



## WINKING STUDIOS LIMITED

(Company Registration No. 159882)  
(Incorporated in the Cayman Islands)

### PROPOSED PLACEMENT OF UP TO 108,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY AT THE PLACEMENT PRICE OF S\$0.25 FOR EACH PLACEMENT SHARE

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#### 1. INTRODUCTION

- 1.1 The Board of Directors (the "**Board**" or "**Directors**") of Winking Studios Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Company has on 9 April 2024 entered into a placement agreement (the "**Placement Agreement**") with PrimePartners Corporate Finance Pte. Ltd. (the "**Placement Agent**").
- 1.2 Pursuant to the Placement Agreement, the Company has agreed to offer, by way of placement, and the Placement Agent has agreed to procure subscribers on a best efforts basis for, an aggregate of up to 108,000,000 fully paid-up ordinary shares (the "**Shares**") in the capital of the Company (the "**Placement Shares**") at a placement price of S\$0.25 for each Placement Share (the "**Placement Price**"), amounting to a maximum aggregate consideration of up to S\$27,000,000 (the "**Proposed Placement**").
- 1.3 The Proposed Placement is not underwritten and will be undertaken on the basis of the exemption(s) set out in Sections 272B and/or 274 and/or 275 and/or 277 (as applicable) of the Securities and Futures Act 2001 of Singapore (the "**SFA**").

#### 2. THE PROPOSED PLACEMENT

##### 2.1 Placement Price

The Placement Price of S\$0.25 per Placement Share represents a discount of approximately 1.0% to the volume weighted average price ("**VWAP**") of S\$0.2524 for trades done on the Catalist of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the sponsor-supervised board of the SGX-ST (the "**Catalist**") on 9 April 2024, being the full market day on which the Placement Agreement is signed, and a discount of approximately 4.6% to the VWAP of S\$0.2620 for trades done on the Catalist of the SGX-ST for the past seven (7) full trading days.

##### 2.2 The Placement Shares

- 2.2.1 The Placement Shares represent approximately 38.6% of the existing issued and paid-up share capital of the Company comprising 279,698,275 Shares as at the date of this announcement and will represent approximately 27.9% of the enlarged issued and paid-up share capital of the Company of 387,698,275 Shares (assuming that the maximum number of 108,000,000 Placement Shares have been placed out).
- 2.2.2 The Placement Shares will be issued to the end-places free from all claims, pledges, mortgages, charges, liens and encumbrances and shall rank in all respects *pari passu* with the then existing issued Shares at the time of the issue except that the Placement Shares will not rank for any dividends, rights, allotments or other distributions the record date for which falls on or before the date of the issue of the Placement Shares.

- 2.2.3 Save as disclosed in paragraph 2.3 of this announcement, the Placement Shares will not be placed to any person who is a Director or a substantial shareholder of the Company ("**Substantial Shareholder**"), or any other person in the categories set out in Rule 812(1) of the SGX-ST's Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**"), unless specific approval from the Company's shareholders (the "**Shareholders**") for such a placement has been obtained, with the person and its associates abstaining from voting on the resolution approving the placement.
- 2.2.4 The subscription of the Placement Shares would not result in the transfer of a "controlling interest" which requires specific Shareholders' approval pursuant to Rule 803 of the Catalist Rules. The number of Placement Shares to be placed to any end-placée is not expected to result in any end-placée becoming a Substantial Shareholder. In the event that any end-placée becomes a Substantial Shareholder as a result of the Proposed Placement, a further announcement will be released in accordance with the Catalist Rules.

## 2.3 The Acer Placement

### 2.3.1 Details of the interested persons

On 9 April 2024, Acer Incorporated (宏碁股份有限公司) ("**Acer**" and together with its subsidiaries, the "**Acer Group**") entered into a subscription letter with the Placement Agent (the "**Subscription Letter**") to indicate the commitment of itself as well as its nominees, namely, Acer Gaming Inc. (宏碁遊戲股份有限公司) ("**Acer Gaming**"), Acer SoftCapital Incorporated (宏碁跨世紀投資股份有限公司) ("**Acer SoftCapital**") and Acer Digital Service Co. (群碁投資股份有限公司) ("**Acer Digital**") (Acer, Acer Gaming, Acer SoftCapital and Acer Digital shall be collectively referred to as the "**Acer Placees**") to subscribe for a minimum of 64,800,000 Placement Shares up to an aggregate of 108,000,000 Placement Shares (the "**Acer Placement Shares**"), at the Placement Price for each Placement Share (the "**Acer Placement**").

The minimum number of Acer Placement Shares represents approximately 60.0% of the Placement Shares and approximately 23.2% of the existing issued and paid-up share capital of the Company as at the date of this announcement and will represent approximately 16.7% of the enlarged issued and paid-up share capital of the Company of 387,698,275 Shares (assuming that the maximum number of 108,000,000 Placement Shares have been placed out).

The maximum number of Acer Placement Shares represents approximately 100.0% of the Placement Shares and approximately 38.6% of the existing issued and paid-up share capital of the Company as at the date of this announcement and will represent approximately 27.9% of the enlarged issued and paid-up share capital of the Company of 387,698,275 Shares (assuming that the maximum number of 108,000,000 Placement Shares have been placed out).

Further information about the Acer Placees as at the date of this announcement is set out below:

Name of the Acer Placee	Background of the Acer Placee and the rationale for their respective subscriptions
Acer	Acer is an indirect controlling shareholder of the Company. Acer has a deemed interest in 166,681,436 Shares, representing approximately 59.6% of the current issued

	share capital of the Company.
Acer Gaming	Acer Gaming is a direct controlling shareholder of the Company. Acer Gaming has a direct interest in 142,537,815 Shares, representing approximately 51.0% of the current issued share capital of the Company.
Acer SoftCapital	Acer SoftCapital is a wholly owned direct subsidiary of Acer. Acer SoftCapital has a direct interest in 24,143,621 Shares, representing approximately 8.6% of the current issued share capital of the Company.
Acer Digital	Acer Digital is a wholly owned direct subsidiary of Acer. Acer Digital does not have any direct or indirect interest in the Shares.

The Acer Placees form part of the Acer Group. The Acer Group had expressed an interest, through the Acer Placees, to invest in the Company through the Acer Placement for their own respective strategic investment purposes.

Presently, the Acer Group in aggregate holds approximately 166,681,436 Shares, representing approximately 59.6% of the Company's current issued and paid-up share capital. To enable the Acer Group to continue to maintain their shareholding, in percentage terms, the Acer Group has indicated that they shall subscribe for at least a minimum of 64,800,000 Placement Shares at S\$0.25 per Placement Share amounting to S\$16,200,000 in aggregate through the Acer Placees. This will result in the Acer Group holding in aggregate 231,481,436 Shares representing approximately 59.7% of the total enlarged issued and paid-up share capital of the Company after the completion of the Proposed Placement, assuming the rest of the Placement Shares are fully subscribed by independent third parties which are not related to the Acer Group.

In the event that the Proposed Placement is not fully subscribed by other investors, the Acer Group intends to subscribe for such number of Placement Shares at the Placement Price of S\$0.25 up to an aggregate subscription consideration of S\$27,000,000 through the Acer Placees, which will allow them to increase their shareholding level, in percentage terms, in the Company so as to provide the relevant funding to the Company which would be applied to the various uses disclosed in paragraph 4.2 of this announcement.

For illustrative purposes, assuming that the maximum of 108,000,000 Placement Shares are placed out in full to the Acer Placees, the Acer Group will hold 274,681,436 Shares in aggregate, representing approximately 70.8% of the total enlarged issued and paid-up share capital of the Company after the completion of the Proposed Placement.

The Acer Placees and each of their associates will be required to abstain from voting on the ordinary resolutions in relation to and in connection with the approval of the Proposed Placement and Acer Placement at an extraordinary general meeting of the Company (the "EGM") to be convened and shall not act as proxies nor accept appointments as proxies in relation to such resolution unless specific voting instructions had been given by the Shareholders. The Acer Placees and each of their associates will also abstain, and have undertaken to ensure that their respective associates will abstain from deliberating and making any recommendation to the Board and the Shareholders in relation to the Proposed Placement and/or the Acer Placement.

### 2.3.2 Requirement for Shareholders' approval

Pursuant to Rule 906(1) of the Catalist Rules, an issuer must obtain approval from the Shareholders for any interested person transaction of a value equal to, or more than (i) 5.0% of the Group's latest audited net tangible assets ("**NTA**"), or (ii) 5.0% of the Group's latest audited NTA, when aggregated with other transactions entered into with the same interested person during the same financial year. As the aggregate consideration payable by Acer Placees for the Acer Placement Shares of up to S\$27,000,000 represents approximately 185% of the Group's latest audited NTA as at 31 December 2022 of USD10,887,000 (or approximately S\$14,597,943<sup>1</sup>), Shareholders' approval is required for the Acer Placement in accordance with Chapter 9 of the Catalist Rules.

### 2.4 Audit Committee's Opinion

Having considered, among other considerations, the rationale for and terms of the Acer Placement and that the Placement Price for the Acer Placement Shares will be the same as the Placement Price for Placement Shares placed to independent third party placees procured by the Placement Agent for the Proposed Placement, the Audit Committee of the Company is of the view that the Acer Placement is on normal commercial terms, and is not prejudicial to the interests of the Company and its minority shareholders.

### 2.5 Total Value of Interested Person Transactions

Save for the Acer Placement and as disclosed below, the Group has not entered into any interested person transactions with Acer Group (excluding the Acer Placement) or any other interested person transactions (excluding the Acer Placement) for the current financial year ending 31 December 2024 equal to or above S\$100,000.

<b>Name of interested person / Nature of relationship</b>	<b>Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 (equivalent to approximately USD75,740.40<sup>2</sup>) and transactions conducted under Shareholders' mandate pursuant to Rule 920)</b>	<b>Aggregate value of all interested person transactions conducted under Shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000 (equivalent to approximately USD75,740.40)<sup>3</sup>)</b>
	<b>1 January 2024 to 10 April 2024 (USD)</b>	<b>1 January 2024 to 10 April 2024 (USD)</b>
Acer / The holding company of Acer Gaming and indirect Controlling Shareholder (Income from artificial	NIL	132,097

<sup>1</sup> Based on the exchange rate of USD1:S\$1.34086 extracted from Capital IQ as at 30 December 2022.

<sup>2</sup> Based on the exchange rate of SGD1:USD0.757404 extracted from <https://www.bloomberg.com> as at 31 December 2023 as set out in the Company's financial results announcement for the financial year ended 31 December 2023 dated 24 February 2024.

<sup>3</sup> See footnote 2 above.

intelligence ("AI") tool development project)		
Acer America Corporation / An indirect subsidiary of Acer (Consultancy fees)	52,616	NIL
Acer / The holding company of Acer Gaming and indirect Controlling Shareholder (Rental fees for use of office space)	1,786	NIL
<b>Total</b>	<b>54,402</b>	<b>132,097</b>

Save for the Acer Placement and the transactions disclosed above, during the period from 1 January 2024 to 10 April 2024:

- A. there are no other interested person transactions entered into by the Group with the Acer Group and its associates; and
- B. there are no other interested person transactions entered into by the Group and other interested persons.

## 2.6 Shareholders' Approval for the Issuance of Placement Shares

2.6.1 The Company will not be relying on the general share issue mandate, assuming that it is approved by Shareholders at the upcoming annual general meeting, notice of which will be announced by the Company in due course. The Company will instead be seeking specific Shareholder's approval in relation to the allotment and issuance of the Placement Shares at the EGM.

2.6.2 The Acer Placees fall within the restricted list of persons as set out in Rule 812(1) of the Catalist Rules. In accordance with Rule 812(2) of the Catalist Rules, specific approval from Shareholders is required for the issue and allotment of any Placement Shares to any of the Acer Placees pursuant to the Proposed Placement. Each of the Acer Placees and their respective associates must also abstain from voting on the resolution approving the Proposed Placement.

2.6.3 As such, the Placement Shares is proposed to be allotted and issued pursuant to specific Shareholder approval to be granted by Shareholders in accordance with Rules 805, 812 and Chapter 9 of the Catalist Rules, and Article 12(1) of the existing memorandum and articles of association of the Company, by way of ordinary resolutions passed at the EGM.

## 2.7 Additional Listing Application

The Company will, through its sponsor, be making an application to the SGX-ST for the listing and quotation of the Placement Shares on the Catalist of the SGX-ST. The Company will make the necessary announcements in due course upon obtaining the listing and quotation notice from the SGX-ST (the "**Listing and Quotation Notice**").

### 3. SALIENT TERMS OF THE PLACEMENT AGREEMENT

#### 3.1 Placement Commission

In consideration of the agreement of the Placement Agent to procure end-places on a best efforts basis for the Placement Shares, the Company shall pay to the Placement Agent, a placement commission equal to 3.5% of the aggregate amount of the value payable, receivable, invested, transferred, assumed or contributed pursuant to the Proposed Placement (such aggregate amount being the "**Transaction Value**") (excluding prevailing goods and services tax) in respect of places procured or introduced by the Placement Agent. In respect of investors introduced by the Company to the Placement Agent, the Company agrees to pay a placement commission to the Placement Agent of 0.2% of the Transaction Value (excluding the prevailing goods and services tax), subject to the first ten investors. Thereafter, the Placement Agent will be entitled to an additional S\$1,500 fee (excluding the prevailing goods and services tax) for each additional investor introduced by the Company to the Placement Agent.

#### 3.2 Placement Completion

Subject to the terms and conditions of the Placement Agreement, completion of the Proposed Placement ("**Completion**") shall take place on the date falling sixty (60) business days after the EGM or such other date as the Company and the Placement Agent may agree (the "**Completion Date**"). Against delivery, procured by the Company, of the Placement Shares, the Placement Agent shall make payment to, or procure that payment is made to, the Company of the net proceeds in respect of the Placement Shares which are placed out, on the Completion Date.

#### 3.3 Conditions Precedent

Completion of the Proposed Placement pursuant to the Placement Agreement is conditional upon, *inter alia*, the following conditions:

- 3.3.1 the Listing and Quotation Notice for the listing and quotation of the Placement Shares on the Catalist of the SGX-ST being obtained from the SGX-ST and not having been revoked or amended and, where such approval is subject to conditions, to the extent that any conditions for the listing and quotation of the Placement Shares on the Catalist of the SGX-ST are required to be fulfilled on or before Completion Date, they are so fulfilled;
- 3.3.2 necessary approval from Shareholders for the resolution to approve, *inter alia*, the Proposed Placement and subscription by and placement of Placement Shares to the relevant places as required under Rules 805, 812(1) and 906 of the Catalist Rules, being obtained at an EGM to be convened and not having lapsed or been withdrawn or revoked;
- 3.3.3 the exemptions under Sections 272B and/or 274 and/or 275 and/or 277 of the SFA being applicable to the Proposed Placement under the Placement Agreement (to the extent applicable);
- 3.3.4 the offer, allotment, issue and subscription of the Placement Shares not being prohibited by any statute, order, rule, regulation or directive promulgated or issued after the date of the Placement Agreement by any legislative, executive or regulatory body or authority of Singapore or any other jurisdiction, which is applicable to the Company or the Placement Agent;

- 3.3.5 the delivery to the Placement Agent on Completion Date, of a certificate, substantially in the form set out in the Placement Agreement, signed on behalf of the Company by its duly authorised officer;
- 3.3.6 the delivery of copies of such resolutions, minutes of general meeting and/or documents on Completion Date evidencing that the execution of the Placement Agreement by the Company has been validly authorised by such party, and that the issue, offer and sale of the Placement Shares having been duly approved by the Directors and/or the Shareholders;
- 3.3.7 there not having occurred, in the opinion of the Placement Agent, any event having a material adverse effect on the Group as a whole, whether or not arising from transactions in the ordinary course of business, subsequent to the date of the Placement Agreement and prior to the Completion Date; and
- 3.3.8 the representations, warranties and undertakings in clause 3 of the Placement Agreement remaining true and correct in all material respects as at the Completion Date and the Company having performed all of its obligations hereunder to the extent required to be performed on or before the Completion Date,

(collectively, the "**Conditions Precedent**").

- 3.4 The Placement Agent may, but shall not be obliged to, and upon such terms as it thinks fit, waive compliance with any of the conditions contained in paragraphs 3.3.5, 3.3.6, 3.3.7 and/or 3.3.8 and any condition so waived shall be deemed to have been satisfied provided always that any such waiver as aforesaid shall be without prejudice to the Placement Agent's right to elect to treat any further breach or other breach, failure or event as releasing and discharging the Company from its obligations under the Placement Agreement.
- 3.5 If any of the Conditions Precedent have not been satisfied on or before the date falling twelve (12) weeks after the date of the Placement Agreement, the Placement Agreement shall terminate and shall be of no further effect and no party thereto shall be under any liability to the other in respect of the Placement Agreement, save as provided in the Placement Agreement.

#### **4. RATIONALE OF THE PROPOSED PLACEMENT AND USE OF PROCEEDS**

##### **4.1 Rationale**

The Company has decided to undertake the Proposed Placement to raise funds to strengthen the Group's financial position and expand the capital base of the Group, which will in turn increase the resources available to the Company for, *inter alia*, the following purposes:

- (a) enabling the Group to be well-positioned as it continues to actively pursue corporate actions such as secondary or dual listings of the Company, potential fundraising exercises, pursue strategic acquisitions, alliances and joint ventures to grow the Group's market share and broaden the Group's customer base, as and when such opportunities arise;
- (b) the enhancements of the Group's current operational capabilities, which includes continuous exploration of the use of AI capabilities, so that the Group can keep up with technological advancements so as to maintain the delivery of high-quality services and art assets to its customers;

- (c) the expansion and improvements to the Group's existing and regional offices and supporting infrastructure as the Group continues to increase its market presence globally;
- (d) professional and other related fees to be incurred in relation to potential corporate exercises such as fundraising exercises, listings, strategic acquisitions, alliances and joint ventures; and
- (e) the general working capital requirements of the Group.

The Company's controlling shareholders, Acer and Acer Gaming, remain committed to supporting the Group and its future plans and strategies. Following Acer Gaming's subscription of cornerstone shares during the Company's listing in 2023, Acer and Acer Gaming, as the Company's controlling shareholders, remain fully committed to supporting the Group in its future plans and strategies. This enables the Group to continuously leverage the expertise and network of the Acer Group which has a presence in more than 160 countries as the Group continues to embark on its growth plans to widen its customer base and business globally.

## 4.2 Use of Proceeds

4.2.1 Assuming the Proposed Placement is fully subscribed (subject to the terms and conditions of the Placement Agreement) at the Placement Price, the estimated net proceeds raised by the Company from the Proposed Placement, after deducting estimated fees and expenses (including listing and application fees, the commission payable to the Placement Agent, professional fees and other miscellaneous expenses of approximately S\$0.5 million to be incurred in connection with the Proposed Placement), would be approximately S\$26.5 million (the "**Net Proceeds**").

The Company intends to apply such Net Proceeds as follows:

<b>Use of Placement Net Proceeds</b>	<b>Amount (S\$ million)</b>	<b>As a % of Placement Net Proceeds</b>
Corporate actions such as secondary or dual listings of the Company, potential fundraising exercises, pursuing strategic acquisitions, alliances and joint ventures to grow the Group's market share and broaden the Group's customer base	17.2	65.0
Enhancement of the Group's current operational capabilities, which includes continuous exploration of the use of AI capabilities	4.0	15.0
Expansion and improvements to the Group's regional offices and supporting infrastructure as the	2.7	10.0



Group continues to increase its market presence globally		
Professional and other related fees to be incurred in relation to potential corporate exercises such as fundraising exercises, listings, strategic acquisitions, alliances and joint ventures	1.3	5.0
General working capital requirements of the Group	1.3	5.0
<b>Total</b>	<b>26.5</b>	<b>100.0%</b>

4.2.2 Pending the deployment of the Net Proceeds, such Net Proceeds may be deposited with banks or financial institutions, invested in short-term money market instruments or marketable securities, and/or used for any other purpose on a short-term basis, as the Company may, in its absolute discretion, deem fit from time to time.

4.2.3 The Company will make periodic announcements on the utilisation of the Net Proceeds as and when such proceeds are materially disbursed, and whether such use is in accordance with the stated use and in accordance with the percentage allocated. The Company will also provide a status report on the use of the Net Proceeds in the Company's interim and full-year financial results announcement(s) and the Company's annual report(s), until such time the Net Proceeds have been fully utilised. Where there is any material deviation from the stated use of the Net Proceeds, the Company will announce the reasons for such deviation.

4.2.4 Based on the reasonable opinion of the Directors as at the date of this announcement, there is no minimum amount which must be raised from the Proposed Placement, taking into consideration the intended use of the Net Proceeds.

## 5. PRO FORMA FINANCIAL EFFECTS OF THE PROPOSED PLACEMENT

5.1 The *pro forma* financial effects of the Proposed Placement on the Group are set forth below and have been computed based on the latest announced consolidated financial statements of the Group for the financial year ended 31 December 2023 ("**FY2023**"). The financial effects of the Proposed Placement are based on the following assumptions:

5.1.1 the financial effects of the Proposed Placement on the consolidated NTA per Share is computed based on the assumption that the Proposed Placement was completed on 31 December 2023;

5.1.2 the financial effects of the Proposed Placement on the earnings per Share ("**EPS**") are computed based on the assumption that the Proposed Placement was completed on 1 January 2023;

5.1.3 the share capital of the Company as at 9 April 2024 comprises 279,698,275 Shares;

5.1.4 the Placement Shares are fully placed out; and

5.1.5 the expenses incurred in connection with the Proposed Placement amount to approximately S\$0.5 million, and the Net Proceeds amount to approximately S\$26.5 million in aggregate, based on the Placement Price of S\$0.25.

5.2 The *pro forma* financial effects of the Proposed Placement are presented solely for illustrative purposes and are not intended to be indicative or reflective of the actual financial position of the Group after Completion.

### 5.3 Share Capital

	Before the Proposed Placement	After Completion of the Proposed Placement
Total number of issued shares	279,698,275	387,698,275
Total issued and paid-up capital (S\$)	11,367,923 <sup>(1)</sup>	15,687,923
Capital reserves (S\$)	11,635,792 <sup>(2)</sup>	34,315,792

**Notes:**

- (1) Based on the share capital of the Company as at 31 December 2023 of USD8,615,000 and converted to S\$ based on the exchange rate of USD1:S\$1.31955 as at 1 January 2024, as extracted from Capital IQ.
- (2) Based on the capital reserves of the Company as at 31 December 2023 of USD8,818,000 and converted to S\$ based on the exchange rate of USD1:S\$1.31955 as at 1 January 2024, as extracted from Capital IQ.

### 5.4 NTA per Share

Assuming that the Proposed Placement had been completed on 31 December 2023, the Proposed Placement would have had the following financial effects on the Group's NTA per share as at 31 December 2023:

	Before the Proposed Placement	After Completion of the Proposed Placement
NTA (S\$)	28,032,520 <sup>(1)</sup>	54,564,120 <sup>(2)</sup>
Number of issued shares	279,698,275	387,698,275
NTA per Share (Singapore cents)	10.0	14.1

**Notes:**

- (1) The NTA of the Group is computed based on the net assets (after deducting intangible assets) of the Group as at 31 December 2023 and converted from USD to S\$ based on the exchange rate of USD1:S\$1.31955 as at 1 January 2024, as extracted from Capital IQ.
- (2) The NTA after Completion of the Proposed Placement is computed by aggregating the Net Proceeds of S\$26.5 million with the Company's NTA as at 31 December 2023.

### 5.5 EPS

Assuming that the Proposed Placement had been completed on 1 January 2023, the Proposed Placement would have had the following financial effects on the Group's EPS for FY2023:

	Before the Proposed Placement	After the Proposed Placement
Profit attributable to the owners of the Company (S\$)	2,390,551 <sup>(1)</sup>	2,390,551
Weighted average number of issued shares	243,381,211 <sup>(2)</sup>	351,381,211 <sup>(2)</sup>
EPS – Basic (Singapore cents)	0.98	0.68

**Notes:**

- (1) The profit attributable to the owners of the Company was converted based on the average exchange rate for FY2023, being USD1:S\$1.34301, as extracted from Capital IQ.
- (2) For FY2023, the aforementioned weighted average number of ordinary shares outstanding had been retrospectively adjusted to account for (i) the number of ordinary shares from the redenomination of USD ordinary shares into New Taiwan Dollar ("NTD") ordinary shares, (ii) from the capitalisation of capital reserve, (iii) from the issuance of scrip dividends by capitalisation of the Company's retained profits on 17 May 2023, and (iv) the number of ordinary shares from the redenomination of NTD ordinary shares to ordinary shares denominated in Singapore dollars on 8 November 2023.

## 6. CONFIRMATIONS BY THE PLACEMENT AGENT

The Placement Agent has confirmed (to the best of its knowledge and belief), that:

- (a) the commission payable by the Company to the Placement Agent for the Proposed Placement will not be shared with any of the end-places of the Proposed Placement;
- (b) save for the Acer Placees, the Placement Agent has obtained or will obtain (as the case may be) representations from the end-places of the Placement Shares that such end-placee is not acting in concert (as defined under The Singapore Code on Takeovers and Mergers) with any other party in their acquisition of the Placement Shares;
- (c) save for the Acer Placees, the Placement Shares will not be placed or issued to (i) any person who is a Director or a Substantial Shareholder of the Company, or who, as a result of the Proposed Placement will become a Substantial Shareholder of the Company, an interested person as defined in Chapter 9 of the Catalist Rules or any other person in the categories set out in Rule 812(1) of the Catalist Rules or (ii) one or more of the persons specified above;
- (d) the Placement Agent has obtained or will obtain (as the case may be) representations from (i) each of the end-places that each of them and their respective directors and substantial shareholders (to the extent applicable) do not have any relationship/connections (including any business relationship) with the Company, the Directors and/or the Substantial Shareholders of the Company; and (ii) the Company that the Company and its Directors and Substantial Shareholders do not have any relationships/connections (including business relationships) with the end-places or any of the end-places' directors or substantial shareholders (to the extent applicable);
- (e) each of the end-places will not acquire a controlling interest consequent to the subscription of the Placement Shares, and accordingly, the Proposed Placement will not result in the transfer of a controlling interest of the Company under Rule 803 of the Catalist Rules; and
- (f) there are no share borrowing arrangements entered into for the Proposed Placement.

## **7. DIRECTORS' CONFIRMATION**

In accordance with Rule 810(1)(c) of the Catalist Rules, the Directors are of the opinion that, after taking into consideration:

- (a) the present bank facilities available to the Group, the working capital available to the Group is sufficient to meet its present requirements; and
- (b) the present bank facilities available to the Group and the Net Proceeds, the working capital available to the Group is sufficient to meet its present requirements.

Notwithstanding the sufficiency of the Group's present working capital, the Company has decided to undertake the Proposed Placement to strengthen its financial position in order to meet its anticipated general working capital requirements and business expansion, including corporate actions such as secondary or dual listings of the Company, potential fundraising exercises, pursuing strategic acquisitions, alliances and joint ventures to grow the Group's market share and broaden the Group's customer base. Further details on the rationale for the Proposed Placement are set out in paragraph 4 of this announcement.

## **8. ABSTENTION FROM VOTING AND/OR RECOMMENDATION TO THE BOARD AND THE SHAREHOLDERS IN RESPECT OF THE PROPOSED PLACEMENT AND THE ACER PLACEMENT**

Under Rule 919 of the Catalist Rules, an interested person and its associates must abstain from voting on the resolution approving the interested person transactions involving itself and its associates. Such interested persons and their associates shall not act as proxies nor accept appointments as proxies in relation to such resolution unless specific voting instructions had been given by the Shareholders.

Accordingly, each of the Acer Placees will abstain and has undertaken to ensure that its associates will abstain from (i) deliberating and making any recommendation to the Board and the Shareholders in respect of the resolutions in connection with the Proposed Placement and the Acer Placement, (ii) voting on the Proposed Placement and the Acer Placement and (iii) decline to accept appointment as proxies to vote at and attend the EGM in respect of the Proposed Placement and the Acer Placement, unless the Shareholder concerned has given specific instructions as to the manner in which his votes are to be cast at the EGM.

## **9. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

Save for the Acer Placees, none of the Directors or substantial Shareholders has any interest, direct or indirect, in the Proposed Placement, (other than arising from their directorships and/or shareholdings, as the case may be, in the Company, if any).

## **10. DIRECTORS' RESPONSIBILITY STATEMENT**

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

been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

#### **11. EGM AND CIRCULAR**

The Company will be convening an EGM to seek Shareholders' approval for, *inter alia*, the Proposed Placement and the Acer Placement, notice of which will be announced in due course. A circular containing, *inter alia*, further information on the Proposed Placement and the Acer Placement will be despatched to Shareholders in due course.

#### **12. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the Placement Agreement and the Subscription Letter will be available for inspection during normal business hours at the Singapore headquarters of the Company at 6 Raffles Quay, #14-06, Singapore 048580, for a period of three (3) months commencing from the date of this announcement.

#### **13. FURTHER ANNOUNCEMENTS**

The Company will continue to keep Shareholders updated and release announcements relating to the Proposed Placement and the Acer Placement (including any material developments and progress made) as may be appropriate from time to time.

#### **14. CAUTIONARY STATEMENT**

Shareholders and potential investors should note that the Proposed Placement and Acer Placement are subject to the fulfilment of, *inter alia*, the conditions precedent in the Placement Agreement and Subscription Letter respectively set out above, and accordingly, should exercise caution when trading in the Shares of the Company. Persons who are in doubt as to the action they should take should consult their legal, financial, tax or other professional advisers.

### **BY ORDER OF THE BOARD**

MR. JOHNNY JAN  
Executive Chairman and Chief Executive Officer

10 April 2024

### **IMPORTANT NOTICE**

This announcement is for information only and does not constitute or form part of any offer to purchase, a solicitation of an offer to purchase, an offer to sell or an invitation or solicitation of an offer to sell, issue or subscribe for, securities in or into the United States. No securities mentioned herein have been, or will be, registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or under any state securities laws or other jurisdiction of the United States. The Company does not intend to conduct a public offering in the United States, and no securities may be offered or sold in or into the United States absent registration with the U.S. Securities and Exchange Commission or pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements under the U.S. Securities Act and any applicable state or local securities laws of the United States. The securities referred to in this announcement will be offered and sold only in "offshore transactions" as defined in, and in accordance with, Regulation S under the U.S. Securities Act.

**Notification under Section 309B of the SFA:** The Placement Shares are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products). This announcement does not constitute or form part of any offer, or invitation, to subscribe for or to sell, or solicitation of any offer to subscribe for or to purchase securities of the Company, nor is it calculated to invite, nor does it permit the making of, offers by the public to subscribe for or purchase for cash or other consideration securities of the Company. Restrictions have been imposed on offers and sales of the Placement Shares and on distributions of documents relating thereto in Singapore.

The Placement Shares are being offered or sold in Singapore on the basis of the exemption(s) set out in Sections 272B and/or 274 and/or 275 and/or 277 (as applicable) of the SFA, and the offer is therefore subject to the Placement Shares being uniform in all respects with shares in the Company previously issued and listed for quotation on the Catalist of the SGX-ST.

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*This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement. The contact person for the Sponsor is Ms. Foo Jien Jieng, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg.*