
PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS CUM WARRANTS ISSUE

1. Introduction

- 1.1 The board of directors (the “**Board**” or “**Directors**”) of Zixin Group Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company is proposing to undertake a renounceable non-underwritten rights cum warrants issue (the “**Rights Cum Warrants Issue**”) of up to 144,481,810 new ordinary shares (the “**Shares**”) in the capital of the Company (the “**Rights Shares**”) at an issue price of S\$0.0165 (the “**Issue Price**”) per Rights Share, with up to 577,927,240 free detachable warrants (the “**Warrants**”), on the basis of one (1) Rights Share for every ten (10) existing Shares held by Eligible Shareholders (as defined below) as at a record date to be determined by the Directors (the “**Record Date**”), fractional entitlements to be disregarded, and four (4) Warrants for every one (1) Rights Share subscribed and each Warrant carrying the right to subscribe for one (1) new Share in the capital of the Company (each a “**Warrant Share**”) at the Exercise Price (as defined below).
- 1.2 The Rights Shares, Warrants and Warrant Shares are intended to be issued and allotted pursuant to and within the limits of the general share issue mandate to allot and issue Shares (including by way of rights), and to make or grant offers, agreements or options that might or would require Shares to be issued (including the creation of, issue of and adjustment to warrants) (the “**General Mandate**”), approved by shareholders of the Company (“**Shareholders**”) at the annual general meeting of the Company held on 8 September 2023 (the “**AGM**”).

2. Principal Terms of the Rights Cum Warrants Issue

- 2.1 The principal terms of the proposed Rights Cum Warrants Issue are as summarised below:

Principal Terms	Description
Price	Issue price of S\$0.0165 per Rights Share (“ Issue Price ”) Exercise price of S\$0.0450 per Warrant Share (“ Exercise Price ”)
Discount (specifying benchmarks and periods)	The Issue Price represents: (a) a discount of approximately 23.3% to the theoretical ex-rights price (“ TERP ”) ¹ of approximately S\$0.0215 per Share based on the last traded price per Share for Shares traded on the Catalist Board of the Singapore Exchange Securities Trading Limited (the “ SGX-ST ”) on 27 March 2024, being the last Market Day ² immediately preceding the date of this

¹ The theoretical ex-rights price of each Share is the theoretical market price of each Share assuming the completion of the Rights Cum Warrants Issue. For the avoidance of doubt, the theoretical ex-rights price computation does not include the Shares to be issued pursuant to the vesting of share awards under the Zixin Performance Share Plan as announced by the Company on 22 March 2024 and the Warrant Shares to be issued from the exercise of the Warrants.

² “**Market Day**” means a full day on which the SGX-ST was open for trading in securities.

	<p>announcement on which Shares were traded on the Catalist Board of the SGX-ST (the “Last Traded Price”); and</p> <p>(b) a discount of approximately 25.0% to the volume weighted average price of S\$0.022 per Share for Shares traded on the Catalist Board of the SGX-ST on 27 March 2024, being the last Market Day immediately preceding the date of this announcement on which Shares were traded on the Catalist Board of the SGX-ST (the “VWAP”).</p> <p>The Exercise Price represents:</p> <p>(a) a premium of approximately 109.3% to the TERP; and</p> <p>(b) a premium of approximately 104.5% to the VWAP.</p>
Allotment Ratio	One (1) Rights Share for every ten (10) existing Shares held by Eligible Shareholders (as defined below) as at the Record Date, fractional entitlements to be disregarded, and four (4) Warrants for every one (1) Rights Share subscribed.
Use of Proceeds	Please refer to paragraph 4 of this announcement for details on the use of proceeds arising from the Rights Cum Warrants Issue.
Purpose of Rights Cum Warrants Issue	Please refer to paragraph 3 of this announcement for details on the purpose of the Rights Cum Warrants Issue.

The terms and conditions of the Rights Cum Warrants Issue are subject to such changes as the Directors may deem fit. The final terms and conditions of the Rights Cum Warrants Issue will be contained in the offer information statement (the “**Offer Information Statement**”), to be lodged with the SGX-ST’s Catalodge, and its accompanying documents to be despatched or disseminated by the Company to Eligible Shareholders (as defined below) in due course. A further announcement on the lodgment and despatch or dissemination of the Offer Information Statement will be made by the Company at the appropriate time. Further details on the principal terms and conditions of the Rights Cum Warrants Issue are set out below.

2.2 Basis of the Provisional Allotment

The Rights Cum Warrants Issue will be made on a renounceable non-underwritten basis to all Eligible Shareholders (as defined below) on the basis of one (1) Rights Share for every ten (10) existing Shares held by Eligible Shareholders as at the Record Date, fractional entitlements to be disregarded, and four (4) Warrants for every one (1) Rights Share subscribed.

2.3 Size of the Rights Cum Warrants Issue

Based on the Company’s issued and paid-up share capital comprising 1,383,818,100 Shares (excluding treasury shares and subsidiary holdings) (“**Existing Share Capital**”) as at the date of this announcement, and assuming that all of the share awards granted by the Company under the Zixin Performance Share Plan (as announced by the Company on 22 March 2024) vest on or prior to the Record Date, and further assuming that no new Shares are issued on or prior to the Record Date and all Eligible Shareholders (as defined below) subscribe in full and pay for their *pro rata* entitlements of Rights Shares with Warrants, the Company will issue up to

144,481,810 Rights Shares with 577,927,240 Warrants (exercisable into 577,927,240 Warrant Shares) under the Rights Cum Warrants Issue.

The Rights Cum Warrants Issue cannot be withdrawn after the commencement of ex-rights trading. The Company has no existing warrants or other convertible securities as at the date of this announcement.

2.4 Authority to issue the Rights Shares, Warrants and Warrant Shares

The Rights Share, Warrants and Warrant Shares are intended to be issued and allotted pursuant to and within the limits of the General Mandate.

The General Mandate authorises the Directors to allot and issue Shares (whether by way of rights, bonus or otherwise) and 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) options, warrants, debentures or other instruments convertible into Shares, provided *inter alia* that the aggregate number of Shares issued pursuant to the General Mandate (including Shares to be issued pursuant to Instruments) shall not exceed 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the AGM, of which the aggregate number of Shares (including Shares to be issued pursuant to Instruments) that may be issued other than on a *pro rata* basis to Shareholders shall not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the AGM. The authority to allot and issue Shares under the General Mandate will expire on the date of the Company’s next annual general meeting or the date by which the next annual general meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier. Accordingly, such authority is expected to expire on 31 July 2024, being the date by which the next annual general meeting of the Company is required by law to be held, unless earlier varied or revoked by the Company in a general meeting.

As at the date of the AGM, the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company is 1,383,818,100. In addition, as at the date of the AGM, the Company had no existing warrants or other convertible securities. Accordingly, the maximum number of Shares that may be issued pursuant to the General Mandate is 1,383,818,100 Shares, of which the maximum number of Shares that can be issued other than on a *pro rata* basis is 691,909,050 Shares. Given that no Shares have been issued pursuant to the General Mandate since the AGM, and assuming that no further Shares are issued on or prior to the Record Date, the issuance of the Rights Shares, Warrants and Warrant Shares will be within the limit of the General Mandate. For the avoidance of doubt, the issuance and allotment of Shares pursuant to the vesting of share awards as set out at paragraph 2.3 has been approved by Shareholders at the AGM as a separate Shareholders’ resolution from the General Mandate. Accordingly, Shares issued pursuant to the vesting of share awards under the Zixin Performance Share Plan will not be issued pursuant to the General Mandate.

2.5 Terms of the Rights Issue

Eligible Shareholders (as defined below) will be at liberty to accept (in full or in part), decline, renounce (in part or in whole in favour of a third party at the option of the Eligible Shareholders) or, in the case of Eligible Depositors (as defined below), trade their provisional allotments of Rights Shares with Warrants on the SGX-ST during the provisional allotment trading period prescribed by the SGX-ST and will be eligible to apply for additional Rights Shares with Warrants in excess of their provisional allotments under the Rights Cum Warrants Issue (“**Excess Rights Shares with Warrants**”).

Fractional entitlements to the Rights Shares with Warrants will be disregarded in arriving at the Eligible Shareholders' provisional allotments of Rights Shares with Warrants and will, together with the provisional allotments of Rights Shares with Warrants which are not validly taken up or allotted for any reason, be aggregated and allotted to satisfy applications for Excess Rights Shares with Warrants (if any), or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company, subject to applicable laws, the rules of the SGX-ST Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**") and any other requirements and directions of the SGX-ST from time to time.

In the allotment of Excess Rights Shares with Warrants, preference will be given to the rounding of odd lots, and Directors and substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company, or the terms of the Rights Cum Warrants Issue, or have a representation (directly or through a nominee) on the Board, will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares with Warrants. The Company will not make any allotment and issue of any Excess Rights Shares with Warrants that will result in a transfer of any controlling interest in the Company unless otherwise approved by Shareholders in general meeting.

Depending on the level of subscription for the Rights Cum Warrants Issue, the Company may, if necessary, scale down the Rights Shares with Warrants and/or applications for the Excess Rights Shares with Warrants subscribed by any Shareholder to:

- (a) avoid placing such Shareholder and/or parties acting in concert with it (as defined in the Singapore Code on Take-overs and Mergers (the "**Takeover Code**")) in the position of incurring an obligation to make a mandatory general offer under the Takeover Code as a result of other Eligible Shareholders (as defined below) not taking up, whether partly or in full, their provisional allotments of the Rights Shares with Warrants; and/or
- (b) to avoid the transfer of a controlling interest in the Company, which is prohibited under Rule 803 of the Catalist Rules, unless prior approval of Shareholders is obtained in a general meeting.

2.6 Terms of the Warrants Issue

The Warrants will be issued free with the Rights Shares on the basis of four (4) Warrants for every one (1) Rights Share successfully subscribed for. The terms and conditions governing the Warrants will be set out in an instrument by way of a deed poll, as amended or supplemented from time to time (the "**Deed Poll**").

The Warrants will be immediately detachable from the Rights Shares upon issue. The Warrants will be issued in registered form and listed and traded separately on the Catalist Board of the SGX-ST, upon the listing and quotation of the Warrants on the Catalist Board of the SGX-ST, subject to, *inter alia*, there being an adequate spread of holdings of the Warrants to provide for an orderly market in the Warrants. Each board lot of Warrants will comprise 100 Warrants or such other board lot size which the SGX-ST may require.

Each Warrant will, subject to the terms and conditions to be set out in the Deed Poll, carry the right to subscribe for one (1) Warrant Share at the Exercise Price at any time during the period commencing on and including the date on which the Warrants are issued and expiring at 5:00 p.m. on the date immediately preceding the second anniversary of such date of issue (the "**Exercise Period**"). If the date immediately preceding such second anniversary is not a Market Day or falls on a day on which the register of members and/or register of warrant holders of the Company is/are closed, the last day of the Exercise Period shall be the immediately preceding Market Day on which the register of members and register of warrant holders of the Company

remain open. Warrants that remain unexercised at the expiry of the Exercise Period shall lapse and cease to be valid for any and all purposes, subject to the terms and conditions of the Warrants as set out in the Deed Poll.

The Exercise Price and the number of Warrants to be held by each holder of Warrants will be subject to adjustments under certain circumstances as provided for in the Deed Poll and appropriate announcements on the adjustments will be made by the Company.

The Company shall, not later than one (1) month before the expiry of the Exercise Period (the “**Expiry Date**”), announce the expiry of the Exercise Period on SGXNET. In addition, the Company shall, not later than one (1) month before the Expiry Date, take reasonable steps to notify all holders of the Warrants in writing of the Expiry Date, and such notice shall be delivered by post to the address of the relevant holders of the Warrant(s).

2.7 **Issue Price and Exercise Price**

The Issue Price represents a discount to the TERP and VWAP, and the Exercise Price represents a premium to the TERP and VWAP, as set out at paragraph 2.1 above.

In determining the Issue Price, Exercise Price and such discount and premium, the Directors have taken into account, *inter alia*, the historical performance of the Group, historical prices of the Company’s shares in the past twelve (12) months, issue prices for the Company’s past placement exercises, discount rate and subscription rate of the Company’s previous rights issue, the size of the Rights Cum Warrants Issue and the Group’s fundraising needs.

2.8 **Ranking of the Rights Shares and Warrant Shares**

The Rights Shares will be payable in full upon acceptance and/or application. The Rights Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares, except that they will not rank for any dividends, rights, allotments or other distributions that may be declared or paid for which the record date falls before the date of issue of the Rights Shares with Warrants.

The Warrant Shares arising from the exercise of the Warrants will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares, save for any dividends, rights, allotments or other distributions that may be declared or paid for which the record date falls before the date of issue of the Warrant Shares.

For the purposes of this paragraph 2.8, “**record date**” means, in relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time as may have been notified by the Company) on which the Shareholders must be registered with the Company, the Company’s share registrar (Boardroom Corporate & Advisory Services Pte. Ltd.) (the “**Share Registrar**”) or The Central Depository (Pte) Limited (“**CDP**”), as the case may be, in order to participate in such dividends, rights, allotments or other distributions.

2.9 **Non-Underwritten Rights Cum Warrants Issue**

The Rights Cum Warrants Issue will not be underwritten. The Directors are of the opinion that there is no minimum amount that must be raised from the Rights Cum Warrants Issue. Accordingly, the Company has decided to undertake the Rights Cum Warrants Issue on a non-underwritten basis in view of the cost savings that it anticipates it will enjoy as a result of not having to bear any underwriting fees and commissions.

3. Rationale for the Rights Cum Warrants Issue

3.1 The Rights Cum Warrants Issue has been proposed by the Company to raise the funds required for the Group to expand its business and operations in the People's Republic of China (the "PRC"), and for the Group's activities in Singapore and the expansion of the Group's business and operations in Singapore.

3.2 **To fund the Group's business and operations in the PRC:** The Group plans to expand into high technology manufacturing, enhance the Group's research capabilities, and expand the farmland across which the Group (including farmers contracted by the Group) harvests, cultivates and (where applicable) supplies sweet potatoes for and to the Group, amongst others.

As elaborated in the Company's announcement of the Group's financial results for the six-month financial period ended 30 September 2023 (the "**1H2024 Results**"), the Group expects to continue interior furnishings as well as the installation of equipment and machinery for a high-technology manufacturing facility, research laboratories and office premises intended to be used by the Group in the coming months. The Group also expects to commence, in the financial year ending 31 March 2025, productions at the high-technology manufacturing facility, with plans to gradually increase the production output over time if appropriate. It is intended that the facility will produce functional food products (being chemicals, substances and additives intended for use as food constituents) including purple sweet potato powder that can be used in the confectionery sector, through the extraction of nutrients from sweet potatoes (and parts thereof).

In addition, the Group has entered into strategic collaborations and joint ventures with government-supported organisations and local governments for, *inter alia*, research and development projects, with a view to constructing a sustainable sweet potato integrated value chain.

Concurrently, the Group plans to widen, beyond Liancheng County, the network of farmers via co-operatives whom the Group contracts to harvest, cultivate and supply sweet potatoes for and to the Group. The Group currently contracts with local farmers to cultivate and harvest sweet potatoes in Liancheng County for the Group, using patented sweet potato seedlings, farming solutions and techniques, findings from research and development on high-quality sweet potato varieties, and organic fertilisers and agricultural materials provided by the Group. The Group intends to continue exploring opportunities to expand its network with such farmers to regions other than Liancheng County, to diversify its assets and operations for risk management purposes. The Group also plans to continue carrying out research and development to improve the quality and quantity of sweet potatoes supplied by such farmers to the Group. The Group intends to invest into agricultural genomics research to expand the agricultural genomics database and improve existing analytical tools, which can potentially enhance the genomic makeup of existing sweet potato varieties as well as existing cultivation and harvesting solutions. The Group intends to undertake the foregoing with an aim to ensuring that the sweet potatoes supplied by its contracted farmers from different regions are of optimal quality and quantity and cultivated using suitable methods.

As disclosed in the Company's 1H2024 Results, the Group had approximately RMB149.5 million in cash and bank balances as at 30 September 2023 (which includes the reallocated Remaining Balance of S\$8.4 million from the FY2022 Placement as detailed in the Company's announcement dated 15 March 2024). The Group's current cash and bank balances will, together with the proceeds from the Rights Cum Warrants Issue, be applied towards the above plans, among other purposes.

- 3.3 **To raise working capital for the Group's activities in Singapore and expansion of the Group's business and operations in Singapore:** In addition, part of the proceeds from the Rights Cum Warrants Issue are intended to be utilised as working capital for the Group's activities in Singapore and the expansion of the Group's business and operations in Singapore. The foregoing would include, *inter alia*, funding administrative and human resource expenses, other operating expenses and other future expansions which the Board deems to be in the interests of the Company and the Group.
- 3.4 In addition to the proceeds to be received from the subscription of Rights Shares with Warrants by the Shareholders, the Company will receive further proceeds as and when the Warrants are exercised. A stronger capital base will also enable the Group to better weather global economic uncertainties such as higher interest rates, geopolitical tensions and inflationary pressures. The Rights Cum Warrants Issue will also serve as part of the Group's ongoing and prudent balance sheet management to strengthen its financial position, enlarge its capital base and further enhance the financial flexibility of the Group, and to provide existing Shareholders who are confident of the future prospects of the Group with an opportunity to subscribe for additional Shares.

4. Use of Proceeds

- 4.1 In the event that all Eligible Shareholders subscribe for their respective *pro rata* entitlements to Rights Shares with Warrants under the Rights Cum Warrants Issue, the Company expects to receive net proceeds of approximately S\$2,104,000 from the Rights Cum Warrants Issue, after deducting estimated expenses from the Rights Cum Warrants Issue of approximately S\$280,000. In such scenario, if the Warrants issued are subsequently fully exercised, the Company expects to receive additional gross proceeds of approximately S\$26,007,000,. As stated at paragraph 2.9 above, there is no minimum amount that will be raised from the Rights Cum Warrants Issue.
- 4.2 The net proceeds from the Rights Cum Warrants Issue are intended to, at the discretion of the Directors, be applied largely in the following manner:

Use of Net Proceeds	Assuming the Rights Shares are fully subscribed (S\$'000)	Percentage of Net Proceeds (%)	Assuming the Warrants are fully exercised (S\$'000)	Percentage of Gross Proceeds (%)
Expansion of the Group's business and operations in the PRC	1,262	60	15,604	60
General working capital for the Group's activities in Singapore and expansion of the Group's business and operations in Singapore	842	40	10,403	40
Total	2,104	100	26,007	100

Pending the deployment of the proceeds raised from the Rights Cum Warrants Issue for the abovementioned uses, the proceeds (or part thereof) may be deposited with financial institutions,

invested in short-term money markets instruments, debt instruments and/or marketable securities, and/or used for any other purposes on a short-term basis as the Directors may, in their absolute discretion, deem appropriate in the interests of the Group.

The Company will make periodic announcements on the utilisation of the net proceeds from the Rights Cum Warrants Issue as and when such proceeds are materially disbursed, and on whether such disbursements are in accordance with the stated use of proceeds. In addition, the Company will subsequently provide a status report on the use of such proceeds in its annual report, until such time as the proceeds have been fully utilised. Where there is any material deviation from the use of proceeds described above, the Company will announce the reasons for such deviation. Where the proceeds have been used for general corporate and/or working capital purposes, the Company will provide a breakdown with specific details on how the proceeds have been applied in the Company's announcements and annual report.

5. Opinion of Directors

The Directors are of the opinion that:

- (a) the working capital available to the Group is sufficient to meet its present requirements, after taking into consideration the Group's present bank facilities, and notwithstanding that the working capital available to the Group is sufficient to meet its present requirements, the Company is undertaking the Rights Cum Warrants Issue for the reasons cited in paragraph 3 above; and
- (b) the Rights Cum Warrants Issue is in the interest of the Company, after taking into consideration the rationale for the Rights Cum Warrants Issue as set out in paragraph 3 above and the intended uses of the proceeds from the Rights Cum Warrants Issue as set out in paragraph 4 above.

6. Conditions to and approvals required for the Rights Cum Warrants Issue

6.1 The Rights Cum Warrants Issue is subject to, *inter alia*, the following:

- (a) the receipt of the listing and quotation notice ("LQN") from the SGX-ST for the listing and quotation of the Rights Shares, the Warrants and the Warrant Shares on the Catalist Board of the SGX-ST, such approval not having been withdrawn or revoked as at the date of completion of the Rights Cum Warrants Issue, and if such approval is granted subject to conditions, such conditions being acceptable to the Company; and
- (b) the lodgement of the Offer Information Statement, together with all applicable accompanying documents in respect of the Rights Cum Warrants Issue, with the SGX-ST, acting as agent on behalf of the Monetary Authority of Singapore ("MAS").

6.2 The Company will be making an application to the SGX-ST through its continuing sponsor, RHB Bank Berhad, through its Singapore branch, for permission to deal in and for the listing and quotation of the Rights Shares, the Warrants and the Warrant Shares on the Catalist of the SGX-ST. An appropriate announcement on the outcome of such application will be made in due course.

6.3 The Record Date will also be fixed in due course after obtaining the LQN of the SGX-ST, following which an announcement on the Record Date will be separately made by the Company.

6.4 The Company has appointed AllBright Law Offices as the legal advisor of the Company as to PRC law in respect of the Rights Cum Warrants Issue, to advise on whether the Rights Cum

Warrants Issue would contravene any laws of the PRC. AllBright Law Offices has issued an opinion stating, *inter alia*, that:

- (a) the Rights Cum Warrants Issue will not contravene the laws of the PRC;
- (b) the Rights Cum Warrants Issue must be filed with the China Securities Regulatory Commission (the “**CSRC**”) within three (3) working days after the Company has issued the Rights Shares with Warrants and Excess Rights Shares with Warrants to the applicable Shareholders, pursuant to the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (境内企业境外发行证券和上市管理试行办法) published by the CSRC (the “**Trial Measures**”); and
- (c) upon the Rights Cum Warrants Issue being filed with the CSRC in accordance with the requirements of the Trial Measures, the Company will have complied with the Trial Measures.

The Company has appointed AllBright Law Offices to assist the Company in the foregoing filing, including to advise the Company on the filing procedure, prepare the documents required for the filing and communicate with the CSRC regarding the filing.

7. Eligibility to Participate in the Rights Cum Warrants Issue

7.1 The Company will provisionally allot the Rights Shares with Warrants to all Shareholders who are eligible to participate in the Rights Cum Warrants Issue on the basis of their shareholdings in the Company as at the Record Date, such Shareholders comprising Eligible Depositors and Eligible Scripholders (both as defined below), collectively the “**Eligible Shareholders**” and each an “**Eligible Shareholder**”. Eligible Shareholders will be entitled to participate in the Rights Cum Warrants Issue and receive hardcopies of the appropriate application forms at their respective Singapore addresses as maintained with the records of the CDP or the Share Registrar, as the case may be. Pursuant to the “Further Extension of Temporary Measure to Allow for Electronic Dissemination of Rights Issue and Take-over Documents” published by the Monetary Authority of Singapore, the Securities Industry Counsel and the Singapore Exchange Regulation, the Company will not be despatching physical copies of the Offer Information Statement to Shareholders. Instead, the Offer Information Statement will be disseminated electronically through publication on the SGXNET and the Company’s website at <https://www.zixingroup.com.sg/investor-relation>. Shareholders will be sent a hardcopy notification with instructions on how they can access the electronic version of the Offer Information Statement.

7.2 Eligible Depositors

“**Eligible Depositors**” are Shareholders with Shares standing to the credit of their securities accounts with CDP (“**Securities Accounts**”) as at 5:00 p.m. (Singapore time) on the Record Date and (i) whose registered addresses with CDP are addresses in Singapore as at the Record Date or (ii) who, if their registered addresses with the CDP are addresses outside Singapore, have provided CDP with a registered address in Singapore for the service of notices and documents not later than 5:00 p.m. (Singapore time) on the date falling three (3) Market Days prior to the Record Date.

Eligible Depositors will be provisionally allotted the Rights Shares with Warrants on the basis of the number of Shares standing to the credit of their Securities Accounts as at 5:00 p.m. (Singapore time) on the Record Date.

7.3 Eligible Scripholders

“**Eligible Scripholders**” are Shareholders whose share certificates are not deposited with CDP and who have tendered to the Share Registrar, at 1 Harbourfront Avenue, #14-07, Keppel Bay Tower, Singapore 098632, valid transfers of their Shares and the certificates relating thereto for registration up to the Record Date and (i) whose registered addresses with the Share Registrar are addresses in Singapore as at the Record Date or (ii) who, if their registered addresses with the Share Registrar are addresses outside Singapore, have provided the Share Registrar with a registered address in Singapore for the service of notices and documents not later than 5:00 p.m. (Singapore time) on the date falling three (3) Market Days prior to the Record Date.

For purposes of the foregoing, Eligible Scripholders will have to submit duly completed and stamped transfers in respect of Shares not registered in the name of CDP, together with all relevant documents of title, so as to be received by 5:00 p.m. (Singapore time) on the Record Date by the Share Registrar at 1 Harbourfront Avenue, #14-07, Keppel Bay Tower, Singapore 098632, in order to be registered to determine provisional allotments of Rights Shares with Warrants.

7.4 Supplementary Retirement Scheme (“SRS”)

Members under the SRS (“**SRS Members**”) who have previously purchased their Shares using their account opened with the relevant approved bank (“**SRS Accounts**”) and who wish to accept their provisional allotments of Rights Shares with Warrants and apply for Excess Rights Shares with Warrants can only do so using monies standing to the credit of their respective SRS Accounts, subject to the applicable SRS rules and regulations. SRS Members who wish to accept their provisional allotments of Rights Shares with Warrants and apply for Excess Rights Shares with Warrants using SRS monies, will need to instruct the relevant approved banks in which they hold their SRS Accounts to accept their provisional allotments of Rights Shares with Warrants and (if applicable) apply for Excess Rights Shares with Warrants on their behalf in accordance with terms and conditions in the Offer Information Statement. Any application made directly to CDP, the Share Registrar, the Company and/or through automated teller machines of any participating bank appointed and named in the Offer Information Statement will be rejected. For the avoidance of doubt, monies in SRS Accounts may not be used for the purchase of provisional allotments of Rights Shares with Warrants directly from the market. Eligible Shareholders who are SRS Members should refer to the Offer Information Statement to be lodged with the SGX-ST, acting as agent on behalf of the MAS for important details relating to the offer procedure in connection with the Rights Cum Warrants Issue.

7.5 Foreign Shareholders

For practical reasons and to avoid any violation of securities legislation or regulations applicable in countries other than Singapore, the Rights Shares with Warrants will not be offered to Shareholders with registered addresses outside Singapore as at the Record Date who have not, by 5:00 p.m. on the date falling three (3) Market Days prior to the Record Date, provided to CDP or the Share Registrar, as the case may be, an address in Singapore for the service of notices and documents (“**Foreign Shareholders**”), and the Offer Information Statement and applicable accompanying documents will not be despatched to Foreign Shareholders. As such, no provisional allotments of the Rights Shares with Warrants will be made to Foreign Shareholders and no purported acceptance thereof or application therefor by Foreign Shareholders will be valid.

If it is practicable to do so, arrangements may be made, at the discretion of the Company, for Rights Shares with Warrants which would otherwise be provisionally allotted to Foreign Shareholders to be sold “nil-paid” on the SGX-ST as soon as practicable after dealings in the provisional allotments of Rights Shares with Warrants commence.

8. Previous Equity Fund Raising in the Past 12 Months

The Company has not undertaken any previous equity fund raising in the past 12 months.

9. Interests of Directors and Substantial Shareholders

None of the Directors or the substantial Shareholders has any interest, direct or indirect, in the Rights Cum Warrants Issue, other than through their respective shareholdings, if any, direct and/or indirect, in the Company.

10. Notification Under Section 309B of the Securities and Futures Act 2001 of Singapore

The provisional allotments of Rights Shares with Warrants, the Rights Shares, the Warrants and the Warrant Shares are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018).

11. Directors' Responsibility Statement

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

12. Cautionary Statement

Some of the statements in this announcement constitute "forward-looking statements" that do not directly or exclusively relate to historical facts. These forward-looking statements reflect the Group's current intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors, many of which are outside the Group's control. Important factors that could cause actual results to differ materially from the expectations expressed or implied in the forward-looking statements include known and unknown risks and factors such as general economic and business conditions, including the timing or delay in signing, commencement, implementation of business plans and performance of operations, or the production and delivery of goods; environmental conditions including typhoons and other natural disasters; relationships with customers, suppliers, employees and other stakeholders; competition; and the ability to attract personnel. Because actual results could differ materially from the Group's intentions, plans, expectations, assumptions and beliefs about the future and any negative impacts arising from these issues will affect the performance of the Group's businesses, undue reliance must not be placed on these statements.

Shareholders and potential investors of the Company are advised to read this announcement and any further announcements made by the Company carefully and to exercise caution when dealing in the securities of the Company. In particular, Shareholders and potential investors of the Company should note that as at the date of this announcement, there is no certainty nor assurance that the Rights Cum Warrants Issue will materialise or that no changes will be made to the terms thereof and arrangements therefor. The Company will make further announcements

as and when necessary and appropriate. Persons who are in doubt as to the action they should take should consult their stockbrokers, bank managers, solicitors or other professional advisers.

By Order of the Board

Liang Chengwang
Executive Chairman and Chief Executive Officer

28 March 2024

*This announcement has been reviewed by the Company's sponsor, RHB Bank Berhad, through its Singapore branch ("**Sponsor**") in compliance with Rule 226(2)(b) of the Catalyst Rules.*

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

The contact person for the Sponsor is Mr Alvin Soh, Head, Corporate Finance, RHB Bank Berhad, Singapore branch, at 90 Cecil Street, #03-00 Singapore 069531, Telephone (65) 6320 0627.