

CIRCULAR DATED 2 FEBRUARY 2021

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

**THIS CIRCULAR IS ISSUED BY F J BENJAMIN HOLDINGS LTD (THE “COMPANY”). IF YOU ARE IN DOUBT AS TO THE ACTION THAT YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.**

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

This Circular, together with the Notice of EGM and the accompanying Proxy Form have been made available on SGXNET and the Company’s website at <https://www.fjbenjamin.com/media-announcements.php>. **A printed copy of this Circular, together with the Notice of EGM and the accompanying Proxy Form will NOT be despatched to Shareholders.**

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

The SGX-ST assumes no responsibility for the accuracy of any of the statements made, reports contained and opinions expressed in this Circular. The approval in-principle of the SGX-ST in relation to the Company’s application for the Proposed Transfer shall not be taken as an indication of the merits of the Proposed Transfer, the Company, its subsidiaries and/or its securities.



# FJ BENJAMIN

## **F J BENJAMIN HOLDINGS LTD**

(Company Registration Number: 197301125N)

(Incorporated in the Republic of Singapore)

### **CIRCULAR TO SHAREHOLDERS**

in relation to

- (I) **THE PROPOSED TRANSFER FROM THE MAINBOARD OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED TO THE CATALIST; AND**
- (II) **THE PROPOSED NEW SHARE ISSUE MANDATE IN ACCORDANCE WITH SECTION 161 OF THE COMPANIES ACT, CHAPTER 50 AND RULE 806(2) OF THE CATALIST RULES.**

#### **IMPORTANT DATES AND TIMES**

Last Date and Time for Lodgement of Proxy Form	:	22 February 2021 at 11.00 a.m.
Date and Time of Extraordinary General Meeting	:	24 February 2021 at 11.00 a.m.
Place of Extraordinary General Meeting	:	The Extraordinary General Meeting will be held by way of electronic means (via live audio-visual webcast or live audio-only livestream)

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## DEFINITIONS

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**IN THIS CIRCULAR, UNLESS THE CONTEXT OTHERWISE REQUIRES, THE FOLLOWING TERMS OR EXPRESSIONS SHALL HAVE THE FOLLOWING MEANINGS:**

"AIP"	:	Has the meaning ascribed to it in Section 2.1.9 of this Circular
"Act" or "Companies Act"	:	The Companies Act (Cap. 50) of Singapore, as may be amended, varied or supplemented from time to time
"Board" or "Board of Directors"	:	The board of directors of the Company as at the date of this Circular
"Catalist"	:	The Catalist board of the SGX-ST
"Catalist Rules"	:	SGX-ST Listing Manual Section B: Rules of Catalist, as may be amended, supplemented and/or modified from time to time
"CDP"	:	The Central Depository (Pte) Limited
"Circular"	:	This circular to Shareholders dated 2 February 2021
"Company"	:	F J Benjamin Holdings Ltd
"Constitution"	:	The constitution of the Company as may be amended, modified or supplemented from time to time
"Control"	:	The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of the Company
"Controlling Shareholder"	:	A person who:  (a) holds directly or indirectly 15% or more of the nominal amount of all voting shares in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a controlling shareholder; or  (b) in fact exercises control over a company
"CPF"	:	The Central Provident Fund
"CPF Funds"	:	The CPF account savings of CPF members, including the monies under the CPFIS
"CPFIS"	:	The CPF Investment Scheme
"Cure Period"	:	Pursuant to Rule 1315 of the Mainboard Rules, the period of 36 months from the date on which an issuer is placed on the Watch-List, during which the issuer is required to take active steps to comply with Rule 1314 of the Mainboard Rules
"Directors"	:	The directors of the Company as at the date of this Circular
"Effective Transfer Date"	:	The effective date of the Proposed Transfer
"EGM"	:	The extraordinary general meeting of the Company, notice of which is set out on pages N-1 to N-4 of this Circular
"Enquiry"	:	Has the meaning ascribed to it in Section 2.1.5 of this Circular
"Existing Share Issue Mandate"	:	Has the meaning ascribed to it in Section 3.3.1 of this Circular
"Factors"	:	Has the meaning ascribed to it in Section 2.3.6 of this Circular
"Financial Exit Criteria"	:	Means the following:  (i) record consolidated pre-tax profit for the most recently completed financial year (based on audited full year consolidated accounts); and  (ii) average daily market capitalisation of S\$40 million or more over the last 6 months

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## DEFINITIONS

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“FY”	:	Financial year ended or ending on 30 June, as the case may be
“Group”	:	The Company and its subsidiaries
“Latest Practicable Date”	:	22 January 2021
“Listing Manual”	:	The Catalist Rules or the Mainboard Rules (as the case maybe), as may be amended, supplemented or modified from time to time
“Mainboard”	:	The Mainboard of the SGX-ST
“Mainboard Rules”	:	The rules of the Listing Manual applicable to issuers listed on the Mainboard, as may be amended, supplemented and/or modified from time to time
“New Share Issue Mandate”	:	The new general share issue mandate to allow the Directors to allot and issue new Shares and convertible securities of the Company pursuant to Rule 806(2) of the Catalist Rules
“Notice of EGM”	:	The notice of EGM of the Company as set out on pages N-1 to N-4 of this Circular
“Proposed Sponsor”	:	ZICO Capital Pte. Ltd.
“Proposed Transactions”	:	The Proposed Transfer and the proposed adoption of the New Share Issue Mandate
“Proposed Transfer”	:	The proposed transfer of the listing of the Company from the Mainboard to the Catalist
“Proxy Form”	:	The proxy form in respect of the EGM as set out on pages P-1 to P-2 of this Circular
“Register of Members”	:	The register of members of the Company
“Resolutions”	:	The special resolution for the Proposed Transfer, and the ordinary resolution for the proposed adoption of the New Share Issue Mandate, and “ <b>Resolution</b> ” shall mean each one of them
“Second Extension”	:	The second extension of the Cure Period to 4 March 2021
“Securities Account”	:	A securities account maintained by a depositor with CDP but does not include a securities sub-account
“SFA”	:	The Securities and Futures Act (Chapter 289) of Singapore, as may be amended, modified or supplemented from time to time
“SGXNET”	:	Singapore Exchange Network, a system network used by listed companies in sending information and announcements to SGX-ST or any other system networks prescribed by SGX-ST for the purpose of SGX-ST making that information available to the market
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Shareholders”	:	Registered holders of the Shares in the Register of Members of the Company, except that where the registered holder is CDP, the term “ <b>Shareholders</b> ” shall, in relation to such Shares mean the depositors whose Securities Accounts maintained with CDP are credited with the Shares
“Shares”	:	Ordinary shares in the capital of the Company
“Substantial Shareholder”	:	In relation to a company, means a person which has an interest (as defined in the Companies Act) in one or more voting shares of the company and the total votes attached to that share, or those shares, is not less than 5% of the total votes attached to all the voting shares in the company
“SRS”	:	Supplementary Retirement Scheme

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## DEFINITIONS

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<b>“Warrants”</b>	:	The warrants issued by the Company on 6 April 2018 pursuant to a rights-cum-warrants issue, details of which are set out in the Company’s circular to Shareholders dated 15 February 2018 and announcement dated 6 April 2018
<b>“Watch-List”</b>	:	The watch-list of the SGX-ST
<b>“S\$” and “cents”</b>	:	Singapore dollars and cents, respectively
<b>“%”</b>	:	percentage or per centum

Unless the context otherwise requires:

- (a) The terms "depositor", "depository agent" and "depository register" shall have the meanings ascribed to them respectively in Section 81SF of the SFA.
- (b) The terms “treasury shares” and “subsidiary” shall have the meaning ascribed to them in Section 4 and Section 5 of the Companies Act.
- (c) The term “subsidiary holdings” refer to shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act.
- (d) 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. Words importing persons shall include corporations.
- (e) Any reference in this Circular to "Rule" or "Chapter" is a reference to the relevant rule or chapter in the Listing Manual, as the case may be, unless otherwise stated.
- (f) The headings in this Circular are inserted for convenience only and shall be ignored in the event of inconsistency with this Circular.
- (g) Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the SFA, the Listing Manual or any statutory modification thereof and used in this Circular shall, where applicable, have the meaning assigned to it under the Companies Act, the SFA, the Listing Manual or any statutory modification thereof, as the case may be, unless the context otherwise requires.
- (h) Any reference to a time of day and date in this Circular shall be a reference to Singapore time and date respectively, unless otherwise stated.

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# LETTER TO SHAREHOLDERS

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## F J BENJAMIN HOLDINGS LTD

(Company Registration Number: 197301125N)  
(Incorporated in the Republic of Singapore)

### Directors

Frank Benjamin (Non-Executive Chairman)  
Eli Manasseh Benjamin (Chief Executive Officer)  
Douglas Jackie Benjamin (Executive Director)  
Ng Hin Lee (Lead Independent Director)  
Liew Choon Wei (Independent Director)  
Yee Kee Shian Leon (Independent Director)

### Registered Office

1 Jalan Kilang Timor  
#07-01/02  
Pacific Tech Centre  
Singapore 159303

2 February 2021

To: The Shareholders of F J Benjamin Holdings Ltd

Dear Shareholder,

- (I) **THE PROPOSED TRANSFER FROM THE MAINBOARD OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED TO THE CATALIST; AND**
- (II) **THE PROPOSED NEW SHARE ISSUE MANDATE IN ACCORDANCE WITH SECTION 161 OF THE COMPANIES ACT AND RULE 806(2) OF THE CATALIST RULES.**

### 1. INTRODUCTION

- 1.1 The Board is proposing to convene the EGM to seek approval from Shareholders for the following:
- (a) the proposed transfer of the listing of the Company from the Mainboard to the Catalist (“**Proposed Transfer**”); and
  - (b) the new general share issue mandate to allow the Directors to allot and issue new Shares and convertible securities pursuant to Section 161 of the Companies Act and Rule 806(2) of the Catalist Rules (the “**New Share Issue Mandate**”),
- (collectively, the “**Proposed Transactions**”).
- 1.2 The Company has appointed Drew and Napier LLC as the legal adviser to the Company for the Proposed Transactions.
- 1.3 The purpose of this Circular is to provide Shareholders with information relating to the Proposed Transactions and the rationale thereof, and to seek Shareholders’ approval at the EGM to be held by way of electronic means (via live audio-visual webcast i.e. to contemporaneously observe the proceedings of the meeting by audio and video means, and via live audio-only livestream i.e. contemporaneous observation of the meeting proceedings by audio only means such as by telephone), on 24 February 2021 at 11.00 a.m.. The Notice of EGM is set out on pages N-1 to N-4 of this Circular.
- 1.4 Shareholders should note that the resolution relating to the New Share Issue Mandate is conditional upon the passing of the resolution relating to the Proposed Transfer. In the event that the resolution relating to the Proposed Transfer is not passed, the resolution relating to the New Share Issue Mandate will also not be passed.
- 1.5 Shareholders are advised to read this Circular in its entirety and any Shareholder, who may require advice in the context of his specific investment or who are in any doubt as to the course of action they should take, should consult his stockbroker, bank manager, solicitor, accountant, financial, tax or other professional adviser immediately.
- 1.6 The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this Circular.

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# LETTER TO SHAREHOLDERS

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## 2. THE PROPOSED TRANSFER FROM THE MAINBOARD TO THE CATALIST

### 2.1 Background

2.1.1 On 5 December 2016, the Company was placed on the Watch-List due to the financial entry criteria pursuant to Rule 1311 of the Mainboard Rules, which states that the SGX-ST will place an issuer on the Watch-List if it records pre-tax losses for the 3 most recently completed consecutive financial years (based on audited full year consolidated accounts) and an average daily market capitalisation of less than S\$40 million over the last 6 months.

2.1.2 In accordance with Rules 1314 and 1315 of the Mainboard Rules, the Company had a Cure Period of 36 months (i.e. by 4 December 2019) to meet the Financial Exit Criteria. In the event that the Company is unable to meet the Financial Exit Criteria within the Cure Period, pursuant to Rule 1315 of the Mainboard Rules, the SGX-ST may either delist the Company or suspend the trading of the Company's Shares with a view to delisting the Company.

2.1.3 On 30 May 2019, the Company submitted an application to the SGX-ST to seek an extension of the Cure Period. The Company's rationale for seeking the extension were as follows:

(a) Return to profitability

Since being placed on the Watch-List, the Company made concerted efforts to increase its profitability, such as focusing on profit-making brands and discontinuing loss-making brands, and the implementation of cost control measures. As a result, the Group returned to profitability. The Group recorded a consolidated pre-tax profit of approximately S\$939,000 for FY2018.

(b) Undervaluation of the Shares

The Company's relatively low market capitalisation was a result of the market having priced the Shares at a significant discount. The undervaluation of the Shares by the market was reflected in the Company's low price-to-book ratio of 0.534, based on the market price per share of the Company of S\$0.031 as at close of trading on 29 March 2019 and the Group's net asset value of S\$0.0581 per share as at 31 March 2019. The Company continued, as a matter of priority, to explore and undertake various strategic initiatives to improve the market's perception of it, with the aim of meeting or exceeding the S\$40 million threshold.

(c) Ongoing strategic initiatives of the Group

The Company implemented and continued to implement new and exciting strategic initiatives to enable it to rise above the challenges arising from the challenging retail outlook in Singapore, Malaysia and Indonesia, as well as the changes in consumer behaviour. These strategic initiatives include the implementation of online sales channels and the strengthening and diversification of the Group's brand portfolio.

2.1.4 On 20 June 2019, the SGX-ST granted its approval for an extension of the Cure Period by 12 months, to end on 4 December 2020.

2.1.5 On 22 October 2020, the Company announced its intention to transfer listing from the Mainboard to the Catalist. The Company further announced that, pursuant to an enquiry submitted to the SGX-ST in September 2020 ("**Enquiry**"), the SGX-ST confirmed that it had no further comments to the Enquiry and that the Company may proceed to submit an application in writing to the SGX-ST in respect of the Proposed Transfer.

2.1.6 On 30 October 2020, the Company submitted an application to the SGX-ST to seek a further extension of the Cure Period ("**Second Extension**"). The Company's rationale for seeking the Second Extension were as follows:

(a) Delay in appointment of continuing sponsor

Due to considerable uncertainties over whether the Company is able to meet the Financial Exit Criteria arising from the impact of the COVID-19 pandemic and in order to maintain its listing status, the Company began to explore the possibility of the Proposed Transfer in early 2020. In this regard, in early March 2020, the Company appointed a Catalist sponsor as the Company's advisor to assist with the Proposed Transfer and to act as the Company's continuing sponsor subject to the Proposed Transfer taking effect. However, the Company received notice from the Catalist sponsor in early July 2020 that due to an impending internal

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## LETTER TO SHAREHOLDERS

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restructuring, it was unable to continue acting for the Company in relation to the Proposed Transfer. The Company then appointed ZICO Capital Pte. Ltd. as the continuing sponsor on 21 July 2020. This change in continuing sponsor delayed the Company's submission of the Enquiry to SGX-ST to seek its no-objection to the Proposed Transfer.

(b) Time to complete the Proposed Transfer

The Company submitted the Enquiry to the SGX-ST through the Proposed Sponsor in September 2020 to seek the SGX-ST's no-objection to the Proposed Transfer. The SGX-ST confirmed in its letter dated 16 October 2020 that it had no further comments to the Enquiry and that the Company may proceed to submit, among others, an application in writing to the SGX-ST for the Proposed Transfer. The aforesaid no-objection from the SGX-ST is not to be taken as an indication of the merits of the Proposed Transfer, the Company, its subsidiaries, or its securities. The Company sought the Second Extension so as to allow the Company more time to complete the Proposed Transfer, which entails, among others, the preparation of this Circular and the formal application to the SGX-ST for the Proposed Transfer, review time of the SGX-ST in respect of the application for the Proposed Transfer, as well as requisite time to serve notice for the EGM to obtain Shareholders' approval for the Proposed Transfer.

2.1.7 On 13 November 2020, the SGX-ST granted its approval for the Second Extension by 3 months, to end on 4 March 2021, subject to the following conditions:

- (a) the Company disclosing in this Circular specific details relating to its prospects and plans, taking into account the Company's business activities, strategic direction and compliance with the regulatory environment in which the Company and its subsidiaries operate, such as safe distancing measures and emerging trends in e-commerce;
- (b) the Company announcing the period of extension granted, the reasons for seeking the Second Extension, the conditions as required under Rule 107 of the Listing Manual, and if such conditions have been satisfied. If these conditions have not been met on the date of the announcement, the Company must make an update announcement when the conditions have all been met; and
- (c) the submission of a written confirmation from the Company that it is not aware of any information that will have a material bearing on investors' decision which has yet to be announced by the Company.

2.1.8 All the conditions set out in Section 2.1.7 above would be satisfied following the Company's dissemination of this Circular.

2.1.9 On 3 December 2020, the Company made an application to the SGX-ST for the Proposed Transfer. On 24 January 2021, the Board announced that the Company had obtained the approval in-principle (the "AIP") from the SGX-ST in relation to the Company's application for the Proposed Transfer. The AIP is subject to, *inter alia*:

- (a) compliance with the SGX-ST's listing requirements;
- (b) an immediate announcement via SGXNET of the Proposed Transfer;
- (c) Shareholders' approval being obtained for the Proposed Transfer via a special resolution under Rule 410(4) of the Catalist Rules; and
- (d) submission of:
  - (i) a written undertaking from the Company in the format set out in Appendix 4E of the Catalist Rules to comply with all of the SGX-ST's requirement and policies applicable to the issuers listed on the Catalist;
  - (ii) a written undertaking by the Company and its sponsor that they are not aware of any material information which has not been previously announced via SGXNET which will affect the Company's suitability for the transfer to the Catalist;



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- (iii) a written undertaking from each of the Company's directors in the form set out in Appendix 7H of the Catalist Rules and an undertaking from the Company to procure the same written undertaking from any new director appointed to the Company's board after the Proposed Transfer takes place; and
- (iv) a written confirmation from the Company that it is in compliance with all applicable Mainboard Rules.

The Company has satisfied all of the above conditions as of the date of this Circular, save for condition (c) which will be satisfied if Shareholders' approval for the Proposed Transactions is obtained at the EGM.

The AIP from the SGX-ST is not to be taken as an indication of the merits of the Proposed Transfer, the Company, its subsidiaries and/or its securities.

## 2.2 Rationale for the Proposed Transfer

### Changes to Watch-List Requirements

2.2.1 From 1 March 2016, an issuer will be placed on the Watch-List under either of the following:

- (a) if it records pre-tax losses for the three (3) most recently completed consecutive financial years (based on audited full year consolidated accounts) and an average daily market capitalisation of less than S\$40 million over the last six (6) months; or
- (b) if it records a volume weighted average trading price of less than S\$0.20 over the last six (6) months.

2.2.2 The trading price criteria set out under Section 2.2.1(b) was changed on 2 December 2016, and subsequently removed with effect from 1 June 2020.

2.2.3 Pursuant to Rule 1314 of the Mainboard Rules, an issuer on the Watch-List may be removed from the Watch-List if the issuer meets the Financial Exit Criteria, being that the issuer (i) records pre-tax profit for the most recently completed financial year (based on the latest full year consolidated audited accounts); and (ii) has an average market capitalisation of S\$40 million or more over the last 6 months.

### Current Performance of the Shares

2.2.4 The Company's average daily market capitalisation over the last six (6) months preceding the Latest Practicable Date has been approximately S\$14.15 million, below the threshold of S\$40 million. As at the Latest Practicable Date, the Company's market capitalisation based on its last transacted price per Share was approximately S\$14.56 million.

2.2.5 Based on the foregoing, if Shareholders' approval is not obtained and the Proposed Transfer is not effected by the Cure Period on 4 March 2021, the SGX-ST may delist the Company, or suspend trading of the Shares (without the agreement of the Company) with a view to delisting the Company. If the Company were to remain listed on the Mainboard, the Company expects that substantive corporate actions (including, but not limited to, restructuring and business acquisitions) would have to be carried out with the objective of raising the Share price and thereby market capitalisation in order to exit the Watch-List.

2.2.6 **Shareholders are advised that the trading performance of the Shares is subject to, *inter alia*, the performance and prospects of the Company, prevailing economic conditions, economic outlook, stock market conditions and sentiments. There is no certainty that the aforementioned corporate actions, even if carried out, would achieve the objectives of raising the Share price.**

### Current Circumstances of the Group

2.2.7 The Company was listed on the Mainboard on 14 November 1996.

2.2.8 The Group undertakes the following two core businesses, namely:

- (a) Luxury and Lifestyle Fashion Retailing and Distribution business where the Group exclusively retails and distributes strong global brands such as Guess, La Senza, Superdry and Fauré Le Page across various territories; and

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- (b) Timepiece Distribution business where the Group exclusively distributes timepiece brands such as Baume & Mercier, Frédérique Constant and Victorinox Swiss Army in Southeast Asia, and Casio in Indonesia.

2.2.9 Since FY2018, the Group has been operationally profitable even in the period prior to the COVID-19 pandemic. The Company believes that its current retail business model is viable and profitable, as its retail and wholesale businesses have gone through significant rationalization as well as restructuring, with stores that were not generating profits closed.

2.2.10 The Group made plans to begin its online sales in September 2018 with its Superdry products to support its brick and mortar stores and to strengthen its retail ecosystem. The Company engaged a third-party website designer to develop an e-commerce website and recruited a team that is experienced in digital marketing to develop and grow this sales channel. The Group began its first online sales of Superdry products in Singapore in May 2019 and Malaysia in December 2019. In Singapore, the Group's sales of the Superdry products grew progressively with a third of its Singapore customers who purchased online, picking up their orders in stores which drove traffic back and encouraged upselling which further increased sales. Since February 2020, due to the effects of COVID-19, traffic in malls began to drop. This led the Group to intensify its online sales effort and to negotiate with its other major brand principals for the rights to set up online branded sites for territories it operates in. In April 2020, the Group secured approval to operate six (6) other brands under its portfolio on websites managed by the Group or through marketplace e-commerce sites such as Lazada and Zalora. The Group successfully leveraged on its experience in product assortment, marketing and preserving brand integrity when operating these new websites.

2.2.11 The investment cost to launch these subsequent websites was much lower as the Group was able to tap on third party platforms to host the websites. Besides these brands, the Group also secured rights to two other brands that do not operate brick and mortar stores. This allowed the Group to test the viability of a new brand without the need to invest capital into physical stores. The Group will continue to explore this new business model. The Group's online sales have helped to cushion the loss of revenue when the physical stores were shut during the lockdown period and from the subsequent reduced footfall due to social distancing measures. This online sales channel also provides the Group with another avenue to clear past seasons' inventory.

2.2.12 For the Singapore segment, the Group's online sales grew to approximately 5% of its sales generated for the six (6) months from July 2020 to December 2020, as compared to approximately 2% at the end of FY2020. For the Malaysia segment, the Group's online sales grew to approximately 2% of its sales generated for the six (6) months from July 2020 to December 2020, as compared to 0.5% at the end of FY2020. As a whole, the average percentage of online sales as compared to brick and mortar sales for international brands are in the region of approximately 4% to 6%, and the Group expects the proportion to continue to grow. The Group will continue to focus on its brick and mortar sales while reviewing its existing leases, and will continue to grow its e-commerce business. COVID-19 has accelerated consumer behaviour to shop online and it is anticipated that this trend will continue to grow. The Group will likewise continue to capitalise on this trend to further increase its proportion of online sales, thereby augmenting its overall sales during the challenging post-lock down periods.

### 2.2.13 Rationale for the Proposed Transfer

The retail industry has been evolving rapidly in recent years with the disruption of e-commerce and fast-changing consumer tastes and fashion trends, coupled with the changing socio-political landscapes and consumer spending power in Southeast Asia. Despite the challenging business environment, the Group has demonstrated improvement in its financials and returned to profitability since FY2018, save for the second half of FY2020 (i.e. January to June 2020) where the Group was affected by the impact of measures to mitigate the COVID-19 pandemic.

2.2.14 Moving forward, the Board believes that it is in the best interests of the Company and Shareholders for the Company to continue to be listed on the SGX-ST, and that the Catalist would be a more conducive platform for the Group to meet its funding needs and carry on its business strategies for the following reasons:

- (a) The Group will continue to focus its efforts on its two core businesses and is actively looking into new business strategies and implementing cost cutting measures, with a view to mitigate the impact of the COVID-19 pandemic on the Group's results in the foreseeable future and diversifying the Group's business risks in the long-term. These strategies include stepping up its e-commerce business, as well as expanding into new product offerings such as to distribute consumer facing health and wellness products. In particular, on 13 August 2020, the Company announced the signing of an exclusive distributorship agreement with AIRFREE

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Products Electronics SA for the distribution in Singapore and Malaysia of "AIRFREE" proprietary air purifiers which are manufactured in Portugal. The Group believes that hygiene and health related products will be in demand amid the COVID-19 pandemic. As for its e-commerce business, as elaborated in Sections 2.2.10 to 2.2.12 above, the Group will continue to source for opportunities with other global brands for the rights to sell online and hence, enlarge its brand offerings. Depending on selective negotiations, this could include securing rights to operate websites in Southeast Asian countries where the Group has no presence.

- (b) If the Company is allowed to keep its listing status on the Catalist, this will allow the Company to explore opportunities for potential mergers and acquisitions to enlarge its current business base and increase profitability. The listing status will also stand the Company in good stead to carry out the above-mentioned growth initiatives, in particular, in securing the distribution rights and negotiating commercial terms.
- (c) The Board believes that the Proposed Transfer will provide the Company with a more suitable platform for the listing and trading of the Shares as the Catalist provides a more conducive listing platform for companies which require a flexible regulatory system to float their shares. In addition, the Proposed Transfer and a listing on the Catalist will better allow the Company to attract investors in the future.

### 2.3 Requirements for the Proposed Transfer

#### Compliance with Requirements under the SGX-ST Regulator's Column

- 2.3.1 On 4 January 2016, the SGX-ST issued a Regulator's Column titled "Transfer from Mainboard to Catalist – what to expect of companies and sponsors", which sets out among others, that an issuer who is placed on the Watch-List may seek to exit from the Watch-List notwithstanding that its market capitalisation is less than S\$40 million, if the issuer (i) achieves a consolidated audited pre-tax profit for the most recent financial year; (ii) appoints a sponsor and the sponsor is satisfied that the issuer meets the criteria for transfer to the Catalist; and (iii) consults the SGX-ST ("RC Requirements").
- 2.3.2 Having regard to the RC Requirements, the Company (i) appointed the Proposed Sponsor (being ZICO Capital Pte. Ltd., who is satisfied that the Company meets the criteria for transfer to the Catalist) as the continuing sponsor on 21 July 2020, subject to the Proposed Transfer taking effect; and (ii) consulted the SGX-ST (through the Proposed Sponsor) in September 2020 by way of the Enquiry.
- 2.3.3 During the Enquiry, the Company highlighted that, notwithstanding that it had not achieved a consolidated audited pre-tax profit for the most recent financial year (being FY2020), the Group had recorded (i) improved gross profit margins over the last four financial years (of 42.0% in FY2017, 46.0% in FY2018, 49.2% in FY2019 and 50.1% in FY2020); (ii) positive working capital of S\$11.6 million as at 30 June 2020; (iii) positive cash flows from operating activities over the past four financial years from FY2017 to FY2020; and (iv) audited pre-tax profit of S\$2.1 million and S\$0.9 million for FY2019 and FY2018 respectively, and unaudited pre-tax profit of S\$0.7 million in the half year ended 31 December 2019. However, due to the adverse impact of COVID-19 pandemic on the Group's businesses, the Group's financial performance in the second half of FY2020 (i.e. January 2020 to June 2020) was adversely affected and the Group reported audited net loss before tax of S\$14.3 million for FY2020. These included operating loss of S\$2.9 million before allowances for expected credit losses of S\$3.2 million, impairment of fixed assets and right-of-use assets of S\$0.2 million, and write-down in value of investment in associate of S\$0.9 million. Had not for the negative impact of COVID-19, the Group's financial results would have likely shown improvements as the Group saw success in returning to profitability. This was largely attributable to the Group's streamlining of business and operations, maintaining smaller portfolio of brands that are performing well while discontinuing loss-making brands and closures of non-performing stores, resulting in a better yielding product and brand mix portfolio.
- 2.3.4 The reasons for the Proposed Transfer, plans to turn the Company around (including but not limited to fund-raising and business plans), and how the Proposed Transfer would help the Company in executing such plans are set out in Sections 2.2.13 and 2.2.14 of this Circular.
- 2.3.5 In a letter dated 16 October 2020, the SGX-ST confirmed that it had no further comments to the Enquiry and that the Company may proceed to submit an application in writing to the SGX-ST in respect of the Proposed Transfer. The aforesaid confirmation or decision of the SGX-ST in the aforesaid letter is not to be taken as an indication of the merits of the Proposed Transfer, the Company, its subsidiaries, or its securities. The SGX-ST reserves the right to amend and/or vary its confirmation or decision and such confirmation or decision is subject to changes in the policies of the SGX-ST.

## LETTER TO SHAREHOLDERS

### Compliance with Rule 410 of the Catalist Rules

2.3.6 A transfer of listing from the Mainboard to the Catalist is governed by Rule 410 of the Catalist Rules. As set out below, the Company has met all the requirements for a transfer to the Catalist, save for the requirement for Shareholders' approval for the Proposed Transfer, which is the subject of this Circular.

Catalist Rules	Comments
<p>Rule 410 – An SGX Main Board issuer may apply to the Exchange in writing for transfer to Catalist. The Exchange may allow the transfer if the issuer meets the following requirements:</p> <p>(1) Compliance with Rules 406(1), (2)(b), (3), (4) and 407(2) and (3).</p>	<p>Please see below.</p>
<p>Rule 406(1)</p> <p>(a) The proportion of post invitation share capital in public hands must be at least 15% at the time of listing. The shareholding spread must not be obtained by artificial means, such as giving shares away and offering loans to prospective shareholders to buy the shares.</p> <p>(b) In the computation of the percentage of shares to be held in public hands, existing public shareholders may be included, subject to an aggregate limit of 5% of the issuer's post-invitation issued share capital and provided such shares are not under moratorium. For the purpose of this Rule, "existing public shareholders" refer to shareholders of the issuer immediately before the invitation and who are deemed "public" as defined in the Manual.</p> <p>(c) The number of public shareholders of the securities must be at least 200.</p> <p>(d) The overall distribution of shareholdings should be expected to provide an orderly secondary market in the securities when trading commences, and be unlikely to lead to a corner situation in the securities.</p> <p>(e) The subscription and allocation value of the shares at IPO for each investor must be at least S\$200 and must be based on an integral multiple of a board lot.</p>	<p>Based on the shareholding statistics available to the Company as at the Latest Practicable Date, approximately 48.7% of the Shares are held in the hands of the public and the number of public Shareholders is more than 4,000.</p> <p>Further, as at the Latest Practicable Date, the Company has approximately 682 million outstanding Warrants which are held in the hands of approximately 1,200 warrant holders.</p> <p>The overall distribution of the Shares and Warrants is expected to provide an orderly secondary market in the securities of the Company when trading commences on the Catalist, and is unlikely to lead to a corner situation in the Shares or Warrants.</p>
<p>Rule 406(2)</p> <p>(b) The Exchange may publish specific additional or other criteria for different types of listing applicants.</p>	<p>Save for the requirements set out in the AIP which are set out in Section 2.1.9 of this Circular, the SGX-ST has not published specific additional or other criteria for the Proposed Transfer as at the date of this Circular.</p>

## LETTER TO SHAREHOLDERS

Catalist Rules	Comments
<p>Rule 406(3)</p> <p>(a) The directors and executive officers should have appropriate experience and expertise to manage the group's business. A director who has no prior experience as a director of an issuer listed on the Exchange must undergo training in the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. If the nominating committee is of the view that training is not required because the director has other relevant experience, the basis of its assessment must be disclosed. As a pre-quotation disclosure requirement, a listing applicant must release a statement (via SGXNET or in the offer document) identifying for each director, whether the person has prior experience as a director of an issuer listed on the Exchange or if he has other relevant experience, and if so, provide details of his directorships and other relevant experience. If the director has no prior experience as a director of an issuer listed on the Exchange and has no other relevant experience, the listing applicant must confirm that the person has undertaken training as prescribed by the Exchange.</p> <p>(b) The character and integrity of the directors, management and controlling shareholders of the listing applicant will be a relevant factor for consideration. In considering whether the directors, management and controlling shareholders have the character and integrity expected of a listed issuer, the sponsor must take into account the disclosures made in the declaration by each of the listing applicant's director, executive officer, controlling shareholder, and officer occupying a managerial position and above who is a relative of such director or controlling shareholder, in the form set out in paragraph 8, Part 7 of the Fifth Schedule, Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 submitted to the sponsor.</p> <p>(c) The listing applicant's board must have at least two non-executive directors who are independent and free of any material business or financial connection with the listing applicant. If the listing applicant is a foreign listing applicant, at least one of these directors must be resident in Singapore.</p>	<p>The Company has complied with Rule 406(3) of the Catalist Rules as:</p> <p>(a) the Directors and executive officers of the Group have the appropriate experience and expertise to manage the Group's business;</p> <p>(b) nothing materially adverse has come to the attention of the Proposed Sponsor to suggest that the Directors, executive officers and Controlling Shareholder of the Company do not have the character and integrity expected of a listed issuer;</p> <p>(c) the Group has three (3) non-executive directors, Mr Ng Hin Lee, Mr Liew Choon Wei, and Mr Yee Kee Shian Leon, who are independent and free of any business or financial connection with the Group;</p> <p>(d) none of the independent Directors:</p> <p style="padding-left: 20px;">(i) is employed or has been employed by the Company or any of its related corporations in the current or any of the past three (3) financial years; or</p> <p style="padding-left: 20px;">(ii) has an immediate family member who is employed or has been employed by the Company or any of its related corporations in the current or any of the past three (3) financial years, and whose remuneration is or was determined by the remuneration committee of the Company; and</p> <p>(e) the Company has established the Audit Committee, the Nominating Committee and Remuneration Committee with written terms of reference which clearly sets out the authority and duties of these committees, as disclosed in the Company's annual report.</p>

## LETTER TO SHAREHOLDERS

Catalist Rules	Comments
<p>(d) A director will not be independent under any of the following circumstances:</p> <p style="margin-left: 40px;">(i) if he is employed or has been employed by the listing applicant or any of its related corporations in the current or any of the past three financial years;</p> <p style="margin-left: 40px;">(ii) if he has an immediate family member who is employed or has been employed by the listing applicant or any of its related corporations in the current or any of the past three financial years, and whose remuneration is or was determined by the remuneration committee of the listing applicant; or</p> <p>(e) The listing applicant must establish one or more committees as may be necessary to perform the functions of an audit committee, a nominating committee and a remuneration committee, with written terms of reference which clearly set out the authority and duties of the committees.</p>	
<p>Rule 406(4)</p> <p>The listing applicant's sponsor must provide the confirmation required in Appendix 4B that the listing applicant is suitable for listing and complies with the Rules.</p>	<p>Appendix 4B is not required to be provided as part of the Company's application for the Proposed Transfer. The Proposed Sponsor has provided the confirmation required in Appendix 4D of the Catalist Rules to the SGX-ST.</p>
<p>Rule 407(2)</p> <p>With regard to the statement by the listing applicant's directors required in paragraph 5(a) of Part VI of the Fifth Schedule, the listing applicant's directors must state, without requiring a profit forecast, that in their reasonable opinion, the working capital available to the listing applicant, as at the date of lodgement of the offer document is sufficient for the present requirements and for at least 12 months after listing.</p>	<p>The Directors have reviewed the actual financial performance and financial position of the Group for FY2020. In assessing whether the Group has sufficient working capital, the Directors have considered, including but not limited to, the following ("<b>Factors</b>"):</p> <p>(a) as at 30 June 2020, the Group (i) had a positive working capital of S\$11.6 million; (ii) was in a net borrowings position of S\$13.0 million, with cash on hand and at bank of S\$11.7 million and indebtedness (comprising bank borrowings) of S\$24.7 million; and (iii) had no material contingent liabilities;</p> <p>(b) as at 30 June 2020, the Group has secured credit facilities amounting to approximately S\$24.5 million and RM52.0 million, of which approximately S\$6.5 million and RM15.5 million respectively, have not been utilised and is available for draw down;</p> <p>(c) the Group generated positive cash flow from operating activities amounting to S\$7.6 million, S\$4.3 million and S\$12.6 million for FY2018, FY2019 and FY2020 respectively;</p>



## LETTER TO SHAREHOLDERS

Catalist Rules	Comments
	<p>(d) the Group’s sales transactions are substantially conducted on a cash basis (including credit card and electronic payments, which it typically receives from the banks within two to three days from the transaction date). In comparison, the Group’s suppliers are usually paid through bank invoice financing, Banker’s Acceptance or letters of credit/ trust receipts which typically have a credit term of 180 days inclusive of the credit term extended by suppliers. This essentially gives the Group a longer period of liquidity as the timing of inflow and outflow of cash is advantageous to the Group’s operations. The Group uses the 180-day credit period to sell as much of its current season merchandise at normal mark up and margins. This brings in sufficient funds to meet operational needs as well as accumulate excess funds to repay trade liabilities when they fall due. Out of season merchandise although sold at a discount on retail price, are sold above cost. This balancing of liquidity and fund is a critical aspect of retail trade that the Group is in; and</p> <p>(e) notwithstanding the negative impact of the COVID-19 pandemic (which resulted in mandatory store closures in the countries which the Group operates in for a certain period of time and a decline in footfall in retail malls from social distancing measures), the Group has, in response to this challenging operating environment, implemented various cost-containment measures, applied for and received financial support from local governments and/ or landlords such as rental rebates and wage subsidies as well as proactively expanding its e-commerce capabilities and offerings.</p> <p>In the reasonable opinion of the Board, barring any unforeseen circumstances and after taking into consideration the Group’s internal resources and operating cash flow as well as the abovementioned factors, the working capital available to the Group is sufficient for its present requirements and for at least 12 months after the effective date of the Proposed Transfer (“<b>Effective Transfer Date</b>”).</p>

## LETTER TO SHAREHOLDERS

Catalist Rules	Comments
<p>Rule 407(3)</p> <p>In addition to the statement by the listing applicant's directors required by Rule 407(2), the listing applicant's sponsor must state, without requiring a profit forecast, that in their reasonable opinion, the working capital available to the listing applicant, as at the date of lodgement of the offer document is sufficient for the present requirements and for at least 12 months after listing.</p>	<p>In the reasonable opinion of the Proposed Sponsor, barring any unforeseen circumstances and after taking into consideration the Group's internal resources and operating cash flow as well as the Factors, the working capital available to the Group is sufficient for its present requirements and for at least 12 months after the Effective Transfer Date.</p>
<p>Rule 410(2)</p> <p>It is sponsored and the sponsor provides the Exchange with a completed Appendix 4D.</p>	<p>The Company has appointed ZICO Capital Pte. Ltd. as its continuing sponsor, subject to the Proposed Transfer taking effect. The Proposed Sponsor has provided the SGX-ST with the completed Appendix 4D (Transfer Confirmation by Sponsor) of the Catalist Rules.</p>
<p>Rule 410(3)</p> <p>It provides the Exchange with a completed Appendix 4E.</p>	<p>The Company has in its application to the SGX-ST for the Proposed Transfer provided the SGX-ST with the completed Appendix 4E (Applicant's Listing Agreement) of the Catalist Rules.</p>
<p>Rule 410(4)</p> <p>Its shareholders have approved the transfer by special resolution.</p>	<p>The Proposed Transfer is subject to the approval of Shareholders by way of a special resolution at the EGM, the notice of which is set out on pages N-1 to N-4 of this Circular.</p>
<p>Rule 410(5)</p> <p>It is in compliance with all applicable Main Board Listing Rules.</p>	<p>The Company has confirmed to the SGX-ST that the Company is in compliance with all applicable Mainboard Rules.</p>

### 2.4 Shareholders' Approval

- 2.4.1 The Proposed Transfer is subject to the approval of the Shareholders by way of a special resolution to be tabled at the EGM.

### 2.5 Use of CPF Funds

- 2.5.1 Shareholders should note that CPF Funds cannot be used to purchase shares that are listed on the Catalist, except for companies that were migrated from the Stock Exchange of Singapore Dealing and Automated Quotation (SESDAQ) to the Catalist on 17 December 2007.
- 2.5.2 Accordingly, if the Shareholders approve the Proposed Transfer at the EGM and the Company transfers its listing to the Catalist, CPF Funds can no longer be used to purchase Shares under the CPFIS.
- 2.5.3 Shareholders who have previously purchased Shares using their CPF Funds prior to the Proposed Transfer under the CPFIS can choose to hold or sell their Shares or participate in corporate actions, subject to prevailing CPFIS rules and limits for such Shares. As of the Last Practicable Date, only monies in excess of S\$20,000 in the CPF Ordinary Account, and up to 35% of investible savings, being the CPF Ordinary Account balance and net amount withdrawn for investment and education, may be used for investment under CPFIS.
- 2.5.4 Shareholders should also note that CPF members would not be able to purchase shares of companies that are placed on the Watch-List. Accordingly, if Shareholders' approval for the Proposed Transfer is not obtained and the Company remains listed on the Mainboard and remains on the Watch-List, Shareholders would not be able to purchase the Shares under the CPFIS.



## LETTER TO SHAREHOLDERS

### 2.6 Key Differences Between Issuers Listed on the Mainboard and Issuers Listed on the Catalist

In order to allow Shareholders to make an informed decision whether or not to approve the special resolution for the Proposed Transfer, the table below summarises some of the key differences between issuers listed on the Mainboard and issuers listed on the Catalist:

	Mainboard	Catalist
<b>Supervision</b>	The SGX-ST supervises the compliance of issuers with their continuing listing obligations under the Mainboard Rules.	Sponsors supervise the compliance of issuers with their continuing listing obligations under the Catalist Rules.
<b>Changes in Capital</b>	An issuer can obtain the mandate of shareholders to issue up to 50% of the issuer's share capital excluding treasury shares and subsidiary holdings (of which shares issued on a non <i>pro rata</i> basis must not exceed 20%). Please refer to Section 3.2.1 of this Circular, which sets out the differences in share issue mandate limits.	An issuer can obtain the mandate of shareholders to issue up to 100% of the issuer's share capital excluding treasury shares and subsidiary holdings (of which shares issued on a non- <i>pro rata</i> basis must not exceed 50%). If shareholders approve such mandate by special resolution, the 50% limit can be increased to 100%. Please refer to Section 3.2.1 of this Circular, which sets out the differences in share issue mandate limits.
<b>Size of Share Option Scheme or Share Scheme</b>	<p>The following limits must not be exceeded:</p> <ol style="list-style-type: none"> <li>(1) the aggregate number of shares available under all schemes must not exceed 15% of the total number of issued shares excluding treasury shares and subsidiary holdings from time to time;</li> <li>(2) the aggregate number of shares available to controlling shareholders and their associates must not exceed 25% of the shares available under a scheme;</li> <li>(3) the number of shares available to each controlling shareholder or his associate must not exceed 10% of the shares available under a scheme;</li> <li>(4) the aggregate number of shares available to directors and employees of the issuer's parent company and its subsidiaries must not exceed 20% of the shares available under a scheme; and</li> <li>(5) the maximum discount under the scheme must not exceed 20%. The discount must have been approved by shareholders in a separate resolution.</li> </ol>	<p>There is no such prescribed limit.</p> <p>There is no requirement that participation in a scheme by controlling shareholders and their associates must be approved by independent shareholders of the issuer in a separate resolution.</p>

## LETTER TO SHAREHOLDERS

	<b>Mainboard</b>	<b>Catalist</b>
	Participation in a scheme by controlling shareholders and their associates must be approved by independent shareholders of the issuer, in a separate resolution.	
<b>Significant Transactions</b>	Acquisitions or disposals of assets of more than 20% of the relevant bases set out in the Mainboard Rules (i.e. group net assets, profits, market capitalisation or equity securities issued, as the case may be) will require the approval of shareholders. In addition, acquisitions of assets of 100% or more of the relevant bases set out in the Mainboard Rules will require the approval of both the shareholders and the SGX-ST.	Acquisitions of assets of more than 75% but less than 100% of the relevant bases set out in the Catalist Rules (i.e. profits, market capitalisation or equity securities issued, as the case may be) will require the approval of shareholders. In addition, acquisitions of assets of 100% or more of the relevant bases set out in the Catalist Rules will require the appointment of full sponsor and the approval of both the shareholders and the SGX-ST.  Disposals of assets of more than 50% of the relevant bases set out in the Catalist Rules (i.e. group net assets, profits, market capitalisation or equity securities issued, as the case may be) will require the approval of shareholders.
<b>Watch-List Criteria</b>	The SGX-ST will place an issuer on the Watch-List, if it records pre-tax losses for the 3 most recently completed consecutive financial years (based on the audited full year consolidated accounts), and an average daily market capitalisation of less than S\$40 million over the last 6 months.	There is no watch-list.

### 3. THE PROPOSED NEW SHARE ISSUE MANDATE IN ACCORDANCE WITH SECTION 161 OF THE COMPANIES ACT AND RULE 806(2) OF THE CATALIST RULES

#### 3.1 Rationale

- 3.1.1 After the Proposed Transfer, the Company will no longer be subject to the Mainboard Rules and will be subject to the Catalist Rules instead. The Company is seeking the approval of Shareholders at the EGM for the grant of a new general share issue mandate for the allotment and issue of new Shares and convertible securities pursuant to Section 161 of the Companies Act and Rule 806(2) of the Catalist Rules.

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## LETTER TO SHAREHOLDERS

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### 3.2 Main Differences between the Catalist Rules and the Mainboard Rules in relation to General Share Issue Mandates

3.2.1 It is easier to issue shares and raise capital if the issuer is listed on the Catalist as compared to the Mainboard due to the wider mandate to issue new shares. Some of the main differences between the Mainboard Rules and the Catalist Rules relating to the general share issue mandate are summarised in the table below:

Mainboard Rules	Catalist Rules
The limit of the general share issue mandate set out in Rule 806(2) of the Mainboard Rules is <u>50%</u> of the total number of issued shares (excluding treasury shares and subsidiary holdings in each class) of which the aggregate number of shares and convertible securities issued other than on a <i>pro rata</i> basis to existing shareholders must be not more than 20% of the total number of issued shares (excluding treasury shares and subsidiary holdings in each class), at the time of the passing of the resolution approving the mandate.	The limit of the general share issue mandate set out in Rule 806(2)(a) of the Catalist Rules is <u>100%</u> of the total number of issued shares (excluding treasury shares and subsidiary holdings), of which the aggregate number of shares and convertible securities issued other than on a <i>pro rata</i> basis to existing shareholders must be not more than 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings), at the time of the passing of the <u>ordinary resolution</u> approving the mandate.
	Pursuant to Rule 806(2)(b) of the Catalist Rules, issuers can issue up to <u>100%</u> of the total number of issued shares (excluding treasury shares and subsidiary holdings in each class) at the time of the passing of the resolution approving the mandate on a <i>non-pro rata</i> basis if shareholders approve this by way of a <u>special resolution</u> .

### 3.3 The New Share Issue Mandate

3.3.1 At the last annual general meeting of the Company held on 27 October 2020, Shareholders approved a general share issue mandate empowering the Directors to issue from time to time and at any time such number of new Shares and instruments (including but not limited to the creation and issue of (as well as adjustments to) securities, options, warrants, debentures or other instruments convertible into Shares) on such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit, subject to certain limits as prescribed in the Mainboard Rules (the “**Existing Share Issue Mandate**”). Unless revoked or varied by the Company in general meeting, the Existing Share Issue Mandate will expire on the date of the next annual general meeting of the Company. The Company has not issued any shares pursuant to the Existing Share Issue Mandate.

3.3.2 The Company will be seeking Shareholders’ approval at this EGM, by way of an ordinary resolution, for the proposed New Share Issue Mandate to be given to the Directors to issue new Shares and convertible securities of the Company of up to 100% of the Company’s issued share capital (excluding treasury shares and subsidiary holdings, if any) as at the date of the EGM, with an aggregate sub-limit of 50% of the Company’s issued share capital as at the date of the EGM for any issue of new Shares and convertible securities of the Company not made on a *pro rata* basis to Shareholders.

3.3.3 The New Share Issue Mandate, if approved by Shareholders at the EGM, shall take force and effect from the date of the EGM, and the Existing Share Issue Mandate shall correspondingly be deemed revoked with effect from the date of the EGM.

3.3.4 The proposed New Share Issue Mandate falls within the limits set out in Rule 806(2)(a) of the Catalist Rules.

3.3.5 The proposed New Share Issue Mandate is conditional upon the Shareholders voting in favour of the Proposed Transfer as a special resolution.

# LETTER TO SHAREHOLDERS

## 3.4 Validity Period of the New Share Issue Mandate

- 3.4.1 The New Share Issue Mandate will be tabled as an ordinary resolution at the EGM. Subject as aforesaid, the New Share Issue Mandate will take force and effect from the passing of said resolution at the EGM and shall continue in force until the next annual general meeting of the Company, unless prior thereto, the New Share Issue Mandate is carried out to the full extent mandated or the New Share Issue Mandate is revoked or varied by the Company in a general meeting.
- 3.4.2 Subject to its continued relevance to the Company, the New Share Issue Mandate will be put to Shareholders for renewal at subsequent general meetings of the Company.

## 4. INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

- 4.1 The interests of the Directors and Substantial Shareholders as at the Latest Practicable Date are set out below:

Directors	As at the Latest Practicable Date <sup>(1)</sup>			
	Direct interest		Deemed interest	
	No. of Shares	%	No. of Shares	%
Frank Benjamin <sup>(2)</sup>	126,429,770	13.89	–	–
Eli Manasseh Benjamin <sup>(3)</sup>	250,000	0.02	31,460,050	3.46
Douglas Jackie Benjamin <sup>(4)</sup>	48,000	0.01	130,000	0.01
Ng Hin Lee	–	–	–	–
Liew Choon Wei	–	–	–	–
Yee Kee Shian Leon	–	–	–	–
<b>Substantial Shareholder (who are not Directors)</b>				
Lim Eng Hock	116,664,320	12.82	–	–
Segulah Pte Ltd <sup>(5)</sup>	91,937,900	10.10	–	–
Raffles Investments Private Limited <sup>(6)</sup>	99,648,000	10.95	–	–
Temasek Holdings (Private) Ltd <sup>(5)</sup>	–	–	91,937,900	10.10
DBS Trustee Limited <sup>(5)</sup>	–	–	91,937,900	10.10
DBS Group Holdings Limited <sup>(5)</sup>	–	–	91,937,900	10.10
DBS Bank Ltd <sup>(5)</sup>	–	–	91,937,900	10.10
Tan Chin Tuan Pte. Ltd. <sup>(6)</sup>	–	–	99,648,000	10.95
Aequitas Pte Ltd <sup>(6)</sup>	–	–	99,648,000	10.95
Tecity Pte Ltd <sup>(6)</sup>	–	–	99,648,000	10.95
Dr Tan Kheng Lian <sup>(6)</sup>	–	–	99,648,000	10.95
Mavis Benjamin <sup>(7)</sup>	–	–	126,429,770	13.89

**Notes:**

- (1) Based on the issued share capital of the Company of 909,935,771 Shares as at the Latest Practicable Date.
- (2) Frank Benjamin is also a Substantial Shareholder and holds 172,477,540 Warrants as at the Latest Practicable Date. Notwithstanding that his shareholding interest is less than 15%, as Frank Benjamin is the single largest Shareholder and a Director, he is considered to have control over the Company, and will be deemed a "Controlling Shareholder" under the Catalist Rules.
- (3) Eli Manasseh Benjamin is Frank Benjamin's brother. He also holds 14,300,000 Warrants as at the Latest Practicable Date.
- (4) Douglas Jackie Benjamin is Frank Benjamin's son. He holds 96,000 Warrants as at the Latest Practicable Date.
- (5) Temasek Holdings (Private) Ltd, DBS Trustee Limited, DBS Group Holdings Limited and DBS Bank Ltd are deemed to be interested in the shares held by Segulah Pte Ltd.
- (6) Tan Chin Tuan Pte. Ltd., Aequitas Pte Ltd, Tecity Pte Ltd and Dr Tan Kheng Lian are deemed to be interested in the shares held by Raffles Investments Private Limited.
- (7) Mavis Benjamin is the spouse of Frank Benjamin and therefore deemed interested in the shares held by Frank Benjamin.

- 4.2 Save for their respective interests in the Company, none of the Directors or, to the best of the Directors' knowledge, the Substantial Shareholders has any interest, direct or indirect, in the Proposed Transactions.

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## LETTER TO SHAREHOLDERS

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### 5. MATERIAL LITIGATION

- 5.1 As at the Latest Practicable Date, to the best of the Directors' knowledge, there is no legal or arbitration proceeding pending or threatened against any member of the Group which may have a significant effect on the financial position of the Company and the Group taken as a whole.

### 6. DIRECTORS' RECOMMENDATION

#### 6.1 The Proposed Transfer

- 6.1.1 The Directors, having considered the rationale for the Proposed Transfer, are of the unanimous opinion that it is in the best interests of the Company, and accordingly recommend that Shareholders vote in favour of the special resolution in relation to the Proposed Transfer at the EGM.

#### 6.2 The New Share Issue Mandate

- 6.2.1 The Directors, having considered the rationale for the New Share Issue Mandate, are of the unanimous opinion that it is in the best interests of the Company, and accordingly recommend that Shareholders vote in favour of the ordinary resolution in relation to the New Share Issue Mandate at the EGM.
- 6.2.2 **In giving the above recommendations, the Directors have not had regard to the specific investment objectives, financial situation, tax position or unique needs or constraints of any individual Shareholder. As different Shareholders would have different investment objectives and profiles, the Directors recommend that any individual Shareholder who may require specific advice in relation to his specific investment portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional advisers.**

### 7. EXTRAORDINARY GENERAL MEETING

- 7.1 The EGM, notice of which is set out in this Circular, will be held by way of electronic means (i.e. via live audio-visual webcast or live audio-only livestream) on 24 February 2021 at 11.00 a.m. for the purpose of considering and, if thought fit, passing, with or without modifications, the Resolutions set out in the Notice of EGM.
- 7.2 **Shareholders should note that the ordinary resolution relating to the New Share Issue Mandate is conditional upon the passing of the special resolution relating to the Proposed Transfer. In the event that the special resolution relating to the Proposed Transfer is not passed, the ordinary resolution relating to the New Share Issue Mandate will also not be passed.**

### 8. ACTION TO BE TAKEN BY SHAREHOLDERS

- 8.1 Shareholders who wish to vote on the Resolutions at the EGM must appoint the Chairman of the EGM as their proxy by downloading, printing and completing the Proxy Form in accordance with the instructions printed thereon, which have been uploaded together with the Notice of EGM and this Circular on SGXNET and the Company's website accessible at <https://www.fjbenjamin.com/media-announcements.php>. A printed copy of this Circular, the Notice of EGM and the Proxy Form will NOT be despatched to Shareholders.
- 8.2 The physical Proxy Form can be submitted by post or as a clearly readable image sent by email no later than 48 hours before the time appointed for the EGM. If the physical Proxy Form is sent by post, it must be posted to and received at the registered office of the Company's share registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower Singapore 048623. If submitted electronically, the Proxy Form must be sent by email in Portable Document Format (PDF) to the following email address: [SRS.TeamE@boardroomlimited.com](mailto:SRS.TeamE@boardroomlimited.com).

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## LETTER TO SHAREHOLDERS

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- 8.3 A depositor shall not be regarded as a Shareholder entitled to attend the EGM and to speak and vote thereat unless his name appears on the depository register maintained by CDP at least 72 hours before the time fixed for the EGM.

### 9. DIRECTORS' RESPONSIBILITY STATEMENT

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

### 10. DOCUMENTS AVAILABLE FOR INSPECTION

- 10.1 Copies of the following documents may be inspected at the registered office of the Company at 1 Jalan Kilang Timor #07-01/02 Pacific Tech Centre Singapore 159303 by prior appointment during normal business hours on any weekday (public holidays excepted) from the date of this Circular up to and including the date of the EGM:
- (a) the Constitution of the Company; and
  - (b) the annual report of the Company for FY2020.

Yours faithfully  
For and behalf of the Board  
**F J BENJAMIN HOLDINGS LTD**

Frank Benjamin  
Non-Executive Chairman

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# NOTICE OF EXTRAORDINARY GENERAL MEETING

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## F J BENJAMIN HOLDINGS LTD

(Company Registration Number: 197301125N)

(Incorporated in the Republic of Singapore)

### NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** an extraordinary general meeting (“EGM”) of the shareholders of the Company will be held by way of electronic means (via live audio-visual webcast or live audio-only livestream) on 24 February 2021, at 11.00 a.m. for the purpose of considering and, if thought fit, passing, with or without amendments, the Resolutions as set out below.

Unless herein defined, all terms defined in this notice of EGM (“**Notice of EGM**”) shall have the same meanings as those defined or construed in the circular dated 2 February 2021 (the “**Circular**”) issued by the Company to Shareholders.

**Shareholders should note that the ordinary resolution relating to the New Share Issue Mandate is conditional upon the passing of special resolution relating to the Proposed Transfer. In the event that the special resolution relating to the Proposed Transfer is not passed, the ordinary resolution relating to the New Share Issue Mandate will also not be passed.**

#### **Special Resolution: Proposed Transfer from the Mainboard of the SGX-ST to the Catalyst**

It is RESOLVED that:

- (a) approval be and is hereby given for the Company to transfer its listing from the Mainboard of the SGX-ST to the Catalyst; and
- (b) that the Directors and each of them be and are hereby authorised and empowered to complete and do all such acts and things (including without limitation, to execute all such documents as may be required, to approve any amendments, alterations or modifications to any documents, and to sign, file and/or submit any notices, forms, documents with or to relevant authorities) as they or each of them may in their or each of their absolute discretion consider necessary, desirable or expedient to give effect to the matters contemplated by this Resolution.

#### **Ordinary Resolution: Proposed New Share Issue Mandate in accordance with Section 161 of the Companies Act and Rule 806(2) of the Catalyst Rules**

It is RESOLVED that pursuant to Section 161 of the Companies Act and subject to Rule 806 of the Catalyst Rules, authority be and is hereby given to the Directors to:

- (a)
  - (i) allot and issue shares in the capital of the Company (“**Shares**”) whether by way of bonus issue, rights issue or otherwise; and/or
  - (ii) to 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) securities, options, warrants, debentures or other Instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instruments made or granted by the Directors while this Resolution was in force,

provided that,

- (1) the aggregate number of Shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution does not exceed 100% of the total number of issue Shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below) (“**Issued Shares**”), of which the aggregate number of Shares to be issued other than on a *pro rata* basis to the existing shareholders of the Company (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this



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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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Resolution) does not exceed 50% of the total number of Issued Shares;

- (2) (subject to such manner of calculation as may be prescribed by the Catalist Rules) for the purpose of determining the aggregate number of Shares (including Shares to be issued pursuant to the Instruments) that may be issued under subparagraph (1) above, the percentage of Issued Shares shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time this Resolution is passed, after adjusting for:
- (a) new Shares arising from the conversion or exercise of the Instruments or any convertible securities outstanding at the time this Resolution is passed;
  - (b) (where applicable) new Shares arising from exercising share options or vesting of share awards, provided that such share options or share awards (as the case may be), were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and
  - (c) any subsequent bonus issue, consolidation or subdivision of shares,

adjustments in accordance with sub-paragraph 2(a) or 2(b) above are only to be made in respect of new Shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution;

- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the requirements imposed by the SGX-ST from time to time and the provisions of the Catalist Rules for the time being in force (in each case, unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act and the Constitution for the time being of the Company; and
- (4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force (i) until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier; or (ii) in the case of Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution, until the issuance of such Shares in accordance with the terms of the Instruments.

See Explanatory Notes

### BY ORDER OF THE BOARD

**Karen Chong Mee Keng**

Company Secretary

Date: 2 February 2021

### Explanatory Notes:

Under the Catalist Rules, a share issue mandate approved by shareholders as an ordinary resolution will enable directors of an issuer to issue an aggregate number of new shares and convertible securities of the issuer of up to 100% of the issued share capital of the issuer (excluding treasury shares and subsidiary holdings) as at the time of passing of the resolution approving the share issue mandate, of which the aggregate number of new shares and convertibles securities issued other than on a *pro rata* basis to existing shareholders must be not more than 50% of the issued share capital of the issuer (excluding treasury shares and subsidiary holdings).

The ordinary resolution in relation to the Proposed New Share Issue Mandate (“**Ordinary Resolution**”), if passed, will empower the Directors, from the date of the passing of the Ordinary Resolution to the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier, to issue Shares and to make or grant Instruments (such as options, warrants or debentures)



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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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convertible into Shares, and to issue Shares in pursuance of such Instruments, up to an aggregate number not exceeding 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any), of which the aggregate number of Shares (and Shares issued pursuant to Instruments) to be issued other than on a *pro rata* basis to the existing shareholders of the Company (including Shares to be issued in pursuance of the Instruments) shall not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any).

For the purpose of determining the aggregate number of Shares that may be issued, the percentage of issued Shares shall be based on the number of issued Shares (excluding treasury shares and subsidiary holdings, if any) at the time that the Ordinary Resolution is passed, after adjusting for new Shares arising from the conversion or exercise of the Instrument or any convertible securities, the exercise of share options or the vesting of share awards which are outstanding or subsisting at the time when the Ordinary Resolution is passed, and any subsequent bonus issue, consolidation or sub-division of Shares. In exercising the authority conferred by the Ordinary Resolution, the Company shall comply with the requirements of the SGX-ST (unless waived by the SGX-ST), all applicable legal requirements and the Company's Constitution.

### Important notes to Shareholders on arrangements for the EGM:

1. The EGM will be held by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meeting for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020.
2. Alternative arrangements relating to, amongst others, attendance at the EGM via electronic means (including arrangements by which the EGM can be electronically accessed via live audio-visual webcast or listening to the EGM proceedings via live audio-only stream, submission of questions to the Chairman of the EGM in advance of the EGM, addressing of substantial and relevant questions at the EGM and voting by appointing the Chairman of the EGM as proxy at the EGM, are set out in the accompanying document entitled "**Instructions to Shareholders for Extraordinary General Meeting**".
3. **Due to the current COVID-19 restriction orders in Singapore, a member will not be able to attend the EGM in person. A member (whether individual or corporate) must appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM if such member wishes to exercise his/her/its voting rights at the EGM.**

In appointing the Chairman of the EGM as proxy, a member of the Company (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which, the appointment of the Chairman of the EGM as proxy for that resolution will be treated as invalid.

Investors who hold their shares through relevant intermediaries as defined in Section 181 of the Companies Act (including CPF members or SRS investors) and who wish to exercise their votes by appointing the Chairman of the EGM as proxy should contact their respective relevant intermediaries (including their respective CPF agent banks or SRS approved banks) to submit their voting instructions by **11.00 a.m. on 15 February 2021**, in order to allow sufficient time for their respective relevant intermediaries to in turn submit a proxy form to appoint the Chairman of the EGM to vote on their behalf by **11.00 a.m. on 22 February 2021**.

4. The Chairman of the EGM, as proxy, need not be a member of the Company.
5. The Proxy Form must be submitted to the Company in the following manner:
  - (a) if submitted by post, be lodged with the Company's share registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower Singapore 048623; **or**
  - (b) if submitted electronically, be submitted via email to SRS.TeamE@boardroomlimited.com,

in either case, **by 11.00 a.m. on 22 February 2021 (being at least 48 hours before the time for holding the EGM)**.

A member who wishes to submit a Proxy Form must first download, complete and sign the Proxy Form, before submitting it by post to the address provided above, or by scanning and sending it by email to the email address provided above.

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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**In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed Proxy Forms by post, members are strongly encouraged to submit the completed Proxy Forms electronically via email to [SRS.TeamE@boardroomlimited.com](mailto:SRS.TeamE@boardroomlimited.com).**

6. The Proxy Form must be under the hand of the appointor or on his/her attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of an officer or attorney duly authorised. Where the Proxy Form is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.
7. The Company shall be entitled to reject the Proxy Form if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the Proxy Form.

### **IMPORTANT:**

The following documents are available for access and download from SGXNET and the Company's website at <https://www.fjbenjamin.com/media-announcements.php>.

- Notice of EGM
- Proxy Form
- Instructions to Shareholders for Extraordinary General Meeting

**Important Reminder: In view of the constantly evolving COVID-19 situation, the Company may be required to change its EGM arrangements at short notice. Shareholders are advised to regularly check the Company's website or announcements released on the SGX's website at <https://www.sgx.com/securities/company-announcements> for updates on the status of the EGM.**

### **Personal Data Privacy**

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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

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*This notice has not been examined or approved by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this notice, including the correctness of any of the statements or opinions made, or reports contained in this notice.*

# PROXY FORM

## F J BENJAMIN HOLDINGS LTD

(Company Registration Number: 197301125N)

(Incorporated in the Republic of Singapore)

### IMPORTANT:

1. The Extraordinary General Meeting (“EGM”) is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020.
2. The Notice of EGM dated 2 February 2021 has been made available on the SGXNET and the Company’s website at <https://www.fjbenjamin.com/media-announcements.php>.
3. Alternative arrangements relating to attendance at the EGM via electronic means (including arrangements by which the EGM can be electronically accessed via live audio-webcast or live audio-only stream, registration for live webcast or live audio feed, submission of questions in advance of the EGM, addressing of substantial and relevant questions at the EGM and voting by appointing the Chairman of the EGM as proxy at the EGM, are set out in the accompanying document entitled “Instructions to Shareholders for Extraordinary General Meeting”.
4. Due to the current COVID-19 restriction orders in Singapore, a member will not be able to attend the EGM in person. A member (whether individual or corporate) must appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM if such member wishes to exercise his/her/its voting rights at the EGM.
5. Investors who hold their shares through relevant intermediaries as defined in Section 181 of the Companies Act (including CPF members or SRS investors) and who wish to exercise their votes by appointing the Chairman of the EGM as proxy should contact their respective relevant intermediaries (including their respective CPF agent banks or SRS approved banks) to submit their voting instructions by 11.00 a.m. on 15 February 2021, in order to allow sufficient time for their respective relevant intermediaries to in turn submit a proxy form to appoint the Chairman of the EGM to vote on their behalf by 11.00 a.m. on 22 February 2021.
6. By submitting this Proxy Form, the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 2 February 2021.
7. Please read the notes overleaf which contain instructions on, *inter alia*, the appointment of the Chairman of the EGM as a member’s proxy to attend, speak and vote on his/her/its behalf at the EGM.

\*I/We, \_\_\_\_\_ (name) \_\_\_\_\_ (NRIC/Passport No./Company Registration No.)

of \_\_\_\_\_ (address)

being a member/members\* of F J Benjamin Holdings Ltd (the “Company”), hereby appoint the Chairman of the Extraordinary General Meeting of the Company (“EGM”) as \*my/our proxy/proxies to attend and vote for \*me/us on \*my/our behalf at the EGM to be convened and held by way of electronic means (via live audio webcast or live audio-only stream) on 24 February 2021 at 11.00 a.m. and at any adjournment thereof. \*I/We direct \*my/our proxy to vote for or against or abstain from voting the resolutions to be tabled at the EGM in the boxes provided hereunder.

All resolutions put to the vote at the EGM shall be conducted by poll.

Resolutions	For <sup>(1)</sup>	Against <sup>(1)</sup>	Abstain <sup>(1)</sup>
Special Resolution: Proposed Transfer from the Mainboard of the SGX-ST to the Catalist			
Ordinary Resolution: Proposed New Share Issue Mandate in accordance with Section 161 of the Companies Act and Rule 806(2) of the Catalist Rules			

\* Delete as appropriate

(1) If you wish to appoint the Chairman of the EGM as your proxy to cast all your votes **For** or **Against** or **Abstain**, please tick (✓) within the box provided. Alternatively, please indicate the number of votes **For** or **Against** or **Abstain** in the box in respect of that resolution. If you mark “Abstain”, you are directing your proxy not to vote.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2021

Total number of Shares In:	No. of Shares
(a) CDP Register	
(b) Register of Members	

\_\_\_\_\_  
Signature(s) of Shareholders(s) or  
Common Seal of Corporate Shareholder

IMPORTANT: PLEASE READ NOTES OVERLEAF

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# PROXY FORM

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## NOTES:

1. Due to the current COVID-19 restriction orders in Singapore, a member will not be able to attend the EGM in person. A member (whether individual or corporate) must appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM if such member wishes to exercise his/her/its voting rights at the EGM.
2. This Proxy Form must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of an officer or attorney duly authorised.
3. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act (Chapter 289) Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members of the Company, you should insert the aggregate number of shares. If no number is inserted, this form of proxy shall be deemed to relate to all the shares held by you.
4. Where a member (whether individual or corporate) appoints the Chairman of the EGM as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the EGM as proxy for that resolution will be treated as invalid.
5. The Chairman of the EGM, as proxy, need not be a member of the Company.
6. Investors who hold their shares through relevant intermediaries as defined in Section 181 of the Companies Act (including CPF members or SRS investors) and who wish to exercise their votes by appointing the Chairman of the EGM as proxy should contact their respective relevant intermediaries (including their respective CPF agent banks or SRS approved banks) to submit their voting instructions by **11.00 a.m. on 15 February 2021**, in order to allow sufficient time for their respective relevant intermediaries to in turn submit a proxy form to appoint the Chairman of the EGM to vote on their behalf by **11.00 a.m. on 22 February 2021**.
7. The duly completed and signed Proxy Form must either be submitted to the Company in the following manner:
  - (a) if submitted by post, be lodged with the Company's share registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower Singapore 048623; or
  - (b) if submitted electronically, be submitted via email to SRS.TeamE@boardroomlimited.com.in either case, **by 11.00 a.m. on 22 February 2021 (being at least 48 hours before the time for holding the EGM).**

A member who wishes to submit a Proxy Form must first download, complete and sign the Proxy Form, before submitting it by post to the address provided above, or by scanning and sending it by email to SRS.TeamE@boardroomlimited.com. The Proxy Form is available for download from SGXNET and the Company's website at <https://www.fjbenjamin.com/media-announcements.php>.

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

## PERSONAL DATA PRIVACY:

By submitting this Proxy Form, the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 2 February 2021.

## GENERAL:

The Company shall be entitled to reject this Proxy Form if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the EGM (or at any adjournment thereof), as certified by The Central Depository (Pte) Limited to the Company.