD  
AND ITS SUBSIDIARIES**

**NOTES TO THE UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2023 AND  
NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024**

**3 Basis of Preparation of the Unaudited Pro Forma Combined Financial Information of the Group**

3.1 The unaudited pro forma combined financial information of the Group for the year ended 31 December 2023 and nine months period ended 30 September 2024 have been compiled based on the audited combined financial statements of the Group for the financial year ended 31 December 2023 and nine months period ended 30 September 2024 prepared by management in accordance with Singapore Financial Reporting Standards (International), and audited by Moore Stephens LLP, Singapore in accordance with Singapore Standards on Auditing. The auditor’s report on these combined financial statements was not modified.

3.2 The unaudited pro forma combined financial information of the Group has been prepared using the same accounting policies and methods of computation in the preparation of the audited combined financial statements for the year ended 31 December 2023 and nine months period ended 30 September 2024.

The unaudited pro forma combined financial information of the Group for the year/period ended 31 December 2023 and 30 September 2024 are prepared for illustrative purposes only. These are prepared based on certain assumptions and after making certain adjustments to show what:

- (a) the unaudited pro forma combined financial position of the Group as at 31 December 2023 and 30 September 2024 would have been if the Significant Events had occurred on 31 December 2023 and 30 September 2024 respectively;
- (b) the unaudited pro forma combined statement of comprehensive income of the Group for the financial year/period ended 31 December 2023 and 30 September 2024 would have been if the Significant Events had occurred on 1 January 2023; and
- (c) the unaudited pro forma combined statement of cash flows of the Group for the year/period ended 31 December 2023 and 30 September 2024 would have been if the Significant Events had occurred on 1 January 2023.

3.3 Earnings per share for the relevant periods have been calculated based on the profit for the year/period attributable to equity holders of the Company and Pre-Offering share capital of 111,111,110 shares which is arrived at after the Significant Events, as disclosed in Note 2 above.

The diluted earnings per share is the same as the basic earnings per share as there were no further potential dilutive shares for the respective periods.

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- 3 Basis of Preparation of the Unaudited Pro Forma Combined Financial Information of the Group (cont’d)**
- 3.4 The unaudited pro forma combined financial information of the Group, because of its nature, is not necessarily indicative of the results of the operations, cash flows and financial position that would have been attained had the Significant Events actually occurred earlier. Save as disclosed in Note 2, the management, for the purpose of preparing this set of unaudited pro forma combined financial information of the Group, has not considered the effects of other events.

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**4 Statement of Pro Forma Adjustments**

**4.1 Unaudited pro forma combined statement of comprehensive income of the Group for the financial year ended 31 December 2023**

	Audited combined statement of comprehensive income S\$	Unaudited pro forma adjustments Significant Event 1 Note 2(a) S\$	Unaudited pro forma combined statement of comprehensive income S\$
Revenue	106,429,159	-	106,429,159
Cost of sales	(94,362,864)	-	(94,362,864)
Gross profit	12,066,295	-	12,066,295
Other income	867,080	-	867,080
Selling and marketing expenses	(1,087,986)	-	(1,087,986)
Administration expenses	(6,290,252)	(52,786)	(6,343,038)
Net allowance for expected credit losses	(392,214)	-	(392,214)
Finance expenses	(1,518,896)	(60,565)	(1,579,461)
Profit before income tax	3,644,027	(113,351)	3,530,676
Income tax expense	(375,073)	10,296	(364,777)
<b>Profit for the year, representing total comprehensive income for the year</b>	<b>3,268,954</b>	<b>(103,055)</b>	<b>3,165,899</b>
<b>Profit and the total comprehensive income for the year attributable to:</b>			
Equity holders of the Company	3,268,954	(103,055)	3,165,899

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**4 Statement of Pro Forma Adjustments (cont’d)**

**4.2 Unaudited pro forma combined statement of comprehensive income of the Group for the nine months period from 1 January 2024 to 30 September 2024**

	Audited combined statement of comprehensive income S\$	Unaudited pro forma adjustments Significant Event 1 Note 2(a) S\$	Unaudited pro forma combined statement of comprehensive income S\$
Revenue	83,689,250	-	83,689,250
Cost of sales	(72,854,714)	-	(72,854,714)
Gross profit	10,834,536	-	10,834,536
Other income	639,375	-	639,375
Selling and marketing expenses	(768,865)	-	(768,865)
Administration expenses	(6,069,500)	(39,589)	(6,109,089)
Net reversal for expected credit losses	(422,214)	-	(422,214)
Finance expenses	(1,469,517)	(17,480)	(1,486,997)
Other operating expenses	(22,299)	-	(22,299)
Profit before income tax	2,721,516	(57,069)	2,664,447
Income tax expenses	(679,539)	2,972	(676,567)
<b>Profit for the period, representing total comprehensive income for the financial period</b>	<b>2,041,977</b>	<b>(54,097)</b>	<b>1,987,880</b>
<b>Profit and the total comprehensive income for the financial period attributable to:</b>			
Equity holders of the Company	2,041,977	(54,097)	1,987,880



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**4 Statement of Pro Forma Adjustments (cont’d)**

**4.3 Unaudited pro forma combined statement of financial position of the Group as at 31 December 2023**

	Audited combined statement of financial position	Unaudited pro forma adjustments			Unaudited pro forma combined statement of financial position
	S\$	Significant Event 1	Significant Event 2	Significant Event 3	S\$
		Note 2(a)	Note 2(b)	Note 2(c)	
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	12,986,914	2,023,444	-	-	15,010,358
Investment property	970,114	-	-	-	970,114
Intangible assets	54,315	-	-	-	54,315
Trade and other receivables	47,011,518	-	-	-	47,011,518
	61,022,861	2,023,444	-	-	63,046,305
<b>Current assets</b>					
Inventories	12,588,010	-	-	-	12,588,010
Trade and other receivables	19,392,221	(964,180)	(53,126)	-	18,374,915
Financial assets, at fair value through profit or loss	1,365,178	-	-	-	1,365,178
Cash and cash equivalents	13,309,352	(193,052)	134,519	1,500,000	14,750,819
	46,654,761	(1,157,232)	81,393	1,500,000	47,078,922
<b>Total assets</b>	<b>107,677,622</b>	<b>866,212</b>	<b>81,393</b>	<b>1,500,000</b>	<b>110,125,227</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity attributable to equity holders of the Company</b>					
Share capital	8,943,126	-	81,393	14,392	9,038,911
Share premium	-	-	-	1,485,608	1,485,608
Retained earnings	10,698,394	(103,055)	-	-	10,595,339
<b>Total equity</b>	<b>19,641,520</b>	<b>(103,055)</b>	<b>81,393</b>	<b>1,500,000</b>	<b>21,119,858</b>

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**4 Statement of Pro Forma Adjustments (cont’d)**

**4.3 Unaudited pro forma combined statement of financial position of the Group as at 31 December 2023 (cont’d)**

	Audited combined statement of financial position S\$	Unaudited pro forma adjustments			Unaudited pro forma combined statement of financial position S\$
		Significant Event 1 S\$ Note 2(a)	Significant Event 2 S\$ Note 2(b)	Significant Event 3 S\$ Note 2(c)	
<b>Non-current liabilities</b>					
Borrowings	48,351,060	909,450	-	-	49,260,510
Contract liabilities	84,734	-	-	-	84,734
Lease liabilities	252,236	-	-	-	252,236
Deferred tax liabilities	63,100	-	-	-	63,100
	<u>48,751,130</u>	<u>909,450</u>	<u>-</u>	<u>-</u>	<u>49,660,580</u>
<b>Current liabilities</b>					
Borrowings	35,892,846	(131,987)	-	-	35,760,859
Contract liabilities	66,030	-	-	-	66,030
Lease liabilities	430,099	-	-	-	430,099
Trade and other payables	2,497,284	202,100	-	-	2,699,384
Current tax liabilities	398,713	(10,296)	-	-	388,417
	<u>39,284,972</u>	<u>59,817</u>	<u>-</u>	<u>-</u>	<u>39,344,789</u>
<b>Total liabilities</b>	<u>88,036,102</u>	<u>969,267</u>	<u>-</u>	<u>-</u>	<u>89,005,369</u>
<b>Total equity and liabilities</b>	<u>107,677,622</u>	<u>866,212</u>	<u>81,393</u>	<u>1,500,000</u>	<u>110,125,227</u>

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**4 Statement of Pro Forma Adjustments (cont’d)**

**4.4 Unaudited pro forma combined statement of financial position of the Group as at 30 September 2024**

	Audited Combined statement of financial position S\$	Unaudited pro forma adjustments Significant Event 1 S\$ Note 2(a)		Significant Event 2 S\$ Note 2(b)	Unaudited pro forma Combined statement of financial position S\$
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	14,881,086	(92,374)	-	-	14,788,712
Investment property	954,796	-	-	-	954,796
Intangible assets	51,917	-	-	-	51,917
Other receivables	48,595,271	-	-	-	48,595,271
	64,483,070	(92,374)	-	-	64,390,696
<b>Current assets</b>					
Inventories	18,687,792	-	-	-	18,687,792
Trade and other receivables	23,683,320	-	(134,519)	-	23,548,801
Financial assets, at fair value through profit or loss	1,363,049	-	-	-	1,363,049
Cash and cash equivalents	14,351,816	(268,816)	134,519	-	14,217,519
	58,085,977	(268,816)	-	-	57,817,161
<b>Total assets</b>	122,569,047	(361,190)	-	-	122,207,857
<b>EQUITY AND LIABILITIES</b>					
<b>Equity attributable to equity holders of the Company</b>					
Share capital	9,038,911	-	-	-	9,038,911
Share premium	1,485,608	-	-	-	1,485,608
Retained earnings	12,740,371	(157,152)	-	-	12,583,219
<b>Total equity</b>	23,264,890	(157,152)	-	-	23,107,738

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**4 Statement of Pro Forma Adjustments (cont’d)**

**4.4 Unaudited pro forma combined statement of financial position of the Group as at 30 September 2024**  
(cont’d)

	Audited Combined statement financial position S\$	Unaudited pro forma adjustments Significant Event 1 S\$ Note 2(a)		Significant Event 2 S\$ Note 2(b)	Unaudited pro forma Combined statement of financial position S\$
<b>Non-current liabilities</b>					
Borrowings	49,249,610	-	-	-	49,249,610
Contract liabilities	65,231	-	-	-	65,231
Lease liabilities	367,732	-	-	-	367,732
Deferred tax liabilities	198,010	-	-	-	198,010
	49,880,583	-	-	-	49,880,583
<b>Current liabilities</b>					
Borrowings	44,862,617	(190,770)	-	-	44,671,847
Contract liabilities	55,146	-	-	-	55,146
Lease liabilities	462,959	-	-	-	462,959
Trade and other payables	3,495,575	-	-	-	3,495,575
Current tax liabilities	547,277	(13,268)	-	-	534,009
	49,423,574	(204,038)	-	-	49,219,536
<b>Total liabilities</b>	99,304,157	(204,038)	-	-	99,100,119
<b>Total equity and liabilities</b>	122,569,047	(361,190)	-	-	122,207,857

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**4 Statement of Pro Forma Adjustments (cont’d)**

**4.5 Unaudited pro forma combined statement of cash flow of the Group for the year ended 31 December 2023**

	Audited combined statement of cash flows S\$	Unaudited pro forma adjustments Significant Event 1 S\$ Note 2(a)	Significant Event 2 S\$ Note 2(b)	Significant Event 3 S\$ Note 2(c)	Unaudited pro forma combined statement of cash flows S\$
<b>Cash Flows from Operating Activities</b>					
Profit before income tax	3,644,027	(113,351)	-	-	3,530,676
Adjustments for:					
Depreciation of property, plant and equipment	2,122,939	52,786	-	-	2,175,725
Depreciation of investment property	20,423	-	-	-	20,423
Amortisation of intangible assets	3,192	-	-	-	3,192
Allowance for impairment losses on trade receivables	392,214	-	-	-	392,214
Gain on disposal of property, plant and equipment, net	(188,973)	-	-	-	(188,973)
Interest expense	1,518,896	60,565	-	-	1,579,461
Interest income	(129,137)	-	-	-	(129,137)
Fair value gain on financial assets at FVPL	(13,914)	-	-	-	(13,914)
Operating cash flow before working capital changes	7,369,667	-	-	-	7,369,667
Changes in working capital:					
Inventories	4,854,228	-	-	-	4,854,228
Trade and other receivables	(18,067,516)	(500)	53,126	-	(18,014,890)
Trade and other payables	(503,849)	202,100	-	-	(301,749)
Contract liabilities	(9,646)	-	-	-	(9,646)
Block discounting loan	15,555,721	-	-	-	15,555,721
Cash generated from operations	9,198,605	201,600	53,126	-	9,453,331
Interest received	129,137	-	-	-	129,137
Income tax paid	(488,988)	-	-	-	(488,988)
<b>Net cash generated from operating activities</b>	<b>8,838,754</b>	<b>201,600</b>	<b>53,126</b>	<b>-</b>	<b>9,093,480</b>

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**4 Statement of Pro Forma Adjustments (cont’d)**

**4.5 Unaudited pro forma combined statement of cash flow of the Group for the year ended 31 December 2023 (cont’d)**

	Audited combined statement of cash flows S\$	Unaudited pro forma adjustments			Unaudited pro forma combined statement of cash flows S\$
		Significant Event 1 S\$ Note 2(a)	Significant Event 2 S\$ Note 2(b)	Significant Event 3 S\$ Note 2(c)	
<b>Cash Flows from Investing Activities</b>					
Purchase of property, plant and equipment	(3,342,614)	(1,111,550)	-	-	(4,454,164)
Proceeds from disposal of property, plant and equipment	1,487,452	-	-	-	1,487,452
<b>Net cash used in investing activities</b>	<b>(1,855,162)</b>	<b>(1,111,550)</b>	<b>-</b>	<b>-</b>	<b>(2,966,712)</b>
<b>Cash Flows from Financing Activities</b>					
Proceeds from issuance of shares	-	-	81,393	1,500,000	1,581,393
Fixed deposits pledged	(161,463)	-	-	-	(161,463)
Repayments of secured bank loans and hire purchase borrowings	(9,725,587)	(131,988)	-	-	(9,857,575)
Proceeds from secured bank loans and hire purchase borrowings	7,340,774	909,450	-	-	8,250,224
Interest paid	(1,490,087)	(60,565)	-	-	(1,550,652)
Repayments of lease liabilities	(553,078)	-	-	-	(553,078)
Interest expense on lease liabilities	(28,809)	-	-	-	(28,809)
Repayment to a related party	(100,000)	-	-	-	(100,000)
<b>Net cash (used in)/generated from financing activities</b>	<b>(4,718,250)</b>	<b>716,897</b>	<b>81,393</b>	<b>1,500,000</b>	<b>(2,419,960)</b>
<b>Net increase/(decrease) in the cash and cash equivalents</b>	<b>2,265,342</b>	<b>(193,053)</b>	<b>134,519</b>	<b>1,500,000</b>	<b>3,706,808</b>
Cash and cash equivalents at the beginning of the year	5,882,547	-	-	-	5,882,547
<b>Cash and cash equivalents at the end of the year</b>	<b>8,147,889</b>	<b>(193,053)</b>	<b>134,519</b>	<b>1,500,000</b>	<b>9,589,355</b>

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**4 Statement of Pro Forma Adjustments (cont’d)**

**4.6 Unaudited pro forma combined statement of cash flow of the Group for the nine months period from 1 January 2024 to 30 September 2024**

	Audited combined statement of cash flows S\$	Unaudited pro forma adjustments			Unaudited pro forma combined statement of cash flows S\$
		Significant Event 1 S\$ Note 2(a)	Significant Event 2 S\$ Note 2(b)	Significant Event 3 S\$ Note 2(c)	
<b>Cash Flows from Operating Activities</b>					
Profit before income tax	2,721,516	(57,069)	-	-	2,664,447
Adjustments for:					
Depreciation of property, plant and equipment	1,626,090	39,589	-	-	1,665,679
Depreciation of investment property	15,318	-	-	-	15,318
Amortisation of intangible assets	2,398	-	-	-	2,398
Property, plant and equipment written off	20,170				20,170
Allowance for impairment losses on trade receivables, net	422,214	-	-	-	422,214
Gain on disposal of property, plant and equipment, net	(33,847)	-	-	-	(33,847)
Interest expense	1,469,517	17,480	-	-	1,486,997
Interest income	(71,483)	-	-	-	(71,483)
Fair value loss on financial assets at FVPL	2,129	-	-	-	2,129
Operating cash flow before working capital changes	6,174,022	-	-	-	6,174,022
Changes in working capital:					
Inventories	(6,099,782)	-	-	-	(6,099,782)
Trade and other receivables	(7,179,853)	500	-	-	(7,179,353)
Trade and other payables	1,098,291	(202,100)	-	-	896,191
Contract liabilities	(30,387)	-	-	-	(30,387)
Block discounting loan	3,512,119	-	-	-	3,512,119
Cash used in operations	(2,525,590)	(201,600)	-	-	(2,727,190)
Interest received	71,483	-	-	-	71,483
Income tax paid	(396,065)	-	-	-	(396,065)
<b>Net cash used in operating activities</b>	<b>(2,850,172)</b>	<b>(201,600)</b>	<b>-</b>	<b>-</b>	<b>(3,051,772)</b>



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**4 Statement of Pro Forma Adjustments (cont’d)**

**4.6 Unaudited pro forma combined statement of cash flow of the Group for the nine months period from  
1 January 2024 to 30 September 2024 (cont’d)**

	Audited combined statement of cash flows S\$	Unaudited pro forma adjustments Significant Event 1 S\$ Note 2(a)	Significant Event 2 S\$ Note 2(b)	Significant Event 3 S\$ Note 2(c)	Unaudited pro forma combined statement of cash flows S\$
<b>Cash Flows from Investing Activities</b>					
Purchase of property, plant and equipment	(3,135,315)	1,111,550	-	-	(2,023,765)
Proceeds from disposal of property, plant and equipment	1,109,277	-	-	-	1,109,277
<b>Net cash (used in)/generated from investing activities</b>	<b>(2,026,038)</b>	<b>1,111,550</b>	<b>-</b>	<b>-</b>	<b>(914,488)</b>
<b>Cash Flows from Financing Activities</b>					
Proceeds from issuance of shares	1,500,000	-	-	(1,500,000)	-
Fixed deposits pledged	(512,417)	-	-	-	(512,417)
Repayments of secured bank loans and hire purchase borrowings	(13,139,876)	(58,783)	-	-	(13,198,659)
Proceeds from secured bank loans and hire purchase borrowings	19,496,078	(909,450)	-	-	18,586,628
Interest paid	(1,451,475)	(17,480)	-	-	(1,468,955)
Repayments of lease liabilities	(368,011)	-	-	-	(368,011)
Interest expense on lease liabilities	(18,042)	-	-	-	(18,042)
Repayment to a related party	(100,000)	-	-	-	(100,000)
<b>Net cash generated from/(used in) financing activities</b>	<b>5,406,257</b>	<b>(985,713)</b>	<b>-</b>	<b>(1,500,000)</b>	<b>2,920,544</b>

**APPENDIX B – INDEPENDENT AUDITOR’S ASSURANCE REPORT ON THE  
COMPILATION OF UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 AND THE NINE MONTHS  
PERIOD ENDED 30 SEPTEMBER 2024 OF VIN’S HOLDINGS LTD AND ITS SUBSIDIARIES**

**VIN’S HOLDINGS LTD  
AND ITS SUBSIDIARIES**

**NOTES TO THE UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2023 AND  
NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024**

**4 Statement of Pro Forma Adjustments (cont’d)**

**4.6 Unaudited pro forma combined statement of cash flow of the Group for the nine months period from  
1 January 2024 to 30 September 2024 (cont’d)**

	Audited combined statement of cash flows	Unaudited pro forma adjustments			Unaudited pro forma combined statement of cash flows
	S\$	Significant Event 1	Significant Event 2	Significant Event 3	S\$
		Note 2(a)	Note 2(b)	Note 2(c)	
<b>Net increase/(decrease) in cash and cash equivalents</b>	530,047	(75,763)	-	(1,500,000)	(1,045,716)
Cash and cash equivalents at the beginning of the period	8,147,889	(193,053)	134,519	1,500,000	9,589,355
<b>Cash and cash equivalents at the end of the period</b>	8,677,936	(268,816)	134,519	-	8,543,639

**5 Earnings Per Share**

The calculation of the basic and diluted earnings per share attributable to the ordinary equity holders of the Company is based on the assumption that the Significant Events occurred as at 1 January 2023, and based on the following data:

	31 December 2023	30 September 2024
	S\$	S\$
Profit for the year/period (attributable to the owner of the Company)	3,165,899	1,987,880
Pre-placement share capital for the purposes of basic earnings per share	111,111,110	111,111,110
Basic and diluted earnings per share (cents per share)	2.85	1.79

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## APPENDIX C – SUMMARY OF OUR MEMORANDUM AND ARTICLES OF ASSOCIATION

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### SUMMARY OF OUR MEMORANDUM AND ARTICLES OF ASSOCIATION

The discussion below provides information about certain provisions of our Articles of Association. This description is only a summary and is qualified by reference to our Articles of Association, a copy of which will be displayed at our principal place of business at 20 Sin Ming Lane #06-65/66, Midview City, Singapore 573968.

The following are extracts of the provisions in our Articles of Association relating to:

**(a) A director's power to vote on a proposal, arrangement or contract in which he is interested**

Article 103 – Powers of Directors to contract with Company

No Director or proposed or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatever, nor shall any such contract or any other contract or arrangement in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company or the Members for any remuneration, profit or other benefits realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established provided that such Director shall disclose the nature of his interest in any contract or arrangement in which he is interested in accordance with Article 104.

Article 102(c) – Exercise of voting power

Subject as otherwise provided by the Articles of Association, the Directors may exercise or cause to be exercised or exercisable by them as directors of such other company in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them directors, managing directors, joint managing directors, deputy managing directors, executive directors, managers or other officers of such company) or voting or providing for the payment of remuneration to the director, managing director, joint managing director, deputy managing director, executive director, manager or other officers of such other company and any Director may vote in favour of the exercise of such voting rights in manner aforesaid notwithstanding that he may be, or about to be, appointed a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer of such a company, and that as such he is or may become interested in the exercise of such voting rights in manner aforesaid.

**(b) A director's power to vote on remuneration (including pension or other benefits) for himself or for any other director and whether the quorum at a meeting of the board of directors to vote on directors' remuneration may include the director whose remuneration is the subject of the vote**

Article 98 – Fees

The fees of the Directors shall be determined from time to time by the Company in general meetings, and such fees shall not be increased except pursuant to an ordinary resolution passed at a general meeting, where notice of the proposed increase shall have been given in the notice convening the meeting, and shall (unless otherwise directed by the resolution by which it is voted) be divided among the Board in such proportions and manner as the Board may agree or, failing agreement, equally, except that any Director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for the proportion of remuneration related to the period during which he has held office.

Regulation 100(1) – Extra remuneration

Any Director who by request, goes or resides abroad for any purpose of the Company or who performs services which in the opinion of the Board go beyond the ordinary duties of a Director may be paid such extra remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine and such extra remuneration shall be in addition to or in substitution for any fees or ordinary remuneration provided for by or pursuant to any other Article.

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## **APPENDIX C – SUMMARY OF OUR MEMORANDUM AND ARTICLES OF ASSOCIATION**

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### **Article 100(2) – Remuneration of Director**

The fees (including any remuneration under Article 100(1) above) in the case of a Director other than an Executive Director shall be payable by a fixed sum, and shall not at any time be by a commission on or a percentage of the profits or turnover, and no Director whether an Executive Director or otherwise shall be remunerated by a commission on or a percentage of turnover.

### **Article 99 – Expenses**

Each Director shall be entitled to be repaid or prepaid all travelling hotel and incidental expenses reasonably incurred or expected to be incurred by him in attending meetings of the Directors or committees of the Directors or general meetings or separate meetings of any class of shares or of debentures of the Company or otherwise in connection with the discharge of his duties as a Director.

### **Article 93 – Remuneration of Executive Directors**

Notwithstanding Articles 98, 99, 100 and 101, an executive director, including a managing director or a person holding an equivalent position, shall receive such remuneration (whether by way of salary, commission, participation in profits or otherwise or by all or any of those modes) and such other benefits (including pension and/or gratuity and/or other benefits on retirement) and allowances as the Board may from time to time determine, and either in addition to or in lieu of his remuneration as a Director, but he shall not in any circumstances be remunerated by a commission on or a percentage of turnover.

### **Article 111 – Benefits for employees**

- (1) The Board may establish or concur or join with other companies (being subsidiary companies of the Company or companies with which it is associated in business) in establishing and making contributions out of the Company's moneys to any schemes or funds for providing pensions, sickness or compassionate allowances, life assurance or other benefits for employees (which expression as used in this and the following paragraph shall include any Director or ex-Director who may hold or have held any executive office or any office of profit under the Company or any of its subsidiary companies) and ex-employees of the Company and their dependants or any class or classes of such person.
- (2) The Board may pay, enter into agreements to pay or make grants of revocable or irrevocable, and either subject or not subject to any terms or conditions, pensions or other benefits to employees and ex-employees and their dependants, or to any of such persons, including pensions or benefits additional to those, if any, to which such employees or ex-employees or their dependants are or may become entitled under any such scheme or fund as mentioned in the last preceding paragraph. Any such pension or benefit may, as the Board considers desirable, be granted to an employee either before and in anticipation of or upon or at any time after his actual retirement.

### **Article 94 – Alternate Directors**

Any Director may at any time by Notice delivered to the Office or at a meeting of the Directors appoint any person (other than another Director) to be his alternate Director. Such appointment, unless previously approved by a majority of the Board, shall have effect only upon and subject to being so approved. Any appointment or removal of an alternate Director shall be effected by Notice signed by the appointor and delivered to the Office or tendered at a meeting of the Board. No Director may act as an alternate Director of the Company. An alternate Director may not act as alternate to more than one Director.

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## **APPENDIX C – SUMMARY OF OUR MEMORANDUM AND ARTICLES OF ASSOCIATION**

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### **Article 95 – Remuneration of Alternate Directors**

An alternate Director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified by the Company to the same extent mutatis mutandis as if he were a Director but he shall not be entitled to receive from the Company any fee in his capacity as an alternate Director except only such part, if any, of the remuneration otherwise payable to his appointor as such appointor may by Notice to the Company from time to time direct. Any fee paid to an alternate Director shall be deducted from the remuneration otherwise payable to his appointor.

There are no specific provisions in our Articles of Association relating to a Director's power to vote on remuneration (including pension or other benefits) for himself or herself or for any other Director, and whether the quorum at a meeting of the board of directors to vote on Directors' remuneration may include the Director whose remuneration is the subject of the vote.

### **(c) The borrowing powers exercisable by the directors and how such borrowing powers may be varied**

#### **Article 112 – Directors' borrowing powers**

Subject to the provisions of the Articles of Association, the Directors may exercise all the powers of the Company to raise or borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company and, subject to the Cayman Islands Companies Act, to issue debentures, bonds and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

### **(d) The retirement or non-retirement of a director under an age limit requirement**

#### **Article 92 – Managing Director to be subject to retirement by rotation**

The Board may from time to time appoint any one (1) or more of its body to be a managing director (or a person holding an equivalent position, howsoever described) of the Company for such period (subject to the provisions of any contract between him or them and the Company) and upon such terms as the Board may determine and the Board may revoke or terminate any of such appointments. A Director appointed to an office under this Article shall be subject to the same provisions as to removal as the other Directors of the Company, and he shall (subject to the provisions of any contract between him and the Company) ipso facto and immediately cease to hold such office if he shall cease to hold the office of Director for any cause. Where the appointment is for a fixed term, such term shall not exceed five (5) years.

#### **Article 89 – Retirement of Directors by rotation and Deemed re-elected**

- (1) Each Director shall retire at least once every three (3) years.
- (2) A retiring Director shall be eligible for re-election.
- (3) The Company at the meeting at which a Director retires under any provision of these Articles may by ordinary resolution fill the office being vacated by electing thereto the retiring Director or some other person eligible for appointment. In default the retiring Director shall be deemed to have been re-elected except in any of the following cases:
  - (a) where at such meeting it is expressly resolved not to fill such office or a resolution for the re-election of such Director is put to the meeting and lost;
  - (b) such Director is disqualified under the Cayman Islands Companies Act or (for so long as the shares of the Company are listed on the Catalist) the Catalist Rules from holding office as a Director in any jurisdiction for reasons other than on technical grounds; or

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## **APPENDIX C – SUMMARY OF OUR MEMORANDUM AND ARTICLES OF ASSOCIATION**

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- (c) where such Director has given notice in writing to the Company that he is unwilling to be re-elected.

The retirement shall not have effect until the conclusion of the meeting except where a resolution is passed to elect some other person in the place of the retiring Director or a resolution for his re-election is put to the meeting and lost and accordingly a retiring Director who is re-elected or deemed to have been re-elected will continue in office without a break.

**(e) The number of shares, if any, required for the qualification of a director**

Article 88(3) – Qualifications

Neither a Director nor an alternate Director shall be required to hold any shares of the Company by way of qualification and a Director or alternate Director (as the case may be) who is not a Member shall be entitled to receive notice of and to attend and speak at any general meeting of the Company and of all classes of shares of the Company.

**(f) The rights, preferences and restrictions attaching to each class of shares**

Article 12 – Issue of new shares

Subject to the Cayman Islands Companies Act and, where applicable, to the rules or Catalist Rules, no shares may be issued by the Directors without the prior sanction of an ordinary resolution of the Company in general meeting but subject thereto and to the Articles of Association, and without prejudice to any special rights or restrictions for the time being attached to any shares or any class of shares, the unissued shares of the Company (whether forming part of the original or any increased capital) shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as the Board may in its absolute discretion determine but so that no shares shall be issued at a discount to their nominal value.

Article 9(1) – Rights attached to certain shares

Preference shares may be issued subject to such limitations thereof as may be prescribed by the Cayman Islands Companies Act or by the SGX-ST.

Article 9(2)

In the event of preference shares being issued, the total number of issued preference shares shall not at any time exceed the total number of the issued ordinary shares.

Article 9(3)

Preference shareholders shall have the same rights as ordinary shareholders as regards receiving of notices, reports and balance sheets and attending general meetings of the Company, and preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital or winding-up or sanctioning a sale of the undertaking of the Company or where the proposition to be submitted to the meeting directly affects their rights and privileges or when the dividend on the preference shares is in arrear for more than six (6) months.

Article 9(4)

The Company has power to issue further preference capital ranking equally with, or in priority to, preference shares already issued.

Article 10 – Rights of preference shareholders

Whenever the share capital of the Company is divided into different classes of shares, subject to the provisions of the Cayman Islands law and (for so long as the shares of the Company are listed on the Catalist) the Catalist Rules, preference capital other than redeemable preference capital may be repaid.



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## **APPENDIX C – SUMMARY OF OUR MEMORANDUM AND ARTICLES OF ASSOCIATION**

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### **Article 20 – Entitlement to certificate**

Subject to the payment of all or any part of the stamp duty payable (if any) on each share certificate prior to the delivery thereof which the Board in its absolute discretion may require, every person whose name is entered as a Member in the Register shall be entitled to receive within ten (10) market days of the date of allotment (or such other period as may be approved by the Catalist Rules) or within ten (10) market days after the date of lodgement of a registrable transfer (or such other period as may be approved by the SGX-ST) share certificates in reasonable denominations for the shares so allotted or transferred.

### **Article 18(2)**

The fee payable in respect of share certificates referred to in Article 18 and Article 19 shall be an amount not exceeding two Singapore dollars (S\$2.00) per certificate or such other maximum amount as the SGX-ST may from time to time determine provided that the Board may at any time waive such fee or determine a lower amount for such fee.

### **Article 19(2)**

Where a Member transfers part only of the shares comprised in a certificate or where a Member requires the Company to cancel any certificate or certificates and issue new certificates for the purpose of subdividing his holding in a different manner the old certificate or certificates shall be cancelled and a new certificate or certificates for the balance of such shares issued in lieu thereof and such Member shall pay all or any part of the stamp duty payable (if any) on each share certificate prior to the delivery thereof which the Board in its absolute discretion may require and such fee as is provided in Article 18(2).

### **Article 49(1) – Directors' power to decline to register**

The Board may, in its absolute discretion and without giving any reason therefor, refuse to register a transfer of any share (not being a fully paid up share) to a person of whom it does not approve where the shares in question are not listed on or subject to the Catalist Rules, or any share issued under any share incentive scheme for employees upon which a restriction on transfer imposed thereby still subsists, and it may also, without prejudice to the foregoing generality, refuse to register a transfer of any share (not being a fully paid up share) on which the Company has a lien or, except in the case of a transfer to executors, administrators or trustees of the estate of a deceased Member, a transfer of any share to more than three (3) joint holders.

### **Article 51**

If the Board refuses to register a transfer of any share, it shall, within one (1) month after the date on which the transfer was lodged with the Company, send to each of the transferor and transferee notice of the refusal.

### **Article 67 – Voting rights of Members**

- (1) Subject to any special rights or restrictions as to voting for the time being attached to any shares at any general meeting:
  - (a) on a show of hands every Member present in person (or being a corporation, is present by a representative duly authorised under Article 86) or by proxy shall have one (1) vote and the chairman of the meeting shall determine which proxy shall be entitled to vote where a Member (other than the Depository or a relevant intermediary) is represented by two proxies; and
  - (b) on a poll every Member present in person or by proxy or, in the case of a Member being a corporation, by its duly authorised representative shall have one (1) vote for every fully paid share of which he is the holder or which he represents and in respect of which all calls due to the Company have been paid, but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share.



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## **APPENDIX C – SUMMARY OF OUR MEMORANDUM AND ARTICLES OF ASSOCIATION**

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- (2) For so long as the shares of the Company are listed on the Catalist, if required by the Catalist Rules, all resolutions at general meetings shall be voted by poll (unless such requirement is waived by the Catalist).

### **Article 80(1)**

If the member is Depository or a relevant intermediary, Depository or the relevant intermediary may each appoint more than two proxies to attend and vote at the same general meeting and each proxy shall be entitled to exercise the same powers on behalf of Depository or the relevant intermediary (as the case may be) as Depository or the relevant intermediary (as the case may be) could exercise, including, notwithstanding Article 67, the right to vote individually on a show of hands or on a poll.

### **Article 75 – Voting rights of joint holders**

Where there are joint holders of any share any one (1) of such joint holder may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one (1) of such joint holders be present at any meeting the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register (as defined in the Articles of Association) in respect of the joint holding. Several executors or administrators of a deceased Member in whose name any share stands shall for the purposes of this Article be deemed joint holders thereof.

### **Article 77 – Right to vote**

No Member shall, unless the Board otherwise determines, be entitled to attend and vote and to be reckoned in a quorum at any general meeting unless he is duly registered and all calls or other sums presently payable by him in respect of shares in the Company have been paid.

## **(g) Any change in capital**

### **Article 4 – Power to increase, consolidate, cancel and subdivide shares**

The Company may from time to time by ordinary resolution in accordance with the Cayman Islands Companies Act alter the conditions of its memorandum of association to:

- (a) increase its capital by such sum divided into shares of such amounts as the resolution shall prescribe or, if the Company has shares without par value, increase its share capital by such number of shares without nominal or par value, or increase the aggregate consideration for which its shares may be issued, as it thinks expedient;
- (b) consolidate and divide all or any of its capital into shares of larger amount than its existing shares;
- (c) convert all or any of its paid-up shares into stock, and reconvert that stock into paid-up shares of any denomination;
- (d) sub-divide its shares or any of them into shares of an amount smaller than that fixed by the memorandum of association (subject, nevertheless, to the Cayman Islands Companies Act); and
- (e) cancel shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person, and diminish the amount of its capital by the amount of the shares so cancelled or, in the case of shares without par value, diminish the number of shares into which its capital is divided.

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## APPENDIX C – SUMMARY OF OUR MEMORANDUM AND ARTICLES OF ASSOCIATION

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### Article 3(2) – Repurchase of Company's shares

Subject to the Cayman Islands Companies Act, the memorandum of association of the Company, the Articles of Association and, where applicable, the Catalist Rules, the Company shall have the power to:

- (a) issue shares on terms that they are to be redeemed or are liable to be redeemed at the option of the Company or the Member on such terms and in such manner as the Directors may determine;
- (b) purchase its own shares (including any redeemable shares) on such terms and in such manner as the Directors may determine and agree with the Member; and
- (c) redeem, purchase or otherwise acquire its own shares and such power shall be exercisable by the Board in such manner, upon such terms and subject to such conditions as it thinks fit and any determination by the Board of the manner and terms of purchase shall be deemed authorised by the Articles of Association for purposes of the Cayman Islands Companies Act.

### Article 3(6) – Treasury Shares

The Company is authorised to hold treasury shares in accordance with the Cayman Islands Companies Act. The Board may designate as treasury shares any of its shares that it purchases or redeems, or any shares surrendered to it, in accordance with the Cayman Islands Companies Act. Shares held by the Company as treasury shares shall continue to be classified as treasury shares until such shares are either cancelled or transferred in accordance with the Cayman Islands Companies Act.

### Article 6 – Power to reduce capital

The Company may from time to time by special resolution, subject to any confirmation or consent required by the Cayman Islands Companies Act, reduce its share capital or any capital redemption reserve or other undistributable reserve in any manner permitted by law.

- (h) **Any change in the respective rights of the various classes of shares including the action necessary to change the rights, indicating where the conditions are different from those required by the applicable law**

### Article 10 – Variation of rights

- (1) Whenever the share capital of the Company is divided into different classes of shares, subject to the provisions of the Cayman Islands law and (for so long as the shares of the Company are listed on the Catalist) the Catalist Rules, preference capital other than redeemable preference capital may be repaid and the special rights attached to any class may be varied or abrogated with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class concerned (but not otherwise, provided always that where the necessary majority for such a special resolution is not obtained at such general meeting, consent in writing if obtained from the holders of three-fourths in nominal value of the issued shares of the class concerned within two (2) months of such general meeting shall be as valid and effectual as a special resolution carried at such general meeting).
- (2) To every such separate general meeting and all adjournments thereof all the provisions of the Articles of Association relating to general meetings of the Company and to the proceedings thereat shall mutatis mutandis apply, except that the necessary quorum (other than at an adjourned meeting) shall be two (2) persons at least holding or representing by proxy at least one-third in nominal value of the issued shares of the class and at any adjourned meeting of such holders, two (2) holders present in person or by proxy (whatever the number of shares held by them) shall be a quorum and that any holder of shares of the class present in person or by proxy may demand a poll and that every such holder shall on a

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## **APPENDIX C – SUMMARY OF OUR MEMORANDUM AND ARTICLES OF ASSOCIATION**

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poll have one vote for every share of the class held by him. The foregoing provisions of this Article shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the special rights whereof are to be varied.

### **Article 11 – Creation or issue of further shares with special rights**

The rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be varied, modified or abrogated by the creation or issue of further shares ranking *pari passu* therewith.

### **(i) Any time limit after which a dividend entitlement will lapse and an indication of the party in whose favour this entitlement operates**

#### **Article 148 – Unclaimed dividends**

All dividends or bonuses unclaimed for one (1) year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed. Any dividend or bonuses unclaimed after a period of six (6) years from the date of declaration shall be forfeited and shall revert to the Company. If the Depository returns any such dividend or moneys to the Company, the relevant Depositor shall not have any right or claim in respect of such dividend or moneys against the Company if a period of six (6) years has elapsed from the date of declaration of such dividend or the date on which such other moneys are first payable. For the avoidance of doubt, no Member shall be entitled to any interest, share of revenue or other benefit arising from any unclaimed dividends, howsoever and whatsoever. The payment by the Board of any unclaimed dividend or other sums payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof.

### **(j) Any limitation on the right to own shares including limitations on the right of non-resident or foreign shareholders to hold or exercise voting rights on the shares**

#### **Article 14 – No trust recognised**

Except as required by law, no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by or required in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any fractional part of a share or (except only as otherwise provided by this Articles of Association or by law) any other rights in respect of any share, except an absolute right to the entirety thereof in the registered holder.

#### **Article 49(2) – Person under disability**

No transfer shall be made to an infant, a person who is bankrupt or to a person of unsound mind or under other legal disability.

#### **Article 12(2) – Issue of new shares to Members**

Subject to any direction to the contrary that may be given by the Company in general meeting, or except as permitted under the Catalist Rules, all new shares shall, before issue, be offered to such persons who as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as far as the circumstances admit, to the amount of the existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined. After the expiration of the aforesaid time or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Board may dispose of those shares in a manner as they think most beneficial to the Company. The Board may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot, in the opinion of the Board, be conveniently offered under this Article 12(2).

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## **APPENDIX C – SUMMARY OF OUR MEMORANDUM AND ARTICLES OF ASSOCIATION**

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### Article 12(3)

Notwithstanding Article 12(2) above but subject to the Cayman Islands law and, where applicable, the Catalist Rules, the Company in general meeting may by ordinary resolution grant to the Directors a general authority, either unconditionally or subject to such conditions as may be specified in the said ordinary resolution (including, but not limited to, the aggregate number of shares which may be issued and the duration of the general authority), to issue shares in the capital of the Company whether by way of rights, bonus or otherwise; and/or make or grant offers, agreements or options (collectively, “Instruments”) that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares; provided that unless otherwise specified in the ordinary resolution or required by any applicable Catalist Rules, such general authority will continue (notwithstanding the authority conferred by the said ordinary resolution may have ceased to be in force) in relation to the issue of shares pursuant to any Instrument made or granted by the Directors while the said ordinary resolution was in force.

### Article 12(1)

Neither the Company nor the Board shall be obliged, when making or granting any allotment of, offer of, option over or disposal of shares, to make, or make available, any such allotment, offer, option or shares to Members or others with registered addresses in any particular territory or territories being a territory or territories where, in the absence of a registration statement or other special formalities, this would or might, in the opinion of the Board, be unlawful or impracticable. Members affected as a result of the foregoing sentence shall not be, or be deemed to be, a separate class of members for any purpose whatsoever.

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## **APPENDIX D – SUMMARY OF CERTAIN PROVISIONS OF THE CAYMAN ISLANDS COMPANIES ACT AND THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF OUR COMPANY**

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*The discussion below provides information about certain provisions of our Memorandum and Articles of Association and the laws of Cayman Islands. This description is only a summary and is qualified by reference to Cayman Islands law and our Memorandum of Association and Articles of Association. Where portions of our Memorandum or Association or Articles of Association are reproduced below, defined terms bear the meanings ascribed to them in our Memorandum of Association or Articles of Association. Our Memorandum of Association and Articles of Association are a document available for inspection.*

### **SUMMARY OF CERTAIN PROVISIONS OF THE CAYMAN ISLANDS COMPANY LAW**

Our Company is incorporated in the Cayman Islands subject to the Cayman Islands Companies Act and, therefore, operates subject to Cayman Islands law. Set out below is a summary of certain provisions of Cayman Islands company law, although this does not purport to contain all applicable qualifications and exceptions or to be a complete review of all matters of Cayman Islands company law and taxation, which may differ from equivalent provisions in jurisdictions with which interested parties may be more familiar.

#### **Operations**

As an exempted company, our Company's business and operations must be conducted mainly outside the Cayman Islands. Our Company is required to file an annual return each year with the Registrar of Companies of the Cayman Islands and pay a fee which is based on the amount of our Company's authorised share capital.

#### **Share Capital**

The Cayman Islands Companies Act provides that where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the value of the premiums on those shares shall be transferred to an account, to be called the "share premium account". At the option of a company, these provisions may not apply to premiums on shares of that company allotted pursuant to any arrangement in consideration of the acquisition or cancellation of shares in any other company and issued at a premium. The Cayman Companies Act provides that the share premium account may be applied by the company subject to the provisions, if any, of its memorandum and articles of association in:

- (a) paying distributions or dividends to members;
- (b) paying up unissued shares of the company to be issued to members as fully paid bonus shares;
- (c) redeeming or purchasing the company's own shares in such manner as provided in section 37 of the Cayman Companies Act;
- (d) writing-off the preliminary expenses of the company; and
- (e) writing-off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the company.

No distribution or dividend may be paid to members out of the share premium account unless immediately following the date on which the distribution or dividend is proposed to be paid, the company will be able to pay its debts as they fall due in the ordinary course of business.

The Cayman Islands Companies Act provides that, subject to confirmation by the Grand Court of the Cayman Islands (the "**Court**"), a company limited by shares or a company limited by guarantee and having a share capital may, if so authorised by its articles of association, by special resolution reduce its share capital in any way and in particular may (a) extinguish or reduce the liability on any of its shares in respect of share capital not paid up; (b) either with or without extinguishing or reducing liability on any of its shares, cancel any paid-up share capital which is lost or unrepresented by available assets; or (c) either with or without extinguishing or reducing liability on any of its shares, pay off any paid-up share capital which is in excess of the needs of the company.

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## **APPENDIX D – SUMMARY OF CERTAIN PROVISIONS OF THE CAYMAN ISLANDS COMPANIES ACT AND THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF OUR COMPANY**

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### **Membership**

Under the Cayman Companies Act, only those persons who agree to become members of a Cayman Islands exempted company and whose names are entered in the register of members of such company are considered members. A Cayman Islands company is also not bound to see to the execution of any trust, whether express, implied or constructive, to which any of its shares are subject and whether or not the company had notice of such trust. Accordingly, persons holding shares through a trustee, nominee or depository will not be recognised as members of a Cayman Islands company under Cayman Islands law and may only have the benefit of rights attaching to the shares or remedies conferred by law on members through or with the assistance of the trustee, nominee or depository.

### **Financial Assistance to Purchase Shares of a Company or its Holding Company**

There is no statutory restriction in the Cayman Islands on the provision of financial assistance by a company to another person for the purchase of, or subscription for, its own or its holding company's shares. Accordingly, a company may provide financial assistance if the directors of the company consider, in discharging their duties of care and acting in good faith, for a proper purpose and in the interests of the company, that such assistance can properly be given. Such assistance should be on an arm's-length basis.

### **Purchase of Shares and Warrants by a Company and its Subsidiaries**

Subject to the provisions of the Cayman Islands Companies Act, a company limited by shares or a company limited by guarantee and having a share capital may, if so authorised by its articles of association, issue shares which are to be redeemed or are liable to be redeemed at the option of the company or a shareholder. In addition, such a company may, if authorised to do so by its articles of association, purchase its own shares, including any redeemable shares. However, if the articles of association do not authorise the manner and terms of the purchase, a company cannot purchase any of its own shares unless the manner and terms of purchase have first been authorised by an ordinary resolution of the company. The articles of association may provide that the manner of purchase may be determined by the directors of the company. At no time may a company redeem or purchase its shares unless they are fully paid. A company may not redeem or purchase any of its shares if, as a result of the redemption or purchase, there would no longer be any issued shares of the company other than shares held as treasury shares. Shares may be redeemed or purchased out of profits of the company, out of the share premium account or out of the proceeds of a fresh issue of shares made for the purposes of the redemption or purchase, or (subject to section 37 of the Cayman Islands Companies Act) out of capital. A payment out of capital by a company for the redemption or purchase of its own shares is not lawful unless immediately following the date on which the payment is proposed to be made, the company shall be able to pay its debts as they fall due in the ordinary course of business.

Shares redeemed or purchased by a company shall be treated as cancelled unless, subject to the memorandum and articles of association of the company, the directors of the company resolve to hold such shares in the name of the company as treasury shares prior to the redemption or purchase. Where shares of a company are held as treasury shares, the company shall be entered in the register of members as holding those shares; however, notwithstanding the foregoing, the company shall not be treated as a member for any purpose and must not exercise any right in respect of the treasury shares, and any purported exercise of such a right shall be void, and a treasury share must not be voted, directly or indirectly, at any meeting of the company and shall not be counted issued shares at any given time, whether for the purposes of the company's articles of association or the Cayman Islands Companies Act.

A company is not prohibited from purchasing and may purchase its own warrants subject to and in accordance with the terms and conditions of the relevant warrant instrument or certificate. There is no requirement under Cayman Islands law that a company's memorandum or articles of association contain a specific provision enabling such purchases and the directors of a company may rely upon the general power contained in its memorandum of association to buy and sell and deal in personal property of all kinds.



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## **APPENDIX D – SUMMARY OF CERTAIN PROVISIONS OF THE CAYMAN ISLANDS COMPANIES ACT AND THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF OUR COMPANY**

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The Cayman Islands Companies Act does not prohibit a Cayman Islands company from acquiring and holding shares in its parent company provided its objects so permit. The directors of any subsidiary making such acquisition must discharge their duties of care and to act in good faith, for a proper purpose and in the interests of the subsidiary.

### **Dividends and Distributions**

With the exception of section 34 of the Cayman Islands Companies Act, there are no statutory provisions relating to the payment of dividends. Based upon English case law, which is regarded as persuasive in the Cayman Islands, dividends may be paid only out of profits. In addition, section 34 of the Cayman Islands Companies Act permits, subject to a solvency test and the provisions, if any, of the company's memorandum and articles of association, the payment of dividends and distributions out of the share premium account.

### **Protection of Minorities**

The Cayman Islands courts ordinarily would be expected to follow English case law precedents which permit a minority shareholder to commence a representative action against or derivative actions in the name of the company to challenge (a) an act which is ultra vires the company or illegal, (b) an act which constitutes a fraud against the minority and the wrongdoers are themselves in control of the company, and (c) an irregularity in the passing of a resolution which requires a qualified (or special) majority. In the case of a company (not being a bank) having a share capital divided into shares, the Court may, on the application of members holding not less than one-fifth of the shares of the company in issue, appoint one or more inspectors to examine into the affairs of the company and to report thereon in such manner as the Court shall direct.

Any shareholder of a company may petition the Court which may make a winding up order if the Court is of the opinion that it is just and equitable that the company should be wound up. Or, as an alternative to a winding-up order, the Court may make the following orders: (a) an order regulating the conduct of the company's affairs in the future; (b) an order requiring the company to refrain from doing or continuing an act complained of by the petitioner or to do an act which the petitioner has complained it has omitted to do; (c) an order authorising civil proceedings to be brought in the name of and on behalf of the company by the petitioner on such terms as the Court may direct; or (d) an order providing for the purchase of the shares of any members of the company by other members or by the company itself and, in the case of a purchase by the company itself, a reduction of the company's capital accordingly.

Generally, claims against a company by its shareholders must be based on the general laws of contract or tort applicable in the Cayman Islands or their individual rights as shareholders as established by the company's memorandum and articles of association.

### **Management**

The Cayman Islands Companies Act contains no specific restriction on the powers of directors to dispose of assets of a company. However, as a matter of general law, every officer of a company, which includes a director, managing director and secretary, in exercising his powers and discharging his duties must do so honestly and in good faith with a view to the best interests of the company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

### **Accounting and Auditing Requirements**

A Cayman Islands exempted company shall cause proper books of account, including, where applicable, material underlying documentation including contracts and invoices to be kept with respect to (a) all sums of money received and expended by the company and the matters in respect of which the receipt and expenditure takes place; (b) all sales and purchases of goods by the company; and (c) the assets and liabilities of the company. Proper books of account shall not be deemed to be kept if there are not kept such books as are necessary to give a true and fair view of the state of the company's affairs and to explain its transactions. A Cayman Islands exempted company shall cause all its books of account to be retained for a minimum period of five years from the date on which they are prepared.



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## **APPENDIX D – SUMMARY OF CERTAIN PROVISIONS OF THE CAYMAN ISLANDS COMPANIES ACT AND THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF OUR COMPANY**

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A company which keeps its books of accounts at any place other than at its registered office or at any other place within the Cayman Islands shall, upon service of an order or notice by the Tax Information Authority pursuant to the Tax Information Authority Act (As Revised) of the Cayman Islands, make available in electronic form or any other medium, at its registered office copies of its books of account, or any part or parts thereof, as are specified in such order or notice; and shall be liable to a penalty if the company fails to comply with the order or notice without reasonable excuse.

### **Exchange Control**

There are no exchange control regulations or currency restrictions in the Cayman Islands.

### **Taxation**

Pursuant to Section 6 of the Tax Concessions Act (As Revised) of the Cayman Islands, our Company may obtain an undertaking from the Financial Secretary: (a) that no law which is enacted in the Cayman Islands imposing any tax to be levied on profits, income, gains or appreciations shall apply to our Company or its operations; and (b) that the aforesaid tax or any tax in the nature of estate duty or inheritance tax shall not be payable (i) on or in respect of the shares, debentures or other obligations of our Company; or (ii) by way of the withholding in whole or in part of any relevant payment as defined in section 6(3) of the Tax Concessions Act (As Revised).

The Cayman Islands currently levy no taxes on exempted companies based upon profits, income, gains or appreciations and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to our Company levied by the Government of the Cayman Islands save for certain stamp duties which may be applicable, from time to time, on certain instruments executed in or brought within the jurisdiction of the Cayman Islands. The Cayman Islands is a party to a double taxation arrangement entered into with the United Kingdom but otherwise is not party to any double tax treaties that are applicable to any payments made by or to our Company.

### **Stamp Duty on Transfers**

No stamp duty is payable in the Cayman Islands on transfers of shares of Cayman Islands companies except those which hold interests in land in the Cayman Islands.

### **Loans to Directors**

There is no express provision in the Cayman Islands Companies Act prohibiting the making of loans by a company to any of its directors.

### **Inspection of Corporate Records**

Members of a company have no general right under the Cayman Islands Companies Act to inspect or obtain copies of the register of members or corporate records of the company. They will, however, have such rights as may be set out in the company's articles of association.

An exempted company may, subject to the provisions of its articles of association, maintain its principal register of members and any branch registers at such locations, whether within or without the Cayman Islands, as the directors may, from time to time, think fit. A branch register must be kept in the same manner in which a principal register is by the Cayman Islands Companies Act required or permitted to be kept. The company shall cause to be kept at the place where the company's principal register is kept a duplicate of any branch register duly entered up from time to time. An exempted company may also maintain a separate register of members in respect of its listed shares. There is no requirement under the Cayman Islands Companies Act for an exempted company to make any returns of members to the Registrar of Companies of the Cayman Islands. The names and addresses of the members are, accordingly, not a matter of public record and are not available for public inspection. An exempted company shall make available at its registered office, in electronic form or any other medium, such register of members, including any branch register of members, as may be required of it upon service of an order or notice by the Tax Information Authority pursuant to the Tax Information Authority Act (As Revised) of the Cayman Islands.

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A company is required to maintain at its registered office a register of directors and officers. The Registrar of Companies of the Cayman Islands shall make available the list of the names of the current directors of our Company (and, where applicable, the current alternate directors of our Company) for inspection by any person upon payment of a fee by such person. A copy of such register must be filed with the Registrar of Companies in the Cayman Islands and any change must be notified to the Registrar within 30 days of any change in such directors or officers.

### **Winding Up**

A company may be wound up (a) compulsorily by order of the Court, (b) voluntarily, or (c) under the supervision of the Court. A company may be wound up by either an order of the Court, voluntarily or subject to the supervision of the Court.

The Court has authority to order winding up in a number of specified circumstances including where the members of the company have passed a special resolution requiring the company to be wound up by the Court, or where the company is unable to pay its debts, or where it is, in the opinion of the Court, just and equitable to do so. Where a petition is presented by members of the company as contributories on the ground that it is just and equitable that the company should be wound up, the Court has the jurisdiction to make certain other orders as an alternative to a winding-up order, such as making an order regulating the conduct of the company's affairs in the future, making an order authorising civil proceedings to be brought in the name and on behalf of the company by the petitioner on such terms as the Court may direct, or making an order providing for the purchase of the shares of any of the members of the company by other members or by the company itself.

In circumstances where a company is solvent (the directors of the company will need to provide a statutory declaration to this effect), the company can be wound up by a special resolution of its shareholders, and the liquidation will not require the supervision of the Court. Unless one or more persons have been designated as liquidator or liquidators of the company in the company's memorandum and articles of association, the company in general meeting must appoint one or more liquidators for the purpose of winding up the affairs of the company and distributing its assets.

Alternatively, where the financial position of the company is such that a declaration of solvency cannot be given by the directors, the winding up will be initiated by an ordinary resolution of the company's shareholders and will occur subject to the supervision of the Court.

For the purpose of conducting the proceedings in winding up a company and assisting the Court therein, there may be appointed an official liquidator or official liquidators; and the Court may appoint to such office such person, either provisionally or otherwise, as it thinks fit, and if more persons than one are appointed to such office, the Court shall declare whether any act required or authorised to be done by the official liquidator is to be done by all or any one or more of such persons. The Court may also determine whether any and what security is to be given by an official liquidator on his appointment; if no official liquidator is appointed, or during any vacancy in such office, all the property of the company shall be in the custody of the Court.

Upon the appointment of a liquidator, the responsibility for the company's affairs rests entirely in his hands and no future executive action may be carried out without his approval. A liquidator's duties are to collect the assets of the company (including the amount (if any) due from the contributories), settle the list of creditors and, subject to the rights of preferred and secured creditors and to any subordination agreements or rights of set-off or netting of claims, discharge the company's liability to them (*pari passu* if insufficient assets exist to discharge the liabilities in full) and to settle the list of contributories (shareholders) and divide the surplus assets (if any) amongst them in accordance with the rights attaching to the shares.

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## **APPENDIX D – SUMMARY OF CERTAIN PROVISIONS OF THE CAYMAN ISLANDS COMPANIES ACT AND THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF OUR COMPANY**

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As soon as the affairs of the company are fully wound up, the liquidator must make a report and an account of the winding up, showing how the winding up has been conducted and the property of the company has been disposed of, and thereupon call a general meeting of the company for the purposes of laying before it the account and giving an explanation for it. At least 21 days before the meeting the liquidator must send a notice specifying the time, place and object of the meeting to each contributory in any manner authorised by the company's articles of association and published in the Cayman Islands Gazette.

### **Reconstructions, mergers and consolidations**

There are statutory provisions which facilitate reconstructions and amalgamations approved by (a) a majority in number representing 75.0% in value creditors or class of creditors, or (b) 75.0% in value of shareholders or class of shareholders, as the case may be, as are present at a meeting called for such purpose and thereafter sanctioned by the Court. While a dissenting shareholder would have the right to express to the Court his view that the transaction for which approval is sought would not provide the shareholders with a fair value for their shares, the Court is unlikely to disapprove the transaction on that ground alone in the absence of evidence of fraud or bad faith on behalf of management.

In addition, the Cayman Islands Companies Act provides a mechanism for mergers and consolidations between Cayman Islands companies as well as between Cayman Islands companies and foreign companies. A written plan of merger or consolidation has to be authorised by each constituent company by way of a special resolution of the members of each such constituent company and such other authorisation, if any, as may be specified in such constituent company's articles of association.

Where a Cayman Islands parent company ("parent company" means, with respect to another company, a company that holds issued shares that together represent at least 90% of the votes at a general meeting of that other company) is merging with one or more of its Cayman Islands subsidiaries, a special resolution of the members of such constituent companies is not required if a copy of the plan of merger is given to every member of each subsidiary company to be merged, unless that member agrees otherwise.

To effect a merger or consolidation of one or more Cayman Islands companies with one or more overseas companies, in addition to the approval requirements applicable to the merger or consolidation of Cayman Islands companies (in relation to Cayman Islands companies only), the merger or consolidation must also be effected in compliance with the constitutional documents of, and laws of the foreign jurisdiction applicable to, the overseas companies.

### **Compulsory Acquisition**

Where an offer is made by a company for the shares of another company and, within four months of the offer, the holders of not less than 90.0% of the shares which are the subject of the offer accept, the offeror may at any time within two months after the expiration of the said four months, by notice in the prescribed manner require the dissenting shareholders to transfer their shares on the terms of the offer. A dissenting shareholder may apply to the Court within one month of the notice objecting to the transfer. The burden is on the dissenting shareholder to show that the Court should exercise its discretion, which it will be unlikely to do unless there is evidence of fraud or bad faith or collusion as between the offeror and the holders of the shares who have accepted the offer as a means of unfairly forcing out minority shareholders.

### **Indemnification**

Cayman Islands law does not limit the extent to which a company's articles of association may provide for indemnification of officers and directors, except to the extent any such provision may be held by the Court to be contrary to public policy, such as for purporting to provide indemnification against the consequences of committing a crime.

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## **APPENDIX D – SUMMARY OF CERTAIN PROVISIONS OF THE CAYMAN ISLANDS COMPANIES ACT AND THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF OUR COMPANY**

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### **SUMMARY OF CERTAIN PROVISIONS OF THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF OUR COMPANY**

#### **Registration Number**

Our Company was incorporated on 27 January 2022 and our Company's registration number is 386652.

#### **Memorandum and Articles of Association**

Our Memorandum of Association states, *inter alia*, that the liability of each member is limited to the amount, if any, unpaid on that member's shares. Paragraph 3 of our Memorandum of Association states that the objects for which our Company is established are unrestricted and our Company has full power and authority to carry out any object not prohibited by any other law the Cayman Islands.

#### **Ordinary and Special Resolution**

An "ordinary resolution" is defined in our Articles of Association as a resolution passed by a simple majority of votes cast by members, being entitled so to do, voting in person or, in the case of members being corporations, by their respective duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of our Company.

A "special resolution" is defined in our Articles of Association as a resolution passed by a majority of not less than three-fourths of votes cast by members, being entitled so to do, voting in person or, in the case of members being corporations, by their respective duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of our Company.

Notices convening any general meeting at which it is proposed to pass a special resolution shall be sent to members entitled to attend and vote at the meeting at least 21 clear days before such meeting (excluding the date of notice and the date of the meeting).

Article 87 of our Articles of Association provides that subject to the Cayman Islands Companies Act, a resolution in writing signed (in such manner as to indicate, expressly or impliedly, unconditional approval) by or on behalf of all persons for the time being entitled to receive notice of and to attend and vote at general meetings of our Company shall, for the purposes of our Articles of Association, be treated as a resolution duly passed at a general meeting of our Company and, where relevant, as a special resolution so passed.

#### **Directors**

##### ***Ability of Interested Directors to Vote (Articles 104 and 105)***

A Director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with our Company, or which may directly or indirectly create a conflict with his duties or interests as Director, shall declare the nature of his interest at the meeting of the Board at which the question of entering into the contract or arrangement is first considered, if he knows his interest then exists, or in any other case at the first meeting of the Board after he knows that he is or has become so interested.

A Director shall not participate in any discussions and shall not be entitled to vote on any resolution of the Board in respect of any contract, transaction or arrangement, or proposed contract, transaction or arrangement of any other proposal whatsoever (and/or receive any information relating thereto): (a) in which he has any material interest (personal or otherwise), whether directly or indirectly; or (b) which might, whether directly or indirectly, create a conflict with his duties or interests as a Director; or (c) in the case of a Director who represents the interests of, or who was nominated for appointment by a Substantial Shareholder (as such term is defined in the Singapore Securities and Futures Act), in which such Substantial Shareholder and/or its related corporation may have an interest or potential interest.. Certain matters in which a Director will not be considered to have a personal material interest are set out in our Articles of Association.

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### ***Remuneration (Articles 93, 98, 100 and 101)***

The fees of our Directors shall from time to time be determined by our Company in general meeting, and such fees shall not be increased except pursuant to an ordinary resolution passed at a general meeting where notice of the proposed increase shall have been given in the notice convening the general meeting, and shall (unless otherwise directed by the resolution by which it is voted) be divided amongst the Board in such proportions and in such manner as the Board may agree or, failing agreement, equally, except that any Director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for a proportion of remuneration related to the period during which he has held office.

Any Director who, by request, goes or resides abroad for any purpose of our Company or who performs services which in the opinion of the Board go beyond the ordinary duties of a Director may be paid such extra remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine and such extra remuneration shall be in addition to or in substitution for any fees or any ordinary remuneration provided for by or pursuant to any other Article.

An executive director, including a managing director or a person holding an equivalent position, of our Company shall receive such remuneration (whether by way of salary, commission, participation in profits or otherwise or by all or any of those modes) and such other benefits (including pension and/or gratuity and/or other benefits on retirement) and allowances as the Board may from time to time determine, and either in addition to or in lieu of his remuneration as a Director, but he shall not in any circumstances be remunerated by a commission on or a percentage of turnover.

The Board shall obtain the approval of the Company in general meeting before making any payment to any Director or past Director by way of compensation for loss of office, or as consideration for or in connection with his retirement from office (not being payment to which the Director is contractually entitled).

### ***Borrowing Powers (Article 112)***

Subject to the provisions of our Articles of Association, the Board may exercise all the powers of our Company to raise or borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of our Company and, subject to the Cayman Islands Companies Act, to issue debentures, bonds and other securities, whether outright or as collateral security for any debt, liability or obligation of our Company or of any third party.

### ***Retirement Age Limit***

There are no provisions relating to retirement of Directors upon reaching any age limit.

### ***Shareholding Qualification (Article 88(3))***

Neither a Director nor an alternate Director shall be required to hold any shares of our Company by way of qualification.

### ***Share Rights and Restrictions***

Our Company currently has one class of shares, namely the Shares.



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## **APPENDIX D – SUMMARY OF CERTAIN PROVISIONS OF THE CAYMAN ISLANDS COMPANIES ACT AND THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF OUR COMPANY**

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### ***Dividends and Distribution (Articles 139, 140, 141, 143 and 148)***

Subject to the Cayman Islands Companies Act, any rights and restrictions for the time being attached to any shares of the Company, or as otherwise provided for in our Articles, the Company in general meeting may from time to time declare dividends in any currency to be paid to the Members but no dividend shall be declared in excess of the amount recommended by the Board. Dividends may be declared and paid out of the profits of our Company, realised or unrealised, or from any reserve set aside from profits which our Board determines is no longer needed. With the sanction of an ordinary resolution, dividends may also be declared and paid out of the share premium account or any other fund or account which may be authorised for this purpose in accordance with the Cayman Islands Companies Act, provided that no distribution or dividend may be paid to members out of the share premium account unless, immediately following the date on which the distribution or dividend is proposed to be paid, our Company shall be able to pay its debts as they fall due in the ordinary course of business.

Except in so far as the rights attaching to, or the terms of issue of, any shares otherwise provide:

- (a) all dividends shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is paid, but no amount paid up on a share in advance of calls shall be treated as paid up on the share; and
- (b) all dividends shall be apportioned and paid *pro rata* according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.

Our Board may deduct from any dividend or other moneys payable to a member by our Company on or in respect of any shares held by such member, either alone or jointly with any other member, all sums of money (if any) presently payable by such member to our Company, either alone or jointly with any other person, in respect of any debts, liabilities or engagements to the Company on account of calls or otherwise towards satisfaction (in whole or in part) of such debts, liabilities or engagements, or any other account which our Company is required by law to deduct.

All dividends or bonuses unclaimed for one year after having been declared may be invested or otherwise made use of by our Board for the benefit of our Company until claimed. Any dividend or bonuses unclaimed after a period of six years from the date of declaration shall be forfeited and shall revert to our Company.

### ***Voting Rights (Articles 67 and 80(1))***

Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with our Articles of Association, at any general meeting:

- (i) on a show of hands every member present in person (or being a corporation, present by a representative duly authorised under Article 86 (or by proxy shall have one vote and the chairman of the meeting shall determine which proxy shall be entitled to vote where a member (other than the Depository or a relevant intermediary) is represented by two proxies; and
- (ii) on a poll every member present in person or by proxy or, in the case of a member being a corporation, by its duly authorised representative shall have one vote for every fully paid share of which he is the holder or which he represents and in respect of which all calls due to our Company have been paid, but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share.

If the member is Depository or a relevant intermediary, Depository or the relevant intermediary may each appoint more than two proxies to attend and vote at the same general meeting and each proxy shall be entitled to exercise the same powers on behalf of Depository or the relevant intermediary (as the case may be) as Depository or the relevant intermediary (as the case may be) could exercise, including the right to vote individually on a show of hands or on a poll.

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Our Articles of Association do not provide for cumulative voting in relation to election or re-election of Directors.

### ***Share in Profits***

Holders of shares shall be entitled to share in our Company's profits by way of dividends declared or distribution approved by our Company in general meeting in accordance with the Cayman Islands Companies Act.

### ***Share in Surplus upon Liquidation (Article 173)***

Shareholders are entitled to the surplus assets of our Company in the event that it is wound up.

Subject to any special rights, privileges or restrictions as to the distribution of available surplus assets on liquidation for the time being attached to any class or classes of shares of the Company, (i) if the Company shall be wound up and the assets available for distribution amongst the Members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed *pari passu* amongst such Members in proportion to the amount paid up on the shares held by them respectively; and (ii) if the Company shall be wound up and the assets available for distribution amongst the Members as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the Members in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up on the shares held by them respectively.

If our Company shall be wound up (whether the liquidation is voluntary or by the court) the liquidator may, with the authority of a special resolution and any other sanction required by the Cayman Islands Companies Act, divide among the members in specie or kind the whole or any part of the assets of our Company and whether or not the assets shall consist of properties of one kind or shall consist of properties to be divided as aforesaid of different kinds, and may for such purpose set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of the members as the liquidator with the like authority shall think fit, and the liquidation of our Company may be closed and our Company dissolved, but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability.

### ***Redemption Provisions (Articles 8(2))***

Subject to the Cayman Islands Companies Act, the memorandum of association of our Company, our Articles of Association and, where applicable, the Catalist Rules, and to any special rights conferred on the holders of any shares or attaching to any class of shares, shares may be issued on the terms that they may be, or at the option of our Company or the holder are, liable to be redeemed on such terms and in such manner, including out of capital, as the Board may deem fit in accordance with the Cayman Islands Companies Act.

### ***Sinking Fund***

Our Articles of Association do not contain sinking fund provisions.

### ***Calls on Shares (Articles 25, 26, 28 and 33)***

Subject to our Articles of Association and to the terms of allotment, the Board may from time to time make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and each Member shall (subject to being given at least 14 clear days' notice specifying the time and place of payment) pay to the Company as required by such notice the amount called on his shares. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be made payable either in one lump sum or by instalments. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the amount unpaid from



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## **APPENDIX D – SUMMARY OF CERTAIN PROVISIONS OF THE CAYMAN ISLANDS COMPANIES ACT AND THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF OUR COMPANY**

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the day appointed for payment thereof to the time of actual payment at such rate (not exceeding 20.0% per annum) as the Board may determine, but the Board may in its absolute discretion waive payment of such interest wholly or in part. The Board may, if it thinks fit, receive from any member willing to advance the same, and either in money or money's worth, all or any part of the moneys uncalled and unpaid or instalments payable upon any shares held by him and upon all or any of the moneys so advanced (until the same would, but for such advance, become presently payable) pay interest at such rate (if any) as the Board may decide.

The Memorandum of Association states that the liability of each member of our Company is limited to the amount, if any, unpaid on the shares held by such member.

### ***Discriminatory Provisions against Substantial Shareholder***

Our Articles of Association do not contain any provision discriminating against any existing or prospective holder of shares as a result of such Shareholder owning a substantial number of shares save that for so long as the shares of our Company are listed on the Catalist, Substantial Shareholders (having the meaning ascribed to it in the SFA) have to disclose particulars of their interest in our Company and of any change in the percentage level of such interest. Such requirement to disclose does not apply to CDP.

### ***Variation of Rights of Existing Shares or Classes of Shares (Articles 10 and 11)***

Whenever the share capital of our Company is divided into different classes of shares, the special rights attached to any class of shares may be varied or abrogated either with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class (but not otherwise, provided always that where the necessary majority for such a special resolution is not obtained at such general meeting, consent in writing if obtained from the holders of three-fourths in nominal value of the issued shares of the class concerned within two 2 of such general meeting shall be as valid and effectual as a special resolution carried at such general meeting). To every such separate general meeting and all adjournments thereof all the provisions of our Articles of Association relating to general meetings of our Company and to the proceedings thereat shall *mutatis mutandis* apply, except that the necessary quorum (other than at an adjourned meeting) shall be two persons at least holding or representing by proxy at least one-third in nominal value of the issued shares of the class and at any adjourned meeting of such holders, two holders present in person or by proxy (whatever the number of shares held by them) shall be a quorum and that any holder of shares of the class present in person or by proxy may demand a poll and that every such holder shall on a poll have one vote for every share of the class held by him.

Any special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be varied, modified or abrogated by the creation or issue of further shares ranking *pari passu* therewith.

### ***General Meetings (Articles 56, 57, 58, 77 and 82)***

Under our Articles of Association, our Company shall in each year hold a general meeting as its annual general meeting in Singapore (or in such other place as may be prescribed or permitted by the Catalist Rules). For so long as the shares of our Company are listed on the Catalist, the interval between the close of our Company's financial year and the date of our Company's annual general meeting shall not exceed 4 months or such other period as may be prescribed or permitted by the Catalist Rules. Our Directors may, whenever they think fit, convene an extraordinary general meeting.

No Shareholder shall, unless the Board otherwise determines, be entitled to attend and vote and to be reckoned in a quorum at any general meeting unless he is duly registered and all calls or other sums presently payable by him in respect of shares in the Company have been paid. The Cayman Islands Companies Act does not contain provisions as to any documentary evidence to be produced by proxies and corporate representatives. However, such provisions may be contained in our Articles of Association. Where, for example, it is stated that an instrument of proxy must be deposited a specified number of hours before the meeting (see Article 82), an instrument of proxy deposited after that time cannot be accepted.

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## **APPENDIX D – SUMMARY OF CERTAIN PROVISIONS OF THE CAYMAN ISLANDS COMPANIES ACT AND THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF OUR COMPANY**

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Corporate representatives are different from proxies and unless specifically required by our Articles of Association, a letter of appointment does not need to be lodged before the meeting.

See also the section “Ordinary and Special Resolution” above.

### ***No Limitation on Non-Cayman Shareholders***

There are no limitations, either under Cayman Islands law or our Articles of Association, on the rights of owners of our Company’s shares to hold or vote their shares solely by reason that they are non-Caymanians.

### ***Shareholding Disclosure Requirements***

The Cayman Islands Companies Act does not require disclosure of shareholder ownership beyond a certain threshold. However, Article 177 contains provisions to the effect that for so long as the shares of our Company are listed on the Catalist, Directors and Substantial Shareholders (having the meaning ascribed to it in the SFA) of our Company will have to disclose particulars of their interest in our Company and any change in the percentage level of such interest. The requirement to give notice under Article 177 does not apply to Depository.

### ***Changes in Capital (Articles 4 and 6)***

Under the Cayman Islands Companies Act, certain changes in the capital of a company such as an increase, consolidation or subdivision are permitted if authorised by its articles of association and its shareholders. Article 4 of our Articles of Association provides that an ordinary resolution is required for an increase, consolidation or subdivision of, our Company’s share capital. Our Company may by special resolution, subject to any confirmation or consent required by the Cayman Companies Act, reduce its share capital in any manner permitted by law.

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## APPENDIX E – DESCRIPTION OF OUR SHARES

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The following statements are brief summaries of the more important rights and privileges of our Shareholders as conferred by the laws of the Cayman Islands and Singapore (*where applicable*) and our Articles of Association. These statements summarise the material provisions of our Articles of Association but are qualified in entirety by reference to the laws of the Cayman Islands and Singapore (where applicable), and our Articles of Association, a copy of which will be available for inspection at our registered offices during normal business hours for a period of six (6) months from the date of the registration of this Offer Document with the SGX-ST. Please see “*Appendix C – Summary of our Memorandum and Articles of Association*” of this Offer Document for a summary of our Memorandum and Articles of Association.

### SHARE CAPITAL

As at the date of this Offer Document, the authorised share capital of our Company is US\$1,000,000.00 consisting of 1,000,000,000 ordinary shares of par value of US\$0.001 each. As at the date of this Offer Document, we have 111,111,110 Shares in issue which are fully paid-up.

Under the Cayman Islands Companies Act, certain changes in the share capital of our Company such as an increase, consolidation or subdivision are permitted if authorised by our Articles of Association. Article 4 of our Articles of Association provides that an ordinary resolution is required for an increase to, consolidation or subdivision of, our Company’s share capital. With regard to a reduction of share capital, Article 6 of our Articles of Association provides that our Company may from time to time by special resolution, subject to any confirmation or consent required by the Cayman Islands Companies Act, reduce its share capital or any capital redemption reserve or other undistributable reserve in any manner permitted by law.

An “ordinary resolution” is defined in our Articles of Association as a resolution passed by a simple majority of votes cast by members, being entitled so to do, voting in person or, in the case of members being corporations, by their respective duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of our Company. A “special resolution” is defined in our Articles of Association as a resolution passed by a majority of not less than three-fourths of votes cast by members, being entitled so to do, voting in person or, in the case of members being corporations, by their respective duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of our Company. Article 87 of our Articles of Association provides that subject to the Cayman Islands Companies Act, a resolution in writing signed (in such manner as to indicate, expressly or impliedly, unconditional approval) by or on behalf of all persons for the time being entitled to receive notice of and to attend and vote at general meetings of our Company shall, for the purposes of our Articles of Association, be treated as a resolution duly passed at a general meeting of our Company and, where relevant, as a special resolution so passed. Notices convening any general meeting at which it is proposed to pass a special resolution shall be sent to members entitled to attend and vote at the meeting at least 21 clear days before such meeting (excluding the date of the notice and the date of the meeting).

All of our Shares are in registered form. Our Shares have identical rights in all respects and rank equally with one another. Subject to the Cayman Islands Companies Act and, where applicable, to the Catalist Rules, no shares may be issued by our Board without the prior approval of our Company in general meeting but subject thereto and to our Articles of Association and without prejudice to any special rights or restrictions for the time being attached to any shares or any class of shares, the unissued shares of our Company (whether forming part of the original or any increased capital) shall be at the disposal of our Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as our Board may in its absolute discretion determine but so that no shares shall be issued at a discount to their nominal value, provided always that subject to any direction to the contrary that may be given by our Company in general meeting or except as permitted under the Catalist Rules, all new Shares shall before issue be offered to such members who as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as far as the circumstances admit, to the amount of the existing shares to which they are entitled.

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## APPENDIX E – DESCRIPTION OF OUR SHARES

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Our Articles of Association also provide that subject to laws of the Cayman Islands and, where applicable, the Catalist Rules, our Company in general meeting may by ordinary resolution grant to our Directors a general authority, either unconditionally or subject to such conditions as may be specified in the said ordinary resolution (including, but not limited to, the aggregate number of Shares which may be issued and the duration of the general authority), to issue shares in the capital of our Company whether by way of rights, bonus or otherwise; and/or make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares; provided that unless otherwise specified in the ordinary resolution or required by any applicable rules or regulations of the SGX-ST, such general authority will continue (notwithstanding the authority conferred by the said ordinary resolution may have ceased to be in force) in relation to the issue of shares pursuant to any Instrument made or granted by our Directors while the said ordinary resolution was in force.

In the event of the issuance of preference shares by our Company, the total number of issued preference shares shall not at any time exceed the total number of the issued ordinary shares of our Company.

Subject to laws of the Cayman Islands, if any share certificate is defaced, worn out, destroyed, lost or stolen, it may be renewed on such evidence being produced and a letter of indemnity (if required) being given by the Shareholder, transferee, person entitled, purchaser, member firm or member company of the SGX-ST or on behalf of its or their client or clients as our Directors shall require, and (in case of defacement or wearing out) on delivery of the old certificate and in any case on payment of such sum not exceeding S\$2.00 as our Directors may from time to time require together with the amount of the stamp duty payable (if any) on each share certificate. In the case of destruction, loss or theft, a Shareholder or person entitled to whom such renewed certificate is given shall also bear the loss and pay to our Company all expenses incidental to the investigations by our Company of the evidence of such destruction or loss.

### **PURCHASE BY OUR COMPANY OF OUR OWN SHARES**

Under the laws of the Cayman Islands, a company may, if authorised by its articles of association, purchase its own shares. Our Company has such power to purchase our own Shares under Article 3(2)(b) of our Articles of Association. Such power of our Company to purchase our own Shares shall, subject to the Cayman Islands Companies Act and our Articles of Association (and if applicable, the rules and regulations of the SGX-ST), be exercisable by our Directors in such manner, upon such terms and subject to such conditions as they think fit, in accordance with our Articles of Association. Under our Articles of Association, for so long as the Shares are listed on the Catalist, the prior approval of our Shareholders in general meeting will be required for the purchase or acquisition by our Company of our own Shares.

Under the laws of the Cayman Islands, such purchases may be effected out of profits of our Company or out of the share premium account or out of the proceeds of a fresh issue of shares made for that purpose or, subject to section 37 of the Cayman Islands Companies Act and in the manner authorised by our Articles of Association, by a payment out of capital. At no time may our Company purchase our Shares if, as a result of the purchase, there would no longer be any issued Shares other than Shares held as treasury shares. Only fully paid Shares may be purchased by our Company. A payment out of capital by our Company for the purchase of our Shares is not lawful unless immediately following the date on which the payment out of capital is proposed to be made, our Company shall be able to pay its debts as they fall due in the ordinary course of business. Shares purchased by our Company will be treated as cancelled on purchase unless, subject to our Memorandum and Articles of Association, our Directors resolve, prior to the purchase, to hold such Shares in the name of our Company as treasury shares. Where the purchased Shares are treated as cancelled, the amount of our Company’s issued share capital shall be diminished by the nominal value of those Shares. However, such purchase of Shares shall not be taken as reducing the amount of our Company’s authorised share capital.

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## **APPENDIX E – DESCRIPTION OF OUR SHARES**

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Under the laws of the Cayman Islands, where Shares are held as treasury shares, our Company shall be entered in the register of members as holding those Shares. However, notwithstanding the foregoing, our Company shall not be treated as a member for any purpose and shall not exercise any right in respect of the treasury shares, and any purported exercise of such a right shall be void. A treasury share shall not be voted, directly or indirectly, at any meeting of our Company and shall not be counted as issued Shares at any given time, whether for the purposes of our Articles of Association or the Cayman Islands Companies Act. Further, no dividend may be declared or paid, and no other distribution (whether in cash or otherwise) of our Company's assets (including any distribution of assets to members on a winding up) may be made to our Company, in respect of a treasury share.

For further details, see "Appendix D – Summary of Certain Provisions of the Cayman Islands Companies Act and the Memorandum and Articles of Association of our Company" of this Offer Document.

### **SHAREHOLDERS**

We maintain a register of members which contains the particulars as required under the Cayman Islands Companies Act. Except as required by law, no person shall be recognised by our Company as holding any Share upon any trust and our Company will not be bound by or required in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any Share or any fractional part of a Share or (except only as otherwise provided by our Articles of Association or by law) any other rights in respect of any Share except an absolute right to the entirety thereof in the registered holder. If any Share stands in the names of two or more persons, the person first named in the register shall as regards service of notices and, subject to the provisions of our Articles of Association, all or any other matters connected with our Company, except with respect to the transfer of Shares, be deemed the sole holder thereof. Subject to the terms and conditions of any application for Shares, we may allot Shares applied for within 10 market days of the closing date of any such application (or such other period as may be approved by the SGX-ST). Our register of members, including any overseas or local or other branch register of members, may after notice has been given in accordance with applicable requirements of the SGX-ST or by any electronic means as may be accepted by the SGX-ST, be closed at such times or for such periods in each year as the Board may determine and either generally or in respect of any class of shares.

### **TRANSFER OF SHARES**

Subject to our Articles of Association, any member may transfer all or any of his Shares by a duly signed instrument of transfer in the form acceptable to our Board provided always that our Company shall accept for registration an instrument of transfer in a form approved by the SGX-ST. Save as provided in our Articles of Association, there shall be no restriction on the transfer of fully paid up Shares (except where required by law or the Catalist Rules). Our Board may decline to register a transfer of any Share which is not fully paid or on which our Company has a lien or, except in the case of a transfer to executors, administrators or trustees of the estate of a deceased member, a transfer of any Share to more than three joint holders. Our Board may also decline to recognise any instrument of transfer unless, among other things, (i) a fee of such sum (not exceeding S\$2.00 or such other maximum sum as the SGX-ST may determine to be payable) as our Board may from time to time require is paid to our Company in respect thereof; (ii) it is in respect of only one (1) class of share; (iii) it is lodged at the registered office of the Company or such other place at which the register of members of the Company is kept in accordance with the Cayman Islands Companies Act or the Registration Office (as defined in the Articles of Association) (as the case may be) accompanied by the relevant share certificate(s) and such other evidence as our Board may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do); and (iv) if applicable, it is duly and properly stamped.



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## APPENDIX E – DESCRIPTION OF OUR SHARES

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### GENERAL MEETINGS OF SHAREHOLDERS

Under our Articles of Association, our Company may in each year hold a general meeting as its annual general meeting in Singapore (or in such other place as may be prescribed or permitted by the SGX-ST). If permitted by the Catalist Rules, any general meetings (including an annual general meeting, any adjourned meeting or postponed meeting) may be held as an electronic meeting or a hybrid meeting as may be determined by the Board in its absolute discretion. Our Directors may, whenever they think fit, convene an extraordinary general meeting. For so long as our Shares are listed on the Catalist, the interval between the close of our Company's financial year and the date of our Company's annual general meeting shall not exceed four months or such period as may be prescribed or permitted by the SGX-ST.

Subject to the Cayman Islands Companies Act, members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of our Company carrying the right of voting at general meetings of our Company shall at all times have the right, by written requisition to the Board of Directors or the Secretary of our Company, to require an extraordinary general meeting to be called by our Board of Directors for the transaction of any business specified in such requisition; and such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit our Board of Directors fails to proceed to convene such meeting the requisitionists themselves may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of our Board of Directors shall be reimbursed to the requisitionist(s) by our Company.

Subject to the laws of the Cayman Islands and any Catalist Rules, at least 14 clear days' notice of a general meeting shall be given to each member entitled to attend and vote thereat (excluding the date of the notice and the date of the meeting). A general meeting at which the passing of a special resolution is to be considered shall be called by not less than 21 clear days' notice (excluding the date of the notice and the date of the meeting). For so long as the Shares are listed on the Catalist, at least 14 clear days' notice of any general meeting shall be given by advertisement in an English daily newspaper in circulation in Singapore and in writing to the SGX-ST.

Under the Cayman Islands Companies Act, only persons who agree to become members of a company and whose names are entered on the register of members of such company are considered members, with rights to attend and vote at general meetings. Accordingly, Depositors holding Shares through CDP are not recognised as members of our Company, and do not under the Cayman Islands Companies Act have a right to attend and to vote at general meetings of our Company. In the event that Depositors wish to attend and vote at general meetings of our Company, CDP will have to appoint them as proxies, pursuant to our Articles of Association and the Cayman Islands Companies Act.

In accordance with Article 80(1)(b), unless CDP specifies otherwise in a written notice to our Company, CDP shall be deemed to have appointed as CDP's proxies to vote on behalf of the CDP at a general meeting of the Company each of the Depositors who are individuals and whose names are shown in the records of CDP, as at a time not earlier than 72 hours prior to the time of the relevant general meeting, supplied by CDP to our Company. Therefore, notwithstanding any other provisions in the Articles of Association, Depositors who are individuals can attend and vote at the general meetings of our Company without an instrument of proxy or the lodgement of any proxy form. Depositors who cannot attend a meeting personally may enable their nominees to attend as CDP's proxies.

### VOTING RIGHTS

Subject to any special rights or restrictions as to voting for the time being attached to any Shares by or in accordance with our Articles of Association, at any general meeting (i) on a show of hands every member present in person (or being a corporation, is present by a representative duly authorised under Article 86 or by proxy shall have one vote, and the chairman of the meeting shall determine which proxy shall be entitled to vote where a member (other than CDP or a relevant intermediary) is represented by two proxies;; and (ii) on a poll every member present in person or by proxy or, in the case of a member being a corporation, by its duly authorised representative shall have one vote for every fully paid Share of which he is the holder or which he represents and in respect of which all calls due to our Company have been paid, but so that no amount paid up or credited as paid up on a Share in advance of calls or instalments is treated for the foregoing purposes as paid up on the Share. If the member is CDP or a relevant

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## **APPENDIX E – DESCRIPTION OF OUR SHARES**

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intermediary, CDP or the relevant intermediary may each appoint more than two proxies to attend and vote at the same general meeting and each proxy shall be entitled to exercise the same powers on behalf of CDP or the relevant intermediary (as the case may be) as CDP or the relevant intermediary (as the case may be) could exercise, including, notwithstanding Article 67, the right to vote individually on a show of hands or on a poll.

For so long as the Shares of our Company are listed on the Catalist, if required by the Catalist Rules, all resolutions at general meetings of our Company shall be voted by poll (unless such requirement is waived by the SGX-ST).

### **MINORITY RIGHTS**

The Cayman Islands courts would ordinarily be expected to treat as persuasive English case law precedents which permit a minority shareholder to commence a representative action against or derivative actions in the name of the company to challenge (a) an act which is ultra vires the company or illegal; (b) an act which constitutes a fraud against the minority and the wrongdoers are themselves in control of the company; and (c) an irregularity in the passing of a resolution which requires a qualified (or special) majority.

### **LIMITATIONS ON RIGHTS TO HOLD OR VOTE SHARES**

There are no limitations, either under Cayman Islands law or our Articles of Association, on the rights of owners of our Shares to hold or vote their Shares solely by reason that they are non-Caymanians.

### **DIVIDENDS**

Subject to the Cayman Islands Companies Act, any rights and restrictions for the time being attached to any shares of our Company, or as otherwise provided for in our Articles of Association, our Company in a general meeting may from time to time declare dividends in any currency to be paid to the members but no dividend shall be declared in excess of the amount recommended by our Board of Directors. Dividends may be declared and paid out of the profits of our Company, realised or unrealised, or from any reserve set aside from profits which our Directors determine is no longer needed. With the sanction of an ordinary resolution of members, dividends may also be declared and paid out of the share premium account or any other fund or account which may be authorised for this purpose in accordance with the Cayman Islands Companies Act, provided that no distribution or dividend may be paid to members out of the share premium account unless, immediately following the date on which the distribution or dividend is proposed to be paid, our Company shall be able to pay its debts as they fall due in the ordinary course of business.

Whenever our Board of Directors or our Company in a general meeting has resolved that a dividend be paid or declared, our Board of Directors may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind and in particular of paid up shares, debentures or warrants to subscribe for securities of our Company or any other company, or in any one (1) or more of such ways. Our Board of Directors may resolve that no such assets shall be made available to members with registered addresses in any particular territory or territories where, in the absence of a registration statement or other special formalities, such distribution of assets would or might, in the opinion of our Board, be unlawful or impracticable and in such event the only entitlement of the members aforesaid shall be to receive cash payments.

All dividends or bonuses unclaimed for one (1) year after having been declared may be invested or otherwise made use of by our Board for the benefit of our Company until claimed. Any dividend or bonuses unclaimed after a period of six (6) years from the date of declaration shall be forfeited and shall revert to our Company. The payment by our Board of any unclaimed dividend or other sums payable on or in respect of a share into a separate account shall not constitute our Company a trustee in respect thereof.



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## APPENDIX E – DESCRIPTION OF OUR SHARES

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### BONUS AND RIGHTS ISSUES

Subject to the laws of the Cayman Islands and, where applicable, the Catalist Rules, our Company in general meeting may by ordinary resolution grant to our Directors a general authority, either unconditionally or subject to such conditions as may be specified in the said ordinary resolution (including, but not limited to, the aggregate number of shares which may be issued and the duration of the general authority), to issue shares in the capital of our Company whether by way of rights, bonus or otherwise.

Subject to the Cayman Islands Companies Act, the Catalist Rules and our Articles of Association, our Company may, upon the recommendation of our Board of Directors, pass an ordinary resolution to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund (including the share premium account and capital redemption reserve and the profit and loss account) and accordingly that such amount be set free for distribution among the members or any class of members who would be entitled thereto if it were distributed by way of dividend and in the same proportions, on the footing that the same is not paid in cash but is applied either in or towards paying up the amounts for the time being unpaid on any shares in our Company held by such members respectively or in paying up in full unissued shares, debentures or other obligations of our Company, to be allotted and distributed credited as fully paid up among such members.

### TAKE-OVERS AND SUBSTANTIAL SHAREHOLDERS

There are presently no Cayman Islands laws or regulations of general application which will require persons who acquire significant holdings in our Shares to make mandatory take-over offers for our Shares.

However, the Singapore Take-Over Code apply to take-over offers of companies which are incorporated outside Singapore and all or any of the shares of which are listed for quotation on a securities exchange (as defined in the SFA). Accordingly, the Singapore Take-Over Code will apply to take-over offers for our Shares for so long as our Shares are listed for quotation on the SGX-ST.

Article 178 of our Articles of Association provides that for so long as our Shares are listed on the Catalist, the provisions of sections 138, 139 and 140 of the SFA and the Singapore Take-Over Code, including any amendment, modification, revision, variation or re-enactment thereof, shall apply, mutatis mutandis, to all take-over offers in respect of our Shares.

#### Take-overs

Under the Singapore Take-Over Code, issued by the Authority pursuant to Section 321 of the SFA, any person acquiring an interest, either on his own or together with parties acting in concert with him, in 30.0% or more of the voting Shares must extend a takeover offer for the remaining voting Shares in accordance with the provisions of the Singapore Take-Over Code. In addition, a mandatory takeover offer is also required to be made if a person holding, either on his own or together with parties acting in concert with him, between 30.0% and 50.0% (both inclusive) of the voting shares acquires additional voting shares representing more than 1.0% of the voting shares in any six months period. Under the Singapore Take-Over Code, the following individuals and companies will be presumed to be persons acting in concert with each other unless the contrary is established:

- (a) the following companies:
  - (i) a company;
  - (ii) the parent company of (i);
  - (iii) the subsidiaries of (i);
  - (iv) the fellow subsidiaries of (i);
  - (v) the associated companies of (i), (ii), (iii) or (iv);

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## APPENDIX E – DESCRIPTION OF OUR SHARES

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- (vi) companies whose associated companies include any of (i), (ii), (iii), (iv) or (v); and
- (vii) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights;
- (b) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts);
- (c) a company with any of its pension funds and employee share schemes;
- (d) a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;
- (e) a financial or other professional adviser, including a stockbroker, with its customer in respect of the shareholdings of the adviser and persons controlling, controlled by or under the same control as the adviser;
- (f) directors of a company (together with their close relatives, related trusts and companies controlled by any of such directors, their close relatives and related trusts) which is subject to an offer or where the directors have reason to believe a bona fide offer for their company may be imminent;
- (g) partners; and
- (h) the following persons and entities:
  - (i) an individual;
  - (ii) the close relatives of (i);
  - (iii) the related trusts of (i);
  - (iv) any person who is accustomed to act in accordance with the instructions of (i);
  - (v) companies controlled by any of (i), (ii), (iii) or (iv); and
  - (vi) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights.

Under the Singapore Take-Over Code, a mandatory offer made with consideration other than cash must be accompanied by a cash alternative at not less than the highest price paid by the offeror or any person acting in concert during the offer period and within the preceding six (6) months.

### SUBSTANTIAL SHAREHOLDERS

Under the SFA, a person has a substantial shareholding in our Company if he has an interest or interests in one (1) or more voting Shares (excluding treasury Shares) in our Company and the total votes attached to that Share, or those Shares, is not less than 5.0% of the total votes attached to all the voting Shares (excluding treasury Shares) in our Company.

The SFA requires our Substantial Shareholders, or if they cease to be our Substantial Shareholders, to give notice to us using the forms prescribed by the Authority (which are available at <http://www.mas.gov.sg>) of particulars of the voting Shares in our Company in which they have or had an interest or interests and the nature and extent of that interest or those interests, and of any change in the percentage level of their interest or interests.

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## APPENDIX E – DESCRIPTION OF OUR SHARES

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In addition, the deadline for a Substantial Shareholder to make disclosure to our Company under the SFA is two (2) business days after he becomes aware:

- that he is or (if he had ceased to be one) had been a Substantial Shareholder;
- of any change in the percentage level in his interest; or
- that he had ceased to be a Substantial Shareholder,

there being a conclusive presumption of a person being “aware” of a fact or occurrence at the time at which he would, if he had acted with reasonable diligence in the conduct of his affairs, have been aware.

Following the above, we will announce or disseminate the information stated in the notice to the SGX-ST as soon as practicable and, in any case, no later than the end of the Singapore business day following the day on which we received the notice.

“**Percentage level**”, in relation to a Substantial Shareholder in our Company, means the percentage figure ascertained by expressing the total votes attached to all the voting shares in our Company in which the Substantial Shareholder has an interest (or interests) immediately before or (as the case may be) immediately after the relevant time as a percentage of the total votes attached to all the voting shares (excluding treasury shares) in our Company, and, if it is not a whole number, rounding that figure down to the next whole number.

The Cayman Islands Companies Act does not require disclosure of shareholder ownership beyond a certain threshold. However, Article 177 of our Articles of Association contains provisions to the effect that for so long as the Shares of our Company are listed on the Catalist, Directors and Substantial Shareholders (having the meaning ascribed to it in the SFA) of our Company will have to disclose particulars of their interests in our Company and any change in the percentage level of such interest. The requirement to give notice under Article 177(2) does not apply to CDP.

### Liquidation

Subject to any special rights, privileges or restrictions as to the distribution of available surplus assets on liquidation for the time being attached to any class or classes of Shares of our Company, (i) if our Company shall be wound up and the assets available for distribution amongst the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed *pari passu* amongst such members in proportion to the amount paid up on the shares held by them respectively; and (ii) if our Company shall be wound up and the assets available for distribution amongst the members as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up on the shares held by them respectively.

### Indemnity

Our Articles of Association provide that our Board of Directors, secretary and other officers (such term to include any person appointed by the Board to hold an office in our Company and any person appointed to any committee by the Board) at any time, whether at present or in the past, acting or who have acted in relation to any of the affairs of our Company, and the liquidator or trustees (if any) acting or who have acted in relation to any of the affairs of our Company and every one of them, and their heirs, executors and administrators shall be indemnified and secured harmless out of the assets of our Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their heirs, executors or administrators, shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution or discharge of their duties, power, authorities or discretions in their respective offices, or trusts, and none of them shall be answerable for the acts or receipts of the others of them or for joining in any receipts for the sake of conformity, or for any bankers or other persons with whom any moneys or effects belonging to the Company shall or may be lodged or deposited for safe custody, or for insufficiency or deficiency of any security upon which any moneys

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## **APPENDIX E – DESCRIPTION OF OUR SHARES**

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of or belonging to the Company shall be placed out on or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto, provided that this indemnity shall not extend to any matter in respect of any negligence, fraud, breach of fiduciary obligations or dishonesty which may attach to any of the said persons in or about the conduct of our Company's business or affairs (including as a result of any mistake or judgment). See "Appendix D – Summary of Certain Provisions of the Cayman Islands Companies Act and the Memorandum and Articles of Association of our Company – Summary of Certain Provisions of the Cayman Islands Companies Act – Indemnification" to this Offer Document for further details.

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## APPENDIX F – TAXATION

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*The following is a discussion of certain tax matters arising under the current tax laws in Singapore on the tax consequences in relation to the purchase, ownership and disposal of the Shares, and is not intended to be and does not constitute legal or tax advice. The discussion is based on laws, regulations and interpretations now in effect and available as of the date of this Offer Document. These laws, regulations and interpretations, however, may change at any time, and any change could be retroactive to the date of issuance of our Shares. These laws and regulations are also subject to various interpretations and the relevant tax authorities or the courts of Singapore could later disagree with the explanations or conclusions set out below.*

*The discussion is limited to a general description of certain tax consequences in Singapore with respect to the ownership of the Shares by Shareholders, and does not purport to be a comprehensive nor exhaustive description of all tax considerations that may be relevant to a Shareholder's decisions with regard to the Placement.*

*Prospective investors of our Shares should consult their own tax advisors concerning the tax consequences of subscribing for, purchasing, owning and disposing of our Shares. Neither our Company, our Directors nor any other persons involved in this Placement accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, ownership, holding or disposal of our Shares.*

### TAXATION IN SINGAPORE

#### Individual Income Tax

An individual is regarded as a tax resident in Singapore in a year of assessment (“YA”) if, in the calendar year preceding the YA, he was physically present in Singapore or exercised an employment in Singapore (other than as a director of a company) for 183 days or more, or if he ordinarily resides in Singapore except for such temporary absences therefrom as may be reasonable and not inconsistent with a claim by such individual to be resident in Singapore.

Individual taxpayers who are Singapore tax residents are subject to Singapore income tax on income accruing in or derived from Singapore, subject to certain exceptions. Foreign-sourced income received or deemed received by a Singapore tax resident individual is generally exempt from income tax in Singapore except for such income received through a partnership in Singapore. Certain Singapore-sourced investment income received or deemed received by individuals is also exempt from tax.

Between calendar year 2016 to calendar year 2022 (i.e. YA 2017 to YA 2023), a Singapore tax resident individual is subject to tax at the progressive rates, ranging from 0% to 22%, after deductions of qualifying personal reliefs where applicable.

With effect from calendar year 2023 (i.e. YA 2024), a Singapore tax resident individual is subject to tax at the progressive rates, ranging from 0% to 24%, after deductions of qualifying personal reliefs where applicable.

A non-Singapore tax resident individual employment income is generally taxed at a flat rate of 15% or at the progressive resident tax rates, depending on whichever yields a higher tax amount. All other income derived or accruing in Singapore (e.g. director's fee, consultation fees, rental income and all other income) will be taxed at a flat rate of 22% (up to calendar year 2022 or YA 2023), and 24% (from calendar year 2023 or YA 2024 onwards).

#### Corporate Income Tax

Singapore adopts a quasi-territorial basis of taxation i.e. income is subject to tax only when it is accrued in or derived from Singapore (i.e. Singapore-sourced) or when it is received in Singapore from outside Singapore (i.e. foreign-sourced income received or deemed received in Singapore). This applies to both resident and non-resident companies.

A corporate taxpayer is regarded as resident in Singapore for Singapore tax purposes if the control and management of its business is exercised in Singapore. Broadly, “control and management” of a company's business is vested in its board of directors and the place of residence of the company is where the directors meet.

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## APPENDIX F – TAXATION

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With effect from calendar year 2025 onwards, a foreign-owned investment holding company will be required to either have at least a key employee or executive director based in Singapore, or establish that it is managed by a related company based in Singapore, for the purposes of demonstrating that it has valid reasons for setting up Singapore operations and has its tax residency in Singapore.

Corporate taxpayers who are Singapore tax residents are subject to Singapore income tax on income accruing in or derived from Singapore and, subject to certain exceptions, on foreign-sourced income received or deemed received in Singapore. Foreign-sourced income in the form of dividends, branch profits and service income received or deemed received in Singapore by Singapore tax resident companies on or after 1 June 2003 are exempt from Singapore income tax if the following conditions are met:

- (i) the income is subject to tax of a similar character to income tax (by whatever name called) under the law of the territory from which the income is received;
- (ii) at the time the income is received in Singapore by the person resident in Singapore, the highest rate of tax of a similar character to income tax (by whatever name called) levied under the law of the territory from which the income is received on any gains or profits from any trade or business carried on by any company in that territory at that time is not less than 15.0%; and
- (iii) the Comptroller is satisfied that the tax exemption would be beneficial to the person resident in Singapore.

Certain concessions and clarifications have also been announced by the IRAS with respect to such conditions.

A non-resident corporate taxpayer is subject to Singapore income tax on income accruing in or derived from Singapore, and on foreign-sourced income received or deemed to be received in Singapore, subject to certain exceptions.

The prevailing corporate income tax rate in Singapore for both resident and non-resident companies is currently 17.0%. Under the Partial Tax Exemption (“**PTE**”) scheme, three-quarters of up to the first S\$10,000, and one-half of up to the next S\$190,000, of a company’s chargeable income otherwise subject to normal taxation is exempt from corporate income tax. The remaining chargeable income (after the tax exemption) will be fully taxable at the prevailing corporate income tax rate.

### Dividend Distributions

All Singapore-resident companies are currently under the one-tier corporate tax system (“**one-tier system**”).

Dividends received in respect of our Shares by either a resident or non-resident of Singapore are not subject to Singapore withholding tax, on the basis that our Company is a tax resident of Singapore and under the one-tier system.

Under the one-tier system, the tax on corporate profits is a final tax and dividends paid by a Singapore-resident company are tax exempt in the hands of a shareholder, regardless of whether the shareholder is a company or an individual and whether or not the shareholder is a Singapore tax resident.

Shareholders/investors are advised to consult their own tax advisers in respect of the tax laws of their respective countries of residence which are applicable on such dividends received by them and the applicability of any double taxation agreement that their country of residence may have with other jurisdictions.

### Bonus Shares

Generally, a capitalisation of profits followed by the issue of new shares, credited as fully paid, *pro-rata* to shareholders (“**bonus issue**”) does not represent a distribution of dividends by a company to its shareholders. Therefore, a Singapore resident shareholder receiving shares by way of a bonus issue should not have a liability to Singapore tax.



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## APPENDIX F – TAXATION

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When a dividend is to be satisfied wholly or in part in the form of an allotment of ordinary shares credited as fully paid, the dividend declared will be treated as income to its shareholders. However, under Singapore's one-tier system, when shareholders are given the right to elect to receive an allotment of ordinary shares credited as fully paid in lieu of cash, the dividend declared will be treated as exempt (one-tier) dividend income and will not be subject to Singapore tax.

### Gains on Disposal of Shares

Singapore does not impose tax on capital gains. There are no specific laws or regulations which deal with the characterisation of whether a gain is income or capital in nature.

However, gains arising from the disposal of our Shares which are considered gains derived from any trade, business, vocation or profession carried on by that person, if accruing in or derived from Singapore, may be taxable as such gains are considered revenue in nature. Gains derived from the disposal of our Shares may also be taxable if they constitute any gains or profits of any income nature under Section 10(1)(g) of the Income Tax Act 1947 of Singapore ("**Income Tax Act**").

Section 13W of the Income Tax Act provides a safe harbour in the form of an exemption of gains or profits arising from the disposal of ordinary shares. Broadly, to qualify for the tax exemption, the divesting company must be both the legal and beneficial owner of the ordinary shares which are disposed of and must have legally and beneficially held at least 20.0% of the ordinary shares in the investee company for a continuous period of at least 24 months ending on the date immediately prior to the date of disposal of such shares.

The rule is not applicable to the disposal of shares before 1 June 2022 relating to an unlisted investee company that is in the business of trading or holding Singapore immovable properties (other than the business of property development). For shares disposed on or after 1 June 2022, the above exemption will not apply to disposals of unlisted shares in an investee company that is in the business of trading, holding or developing immovable properties in Singapore or abroad, subject to certain exceptions or generally to a divesting company in the insurance business industry, or to the disposal of shares by a partnership, limited partnership or limited liability partnership where one (1) or more of the partners of which is a company or are companies.

Such tax exemption is applicable for disposals between 1 June 2012 and 31 December 2027 (both dates inclusive).

As the precise tax status of one Shareholder will vary from another, Shareholders are advised to consult their own accounting and tax advisers regarding the Singapore income tax consequences of their subscription for, purchase, ownership and disposal of our Shares.

### Stamp Duty

There is no stamp duty payable on the subscription for, allotment or ownership of our Shares.

Where our Shares evidenced in certificated form are acquired in Singapore, stamp duty is payable on the agreement or instrument of transfer of our Shares at the rate of 0.2% of the consideration for, or market value of, our Shares, whichever is higher, and is rounded down to the nearest dollar, subject to a minimum duty of S\$1.

Stamp duty is borne by the purchaser unless there is an agreement to the contrary. Where an agreement or instrument of transfer is executed outside Singapore or no agreement or instrument of transfer is executed, no stamp duty is payable on the acquisition of our Shares. However, stamp duty may be payable if the agreement or instrument of transfer is executed outside Singapore and is received in Singapore.

If the agreement or instrument of transfer has been executed, it has to be stamped within (a) 14 days after signing the document if it is executed in Singapore; or (b) within 30 days after receiving the document in Singapore if the document is executed outside Singapore.



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## APPENDIX F – TAXATION

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Stamp duty is not applicable to electronic transfers of our Shares through the scripless trading system operated by CDP.

### **Estate Duty**

Singapore estate duty was abolished with respect to all deaths occurring on or after 15 February 2008.

### **Goods and Services Tax (“GST”)**

The sale of our Shares by a GST-registered investor belonging in Singapore for GST purposes to another person belonging in Singapore is an exempt supply not subject to GST. Any input GST incurred by the GST-registered investor in making an exempt supply is generally not recoverable from the Singapore Comptroller of GST and will become an additional cost to the investor unless the investor satisfies certain conditions prescribed under the GST legislation or satisfies certain GST concessions.

Where our Shares are sold by a GST-registered investor in the course of or furtherance of a business carried on by such investor contractually to and for the direct benefit of a person belonging outside Singapore, the sale should generally, subject to satisfaction of certain conditions, be considered a taxable supply subject to GST at 0%. Any input GST incurred by the GST-registered investor in making such a supply in the course of or furtherance of a business may be fully recoverable from the Singapore Comptroller of GST.

Services consisting of arranging, broking, underwriting or advising on the issue, allotment or transfer of ownership of our Shares rendered by a GST-registered person to an investor belonging in Singapore for GST purposes in connection with the investor's purchase, sale or holding of our Shares will be subject to GST at the standard rate of 9.0% (or such other rate prevailing from time to time). Similar services rendered by a GST-registered person contractually to and for the direct benefit of an investor belonging outside Singapore should generally, subject to the satisfaction of certain conditions, be subject to GST at 0%.

Investors should seek their own tax advice on the transitional rules for GST rate change and recoverability of GST incurred on expenses in connection with the purchase and sale of our Shares.

### **CAYMAN ISLANDS**

Our Company is incorporated as an exempted company with limited liability in the Cayman Islands. Dividends remitted to Shareholders resident outside the Cayman Islands will not be subject to Cayman Islands withholding tax. There are no reciprocal tax treaties between the Cayman Islands and Singapore. See “Appendix D – Summary of Certain Provisions of the Cayman Islands Companies Act and the Memorandum and Articles of Association of our Company – Taxation” of this Offer Document for further details.

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## APPENDIX G – RULES OF THE VIN’S PERFORMANCE SHARE PLAN

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### NAME OF THE PLAN

The Plan shall be called the “Vin’s Performance Share Plan”.

### 2. DEFINITIONS

2.1 In the Plan, unless the context otherwise requires, the following words and expressions shall have the following meanings:

<i>“Act”</i>	The Companies Act 1967 of Singapore, as amended, modified or supplemented from time to time.
<i>“Adoption Date”</i>	The date on which the Plan is adopted by resolution of the Shareholders of the Company.
<i>“Articles of Association”</i>	The articles of association of the Company, as amended or modified from time to time.
<i>“Auditors”</i>	The auditors of the Company for the time being.
<i>“Award”</i>	A contingent award of Shares granted under Rule 5.
<i>“Award Date”</i>	In relation to an Award, the date on which the Award is granted pursuant to Rule 5.
<i>“Award Letter”</i>	A letter in such form as the Committee shall approve confirming an Award granted to a Participant by the Committee.
<i>“Board”</i>	The Board of Directors of the Company for the time being.
<i>“Catalist”</i>	The Catalist Board of the SGX-ST.
<i>“CDP”</i>	The Central Depository (Pte) Limited.
<i>“CEO”</i>	Chief Executive Officer.
<i>“Committee”</i>	The remuneration committee for the time being of the Company.
<i>“Company”</i>	Vin’s Holdings Ltd, a company incorporated in Cayman Islands.
<i>“Control”</i>	The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of the Company.
<i>“Controlling Shareholder”</i>	A person who holds directly or indirectly 15.0% or more of the nominal amount of all voting shares in the Company (unless otherwise determined by the SGX-ST); or in fact exercises Control over the Company.
<i>“Director”</i>	A person holding office as a director for the time being of the Company.
<i>“Group”</i>	The Company and its Subsidiaries.
<i>“Group Executive”</i>	Any full time employee of the Group and any Group Director who meets the relevant age and rank criteria selected by the Committee to participate in the Plan in accordance with Rule 4.1(a).

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## APPENDIX G – RULES OF THE VIN'S PERFORMANCE SHARE PLAN

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<i>"Group Director"</i>	A director of the Company (including non-executive directors of the Company).
<i>"Issued Shares"</i>	Issued Shares of the Company excluding treasury shares and subsidiary holdings from time to time.
<i>"Issued Share Capital"</i>	Issued share capital of the Company excluding treasury shares and subsidiary holdings from time to time.
<i>"Listing Manual"</i>	Section B: Rules of Catalist of the Listing Manual of the SGX-ST, as amended, modified or supplemented from time to time.
<i>"Market Day"</i>	A day on which the SGX-ST is open for trading in securities
<i>"Market Value"</i>	In relation to a Share, on any day: (a) the average price of a Share on the SGX-ST over the five <sup>(5)</sup> immediately preceding a Trading Day; or (b) if the Committee is of the opinion that the Market Value as determined in accordance with (a) above is not representative of the value of a Share, such price as the Committee may determine, such determination to be confirmed in writing by the Auditors (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable.
<i>"Participant"</i>	Any eligible person selected by the Committee to participate in the Plan in accordance with the rules hereof.
<i>"Performance Condition"</i>	In relation to an Award, the condition specified on the Award Date in relation to that Award.
<i>"Performance Period"</i>	In relation to an Award, a period, the duration of which is to be determined by the Committee on the Award Date, during which the Performance Condition is to be satisfied.
<i>"Plan"</i>	The Vin's Performance Share Plan, as the same may be modified or altered from time to time.
<i>"Release"</i>	In relation to an Award, the release at the end of the Performance Period relating to that Award of all or some of the Shares to which that Award relates in accordance with Rule 7 and, to the extent that any Shares which are the subject of the Award are not released pursuant to Rule 7, the Award in relation to those Shares shall lapse accordingly, and "Released" shall be construed accordingly.
<i>"Release Schedule"</i>	In relation to an Award, a schedule in such form as the Committee shall approve, setting out the extent to which Shares which are the subject of that Award shall be Released on the Performance Condition being satisfied (whether fully or partially) or exceeded or not being satisfied, as the case may be, at the end of the Performance Period.
<i>"Released Award"</i>	An Award which has been released in accordance with Rule 7.
<i>"Rules"</i>	The rules of the Plan, as amended or modified from time to time.
<i>"SFA"</i>	The Securities and Futures Act 2001 of Singapore as amended, modified or supplemented from time to time.

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## APPENDIX G – RULES OF THE VIN’S PERFORMANCE SHARE PLAN

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<i>“SGX-ST”</i>	The Singapore Exchange Securities Trading Limited.
<i>“Shareholders”</i>	The registered holders for the time being of the shares (other than the CDP) or in the case of Depositors, Depositors who have Shares entered against their names in the Depository Register.
<i>“Shares”</i>	Ordinary shares in the capital of the Company.
<i>“Sponsor”</i>	The sponsor of the Company from time to time, as required by the Listing Manual.
<i>“Subsidiary”</i>	A company (whether incorporated within or outside Singapore and wheresoever resident) being a subsidiary for the time being of the Company within the meaning of Section 5 of the Act.
<i>“Substantial Shareholder”</i>	A person who has an interest in the Shares, the total votes attached to which is not less than 5.0% of the total votes attached to all the voting shares (excluding treasury shares) in the Company.
<i>“Trading Day”</i>	A day on which the Shares are traded on Catalist.
<i>“Vesting”</i>	In relation to Shares which are the subject of a Released Award, the absolute entitlement to all or some of the Shares which are the subject of a Released Award and “Vest” and “Vested” shall be construed accordingly.
<i>“Vesting Date”</i>	In relation to Shares which are the subject of a Released Award, the date (as determined by the Committee and notified to the relevant Participant) on which those Shares have Vested pursuant to Rule 7.
<i>“%”</i>	Per centum or percentage.

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

2.3 Any reference to a time of a day in the Plan is a reference to Singapore time.

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

2.5 The term “Associate” shall have the meaning ascribed to it by the Listing Manual as set out below:

- (a) in relation to any Director, CEO, 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 30.0% or more.

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## APPENDIX G – RULES OF THE VIN'S PERFORMANCE SHARE PLAN

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- (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 30.0% or more.

- 2.6 The terms “**Depositor**”, “**Depository Register**” and “**Depository Agent**” shall have the same meanings ascribed to them by Section 81SF of the SFA.

### 3. OBJECTIVES OF THE PLAN

The Plan has been proposed in order to:

- (a) foster an ownership culture within the Group which aligns the interests of Participants with the interests of Shareholders;
- (b) motivate Participants to achieve key financial and operational goals of the Company and/or their respective business divisions and encourage greater dedication and loyalty to the Group; and
- (c) make total employee remuneration sufficiently competitive to recruit new Participants and/or retain existing Participants whose contributions are important to the long-term growth and profitability of the Group, and whose skills are commensurate with the Company's ambition to become a world class company.

### 4. ELIGIBILITY OF PARTICIPANTS

- 4.1 The following persons shall be eligible to participate in the Plan at the absolute discretion of the Committee:

- (a) Group Executives

Full time employees of the Group and Group Directors who have attained the age of 21 years on or before the date of the grant of the Award and hold such rank as may be designated by the Committee from time to time. The Participant must also not be an undischarged bankrupt and must not have entered into a composition with his creditors.

- (b) Controlling Shareholders and Associates of Controlling Shareholders

Subject to Rule 4.2, persons who are qualified under Rule 4.1(a) above and who are also Controlling Shareholders or Associates of Controlling Shareholders.

Directors and full-time employees of our Company's parent company and its subsidiaries who have contributed to the success and development of our Company shall not be eligible to participate in the Plan unless they are Group Executives. Where any Group Executives are also directors or full-time employees of our Company's parent company and/or its subsidiaries, the Company will ensure compliance with the Listing Manual in the grant of any Awards (including seeking shareholders' approval by way of independent resolution where required) and will make the necessary disclosures in its annual report on the number of Awards granted to such directors and full-time employees in accordance with the Listing Manual.

- 4.2 Employees who are Controlling Shareholders or Associates of Controlling Shareholders shall (notwithstanding that they may meet the eligibility criteria in Rule 4.1(a) above) not participate in the Plan unless:

- (a) their participation; and
- (b) the terms of each grant of Award and the actual number of Shares to be granted to them,

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## APPENDIX G – RULES OF THE VIN'S PERFORMANCE SHARE PLAN

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have been approved by the independent Shareholders in general meeting in separate resolutions for each such person, and in respect of each such person, in separate resolutions for each of (i) his participation and (ii) the terms of each grant of Award and the actual number of Shares to be granted to him, provided always that it shall not be necessary to obtain the approval of the independent Shareholders of the Company for the participation in the Plan of a Controlling Shareholder or an Associate of a Controlling Shareholder who is, at the relevant time already a Participant. For the purposes of obtaining such approval from the independent Shareholders, the Company shall procure that the circular, letter or notice to the shareholder in connection therewith shall set out the following:

- (i) clear justifications for the participation of each such Controlling Shareholders or Associates of Controlling Shareholders; and
- (ii) clear rationale for the terms of the Awards to be granted to each such Controlling Shareholders or Associates of Controlling Shareholders.

4.3 For the purposes of determining eligibility to participate in the Plan, the secondment of an employee of the Group to another company within the Group shall not be regarded as a break in his employment or his having ceased by reason only of such secondment to be a full time employee of the Group.

4.4 Save as prescribed by the Listing Manual, there shall be no restriction on the eligibility of any Participant to participate in any other share option or share incentive scheme, implemented or to be implemented by any company within the Group. Subject to the Act and any requirements of the SGX-ST or any other stock exchange on which the Shares may be listed or quoted, the terms of eligibility for participation in the Plan may be amended from time to time at the absolute discretion of the Committee.

### 5. GRANT OF AWARDS

5.1 Except as provided in Rule 8, the Committee may grant Awards to Group Executives, Controlling Shareholders and/or Associates of Controlling Shareholders who are eligible to participate under Rule 4, and in each case, as the Committee may select, in its absolute discretion, at any time during the period when the Plan is in force, provided that in the event that an announcement on any matter of an exceptional nature involving unpublished price sensitive information is made, awards may only be granted on or after the second Market Day from the date on which such announcement is released. In addition, no award shall be granted during the period of 30 days immediately preceding the date of announcement of our Company's interim or final results (as the case may be). In compliance with the requirements of the Listing Manual, a Participant of the Plan who is a member of the Committee shall not be involved in its deliberations in respect of Awards to be granted or held by that member of the Committee.

5.2 The number of Shares which are the subject of each Award to be granted to a Participant in accordance with the Plan shall be determined at the absolute discretion of the Committee, which shall take into account criteria such as his rank, job performance, years of service and potential for future development, his contribution to the success and development of the Group and the extent of effort and resourcefulness with which the Performance Condition may be achieved within the Performance Period.

The Performance Condition shall be determined at the discretion of the Committee, which may comprise factors such as (but are not limited to) the market capitalisation or earnings of the Company at specified times.

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## APPENDIX G – RULES OF THE VIN'S PERFORMANCE SHARE PLAN

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5.3 The Committee shall decide in relation to an Award:

- (a) the Participant;
- (b) the Award Date;
- (c) the Performance Period;
- (d) the number of Shares which are the subject of the Award;
- (e) the Performance Condition;
- (f) the Vesting;
- (g) the Release Schedule; and
- (h) any other condition(s) which the Committee may determine in relation to that Award.

5.4 The Committee may amend or waive the Performance Period, the Performance Condition and/or the Release Schedule in respect of any Award:

- (a) in the event of a take-over offer being made for the Shares or if (i) Shareholders of the Company or (ii) under the Act, the court sanctions a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies or in the event of a proposal to liquidate or sell all or substantially all of the assets of the Company;
- (b) in the event that the Company shall make a capital distribution of a special dividend (whether in cash or in specie); or
- (c) if anything happens which causes the Committee to conclude that:
  - (i) a changed Performance Condition and/or Release Schedule would be a fairer measure of performance, and would be no less difficult to satisfy; or
  - (ii) the Performance Condition and/or Release Schedule should be waived,

and shall notify the Participants of such change or waiver (but accidental omission to give notice to any Participant(s) shall not invalidate such change or waiver).

5.5 As soon as reasonably practicable after making an Award the Committee shall send to each Participant an Award Letter confirming the Award and specifying in relation to the Award:

- (a) the Award Date;
- (b) the Performance Period;
- (c) the number of Shares which are the subject of the Award;
- (d) the Performance Condition;
- (e) the Vesting Date;
- (f) the Release Schedule; and
- (g) any other condition which the Committee may determine in relation to that Award.



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## **APPENDIX G – RULES OF THE VIN'S PERFORMANCE SHARE PLAN**

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- 5.6 Awards represent the right of a Participant to receive fully paid Shares free of charge provided that certain prescribed performance targets (if any) are met and upon expiry of the prescribed performance period. Participants are not required to pay for the grant of Awards.
- 5.7 An Award or Released Award shall be personal to the Participant to whom it is granted and, prior to the allotment and/or transfer to the Participant of the Shares to which the Released Award relates, shall not be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part, except with the prior approval of the Committee and if a Participant shall do, suffer or permit any such act or thing as a result of which he would or might be deprived of any rights under an Award or Released Award without the prior approval of the Committee, that Award or Released Award shall immediately lapse.
- 5.8 For the avoidance of doubt, the Company has the flexibility to grant Awards under the Plan and other options under any other share option schemes to the same Participant simultaneously. No minimum Vesting periods are prescribed under the Plan and the length of the Vesting period in respect of each Award shall be determined on a case-by-case basis. The Committee may also make an Award at any time where in its opinion, a Participant's performance and/or contribution justifies such an Award.

### **6. EVENTS PRIOR TO THE VESTING DATE**

- 6.1 An Award shall, to the extent not yet Released, immediately lapse without any claim whatsoever against the Company:
- (a) in the event of bankruptcy of the Participant or the happening of any other event which results in his being deprived of the legal or beneficial ownership of an Award;
  - (b) in the event of misconduct on the part of the Participant as determined by the Committee in its discretion;
  - (c) subject to Rule 6.2, upon the Participant ceasing to be in the employment of the Group for any reason whatsoever;
  - (d) subject to Rule 6.2, where the Participant is a non-executive Director, upon the Participant ceasing to be a Director of the Company;
  - (e) in the event of an order being made or a resolution passed for the winding-up of the Company on the basis, or by reason, of its insolvency;
  - (f) in the event that a Participant commits any break of any of the terms of his/her Award; or
  - (g) in the event the Committee shall, in its discretion, deem it appropriate that such Award to be given to a Participant shall so lapse on the grounds that any of the objectives of the Plan (as set out in Rule 3) have not been met.

For the purpose of Rule 6.1(c), the Participant shall be deemed to have ceased to be so employed as at the date the notice of termination of employment is tendered by or is given to him, unless such notice shall be withdrawn prior to its effective date. For the purpose of Rule 6.1(d), a Participant shall be deemed to have ceased to be a Director as of the date the notice of resignation or termination of directorship, as the case may be, is tendered by or is given to him, unless such notice shall be withdrawn prior to its effective date.

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## APPENDIX G – RULES OF THE VIN'S PERFORMANCE SHARE PLAN

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6.2 Where the Participant being a Group Executive ceases to be in the employment of the Group, or in the case of a non-executive director, ceases to be a Director of the Company by reason of:

- (a) ill health, injury or disability (in each case, evidenced to the satisfaction of the Committee);
- (b) redundancy;
- (c) retirement at or after the legal retirement age;
- (d) retirement before the legal retirement age with the consent of the Committee;
- (e) the company by which he is employed or to which he is seconded, as the case may be, ceasing to be a company within the Group or the undertaking or part of the undertaking of such company being transferred otherwise than to another company within the Group;
- (f) (where applicable) his transfer of employment between companies within the Group;
- (g) his transfer to any government ministry, governmental or statutory body or corporation at the direction of any company within the Group; or
- (h) any other event approved by the Committee;

the Committee may, in its absolute discretion, preserve all or any part of any Award and decide as soon as reasonably practicable following such event either to Vest some or all of the Shares which are the subject of any Award or to preserve all or part of any Award until the end of the Performance Period and subject to the provisions of the Plan. In exercising its discretion, the Committee will have regard to all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant and the extent to which the Performance Condition has been satisfied.

6.3 Without prejudice to the provisions of Rule 5.4, if before the Vesting Date, any of the following occurs:

- (a) a take-over offer for the Shares becomes or is declared unconditional;
- (b) a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies being approved by Shareholders and/or sanctioned by the court under the Act; or
- (c) an order being made or a resolution being passed for the winding up of the Company (other than as provided in Rule 6.1(d) or for amalgamation or reconstruction),

the Committee will consider, at its discretion, whether or not to Release any Award, and will take into account all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant. If the Committee decides to Release any Award, then in determining the number of Shares to be Vested in respect of such Award, the Committee will have regard to the proportion of the Performance Period which has lapsed and the extent to which the Performance Condition has been satisfied. Where Awards are Released, the Committee will, as soon as practicable after the Awards have been Released, procure the allotment or transfer to each Participant of the number of Shares so determined, such allotment or transfer to be made in accordance with Rule 7. If the Committee so determines, the Release of Awards may be satisfied in cash as provided in Rule 7.

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## APPENDIX G – RULES OF THE VIN'S PERFORMANCE SHARE PLAN

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### 7. RELEASE OF AWARDS

#### 7.1 Review of Performance Condition

- (a) As soon as reasonably practicable after the end of each Performance Period, the Committee shall review the Performance Condition specified in respect of each Award and determine at its discretion whether it has been satisfied and, if so, the extent to which it has been satisfied, and provided that the relevant Participant has continued to be a Group Executive from the Award Date up to the end of the Performance Period, shall Release to that Participant all or part (as determined by the Committee at its discretion in the case where the Committee has determined that there has been partial satisfaction of the Performance Condition) of the Shares to which his Award relates in accordance with the Release Schedule specified in respect of his Award on the Vesting Date. If not, the Awards shall lapse and be of no value.

If the Committee determines in its sole discretion that the Performance Condition has not been satisfied or (subject to Rule 6) if the relevant Participant has not continued to be a Group Executive from the Award Date up to the end of the relevant Performance Period, that Award shall lapse and be of no value and the provisions of Rules 7.2 to 7.4 shall be of no effect.

The Committee shall have the discretion to determine whether the Performance Condition has been satisfied (whether fully or partially) or exceeded and in making any such determination, the Committee shall have the right to make computational adjustments to the audited results of the Company or the Group to take into account such factors as the Committee may determine to be relevant, including changes in accounting methods, taxes and extraordinary events, and further the right to amend the Performance Condition if the Committee decides that a changed Performance Condition would be a fairer measure of performance.

Subject to:

- (i) (in relation to a performance-related Award) the Committee having determined that the Performance Condition has been satisfied;
- (ii) the relevant Participant (being an employee of the Group) having continued to be an employee from the Award Date up to the end of the relevant vesting period, the duration of which is to be determined by the Committee at the Award Date;
- (iii) the Committee being of the opinion that the job performance of the relevant Participant has been satisfactory;
- (iv) such consents (including any approvals required by the SGX-ST) as may be necessary;
- (v) compliance with the terms of the Award, the Plan and the Constitution;
- (vi) where Shares are to be allotted or transferred on the release of an Award, the Participant having a securities account with CDP and compliance with the applicable requirements of CDP; and
- (vii) where Shares are to be allotted on the release of an Award, the Company being satisfied that the Shares which are the subject of the Released Award will be listed for quotation on the SGX-ST,

upon the expiry of each vesting period in relation to an Award, the Company shall Release to the relevant Participant the Shares to which his/her Award relates on the Vesting Date.

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## APPENDIX G – RULES OF THE VIN'S PERFORMANCE SHARE PLAN

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- (b) Shares which are the subject of a Released Award shall be Vested in a Participant on the Vesting Date, which shall be a Trading Day falling as soon as practicable after the review by the Committee referred to in Rule 7.1(a) and, on the Vesting Date, the Committee will procure the allotment or transfer to each Participant of the number of Shares so determined.
- (c) Where new Shares are allotted upon the Vesting of any Award, the Company shall, as soon as practicable after such allotment, apply to the Sponsor and/or the SGX-ST and any other stock exchange on which the Shares are quoted or listed for permission to deal in and for quotation of such Shares.

### 7.2 Release of Award

Shares which are allotted or transferred on the Release of an Award to a Participant shall be issued in the name of, or transferred to, (a) CDP to the credit of the securities account of that Participant maintained with CDP; (b) the securities sub-account of that Participant maintained with a Depository Agent or (c) the CPF investment account maintained with a CPF agent bank, in each case, as designated by that Participant.

Subject to the Act and the Listing Manual, the Company shall have the flexibility to deliver Shares to Participants upon the Release of their Awards by way of (a) the allotment and issuance to each Participant of the number of new Shares, deemed to be fully paid or credited upon their allotment and issuance, and/or (b) the transfer of existing Shares to the Participant, including (subject to applicable laws) any Shares acquired by the Company pursuant to a share purchase mandate and/or held by the Company as treasury shares. Any proposed allotment and issue of new Shares will be subject to there being in force at the relevant time the requisite Shareholders approval under the Act for the issue of Shares.

Until such issue or transfer of such Shares has been effected, that Participant shall have no voting rights nor any entitlements to dividends or other distributions declared or recommended in respect of any Shares which are the subject of the Award granted to him.

In determining whether to allot and issue new Shares or to purchase existing Shares for delivery to the Participants upon the Release of their Awards, the Committee will take into account factors such as (but not limited to) the number of Shares to be delivered, the prevailing market price of the Shares and the cost to the Company of either issuing new Shares or purchasing existing Shares.

### 7.3 Ranking of Shares

New Shares allotted and issued, and existing Shares procured by the Company for transfer, on the Release of an Award shall:

- (a) be subject to all the provisions of the Articles of Association of the Company (including provisions relating to the liquidation of the Company) and the Act; and
- (b) rank in full for all entitlements, including dividends or other distributions declared or recommended in respect of the then existing Shares, the Record Date for which is on or after the relevant Vesting Date, and shall in all other respects rank *pari passu* with other existing Shares then in issue.

For the purposes of this Rule 7.3, “**Record Date**” means the date fixed by the Company for the purposes of determining entitlements to dividends or other distributions to or rights of holders of Shares.

**Shares which are allotted, and/or treasury shares which are transferred, on the vesting of an Award to a Participant, may be subject to such moratorium as may be imposed by the Committee.**

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### **7.4 Cash Awards**

The Committee, in its absolute discretion, may determine to make a Release of an Award, wholly or partly, in the form of cash rather than Shares, in which event the Participant shall receive on the Vesting Date, in lieu of all or part of the Shares which would otherwise have been allotted or transferred to him on Release of his Award, the aggregate Market Value of such Shares on the Vesting Date.

### **8. LIMITATION ON THE SIZE OF THE PLAN**

- 8.1 The aggregate number of Shares which may be issued or transferred pursuant to Awards granted under the Plan on any date, when aggregated with the aggregate number of Shares over which options or awards are granted under any share option schemes or share schemes of the Company, shall not exceed 15.0% of total number of Issued Shares on the day preceding that date, provided that after issuance of any and all such Shares, the total number of issued Shares will not exceed the maximum number of authorized Shares in the authorized share capital of the Company at relevant time.
- 8.2 The aggregate number of Shares which may be issued or transferred pursuant to Awards under the Plan to Participants who are Controlling Shareholders and their Associates (including adjustments made in accordance with Rule 9) shall not exceed 25.0% of the Shares under the Plan.
- 8.3 The number of Shares which may be issued or transferred pursuant to Awards under the Plan to each Participant who is a Controlling Shareholder or his Associate (including adjustments made in accordance with Rule 9) shall not exceed 10.0% of the Shares available under the Plan.
- 8.4 The number of Shares which are the subject of each Award to be granted to a Participant who is a non-executive director of the Company shall not exceed 10.0% of the total number of Shares available under the Plan.
- 8.5 Shares which are the subject of Awards which have lapsed for any reason whatsoever may be the subject of further Awards granted by the Committee under the Plan.

### **9. ADJUSTMENT EVENTS**

- 9.1 If a variation in the issued ordinary share capital of the Company (whether by way of a bonus issue, rights issue, capital reduction, subdivision, consolidation, distribution of Shares, or otherwise howsoever) shall take place, then:

- (a) the class and/or number of Shares which is/are the subject of an Award to the extent not yet Vested; and/or
- (b) the class and/or number of Shares in respect of which future Awards may be granted under the Plan,

shall be adjusted in such manner as the Committee may determine to be appropriate, provided that no adjustment shall be made if as a result, the Participant receives a benefit that a Shareholder does not receive.

- 9.2 Unless the Committee considers an adjustment to be appropriate, the following shall not normally be regarded as a circumstance requiring adjustment:

- (a) the issue of securities as consideration for an acquisition or a private placement of securities;
- (b) the cancellation of Issued Shares purchased or acquired by the Company by way of a market purchase of such Shares undertaken by the Company on the SGX-ST during the period when a share purchase mandate granted by Shareholders (including any renewal of such mandate) is in force;

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## **APPENDIX G – RULES OF THE VIN'S PERFORMANCE SHARE PLAN**

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- (c) the issue of Shares or other securities convertible into or with rights to acquire or subscribe for Shares to the employees pursuant to any share option scheme or share scheme approved by Shareholders in general meeting, including the Plan; or
- (d) the issue of Shares arising from the exercise of any warrants or the conversion of any convertible securities issued by the Company.

9.3 Notwithstanding the provisions of Rule 9.1, any adjustment (except in relation to a bonus issue) must be confirmed in writing by the Auditors (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable.

9.4 Upon any adjustment required to be made pursuant to this Rule 9, the Company shall notify the Participant (or his duly appointed personal representatives where applicable) in writing and deliver to him (or his duly appointed personal representatives where applicable) a statement setting forth the class and/or number of Shares thereafter to be issued or transferred on the Vesting of an Award. Any adjustment shall take effect upon such written notification being given.

### **10. ADMINISTRATION OF THE PLAN**

10.1 The Plan shall be administered by the Committee in its absolute discretion with such powers and duties as are conferred on it by the Board, provided that no member of the Committee shall participate in any deliberation or decision in respect of Awards granted or to be granted to him.

10.2 Subject to the Listing Manual, the Committee shall have the power, from time to time, to make and vary such arrangements, guidelines and/or regulations (not being inconsistent with the Plan) for the implementation and administration of the Plan, to give effect to the provisions of the Plan and/or to enhance the benefit of the Awards and the Released Awards to the Participants, as it may, in its absolute discretion, think fit. Any matter pertaining or pursuant to the Plan and any dispute and uncertainty as to the interpretation of the Plan, any rule, regulation or procedure thereunder or any rights under the Plan shall be determined by the Committee.

10.3 Neither the Plan nor the grant of Awards under the Plan shall impose on the Company or the Committee or any of its members any liability whatsoever in connection with:

- (a) the lapsing of any Awards pursuant to any provision of the Plan;
- (b) the failure or refusal by the Committee to exercise, or the exercise by the Committee of, any discretion under the Plan; and/or
- (c) any decision or determination of the Committee made pursuant to any provision of the Plan.

10.4 Any decision or determination of the Committee made pursuant to any provision of the Plan (other than a matter to be certified by the Auditors) shall be final, binding and conclusive (including for the avoidance of doubt, any decisions pertaining to disputes as to the interpretation of the Plan or any rule, regulation or procedure hereunder or as to any rights under the Plan). The Committee shall not be required to furnish any reasons for any decision or determination made by it.

10.5 The Committee shall ensure that the rules of the Plan are in compliance with the Companies Act and the applicable laws and regulations in Singapore, including but not limited to the Listing Manual.

### **11. NOTICES AND COMMUNICATIONS**

11.1 Any notice required to be given by a Participant to the Company shall be sent or made to the registered office of the Company or such other addresses (including electronic mail addresses) or facsimile number, and marked for the attention of the Committee, as may be notified by the Company to him in writing.



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## APPENDIX G – RULES OF THE VIN'S PERFORMANCE SHARE PLAN

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- 11.2 Any notice or document required to be given to a Participant or any correspondence to be made between the Company and the Participant shall be given or made by the Committee (or such person(s) as it may from time to time direct) on behalf of the Company and shall be delivered to him by hand or sent to him at his home address, electronic mail address or facsimile number according to the records of the Company or the last known address, electronic mail address or facsimile number of the Participant.
- 11.3 Any notice or other communication from a Participant to the Company shall be irrevocable, and shall not be effective until received by the Company. Any other notice or communication from the Company to a Participant shall be deemed to be received by that Participant, when left at the address specified in Rule 11.2 or, if sent by post, on the day following the date of posting or, if sent by electronic mail or facsimile transmission, on the day of despatch.

### 12. MODIFICATIONS TO THE PLAN

- 12.1 Any or all the provisions of the Plan may be modified and/or altered at any time and from time to time by a resolution of the Committee, except that:
- (a) no modification or alteration shall alter adversely the rights attached to any Award granted prior to such modification or alteration except with the consent in writing of such number of Participants who, if their Awards were Released to them upon the Performance Conditions for their Awards being satisfied in full, would become entitled to not less than three quarters of all the Shares which would fall to be Vested upon Release of all outstanding Awards upon the Performance Conditions for all outstanding Awards being satisfied in full;
  - (b) the definitions of “**Group Executive**”, “**Group Director**”, “**Participant**”, “**Performance Period**” and “**Release Schedule**” and the provisions of Rules 4, 5, 6, 7, 8, 9, 10, 13, 17 and this Rule 12 shall not be altered to the advantage of Participants except with the prior approval of the Shareholders in general meeting; and
  - (c) any modification or alteration shall not be made except in compliance with the Listing Manual or such other stock exchange on which the Shares are quoted or listed, and for so long as the Company is listed on the Catalist board of the SGX-ST, shall not be made without the prior approval of the Sponsor (acting as agent and on behalf of the SGX-ST) and such other regulatory authorities as may be necessary.

For the purposes of Rule 12.1(a), the opinion of the Committee as to whether any modification or alteration would adversely affect the rights attached to any Award shall be final, binding and conclusive. For the avoidance of doubt, nothing in this Rule 12.1 shall affect the right of the Committee under any other provision of the Plan to amend or adjust any Award.

- 12.2 Notwithstanding anything to the contrary contained in Rule 12.1, the Committee may at any time by resolution (and without other formality, save for the prior approval of the Sponsor (acting as agent and on behalf of the SGX-ST)) amend or alter the Plan in any way to the extent necessary or desirable, in the opinion of the Committee, to cause the Plan to comply with, or take into account, any statutory provision (or any amendment or modification thereto, including amendment of or modification to the Act) or the provision or the regulations of any regulatory or other relevant authority or body (including the SGX-ST).
- 12.3 Written notice of any modification or alteration made in accordance with this Rule 12 shall be given to all Participants.

### 13. TAKE-OVER AND WINDING UP OF THE COMPANY

- 13.1 Subject to Rule 13.5, in the event of a take-over offer being made for the Company, a Participant shall be entitled to the Shares under the Awards if he has met the Performance Condition for the corresponding Performance Period. For the avoidance of doubt, the Vesting of such Awards shall not be affected by the take-over offer.



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## **APPENDIX G – RULES OF THE VIN'S PERFORMANCE SHARE PLAN**

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- 13.2 If under any applicable laws, the court sanctions a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies, each Participant who has fulfilled his Performance Condition shall be entitled, notwithstanding the provisions under this Rule 13 but subject to Rule 13.5, to any Shares under the Awards so determined by the Committee to be released to him during the period commencing on the date upon which the compromise or arrangement is sanctioned by the court and ending either on the expiry of 60 days thereafter or the date upon which the compromise or arrangement becomes effective, whichever is later.
- 13.3 If an order is made for the winding-up of the Company on the basis of its insolvency, all Awards, notwithstanding that Shares may not have been released to the Participants, shall be deemed null and void.
- 13.4 In the event of a members' voluntary winding-up (other than for amalgamation or reconstruction), the Shares under the Awards shall be released to the Participant for so long as, in the absolute determination by the Committee, the Participant has met the Performance Condition prior to the date on which the members' voluntary winding-up is deemed to have commenced or is effective in law.
- 13.5 If in connection with the making of a general offer referred to in Rule 13.1 or the scheme referred to in Rule 13.2 or the winding-up referred to in Rule 13.4, arrangements are made (which are confirmed in writing by the Auditors, acting only as experts and not as arbitrators, to be fair and reasonable) for the compensation of Participants, whether by the payment of cash or by any other form of benefit, no Release of Shares under the Award shall be made in such circumstances.

### **14. TERMS OF EMPLOYMENT UNAFFECTED**

The terms of employment of a Participant shall not be affected by his participation in the Plan, which shall neither form part of such terms nor entitle him to take into account such participation in calculating any compensation or damages on the termination of his employment for any reason.

### **15. DURATION OF THE PLAN**

- 15.1 The Plan shall continue to be in force at the discretion of the Committee, subject to a maximum period of 10 years commencing on the Adoption Date, provided always that the Plan may continue beyond the above stipulated period with the approval of the Shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.
- 15.2 The Plan may be terminated at any time by the Committee or, at the discretion of the Committee, by resolution of the Company in general meeting, subject to all relevant approvals which may be required and if the Plan is so terminated, no further Awards shall be granted by the Committee hereunder.
- 15.3 The expiry or termination of the Plan shall not affect Awards which have been granted prior to such expiry or termination, whether such Awards have been Released (whether fully or partially) or not.

### **16. TAXES, COSTS AND EXPENSES OF THE PLAN**

- 16.1 All taxes (including income tax) arising from the grant or Release of any Award granted to any Participant under the Plan shall be borne by that Participant.
- 16.2 Each Participant shall be responsible for all fees of CDP relating to or in connection with the issue and allotment or transfer of any Shares pursuant to the Release of any Award in CDP's name, the deposit of share certificate(s) with CDP, the Participant's securities account with CDP, or the Participant's securities sub-account with a Depository Agent.

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## APPENDIX G – RULES OF THE VIN'S PERFORMANCE SHARE PLAN

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- 16.3 Save for the taxes referred to in Rule 16.1 and such other costs and expenses expressly provided in the Plan to be payable by the Participants, all fees, costs and expenses incurred by the Company in relation to the Plan including but not limited to the fees, costs and expenses relating to the allotment and issue, or transfer, of Shares pursuant to the Release of any Award, shall be borne by the Company.

### 17. DISCLAIMER OF LIABILITY

Notwithstanding any provisions herein contained, the Committee and the Company shall not under any circumstances be held liable for any costs, losses, expenses and damages whatsoever and howsoever arising in any event, including but not limited to the Company's delay in issuing, or procuring the transfer of, the Shares or applying for or procuring the listing of new Shares on Catalist in accordance with Rule 7.1(c).

### 18. DISCLOSURES IN ANNUAL REPORTS

The following disclosures (as applicable) will be made by the Company in its annual report for so long as the Plan continues in operation as required by the Listing Manual:

- (a) the names of the members of the Committee administering the Plan;
- (b) the information required in the table below for the following Participants:
  - (i) Directors of the Company;
  - (ii) Controlling Shareholders and their Associates; and
  - (iii) Participants, other than those in (i) and (ii) above, who have received 5.0% or more of the total number of Shares available under the Plan;

Name of Participant	Aggregate number of Shares comprised in Awards under the Plan during the financial year under review (including terms)	Aggregate number of Shares comprised in Awards which have been granted to such Participant since the commencement of the Plan to the end of financial year under review	Aggregate number of Shares comprised in Awards issued since commencement of the Plan to the end of financial year under review	Aggregate number of Shares comprised in Awards which have not been Released as at end of financial year under review

- (c)
  - (i) the names of and number and terms of Awards granted to each director or employee of the parent company and its subsidiaries who receives 5.0% or more of the total number of Awards available to all directors and employees of the parent company and its subsidiaries under the Plan, during the financial year under review; and
  - (ii) the aggregate number of Awards granted to the directors and employees of the parent company and its subsidiaries for the financial year under review, and since the commencement of Plan to the end of the financial year under review;
- (d) such other information as may be required by the Listing Manual or the Act,

provided that if any of the above requirements are not applicable, an appropriate negative statement should be included therein.

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## **APPENDIX G – RULES OF THE VIN'S PERFORMANCE SHARE PLAN**

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### **19. DISPUTES**

Any disputes or differences of any nature in connection with the Plan shall be referred to the Committee and its decision shall be final and binding in all respects.

### **20. ABSTENTION FROM VOTING**

Shareholders who are eligible to participate in the Plan are to abstain from voting on any Shareholders' resolution relating to the Plan (including the participation in the Plan and the grant of Awards to the Participants) and should not accept nominations as proxy or otherwise for voting unless specific instructions have been given in the proxy form on how the vote is to be cast. In particular, Shareholders who are eligible to participate in the Plan shall abstain from voting on the following resolutions, where applicable: (a) the implementation of the Plan, and (b) participation by and grant of Awards to Controlling Shareholders and their Associates.

### **21. CONDITION OF AWARDS**

Every Award shall be subject to the condition that no Shares would be issued or transferred pursuant to the vesting of any Award if such issue or transfer would be contrary to any law or enactment, or any rules or regulations of any legislative or non-legislative governing body for the time being in force in Singapore or any other relevant country having jurisdiction in relation to the issue or transfer of Shares hereto.

### **22. GOVERNING LAW**

The Plan shall be governed by, and construed in accordance with, the laws of the Republic of Singapore. The Company and the Participants, by accepting grants of Awards in accordance with the Plan, shall submit to the exclusive jurisdiction of the courts of the Republic of Singapore.

### **23. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 2001**

No person other than the Company or a Participant shall have any right to enforce any provision of the Plan or any Award by the virtue of the Contracts (Rights of Third Parties) Act 2001 of Singapore.

## APPENDIX H – COMPARISON OF CAYMAN ISLANDS AND SINGAPORE CORPORATE LAW

Our Company is incorporated in the Cayman Islands and is therefore subject to the Cayman Islands Companies Act. Our Company's corporate affairs are governed by our Memorandum and Articles of Association and the provisions of applicable Cayman Islands laws, including Cayman Islands common law.

The following table sets forth a summary of certain differences between the provisions of the laws of the Cayman Islands applicable to our Company (namely, the Cayman Islands Companies Act) and the laws applicable to Singapore-incorporated companies (namely, the Singapore Companies Act) and their shareholders. The summaries below are not to be regarded as advice on Cayman Islands corporate law or the differences between it and the laws of any jurisdiction, including, without limitation, the Singapore Companies Act. The summaries below do not purport to be a comprehensive description of all of the rights and privileges of shareholders conferred by the Cayman Islands Companies Act as compared to the Singapore Companies Act that may be relevant to prospective investors. In addition, prospective investors should also note that the laws applicable to Singapore-incorporated companies and Cayman Islands exempted companies may change, whether as a result of proposed legislative reforms to the Singapore Companies Act or the Cayman Islands Companies Act, as the case may be, or otherwise. In addition, the summaries below do not describe the regulations and requirements prescribed by the Catalist Rules.

CAYMAN ISLANDS CORPORATE LAW	SINGAPORE CORPORATE LAW
<b>Power of Directors to Allot And Issue Shares</b>	
The power to allot and issue shares in a company normally lies with the directors of the company subject to any restrictions in the memorandum and articles of association of the company. The Cayman Islands Companies Act has no statutory provisions requiring shareholders' approval for an issue of shares by a company. There is also no requirement for the filing of returns of share issuances with the Registrar of Companies.	Notwithstanding anything to the contrary in the constitution of a company, prior approval of the company at a general meeting is required to authorise the directors to exercise any power of the company to issue shares, or the share issue is void under the Singapore Companies Act. Such approval may be confined to a particular exercise of that power or may apply to the exercise of that power generally and, once given, will only continue in force until the conclusion of the annual general meeting commencing next after the date on which the approval was given or the expiration of the period within which the next annual general meeting after that date is required by law to be held, whichever is the earlier, provided that such approval has not been previously revoked or varied by the company in a general meeting.
<b>Power of Directors to Dispose of the Issuer's or any of its Subsidiaries' Assets</b>	
The management of a Cayman Islands exempted company is the responsibility of and is carried on by its board of directors. Except as may be expressly provided in the company's articles of association, the shareholders can exercise control over the management of the company through their power to appoint and remove its directors. The Cayman Islands Companies Act contains no specific restrictions on the powers of directors to dispose of assets of a company. However, as a matter of general law, every officer of a company, which includes a director, managing director and secretary, in exercising his powers and discharging his duties, must do so honestly and in good faith with a view to the best interests of the company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.	The Singapore Companies Act provides that the business of a company is to be managed by or under the direction or supervision of the directors. The directors may exercise all the powers of a company except any power that the Singapore Companies Act or the constitution of the company require the company to exercise in general meeting. Under the Singapore Companies Act, prior approval of the company at a general meeting is required before the directors can carry into effect any proposals for disposing of the whole or substantially the whole of the company's undertaking or property notwithstanding anything in the company's constitution.

## APPENDIX H – COMPARISON OF CAYMAN ISLANDS AND SINGAPORE CORPORATE LAW

CAYMAN ISLANDS CORPORATE LAW	SINGAPORE CORPORATE LAW
<b>Giving of Financial Assistance to Purchase the Issuer's or its Holding Company's Shares</b>	
<p>There is no statutory restriction in the Cayman Islands on the provision of financial assistance by a Cayman Islands exempted company to another person for the purchase of, or subscription for, its own or its holding company's shares. Accordingly, a Cayman Islands exempted company may provide financial assistance if the directors of the company consider, in discharging their duties of care and acting in good faith, for a proper purpose and in the interests of the company, that such assistance can properly be given. Such assistance should be on an arm's length basis.</p>	<p>Generally, a public company or a company whose holding company or ultimate holding company is a public company is prohibited from giving any financial assistance to any person directly or indirectly for the purpose of, or in connection with, the acquisition or proposed acquisition of that company's shares or shares in its holding company or ultimate holding company.</p> <p>Financial assistance includes the making of a loan, the giving of a guarantee, the provision of security, the release of an obligation or the release of a debt or otherwise.</p> <p>Certain transactions are specifically provided by the Singapore Companies Act as transactions not to be prohibited. These include, among others: (i) a distribution of a company's assets by way of dividends lawfully made; (ii) a distribution in the course of a company's winding up; (iii) a payment made by a company pursuant to a reduction of capital in accordance with the Singapore Companies Act; (iv) the giving by a company in good faith and in the ordinary course of commercial dealing of any representation, warranty or indemnity in relation to an offer to the public of, or an invitation to the public to subscribe for or purchase shares in the company; (v) and the entering into by the company, in good faith and in the ordinary course of commercial dealing, of an agreement with a subscriber for shares in the company permitting the subscriber to make payments for the shares by instalments.</p> <p>The Singapore Companies Act further provides that a company can give financial assistance in certain circumstances, including but not limited to: (a) where the amount of financial assistance, together with any other financial assistance given by the company under this exception repayment of which remains outstanding, does not exceed 10.0% of the aggregate of the total paid-up capital and reserves of the company as disclosed in the most recent financial statements of the company and the company receives fair value in connection with the financial assistance and certain other conditions are met; (b) where the financial assistance does not materially prejudice the interests of the company, its shareholders or the company's ability to pay its creditors and certain other conditions are met; and (c) where the company, by special resolution, resolves to give financial assistance for the purpose of, or in connection with, that acquisition, provided that certain conditions and procedures under the Singapore Companies Act are also complied with.</p>

## APPENDIX H – COMPARISON OF CAYMAN ISLANDS AND SINGAPORE CORPORATE LAW

CAYMAN ISLANDS CORPORATE LAW	SINGAPORE CORPORATE LAW
	Where the company is a subsidiary of a listed corporation or a subsidiary whose ultimate holding company is incorporated in Singapore, the listed corporation or the ultimate holding company, as the case may be, is also required to pass a special resolution to approve the giving of the financial assistance.
<b>Transactions with Interested Persons</b>	
There is no express provision in the Cayman Islands Companies Act regulating transactions with interested persons	Transactions between a company listed on the Catalist and its interested persons are primarily regulated under Chapter 9 of the Catalist Rules. These rules apply to that company regardless of whether such company is incorporated in Singapore or elsewhere.
<b>Loans to Directors</b>	
There is no express provision in the Cayman Islands Companies Act prohibiting the making of loans by a Cayman Islands exempted company to any of its directors.	<p>A company (other than an exempt private company) is prohibited from, among others,</p> <ul style="list-style-type: none"> <li>• (a) making a loan or quasi-loan to a director of the company or a director of a related company (a “relevant director”) (and to the spouse or natural, step or adopted children of any such director); (b) entering into any guarantee or providing any security in connection with a loan or quasi-loan to a relevant director; (c) entering into a credit transaction as creditor for the benefit of a relevant director; and (d) entering into any guarantee or providing any security in connection with a credit transaction entered into by any person for the benefit of a relevant director (the “restricted transactions”), except in the following circumstances, where a transaction which would otherwise be a restricted transaction is:</li> <li>• (subject to, among others, the approval of the company in a general meeting) made to or for the benefit of a relevant director to meet expenditure incurred or to be incurred for the purposes of the company or for the purpose of enabling him to properly perform his duties as an officer of the company;</li> <li>• (subject to, among others, the approval of the company in a general meeting) made to or for the benefit of a relevant director who is engaged in full-time employment of the company or a related company, as the case may be, for the purpose of purchasing or otherwise acquiring a home occupied or to be occupied by that director; however, not more than one such restricted transaction may be outstanding from the director at any one time;</li> </ul>

## APPENDIX H – COMPARISON OF CAYMAN ISLANDS AND SINGAPORE CORPORATE LAW

CAYMAN ISLANDS CORPORATE LAW	SINGAPORE CORPORATE LAW
	<ul style="list-style-type: none"> <li>• made to or for the benefit of a relevant director who is engaged in full-time employment of the company or a related company as the case may be, where the company has at a general meeting approved of a scheme for the making of such transaction to or for the benefit of employees of the company, provided that the restricted transaction is in accordance with that scheme; and</li> <li>• made to or for the benefit of a relevant director in the ordinary course of business by a company whose ordinary business includes the lending of money or the giving of guarantees in connection with loans, quasi-loans or credit transactions made or entered into by other persons if the activities of that company are regulated by any written law relating to banking, finance companies or insurance or are subject to supervision by the Authority.</li> </ul> <p>For these purposes, a related company of a company means its holding company, its subsidiary, or a subsidiary of its holding company.</p> <p>A quasi-loan means a transaction under which one party (the “creditor”) agrees to pay, or pays otherwise than in pursuance of an agreement, a sum for another (the “borrower”) or agrees to reimburse, or reimburses otherwise than in pursuance of an agreement, expenditure incurred by another party for the borrower: (i) on terms that the borrower (or a person on his behalf) will reimburse the creditor; or (ii) in circumstances giving rise to a liability on the borrower to reimburse the creditor.</p> <p>A credit transaction means a transaction under which one party (the “creditor”):</p> <ul style="list-style-type: none"> <li>(i) supplies any goods or disposes of any immovable property under a hire-purchase agreement or a conditional sale agreement;</li> <li>(ii) leases or hires any immovable property or goods in return for periodic payments; or</li> <li>(iii) otherwise disposes of immovable property or supplies goods or services on the understanding that payment (whether in a lump sum or instalments or by way of periodic payments or otherwise) is to be deferred.</li> </ul>



**APPENDIX H – COMPARISON OF CAYMAN ISLANDS AND  
SINGAPORE CORPORATE LAW**

CAYMAN ISLANDS CORPORATE LAW	SINGAPORE CORPORATE LAW
	<p>A company (the “<b>first mentioned company</b>”) (other than an exempt private company) is also prohibited from, among others, (a) making a loan or quasi-loan to connected persons; (b) entering into any guarantee or providing any security in connection with a loan or quasi-loan made to connected persons by a person other than the first mentioned company; (c) entering into a credit transaction as creditor for the benefit of a connected person; and (d) entering into any guarantee or providing any security in connection with a credit transaction entered into by any person for the benefit of a connected person, unless there is prior approval by the first mentioned company in general meeting for the making of, provision for or entering into the loan, quasi-loan, credit transaction, guarantee or security (as the case may be) at which the interested director(s) and his or their family members abstained from voting. Connected persons of the first mentioned company include companies, limited liability partnerships or variable capital companies (as the case may be) in which the director(s) of the first mentioned company, individually or collectively, have an interest in 20.0% or more of the total voting rights (as determined in accordance with the Singapore Companies Act). This prohibition does not apply to:</p> <ul style="list-style-type: none"> <li>● anything done by a company where the other company (whether incorporated in Singapore or otherwise) or variable capital company is its subsidiary, holding company or a subsidiary of its holding company; or</li> <li>● a company whose ordinary business includes the lending of money or the giving of guarantees in connection with loans made by other persons, to anything done by the company in the ordinary course of that business if the activities of that company are regulated by any written law relating to banking, finance companies or insurance or are subject to supervision by the Authority.</li> </ul>

## APPENDIX H – COMPARISON OF CAYMAN ISLANDS AND SINGAPORE CORPORATE LAW

CAYMAN ISLANDS CORPORATE LAW	SINGAPORE CORPORATE LAW
<b>Transactions Affecting Share Capital</b>	
The Cayman Islands Companies Act contains provisions relating to the reduction of share capital, and the redemption and repurchase of shares.	The Singapore Companies Act contains provisions relating to share capital reductions, permitted share buy-backs and redeemable preference shares.
<b>Mergers And Similar Arrangements</b>	
<p>The Cayman Islands Companies Act contains statutory provisions which facilitate reconstructions and arrangements approved by (i) 75.0% in value of shareholders or class of shareholders; or (ii) a majority in number representing 75% in value of the creditors or class of creditors, as the case may be, as are present and voting either in person or by proxy at a meeting called for such purpose and thereafter sanctioned by the court. Whilst a dissenting shareholder would have the right to express to the court his view that the transaction for which approval is sought would not provide the shareholders with a fair value for their shares, the court is unlikely to disapprove the scheme on that ground alone in the absence of evidence of fraud or bad faith on behalf of the management.</p> <p>In addition, the Cayman Islands Companies Act provides a mechanism for mergers and consolidations between Cayman Islands companies as well as between Cayman Islands companies and foreign companies without the need for a court order. A written plan of merger or consolidation has to be authorised by each constituent company by way of a special resolution of the members of each such constituent company and such other authorisation, if any, as may be specified in such constituent company's articles of association.</p> <p>The Cayman Islands Companies Act provides appraisal rights to the shareholders of a constituent company incorporated under the Cayman Islands Companies Act in connection with a merger or consolidation.</p>	<p>The Singapore Companies Act provides that the Singapore courts have the authority, in connection with a scheme for the reconstruction of any company or companies or the amalgamation of any two or more companies, and where under the scheme the whole or any part of the undertaking or the property of any company concerned in the scheme (the transferor company) is to be transferred to another company (the transferee company), to order the transfer to the transferee company of the whole or any part of the undertaking and of the property or liabilities of the transferor company. Such power only exists in relation to any corporation liable to be wound up under the Insolvency, Restructuring and Dissolution Act 2018.</p> <p>The Singapore Companies Act further provides for a voluntary amalgamation process without the need for a court order. Under this voluntary amalgamation process, two or more Singapore-incorporated companies may amalgamate and continue as one company, which may be one of the amalgamating companies or a new company, in accordance with the procedures set out in the Singapore Companies Act. As part of these procedures, the board of directors of each of the amalgamating companies must make a solvency statement in relation to both the amalgamating company and the amalgamated company.</p> <p>The Singapore Companies Act also provides for a more simplified form of amalgamation procedure for (a) the amalgamation of a Singapore-incorporated company with one (1) or more of its wholly-owned subsidiaries; and (b) two or more wholly-owned Singapore-incorporated subsidiary companies of the same corporation.</p> <p>The Singapore Companies Act does not provide for appraisal rights to the shareholders of a company in connection with a merger.</p>

## APPENDIX H – COMPARISON OF CAYMAN ISLANDS AND SINGAPORE CORPORATE LAW

CAYMAN ISLANDS CORPORATE LAW	SINGAPORE CORPORATE LAW
<b>Remuneration</b>	
There is no provision in the Cayman Islands Companies Act regulating remuneration for directors.	The Singapore Companies Act provides that a company shall not at any meeting or otherwise provide emoluments or improve emoluments for a director in respect of his office as such unless the provision has been approved by a resolution that is not related to other matters, and any resolution passed in breach of this provision is void. For this purpose, the term “emoluments” in relation to a director includes fees and percentages, any sums paid by way of expenses allowance insofar as those sums are charged to income tax in Singapore, any contribution paid in respect of a director under any pension scheme, and any benefits received by him otherwise than in cash in respect of his services as a director.
<b>Disclosure of Interest in Contracts with the Company</b>	
There is no provision under the Cayman Islands Companies Act relating to directors in a position of conflict of interest. The common law principle under Cayman Islands law that a director must not put himself in a position of conflict between his personal interest and his duty to the company will apply to the Directors of the Company. This obligation, however, is often varied by the company’s memorandum and articles of association, for example, by permitting such director to vote on a matter in which such director has an interest, provided that the director has disclosed the nature of this interest to the board at the earliest opportunity. Directors should also be mindful to act in accordance with their fiduciary duties.	The Singapore Companies Act provides that, where a director or chief executive officer of a company is in any way, whether directly or indirectly, interested in a transaction or proposed transaction with that company, such a director or chief executive officer must, as soon as practicable after the relevant facts have come to his knowledge, (a) declare the nature of his interest at a meeting of the directors of the company; or (b) send a written notice to the company containing details on the nature, character and extent of his interest in the transaction or proposed transaction with the company. The Singapore Companies Act also provides that every director and chief executive officer of a company who holds any office or possesses any property whereby whether directly or indirectly, any duty or interest might be created in conflict with their duties or interests as director or chief executive officer shall (i) declare at a meeting of the directors of the company the fact and the nature, character and extent of the conflict; or (ii) send a written notice to the company setting out the fact and the nature, character and extent of the conflict. For these purposes, an interest of a member of a director’s or chief executive officer’s family (this includes his or her spouse, natural, step or adopted children) is treated as an interest of that director or chief executive officer.

## APPENDIX H – COMPARISON OF CAYMAN ISLANDS AND SINGAPORE CORPORATE LAW

CAYMAN ISLANDS CORPORATE LAW	SINGAPORE CORPORATE LAW
<b>Appointment, Qualification, Retirement, Resignation and Removal of Directors</b>	
<b>(a) Number, Qualification and Appointment of Directors</b>	
<p>There must be at least one director of a Cayman Islands exempted company. There is no requirement that any of the directors be ordinarily resident in the Cayman Islands.</p> <p>The initial director(s) is (are) appointed by the subscriber(s) to the memorandum of association. Thereafter, the addition and/or removal of directors will normally be effected in accordance with the provisions of the company's articles of association.</p> <p>The names and addresses of the directors and officers of a company must be entered in a register of directors and officers and kept at the registered office of the company. A copy of the register and notice of any amendments must be filed with the Registrar of Companies in the Cayman Islands. A list of the names of the then current directors of a Cayman Islands exempted company can be inspected at the offices of the Cayman Islands Registrar of Companies, but the register of directors and officers is not a public document.</p> <p>The Cayman Islands Companies Act does not contain provisions on the retirement age of directors.</p>	<p>Under the Singapore Companies Act, every company must have at least one director who is ordinarily resident in Singapore. Where the company has only one member, that sole director may also be the sole member of the company.</p> <p>No person other than a natural person who has attained the age of 18 and who is otherwise of full legal capacity shall be a director of a company.</p> <p>Every director, who is by the constitution of the company required to hold a specified share qualification and who is not already qualified, must obtain his qualification within two months after his appointment or such shorter period as is fixed by the constitution.</p> <p>In the case of a public company, the appointment of directors at a general meeting must generally be voted on individually. A motion for the appointment of two or more persons as directors by a single resolution shall not be made unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it. A resolution passed in pursuance of a motion made in contravention of this shall be void, whether or not it being so moved was objected to at the time.</p> <p>The Singapore Companies Act does not contain provisions on the maximum age limit of directors.</p>
<b>(b) Disqualification of Directors</b>	
<p>The Cayman Islands Companies Act does not contain provisions on disqualification of directors. The circumstances under which a person is disqualified from acting as a director will be as provided in the company's articles of association.</p>	<p>Under the Singapore Companies Act, a person may not act as a director of, or directly or indirectly take part in or be concerned in the management of any corporation if he is an undischarged bankrupt unless he has the leave of the Singapore Courts or the written permission of the Official Assignee appointed under the Insolvency, Restructuring and Dissolution Act 2018 to do so.</p>

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**APPENDIX H – COMPARISON OF CAYMAN ISLANDS AND  
SINGAPORE CORPORATE LAW**

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CAYMAN ISLANDS CORPORATE LAW	SINGAPORE CORPORATE LAW
	<p>A person may be disqualified from acting as a director of a company by the Singapore Courts for a period not exceeding five years if: (a) he is or has been a director of a company which has at any time gone into liquidation (whether while he was a director or within three years of his ceasing to be a director) and was insolvent at that time; and (b) his conduct as director of that company either taken alone or taken together with his conduct as a director of any other company or companies makes him unfit to be a director of or in any way, whether directly or indirectly, be concerned in, or take part in, the management of a company.</p> <p>A person may, subject to certain exceptions, also be disqualified from acting as a director by the Singapore Courts for a period of three years from the date of the making of the winding up order if he is a director of a company which is ordered to be wound up by the Singapore Courts on the ground that it is being used for purposes against national security or interest. He could also be disqualified on other grounds, such as conviction of any offence (whether in Singapore or elsewhere) involving fraud or dishonesty which is punishable with imprisonment for three months or more, or any offence under Part 12 of the SFA or where he is subject to the imposition of a civil penalty under Section 232 of the SFA. The Singapore Courts may also make a disqualification order against (i) a person who is convicted in Singapore of any offence in connection with the formation or management of a corporation; (ii) a person who has made improper use of his or her position as an officer of the company to gain, directly or indirectly, an advantage for himself or herself or for any other person or to cause detriment to the company; (iii) where the person is found in default of keeping proper books of account of the company since two years from the commencement of the investigation, or from the period between the incorporation of the company and the commencement of the investigation, whichever is shorter; and (iv) where the person is found personally responsible for wrongful trading of the company.</p> <p>A director may also be disqualified because of persistent default in relation to delivery of documents to the Registrar of Companies.</p>

## APPENDIX H – COMPARISON OF CAYMAN ISLANDS AND SINGAPORE CORPORATE LAW

CAYMAN ISLANDS CORPORATE LAW	SINGAPORE CORPORATE LAW
	<p>A person could be the subject of a debarment order made against him by the Registrar of Companies, if the Registrar of Companies is satisfied that a company of which he is a director at the time the order is made is in default of any requirement of the Singapore Companies Act. A person who has a debarment order made against him may not act as director of any company (except in respect of a company of which he was a director immediately before the order was made), and the debarment order applies from the date the order is made and continues in force until the Registrar of Companies cancels or suspends the order.</p>
<b>(c) Resignation of Directors</b>	
<p>The Cayman Islands Companies Act does not contain provisions on the resignation of directors.</p>	<p>Under the Singapore Companies Act, a director of a company cannot resign or vacate his office unless there is remaining in the company at least one director who is ordinarily resident in Singapore, and any purported resignation or vacation of office in breach of this provision is deemed to be invalid.</p> <p>Subject to the provisions of the Singapore Companies Act, unless the constitution of the company otherwise provides, a director's resignation is effective by giving written notice to the company, and his resignation is not conditional upon the company's acceptance of such resignation.</p>
<b>(d) Removal of Directors</b>	
<p>The Cayman Islands Companies Act does not contain provisions on the removal of directors. The removal of directors will normally be effected in accordance with the provisions of the company's articles of association.</p>	<p>A director of a public company may be removed before the expiration of his period of office by an ordinary resolution (which requires special notice of not less than 28 days before the meeting to be given in accordance with the provisions of the Singapore Companies Act) of the shareholders, notwithstanding anything in the constitution of that company or in any agreement between that company and the director, but where any director so removed was appointed to represent the interests of any particular class of shareholders or debenture holders, the resolution to remove him shall not take effect until his successor has been appointed.</p> <p>Subject to the provisions of the Singapore Companies Act, the constitution of a company may prescribe the manner in which a director may be removed from office before the expiration of his term of office.</p>



## APPENDIX H – COMPARISON OF CAYMAN ISLANDS AND SINGAPORE CORPORATE LAW

CAYMAN ISLANDS CORPORATE LAW	SINGAPORE CORPORATE LAW
<b>Alteration Of Governing Documents</b>	
<b>(a) <i>Alteration of Constitution, Memorandum of Association or Articles of Association</i></b>	
<p>The Cayman Islands Companies Act provides that a Cayman Islands exempted company may, by special resolution of its shareholders, alter its memorandum of association with respect to any of the objects, powers or other matters specified therein. The amended memorandum of association and a copy of the special resolution must be filed with the Registrar of Companies in the Cayman Islands.</p>	<p>Unless otherwise provided in the Singapore Companies Act, a company's constitution may be altered by way of special resolution, except that any entrenching provision in the constitution and any provision contained in the constitution before 1 April 2004 which could not be altered before that date may be removed or altered only if all members of the company agree.</p> <p>For these purposes, the term “entrenching provision” means a provision of the constitution of a company to the effect that other specified provisions of the constitution: (a) may not be altered in the manner provided by the Singapore Companies Act; or (b) may not be so altered except by a resolution passed by a specified majority greater than 75.0%, or where other specified conditions are met.</p> <p>Unless otherwise provided in the Singapore Companies Act, any alteration to the constitution of the company takes effect on and from the date of the special resolution approving such alteration or such later date as is specified in the resolution.</p> <p>Subject to Section 33 of the Singapore Companies Act, a company may by special resolution alter the provisions of its constitution with respect to the objects of the company, if any. Where a company proposes to alter its constitution, with respect to the objects of the company, it shall give 21 days' written notice by post or by electronic communications in accordance with the provisions of Singapore Companies Act, specifying the intention to propose the resolution as a special resolution and to submit it for passing at a meeting of the company to be held on a day specified in the notice.</p> <p>Notwithstanding any other provision of the Singapore Companies Act, a copy of the resolution altering the objects of a company shall not be lodged with the Registrar, before the expiration of 21 days after the passing of the resolution, and a copy of the resolution shall be lodged with the Registrar within 14 days thereafter, on compliance with which the alteration, if any, of the objects shall take effect.</p>



## APPENDIX H – COMPARISON OF CAYMAN ISLANDS AND SINGAPORE CORPORATE LAW

CAYMAN ISLANDS CORPORATE LAW	SINGAPORE CORPORATE LAW
<b>(b) Alteration of articles of association</b>	
The Cayman Islands Companies Act provides that a Cayman Islands exempted company may, by special resolution of its shareholders, but subject otherwise to the memorandum of association of the company, alter or add to its articles of association. On an amendment of the articles of association, the amended version of the articles of association must be registered with the Registrar of Companies in the Cayman Islands. A copy of the special resolution must be filed with the Registrar.	A company may by special resolution of its shareholders, but subject otherwise to the constitution of the company, alter or add to its constitution. On an amendment of the constitution, the amended version of the constitution must be registered with the Registrar. A copy of the special resolution must be filed with the Registrar.
<b>Variation of Rights Attached to Shares</b>	
The Cayman Islands Companies Act does not contain provisions determining the action necessary to change the rights of holders of shares. The variation of the rights attached to any class of shares is usually dealt with generally in the articles of association of a company.	<p>Under the Singapore Companies Act, if a provision is made in the constitution of a company for authorising the variation or abrogation of the rights attached to any class of shares in the company and in pursuance of that provision such rights are at any time varied or abrogated, subject to the consent of any specified proportion of the holders of that class of shares or the sanction of a resolution passed at a separate meeting of the holders of that class of shares, the holders of not less than an aggregate of 5.0% of the total number of the issued shares of that class may apply to the Singapore Courts to have the variation or abrogation cancelled in accordance with the Singapore Companies Act.</p> <p>The Singapore Courts may, if satisfied, having regard to all the circumstances of the case, that the variation or abrogation would unfairly prejudice the shareholders of the class represented by the applicant, disallow the variation or abrogation, and shall, if not so satisfied, confirm it and this decision shall be final.</p>
<b>Shareholders' Proposals</b>	
The Cayman Islands Companies Act provides that, in the absence of any provision in the articles of association as to the persons to summon general meetings, three members shall be competent to summon the same.	Under the Singapore Companies Act, (a) any number of members representing not less than 5.0% of the total voting rights of all the members having at the date of requisition a right to vote at a meeting to which the requisition relates; or (b) not less than 100 members holding shares on which there has been paid up an average sum, per member, of not less than S\$500, may requisition the company to give to members notice of any resolution which may properly be moved and is intended to be moved at the next annual general meeting, and circulate to members any statement of not more than 1,000 words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

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**APPENDIX H – COMPARISON OF CAYMAN ISLANDS AND  
SINGAPORE CORPORATE LAW**

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CAYMAN ISLANDS CORPORATE LAW	SINGAPORE CORPORATE LAW
	<p>Notwithstanding anything in its constitution, the directors of a company shall, on the requisition of members holding at the date of the deposit of the requisition not less than 10.0% of the total number of paid-up shares (excluding treasury Shares) as at the date of the deposit carries the right of voting at general meetings or, in the case of a company not having a share capital, of members representing not less than 10.0% of the total voting rights of all members having at that date a right to vote at general meetings, immediately proceed duly to convene an extraordinary general meeting of the company to be held as soon as practicable but in any case not later than two months after the receipt by the company of the requisition.</p> <p>If the directors do not within 21 days after the date of the deposit of the requisition proceed to convene a meeting, the requisitionists, or any of them representing more than 50.0% of the total voting rights of all of them, may themselves, in the same manner as nearly as possible as that in which meetings are to be convened by directors convene a meeting, but any meeting so convened shall not be held after the expiration of three months from that date.</p> <p>Under the Singapore Companies Act, two or more members holding not less than 10.0% of the total number of issued shares of the company (excluding treasury shares) or, if the company has not a share capital, not less than 5.0% in number of the members of the company or such lesser number as is provided by the constitution may call a meeting of the company.</p> <p>A meeting of a company or of a class of members, other than a meeting for the passing of a special resolution, shall be called by notice in writing of not less than 14 days or such longer period as is provided in the constitution. Shorter notice can be given if, (i) in the case of an annual general meeting, all the members entitled to attend and vote thereat so agree; or (ii) in the case of any other meeting, a majority in number of the members having a right to attend and vote thereat, being a majority which together holds not less than 95.0% of the total voting rights of all the members having a right to vote at that meeting so agree.</p>

## APPENDIX H – COMPARISON OF CAYMAN ISLANDS AND SINGAPORE CORPORATE LAW

CAYMAN ISLANDS CORPORATE LAW	SINGAPORE CORPORATE LAW
<b>Shareholders' Action by Written Consent</b>	
<p>Certain matters are required by the Cayman Islands Companies Act to be decided by special resolution. Where so authorised by the articles of association of a company, special resolutions may be approved in writing by all of the members entitled to vote at a general meeting of the company in one or more instruments each signed by one or more of the members.</p>	<p>Notwithstanding any other provision of the Singapore Companies Act, a private company or an unlisted public company may pass any resolution by written means (save for any resolution to dispense with the holding of annual general meetings or any resolution for which special notice is required) in accordance with the provisions of the Singapore Companies Act.</p> <p>A resolution of a private company or an unlisted public company may only be passed by written means if (i) agreement to the resolution was first sought by the directors of the company; or (ii) a requisition for that resolution was first given and the documents in respect of the resolution were served on members of the company, in accordance with the Singapore Companies Act. Further, the constitution of the company must not prohibit the passing of resolutions by written means, and all conditions in the company's constitution must be met.</p> <p>There is no corresponding provision in the Singapore Companies Act which applies to a public listed company, whether listed in Singapore or elsewhere.</p>
<b>Shareholders' Suits and Protection of Minority Shareholders</b>	
<p>The Cayman Islands courts would ordinarily be expected to follow English case law precedents which permit a minority shareholder to commence a representative action against or derivative actions in the name of the company to challenge (a) an act which is <i>ultra vires</i> or illegal; (b) an act which constitutes a fraud against the minority and the wrongdoers are themselves in control of the company; and (c) the act complained of, although not <i>ultra vires</i>, could only be effected duly if authorised by more than a simple majority vote that has not been obtained.</p>	<p>A member or a holder of a debenture of a company may apply to the Singapore Courts for an order under Section 216 of the Singapore Companies Act to remedy situations where:</p> <ul style="list-style-type: none"> <li>• a company's affairs are being conducted or the powers of the company's directors are being exercised in a manner oppressive to, or in disregard of the interests of, one or more of the members, shareholders or holders of debentures of the company, including the applicant; or</li> <li>• a company has done an act, or threatens to do an act, or the members or holders of debentures have passed some resolution, or propose to pass some resolution, which unfairly discriminates against, or is otherwise prejudicial to, one or more of the company's members or holders of debentures, including the applicant.</li> </ul>

## APPENDIX H – COMPARISON OF CAYMAN ISLANDS AND SINGAPORE CORPORATE LAW

CAYMAN ISLANDS CORPORATE LAW	SINGAPORE CORPORATE LAW
<p>In the case of a company (not being a bank) having a share capital divided into shares, the court may, on the application of members holding not less than one-fifth of the shares of the company in issue, appoint one or more inspectors to examine into the affairs of the company and to report thereon in such manner as the court shall direct. The inspectors shall on the completion of their investigation report to the court. Such report is not, unless the court so directs, open to public inspection. A company also may, by special resolution, appoint inspectors for the purpose of examining into the affairs of the company. Inspectors so appointed will have the same powers and perform the same duties as inspectors appointed by the court, except that instead of making their report to the court they will report in such manner and to such persons as the company by resolution of its members directs.</p> <p>A shareholder of a company who has held shares in a company for at least six (6) months may petition the court which may make a winding up order if the court is of the opinion that it is just and equitable that the company should be wound up.</p>	<p>Singapore Courts have wide discretion as to the relief they may grant under such application, including, among others: (i) directing or prohibiting any act or cancelling or varying any transaction or resolution; (ii) providing that the company be wound up; or (iii) authorising civil proceedings to be brought in the name of or on behalf of the company by such person or persons and on such terms as the court directs. In addition, a member of a company who is seeking relief for damage done to the company may bring a common law derivative action in certain circumstances against the persons who have done wrong to the company.</p> <p>Further, Section 216A of the Singapore Companies Act prescribes a procedure to bring a statutory derivative action or arbitration in the name and on behalf of a Singapore-incorporated company or intervene in an action or arbitration to which the company is a party for the purposes of prosecuting, defending or discontinuing the action or arbitration on behalf of the company. The statutory procedure is available to a member of a company and any other person who, in the discretion of the court, is a proper person to make an application under Section 216A of the Singapore Companies Act, or the Minister of Finance of Singapore, in the case of a declared company under Part 9 of the Singapore Companies Act.</p>
<b>Winding Up</b>	
<p>A company may be wound up: (a) compulsorily by an order of the court; (b) voluntarily by, among others, a special resolution of its members; or (c) under the supervision of the court. The court has authority to order winding up in a number of specified circumstances including where the members of the company have passed a special resolution requiring the company to be wound up by the court, or where the company is unable to pay its debts, or where it is, in the opinion of the court, just and equitable to do so.</p>	<p>The winding up of a company may be done in the following ways under the Insolvency, Restructuring and Dissolution Act: (a) members' voluntary winding up; (b) creditors' voluntary winding up; (c) court compulsory winding up; and, under the Companies Act, an order made pursuant to Section 216(2)(f) of the Singapore Companies Act for the winding up of the company. The type of winding up depends, among others, on whether the company is solvent or insolvent.</p>

## APPENDIX H – COMPARISON OF CAYMAN ISLANDS AND SINGAPORE CORPORATE LAW

CAYMAN ISLANDS CORPORATE LAW	SINGAPORE CORPORATE LAW
<b>Dissolution</b>	
<p>A company may be dissolved following:</p> <p>(a) voluntary winding up; or (b) winding up by the court.</p> <p>Where an application is made to the court for the sanctioning of a compromise or arrangement proposed between a company and its members or creditors and it is shown to the court that the compromise or arrangement has been proposed for the purpose of or in connection with a scheme for the reconstruction of any company or companies or the amalgamation of any two or more companies, and under the scheme the whole or any part of the undertaking or the property of any company concerned in the scheme (a “transferor company”) is to be transferred to another company the court, may either by the order sanctioning the compromise or arrangement or by any subsequent order make provision for, inter alia, the dissolution, without winding up, of any transferor company.</p> <p>Where the Registrar of Companies has reasonable cause to believe that a company is not carrying on business or is not in operation, he may strike the company off the register and the company shall be dissolved. The company may be restored to the register up to 10 years after the striking off.</p>	<p>A company may be dissolved: (a) through the process of liquidation pursuant to the winding up of the company; (b) in a merger or amalgamation of two companies where the court may order the dissolution of one after its assets and liabilities have been transferred to the other; or (c) when it is struck off the register by the Registrar of Companies on the ground that it is a defunct company.</p>

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## APPENDIX I – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

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You are invited to apply and subscribe for the Placement Shares at the Placement Price for each Placement Share, subject to the following terms and conditions:

1. **YOUR APPLICATION MUST BE MADE IN LOTS OF 1,000 PLACEMENT SHARES OR INTEGRAL MULTIPLES THEREOF. YOUR APPLICATION FOR ANY OTHER NUMBER OF PLACEMENT SHARES WILL BE REJECTED.**
2. Your application for the Placement Shares may only be made by way of the Application Form or other such forms of application as the Issue Manager, Full Sponsor and Placement Agent may deem appropriate.
3. YOU MAY NOT USE CPF FUNDS TO APPLY FOR THE PLACEMENT SHARES.
4. **You (not being an approved nominee company) are allowed to submit only one (1) application in your own name for the Placement Shares. Any separate application by you for the Placement Shares will be deemed to be multiple applications and the Company, the Issue Manager, Full Sponsor and Placement Agent have the discretion whether to accept or reject such multiple applications.**

If you, not being an approved nominee company, have submitted an application for the Placement Shares in your own name, you should not submit any other application for the Placement Shares for any other person. Such separate applications shall be deemed to be multiple applications and will be liable to be rejected at the discretion of our Company, the Issue Manager, Full Sponsor and Placement Agent.

Joint and/or multiple applications shall be rejected at the discretion of our Company, the Issue Manager, Full Sponsor and Placement Agent. If you submit or procure submissions of multiple share applications for Placement Shares you may be deemed to have committed an offence under the Penal Code 1871 of Singapore and the SFA, and your applications may be referred to the relevant authorities for investigation. Multiple applications or those appearing to be or suspected of being multiple applications, except in the case of applications by approved nominee companies, where each application is made on behalf of a different beneficiary, may be rejected at the discretion of our Company, the Issue Manager, Full Sponsor and Placement Agent.

5. We will not accept applications from any person under the age of 18 years, undischarged bankrupts, sole proprietorships, partnerships or non-corporate bodies, joint Securities Account holders of CDP and from applicants whose addresses (as furnished in their Application Form bear post office box numbers. No person acting or purporting to act on behalf of a deceased person is allowed to apply under the Securities Account with CDP in the name of a deceased at the time of application.
6. We will not recognise the existence of a trust. Any application by a trustee or trustees must be made in his/her/their own name(s) and without qualification or, where the application is made by way of an Application Form by a nominee, in the name(s) of an approved nominee company or approved nominee companies after complying with paragraph 7 below.
7. **WE WILL NOT ACCEPT APPLICATIONS FROM NOMINEES EXCEPT THOSE MADE BY APPROVED NOMINEE COMPANIES ONLY.** Approved nominee companies are defined as banks, merchant banks, finance companies, insurance companies, licensed securities dealers in Singapore and nominee companies controlled by them. Applications made by persons acting as nominees other than approved nominee companies shall be rejected.



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## APPENDIX I – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

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8. **IF YOU ARE NOT AN APPROVED NOMINEE COMPANY, YOU MUST MAINTAIN A SECURITIES ACCOUNT WITH CDP IN YOUR OWN NAME AT THE TIME OF YOUR APPLICATION.** If you do not have an existing Securities Account with CDP in your own name at the time of your application, your application will be rejected. If you have an existing Securities Account with CDP but fail to provide your Securities Account number or provide an incorrect Securities Account number in Section B of the Application Form, your application is liable to be rejected. Subject to paragraph 9 below, your application shall be rejected if your particulars such as name, NRIC/passport number, nationality, permanent residence status and CDP Securities Account number provided in your Application Form differ from those particulars in your Securities Account as maintained with CDP. If you have more than one (1) individual direct Securities Account with CDP, your application shall be rejected.
9. **If your address as stated in the Application Form is different from the address registered with CDP, you must inform CDP of your updated address promptly, failing which the notification letter on successful allotment and/or allocation and other correspondences from CDP will be sent to your address last registered with CDP.**
10. **Our Company, in consultation with the Issue Manager, Full Sponsor and Placement Agent, reserves the right to reject any application which does not conform strictly to the instructions set out in the Application Form and in this Offer Document or with the terms and conditions of this Offer Document or which is illegible, incomplete, incorrectly completed or which is accompanied by an improperly drawn up or improper form of remittance or remittances which are not honoured upon their first presentation.**
11. **Each of our Company and the Issue Manager, Full Sponsor, and the Placement Agent further reserves the right to treat as valid any applications not completed or submitted or effected in all respects in accordance with the instructions set out in the Application Form or the terms and conditions of this Offer Document, and also to present for payment or other processes all remittances at any time after receipt and to have full access to all information relating to, or deriving from, such remittances or the processing thereof.**

**Without prejudice to the rights of our Company, the Issue Manager, Full Sponsor and Placement Agent, as agents of our Company, have been authorised to accept, for and on behalf of our Company such other forms of application as the Issue Manager, Full Sponsor and Placement Agent deem appropriate.**

12. Our Company, in consultation with the Issue Manager, Full Sponsor and Placement Agent, reserve the right to reject or accept, in whole or in part, or to scale down any application, without assigning any reason therefor, and no enquiry and/or correspondence on our decision of our Company, will be entertained. This right applies to applications made by way of Application Form. In deciding the basis of allotment which shall be at our discretion, in consultation with the Issue Manager, Full Sponsor and Placement Agent, due consideration will be given to the desirability of allotting the Placement Shares to a reasonable number of applicants with a view to establishing an adequate market for our Shares.
13. Subject to your provision of a valid and correct CDP Securities Account number, share certificates will be registered in the name of CDP or its nominee and will be forwarded only to CDP. It is expected that CDP will send to you, at your own risk, within 15 Market Days after the close of the Application List, and subject to the submission of valid application and payment for the Placement Shares, a statement of account stating that your Securities Account has been credited with the number of Placement Shares allotted to you, if your application is successful. This will be the only acknowledgement of application monies received and is not an acknowledgement by our Company, the Issue Manager, Full Sponsor and Placement Agent. You irrevocably authorise CDP to complete and sign on your behalf as transferee or renounee, any instrument of transfer and/or other documents required for the issue of the Placement Shares allotted to you.



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## APPENDIX I – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

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14. In the event a supplementary or replacement offer document is lodged with the SGX-ST, acting as agent on behalf of the Authority, the Placement shall be kept open for at least 14 days after the lodgement of such supplementary or replacement offer document.

Where prior to the lodgement of the supplementary or replacement offer document, applications have been made under this Offer Document to subscribe for the Placement Shares and:

- (a) where the Placement Shares have not been issued and allotted to the applicants, we shall either:
  - (i) (A) within two (2) days (excluding any Saturday, Sunday or public holiday) from the date of lodgement of the supplementary or replacement offer document, as the case may be, give you notice in writing of how to obtain, or arrange to receive, a copy of the supplementary or replacement offer document, as the case may be, and provide you with an option to withdraw your application, and (B) take all reasonable steps to make available within a reasonable period of time the supplementary or replacement offer document, as the case may be, to you if you have indicated that you wish to obtain, or have arranged to receive, a copy of the supplementary or replacement offer document;
  - (ii) within seven (7) days of the date of the lodgement of the supplementary or replacement offer document, give you a copy of the supplementary or replacement offer document, as the case may be, and provide you with an option to withdraw your application; or
  - (iii) (A) treat your application as withdrawn and cancelled, in which case the application shall be deemed to have been withdrawn and cancelled; and (B) within seven (7) days from the date of lodgement of the supplementary or replacement offer document, return all monies paid in respect of your application, without interest or any share of revenue or other benefit arising therefrom and at your own risk; or
- (b) where the Placement Shares have already been issued and allotted to the applicants but trading has not commenced, we shall either:
  - (i) (A) within two (2) days (excluding any Saturday, Sunday or public holiday) from the date of lodgement of the supplementary or replacement offer document, as the case may be, give you notice in writing of how to obtain, or arrange to receive, a copy of the same, and provide you with an option to return to us the Placement Shares which you do not wish to retain title in, and (B) take all reasonable steps to make available within a reasonable period of time the supplementary or replacement offer document, as the case may be, to you if you have indicated that you wish to obtain, or have arranged to receive, a copy of the supplementary or replacement offer document;
  - (ii) within seven (7) days from the date of lodgement of the supplementary or replacement offer document, as the case may be, give you a copy of the supplementary or replacement offer document, as the case may be, and provide you with an option to return to us the Placement Shares which you do not wish to retain title in and without any right to claim against our Company, the Issue Manager, Full Sponsor and Placement Agent; or
  - (iii) subject to compliance with the Cayman Islands Companies Act and our Articles of Association, (A) treat the issue of the Placement Shares as void and our Company shall (A) if documents purporting to evidence title to the Placement Shares have been issued to the applicants, within seven (7) days from the date of lodgement of the supplementary or replacement offer document, inform the applicants to return such documents to us within fourteen (14) days from the date of lodgement of the supplementary or replacement offer document, and within seven (7) days from the date of receipt of the documents purporting to evidence title to the Placement Shares or the date of lodgement of the supplementary or replacement offer document,

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## APPENDIX I – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

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whichever is the later, pay to the applicants all monies paid by them for the Placement Shares, without interest or any share of revenue or other benefit arising therefrom and at the applicants' own risk; or (B) if no documents purporting to evidence title to the Placement Shares have been issued to the applicants, within seven (7) days from the date of lodgement of the supplementary or replacement offer document, pay to the applicants all monies paid by them for the Placement Shares, without interest or any share of revenue or other benefit arising therefrom and at the applicant's own risk,

and you shall not have any right or claim against our Company, the Directors and the Issue Manager, Full Sponsor and Placement Agent or our or their respective affiliates, directors, officers, employees, agents, representatives or advisers.

An applicant who wishes to exercise his option under paragraph 14(a)(i) or (ii) above to withdraw his application shall, within 14 days from the date of lodgement of the supplementary or replacement offer document, notify us of this, whereupon we shall, within seven (7) days from the receipt of such notification, pay to him all monies paid by him on account of his application for the Placement Shares without interest or any share of revenue or other benefit arising therefrom and at the applicant's own risk and the applicant shall not have any claim against our Company, the Issue Manager, Full Sponsor and Placement Agent.

An applicant who wishes to exercise his option under paragraph 14(b)(i) or (ii) above to return the Placement Shares issued to him shall, within 14 days from the date of lodgement of the supplementary or replacement offer document, notify us of this and return all documents, if any, purporting to be evidence of title to those Placement Shares to us, whereupon we shall, within seven (7) days from the receipt of such notification, pay to him all monies paid by him on account of his application for the Placement Shares without interest or any share of revenue or other benefit arising therefrom and at the applicant's own risk and the applicant shall not have any claim against our Company, the Issue Manager, Full Sponsor and Placement Agent.

Additional terms and instructions applicable upon the lodgement of the supplementary or replacement offer document, including instructions on how you can exercise the option to withdraw your application or return the Placement Shares allotted to you, may be found in such supplementary or replacement offer document.

15. You irrevocably authorise CDP to disclose the outcome of your application, including the number of Placement Shares allotted to you pursuant to your application, to us, the Issue Manager, Full Sponsor and Placement Agent and any other parties so authorised by the foregoing persons. None of our Company, the Issue Manager, Full Sponsor and Placement Agent or CDP shall be liable for any delays, failures, or inaccuracies in the recording, storage, transmission or delivery of data relating to your Application Forms.
16. Any reference to "you" or the "applicant" in this section shall include an individual, a corporation, an approved nominee and trustee applying for the Placement Shares through the Placement Agent or its designated sub-placement agent by way of an Application Form or such other forms of application as the Issue Manager, Full Sponsor and Placement Agent deems appropriate.
17. By completing and delivering an Application Form in accordance with the provisions of this Offer Document, you:
  - (a) irrevocably offer, agree and undertake to subscribe for the number of Placement Shares specified in your application (or such smaller number for which the application is accepted) at the Placement Price for each Placement Share and agree that you will accept such Placement Shares as may be allotted to you, in each case on the terms of, and subject to the conditions set out in this Offer Document and the Articles of Association of our Company;

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## APPENDIX I – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

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- (b) agree that the aggregate Placement Price for the Placement Shares applied for is due and payable upon your application;
  - (c) warrant the truth and accuracy of the information contained, and representations and declarations made, in your application, and acknowledge and agree that such information, representations and declarations will be relied on by our Company, the Issue Manager, Full Sponsor and Placement Agent in determining whether to accept your application and/or whether to allot any Placement Shares to you;
  - (d) (i) consent to the collection, use, processing and disclosure of your name, NRIC/passport number or company registration number, address, nationality, permanent residency status, CDP Securities Account number, share application amount, the outcome of your application (including the number of Placement Shares allotted to you pursuant to your application) and other personal data ("**Personal Data**") to the Share Registrar, Securities Clearing and Computer Services (Pte) Ltd ("**SCCS**"), the SGX-ST, CDP, our Company, the Issue Manager, Full Sponsor and Placement Agent and/or other authorised operators (collectively, the "**Relevant Persons**"), for the purpose of facilitating your application for the Placement Shares, and in order for the Relevant Persons to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**") and warrant that such Personal Data is true, accurate and correct, (ii) warrant that where you, as an approved nominee company, disclose the Personal Data of the beneficial owner(s) to the Relevant Persons, you have obtained the prior consent of such beneficial owner(s) for the collection, use, processing and disclosure by the Relevant Persons of the Personal Data of such beneficial owner(s) for the Purposes, (iii) agree that the Relevant Persons may do anything or disclose any Personal Data or matters without notice to you if the Relevant Persons consider them to be required or desirable in respect of any applicable policy, law, regulation, government entity, regulatory authority or similar body, and (iv) agree that you will indemnify the Relevant Persons in respect of any penalties, liabilities, claims, demands, losses and damages as a result of your breach of warranties. You also agree that the Relevant Parties shall be entitled to enforce this indemnity (collectively, the "**Personal Data Privacy Terms**"); and
  - (e) agree and warrant that, if the laws of any jurisdictions outside Singapore are applicable to your application, you have complied with all such laws and none of our Company, the Issue Manager, Full Sponsor and Placement Agent will infringe any such laws as a result of the acceptance of your application; and
  - (f) agree and confirm that for the purposes of Catalist Rule 422(3), you are not connected to the Issue Manager, Full Sponsor and Placement Agent.
18. Our acceptance of applications will be conditional upon, among others, our Company, the Issue Manager, Full Sponsor and Placement Agent, being satisfied that:
- (a) permission has been granted by the SGX-ST to deal in and for quotation of all our existing Shares, the Placement Shares and the Award Shares on Catalist;
  - (b) the Management and Placement Agreement referred to in the "Sponsorship, Management and Placement Arrangements" section of this Offer Document have become unconditional and have not been terminated or cancelled prior to such date as the Company may determine; and
  - (c) the Authority, the SGX-ST, acting as agent on behalf of the Authority, or other competent authority, has not issued a stop order under the SFA ("**Stop Order**") which directs that no further shares to which this Offer Document relates be allotted or issued.

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## **APPENDIX I – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE**

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19. In the event that a Stop Order pursuant to Section 242 of the SFA is served by the Authority, the SGX-ST, acting as agent on behalf of the Authority or other competent authority and applications to subscribe for or purchase the Placement Shares have been made prior to the Stop Order, and:
- (a) in the case where the Placement Shares have not been issued, we will (as required by law), deem all applications withdrawn and cancelled and our Company shall refund (at your own risk) all monies paid on account of your application for the Placement Shares (without interest or any share of revenue or other benefit arising therefrom) to you within 14 days of the date of the Stop Order; or
  - (b) where the Placement Shares have already been issued but trading has not commenced, the issue of the Placement Shares shall (as required by law) be deemed to be void, and we shall, (i) if documents purporting to evidence title to the Placement Shares have been issued to the applicants, within seven (7) days from the date of the Stop Order, inform the applicants to return such documents to us within fourteen (14) days from the date of the Stop Order, and within seven (7) days from the date of receipt of those documents or the date of the Stop Order, whichever is the later, pay to the applicants all monies paid on account by them for the Placement Shares (without interest or any share of revenue or other benefit arising therefrom) or (ii) if no such documents have been issued to the applicants, within seven (7) days from the date of the Stop Order, pay to the applicants all monies paid by them for the Placement Shares (without interest or any share of revenue or other benefit arising therefrom), and
- you shall not have any rights or claims against our Company and the Issue Manager, Full Sponsor and Placement Agent or any of our or their respective affiliates, directors, officers, employees, agents, representatives or advisers.
- This shall not apply where only an interim Stop Order has been served.
20. In the event that an interim Stop Order in respect of the Placement Shares is served by the Authority, the SGX-ST, acting as agent on behalf of the Authority or other competent authority, no Placement Shares shall be issued during the time when the interim Stop Order is in force.
21. The Authority, the SGX-ST, acting as agent on behalf of the Authority or other competent authority is not able to serve a Stop Order in respect of the Placement Shares if the Placement Shares have been issued and listed for quotation on a securities exchange and trading in the Placement Shares has commenced.
22. In the event of any changes in the closure of the Application List or the time period during which the Placement is open, we will publicly announce the same through a SGXNET announcement to be posted on the internet at the SGX-ST website (<http://www.sgx.com>) and through a paid advertisement in a major English newspaper in Singapore.
23. We will not hold any application in reserve.
24. We will not allot Shares on the basis of this Offer Document later than six (6) months after the date of registration of this Offer Document by the SGX-ST, acting as agent on behalf of the Authority.
25. Additional terms and conditions for applications by way of Application Form are set out in the section of this Offer Document entitled “Additional Terms and Conditions for Applications using Application Form” below.
26. All payments in respect of any application for the Placement Shares and any refund, shall be made in S\$.

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## APPENDIX I – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

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27. No person in any jurisdictions outside Singapore receiving this Offer Document or its accompanying documents (including the Application Form) may treat the same as an offer or Placement to subscribe for or purchase any Placement Shares unless such offer or invitation could lawfully be made without compliance with any regulatory requirements in those jurisdictions.

### ADDITIONAL TERMS AND CONDITIONS FOR APPLICATIONS USING APPLICATION FORM

You shall make an application by way of an Application Form on and subject to the terms and conditions of this Offer Document including but not limited to the terms and conditions appearing below as well as those set out in the “**TERMS, CONDITIONS AND PROCEDURES FOR APPLICATIONS AND ACCEPTANCE**” section in Appendix I of this Offer Document as well as the Articles of Association of our Company.

1. Your application must be made using the Application Form for Placement Shares or in such other manner as the Issue Manager, Full Sponsor and Placement Agent may in their absolute discretion deem appropriate. **ONLY ONE APPLICATION** should be enclosed in each envelope.

We draw your attention to the detailed instructions contained in the Application Form and this Offer Document for the completion of the Application Form which must be carefully followed. **Our Company and the Issue Manager, Full Sponsor and Placement Agent reserve the right to reject applications which do not conform strictly to the instructions set out in the Application Form and this Offer Document or to the terms and conditions of this Offer Document or which are illegible, incomplete, incorrectly completed or which are accompanied by improperly drawn remittances or improper form of remittances or remittances which are not honoured upon their first presentation.**

2. Your Application Form must be completed in English. Please type or write clearly in ink using **BLOCK LETTERS**.
3. All spaces in the Application Form, except those under the heading “**FOR OFFICIAL USE ONLY**”, must be completed and the words “**NOT APPLICABLE**” or “**N.A.**” should be written in any space that is not applicable.
4. All applications, including individuals, corporations, approved nominee companies and trustees must give their names in full. You must make your application, in the case of individuals, in your full names as they appear in your identity card (if applicants have such identification documents) or in your passport and, in the case of corporations, in your full names as registered with a competent authority. If you are not an individual, you must complete the Application Form under the hand of an official who must state the name and capacity in which he signs the Application Form. If you are a corporation completing the Application Form, you are required to affix your Common Seal (if any) in accordance with your Articles of Association or equivalent constitutive documents. If you are a corporate applicant and your application is successful, a copy of your Articles of Association or equivalent constitutive documents must be lodged with our Company’s Share Registrar. Our Company and the Issue Manager, Full Sponsor and Placement Agent reserve the right to require you to produce documentary proof of identification for verification purposes.
5. (a) You must complete Sections A and B and sign on page 1 of the Application Form.
- (b) You are required to delete either paragraph 7(a) or 7(b) on page 1 of the Application Form. Where paragraph 7(a) is deleted, you must also complete Section C of the Application Form with particulars of the beneficial owner(s).
- (c) If you fail to make the required declaration in paragraph 7(a) or 7(b), as the case may be, on page 1 of the Application Form, your application is liable to be rejected.



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## APPENDIX I – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

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6. You, whether an individual or corporate applicant, whether incorporated or unincorporated and wherever incorporated or constituted, will be required to declare whether you are a citizen or permanent resident of Singapore or a corporation in which citizens or permanent residents of Singapore or any body corporate constituted under any statute of Singapore have an interest in the aggregate of more than 50.0% of the issued share capital of or interests in such corporations.

If you are an approved nominee company, you are required to declare whether the beneficial owner of the Placement Shares is a citizen or permanent resident of Singapore or a corporation, whether incorporated or unincorporated and wherever incorporated or constituted, in which citizens or permanent residents of Singapore or any body corporate whether incorporated or unincorporated and wherever incorporated or constituted under any statute of Singapore have an interest in the aggregate of more than 50.0% of the issued share capital of or interests in such corporation.

7. Your application must be accompanied by a remittance in Singapore currency for the full amount payable, in respect of the number of the Placement Shares applied for, in the form of a BANKER'S DRAFT or CASHIER'S ORDER drawn on a bank in Singapore, made out in favour of **"VINS HOLDINGS SHARE ISSUE ACCOUNT"** crossed **"A/C PAYEE ONLY"**, with your name, CDP Securities Account Number and address written clearly on the reverse side. Applications not accompanied by any payment or accompanied by any other form of payment will not be accepted. We will reject remittances bearing **"NOT TRANSFERABLE"** or **"NON-TRANSFERABLE"** crossings. We reserve the right to reject any application which is accompanied by combined Banker's Draft or Cashier's Order for different CDP Securities Accounts. No acknowledgement or receipt will be issued by our Company or the Issue Manager, Full Sponsor and Placement Agent for applications and application monies received.
8. Monies paid in respect of unsuccessful applications are expected to be returned (without interest or any share of revenue or other benefit arising therefrom) to you by ordinary post at your own risk. Where your application is rejected or accepted in part only, the full amount or the balance of the application monies, as the case may be, will be refunded (without interest or any share of revenue or other benefit arising therefrom) to you by ordinary post at your own risk within 14 Market Days after the close of the Application List, provided that the remittance accompanying such application which has been presented for payment or other processes has been honoured and the application monies have been received in the designated share issue account. In the event that the Placement is cancelled by us following the termination of the Management and Placement Agreement, the application monies received will be refunded (without interest or any share of revenue or any other benefit arising therefrom) to you by ordinary post at your own risk within five (5) Market Days of the termination of the Placement. In the event that the Placement is cancelled by us following the issuance of the Stop Order by the Authority, the application monies received will be refunded (without interest or any share of revenue or other benefit arising therefrom) to you by ordinary post at your own risk within 14 days from the date of the Stop Order.
9. Capitalised terms used in the Application Form and defined in this Offer Document shall bear the meanings assigned to them in this Offer Document.
10. You irrevocably agree and acknowledge that your application is subject to risks of fires, acts of God and other events beyond the control of our Company, our Directors, the Issue Manager, Full Sponsor and Placement Agent and/or any party involved in the Placement, and if, in any event not receive your Application Form, you shall have no claim whatsoever against our Company, the Issue Manager, Full Sponsor and Placement Agent and/or any party involved in the Placement for the Placement Shares applied for or for any compensation, loss or damage.

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## APPENDIX I – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

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11. By completing and delivering the Application Form, you agree that:

- (a) in consideration of our Company having distributed the Application Form to you and agreeing to close the Application List at **12.00 noon on 11 April 2025** or such other time or date as our Directors may, in consultation with the Issue Manager, Full Sponsor and Placement Agent decide:
  - (i) your application is irrevocable; and
  - (ii) your remittance will be honoured on first presentation and that any application monies returnable may be held pending clearance of your payment without interest or any share of revenue or other benefit arising therefrom;
- (b) neither our Company, the Issue Manager, Full Sponsor and Placement Agent nor any other party involved in the Placement will be liable for any delays, failures or inaccuracies in the recording, storage or in the transmission or delivery of data relating to your application to us or CDP due to breakdowns or failure of transmission, delivery or communication facilities or any risks referred to in paragraph 10 above or to any cause beyond their respective controls;
- (c) all applications, acceptances and contracts resulting therefrom under the Placement shall be governed by and construed in accordance with the laws of Singapore and that you irrevocably submit to the non-exclusive jurisdiction of the Singapore courts;
- (d) in respect of the Placement Shares for which your application has been received and not rejected, acceptance of your application shall be constituted by written notification and not otherwise, notwithstanding any remittance being presented for payment by or on behalf of our Company;
- (e) you will not be entitled to exercise any remedy of rescission for misrepresentation at any time after acceptance of your application;
- (f) in making your application, reliance is placed solely on the information contained in this Offer Document and none of our Company, the Issue Manager, Full Sponsor and Placement Agent nor any other person involved in the Placement shall have any liability for any information not so contained;
- (g) you accept and agree to the Personal Data Privacy Terms set out in this Offer Document;
- (h) you consent to the collection, use and disclosure of your name, NRIC/passport number or company registration number, address, nationality, permanent resident status, CDP Securities Account number, and share application amount to our Share Registrar, CDP, SCCS, SGX-ST, our Company, the Issue Manager, Full Sponsor and Placement Agent, or other authorised operators;
- (i) you irrevocably agree and undertake to subscribe for or purchase the number of the Placement Shares applied for as stated in the Application Form or any smaller number of such Placement Shares that may be allotted to you in respect of your application. In the event that our Company or the Issue Manager, Full Sponsor and Placement Agent decide to allot any smaller number of the Placement Shares or not to allot any Placement Shares to you, you agree to accept such decision as final; and
- (j) you irrevocably authorise CDP to complete and sign on your behalf as transferee or renounee any instrument of transfer and/or other documents required for the issue of the Placement Shares that may be allotted to you.

12. By completing and delivering the Application Form, you declare that you do not possess more than one (1) individual direct Securities Account with CDP.







**VIN'S HOLDINGS LTD**

(Incorporated in Cayman Islands)  
(Company Registration Number: 386652)