

## **SUBSCRIPTION AND SHAREHOLDERS' DEED**

Dated 15 August 2024

**Betagro Public Company Limited (BTG)**

**Radiant Grand International Limited (RGI)**

**Ma Chin Chew (MCC)**

**Betagro Foods (Singapore) Pte. Ltd. (Company)**



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## Subscription and Shareholders' Deed (this "Deed")

Dated 15 August 2024

### Between

- (1) **BETAGRO PUBLIC COMPANY LIMITED** (Company Registration No. 0107539000022), a company incorporated in Thailand and having its registered office at Betagro Tower (North Park), 323 Vibhavadi Rangsit Rd., Thung Song Hong Sub-district, Lak Si District, Bangkok 10210, Thailand ("**BTG**");
- (2) **RADIANT GRAND INTERNATIONAL LIMITED** (Company Registration No. 1966296), a company incorporated in the British Virgin Islands and having its registered office at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands ("**RGI**");
- (3) **MA CHIN CHEW** (Identification No. S6806230F), a Singapore citizen and having his residential address at 6 Toh Yi Drive, #06-243, Toh Yi Gardens, Singapore 590006 ("**MCC**"); and
- (4) **BETAGRO FOODS (SINGAPORE) PTE. LTD.** (Company Registration No. 202432893N), a company incorporated in Singapore and having its registered office at 1 Lim Chu Kang Lane 9A Singapore 718845 ("**Company**"),

(collectively, the "**Parties**" and each, a "**Party**").

### Recitals

- (A) MCC is the sole shareholder of RGI.
- (B) BTG and RGI intend to form a consortium with a view to acquiring the entire issued share capital of Eggriculture Foods Ltd., a company listed on the GEM of the Stock Exchange of Hong Kong Limited (Company Registration No. 333046; Stock Code: 8609) (the "**Listco**") through the Company pursuant to the terms and conditions of this Deed.
- (C) As of the date hereof, the Company has been incorporated as a special purpose vehicle for the purpose of undertaking the Scheme (as defined below). The shareholding structure of the Company as at the date hereof is as set out in Part A of Schedule 1.
- (D) The Parties have entered into this Deed (i) to record the terms of the incorporation of the Company and the conduct of the Scheme; and (ii) to set out the respective rights and obligations of the Parties hereunder.

### It is agreed as follows:

#### 1 DEFINITIONS AND INTERPRETATION

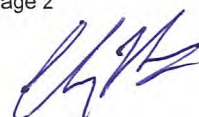
##### 1.1 Definitions

In this Deed and in the Recitals and Schedules hereto, the following definitions shall apply.

"**Accepting Shareholder**" : has the meaning given to it in Clause 13.2.2.



<b>“Acting in Concert”</b>	:	has the meaning given to it in the Code.
<b>“Adjourned Board Meeting”</b>	:	has the meaning given to it in Clause 9.4.4.
<b>“Adjourned Shareholders’ Meeting”</b>	:	has the meaning given to it in Clause 10.1.4.
<b>“Affiliate”</b>	:	means, in relation to any Person, any other Person who directly or indirectly Controls, is Controlled by or is under common Control or ownership with the first-mentioned Person and includes, with respect to any individual, any Person who is accustomed to act in accordance with his instructions.
<b>“Agreements”</b>	:	has the meaning given to it in Clause 7.2.2
<b>“Alternate Director”</b>	:	has the meaning given to it in Clause 9.3.
<b>“Applicable Exchange Rate”</b>	:	means, for the purpose of calculating the exchange rate between a given currency and S\$ (or vice versa), the middle exchange rate published by Bloomberg at or about 11:00 am (Singapore time) on the relevant date.
<b>“Applicable Law”</b>	:	means any statute, act, code, law (including common law and equity), regulation, rule, ordinance, order, decree, ruling, determination, judgment or decision of any Governmental Authority.
<b>“Board”</b>	:	means the board of Directors for the time being of the Company.
<b>“BTG Related Party”</b>	:	means BTG and/or its Affiliates from time to time but excluding any Group Company.
<b>“Business”</b>	:	means all the business and affairs carried on by the Group or any company in the Group from time to time.
<b>“Business Day”</b>	:	means a day (other than a Saturday, Sunday or a public holiday) on which banks generally are open in Singapore, Hong Kong and Thailand for the transaction of normal banking business.
<b>“Cash Consideration”</b>	:	has the meaning given to it in Clause 4.2.1(a).
<b>“Code”</b>	:	the Hong Kong Codes on Takeover and Mergers and Share Buy-backs.
<b>“Completion”</b>	:	means the completion of the actions contemplated in Clause 7.2.
<b>“Completion Date”</b>	:	means the date on which Completion occurs, a day no later than seven (7) Business Days after the Conditions (excluding Conditions which are by their nature required to be fulfilled





down to the Completion Date) have been satisfied or such other date as may be mutually agreed to between the Parties.

- “Condition”** : has the meaning given to it in Clause 6.1.1.
- “Confidential Information”** : (a) (whether or not designated as such) any of the following information that has been provided by or on behalf of one Party to the other Parties or their advisers:
- (i) the following types of information and other information of a similar nature (whether or not reduced to writing or still in development): designs, concepts, drawings, ideas, inventions, specifications, techniques, discoveries, models, data, source code, object code, documentation, diagrams, flow charts, research, development, processes, procedures, know-how, new product or new technology information, marketing techniques and materials, marketing plans, timetables, strategies and development plans, proprietary rights (including prospective trade names or trademarks or service marks), information related to customers, pricing policies, and financial information; or
  - (ii) any information relating to any Party, its direct and indirect shareholders or investors and any of their respective Affiliates; and
- (b) information relating to the negotiations leading to this Deed, the existence and provisions of this Deed and the transactions contemplated by this Deed.
- “Contributing Shareholder”** : has the meaning given to it in Clause 8.3.
- “Control”** : means the possession by a Person, directly or indirectly, of (i) the legal and beneficial ownership of more than 50% of the voting shares of another Person; or (ii) the power to direct or cause the direction of the management, policies and/or affairs of another Person, whether through the ownership of shares or other securities carrying the right to vote, through the composition of the board of directors of such other Person, by contract or otherwise, to be conducted in accordance with the first-named Person’s wishes and **“Controlled by”** shall be construed accordingly.
- “Deadlock”** : has the meaning given to it in Clause 12.1.



<b>“Deadlock Option”</b>	<b>Call</b>	:	has the meaning given to it in Clause 12.2.2.
<b>“Deadlock Option Notice”</b>	<b>Call</b>	:	has the meaning given to it in Clause 12.2.2.
<b>“Deadlock Call Price”</b>		:	has the meaning given to it in Clause 12.2.3.
<b>“Deadlock Shares”</b>	<b>Call</b>	:	means all (and not some only) of the Shares held by RGI from time to time.
<b>“Default Event”</b>		:	has the meaning given to it in Clause 18.1.1.
<b>“Directors”</b>		:	means the directors for the time being of the Company, and, where the context allows, Alternate Directors.
<b>“Dispute”</b>		:	has the meaning given to it in Clause 21.15.1.
<b>“EBITDA”</b>		:	means the earnings before interests, tax, depreciation and amortisation as determined in accordance with Schedule 2.
<b>“Employment Agreement”</b>		:	has the meaning given to it in Clause 4.1.5.
<b>“Encumbrance”</b>		:	means any mortgage, charge, pledge, hypothecation, lien, assignment by way of security, title retention, option, right to acquire, right of pre-emption, right of set off, counterclaim, trust arrangement or any other security, preferential right, equity or restriction, and any agreement to give or create any of the foregoing.
<b>“Excess Expenses Amount”</b>		:	has the meaning given to it in Clause 8.2.
<b>“Governmental Authority”</b>		:	means any supranational, national, federal, state, municipal or local court, administrative body or other governmental or quasi-governmental entity or authority.
<b>“Group”</b>		:	means the Company and each of its subsidiaries from time to time and <b>“Group Company”</b> means any one of them
<b>“HK\$”</b>		:	means the lawful currency of the Hong Kong Special Administrative Region of the People’s Republic of China.
<b>“HK Listing Rules”</b>		:	means the Rules Governing the Listing of Securities on GEM of the Stock Exchange.
<b>“Implementation Agreement”</b>		:	means the agreement to be entered into between the Company and Listco in the agreed form for the implementation of the Scheme.
<b>“Listco”</b>		:	has the meaning given to it in Recital (B).
<b>“Listco Shares”</b>		:	means the issued ordinary shares in the capital of the Listco.

<b>“Long Stop Date”</b>	:	has the meaning given to it in the Scheme Announcement.
<b>“MCC Directors”</b>	:	has the meaning given to it in Clause 9.1.1(b).
<b>“Net Debt”</b>	:	means the net debt as determined in accordance with Schedule 3.
<b>“Non-contributing Shareholder”</b>	:	has the meaning given to it in Clause 8.3.
<b>“Notice”</b>	:	has the meaning given to it in Clause 21.2.1.
<b>“Offer Price”</b>	:	means the price offered for each Listco Share under the terms of the Scheme.
<b>“Person”</b>	:	means any individual, company, corporation, general partnership, limited partnership, trust or other entity, organisation or unincorporated association, wherever constituted or located and whether or not having separate legal personality, including any Governmental Authority.
<b>“Proceeding”</b>	:	means any action, claim, demand, appeal, litigation, arbitration or dispute resolution proceeding, or any disciplinary or enforcement proceeding, in any jurisdiction.
<b>“Purchaser”</b>	:	has the meaning given to it in Clause 15.1.1.
<b>“Reinvestment Amount”</b>	:	has the meaning given to it in Clause 4.2.1(b).
<b>“Related Party Transaction”</b>	:	means with respect to any Group Company, any agreement, contract or arrangement between such Group Company and a BTG Related Party.
<b>“Reserved Matters”</b>	:	refers to the matters as set out in Schedule 5.
<b>“Rights Offer”</b>	:	has the meaning given to it in Clause 13.2.1.
<b>“Rights Offer Notice”</b>	:	has the meaning given to it in Clause 13.2.1.
<b>“Rollover Shares”</b>	:	has the meaning given to it in Clause 5.2.1(a).
<b>“S\$”</b>	:	means the lawful currency of Singapore.
<b>“Scheme”</b>	:	has the meaning given to it in Clause 2.
<b>“Scheme Announcement”</b>	:	means the announcement substantially in the form set out in Schedule 4.
<b>“Scheme Effective Date”</b>	:	means the date on which the Scheme becomes effective in accordance with its terms.
<b>“Scheme Expenses Amount”</b>	:	has the meaning given to it in Clause 8.1.2.



<b>“Settlement Period”</b>	:	has the meaning given to it in Clause 21.15.1.
<b>“SFC”</b>	:	means the Securities and Futures Commission, including the Executive Director of the Corporate Finance Division of the Securities and Futures Commission or any of his or her delegate.
<b>“Shareholders”</b>	:	means, as at any date of determination, any Person in whose name any Share is registered in the electronic register of Members and <b>“Shareholder”</b> means any of them.
<b>“Shareholding Percentage”</b>	:	means, in relation to any Shareholder of the Company, the total number of Shares registered in the name of such Shareholder at that time expressed as a percentage of all the outstanding Shares as at that time.
<b>“Shares”</b>	:	means the shares in the capital of the Company, and <b>“Share”</b> means one (1) of them.
<b>“SIAC”</b>	:	has the meaning given to it in Clause 21.15.2.
<b>“SIAC Rules”</b>	:	has the meaning given to it in Clause 21.15.2.
<b>“Stock Exchange”</b>	:	means The Stock Exchange of Hong Kong Limited.
<b>“Surplus Shares”</b>	:	has the meaning given to it in Clause 13.2.3.
<b>“Tag Interested Notice”</b>	:	has the meaning given to it in Clause 15.4.
<b>“Tag Notice”</b>	:	has the meaning given to it in Clause 15.1.1.
<b>“Tag Offer”</b>	:	has the meaning given to it in Clause 15.1.1.
<b>“Tax”</b>	:	means all forms of taxation whether direct or indirect, deemed or actual, and whether levied by reference to income, profits, gains, net wealth, asset values, turnover, value added or otherwise (whether imposed by way of a withholding or deduction for or on account of tax or otherwise), and all penalties, charges, costs and interest relating thereto.
<b>“Transfer”</b>	:	means, in relation to any shares or any securities of the Company or RGI (as the case may be), to directly or indirectly: <ul style="list-style-type: none"> <li>(a) sell, assign, dispose of, transfer, give or lend any such shares or securities;</li> <li>(b) grant, issue or sell, or accept, assume or purchase, any option, right or warrant to purchase or (as the case may be) sell any such shares or securities (including any right of first offer, right of first refusal or other pre-emptive right);</li> </ul>





- (c) create an Encumbrance over any such shares or securities;
  - (d) enter into any transaction relating to such shares or securities having a similar effect as any of the foregoing (including any derivative transaction, whether settled by delivery of any shares or securities, payment of cash or otherwise); or
  - (e) offer or agree to enter into any of the foregoing,
- and **“Transferred”** shall be construed accordingly.

**“Valuer”** : means a “Big 4” accounting firm appointed by BTG for the purpose of this Deed.

**“Working Capital Amount”** : has the meaning given to it in Clause 8.1.1.

**“%”** : means per centum or percentage.

## 1.2 This Deed

In this Deed unless otherwise specified:

- (a) references to **“this Deed”** or any other document shall (i) be construed as references to this Deed or such other document as amended, varied, novated, supplemented or replaced from time to time and (ii) include all Recitals and Schedules to this Deed and to such other agreement or document, which shall form an integral part of this Deed or such other agreement or document, as the case may be;
- (b) the expression **“this Clause”** shall, unless followed by reference to a specific provision, be deemed to refer to the whole Clause (not merely the sub-clause, paragraph or other provision) in which the expression occurs; and
- (c) headings in this Deed are inserted for convenience only and shall not affect the construction of this Deed.

## 1.3 Statutes

References to a statute or statutory provision (i) include any subsidiary legislation made from time to time under that statute or provision and (ii) refer to that statute or provision as from time to time modified, re-enacted or consolidated.

## 1.4 Others

- (a) words denoting any gender shall include all genders;
- (b) references to a **“Party”** mean a party to this Deed including that party’s successors in title and assigns or transferees permitted in accordance with the terms of this Deed provided that the relevant property, right or liability has been properly assigned or transferred to such Person;
- (c) references to an individual or a Person include his estate and personal representatives;
- (d) references to the singular number shall include references to the plural number and

vice versa;

- (e) words importing the whole shall be treated as including a reference to any part thereof;
- (f) the words “**include**”, “**including**” and “**in particular**” shall be construed as being by way of illustration or emphasis only and shall not be construed as, nor shall they take effect as, limiting the generality of any preceding words;
- (g) the words “**other**” and “**otherwise**” shall not be construed *ejusdem generis* with any foregoing words where a wider construction is possible;
- (h) references to time of day are to the time in Singapore, unless otherwise stated and references to a day are to a period of 24 hours running from midnight to midnight;
- (i) “**day**”, “**month**” or “**year**” is a reference to a day, month or year respectively in the Gregorian calendar;
- (j) references to the phrase “**in writing**” includes any communication made by letter or email;
- (k) any reference to books, records or other information means books, records or other information in any form, including paper, electronically stored data, magnetic media, film and microfilm;
- (l) shares “**outstanding**” in respect of a company means all the shares of such company in issue, but excluding any shares of such company held in treasury; and
- (m) references to any document in the “**agreed form**” means that document in a form agreed on or before the date of this Deed by the Parties and initialed for the purposes of identification.

#### 1.5 **No Contra Proferentem**

No rule of construction against the draftsman shall be applied in connection with the interpretation, application or enforcement of this Deed as this Deed is the product of negotiation between the Parties advised by their respective counsels.

## 2 **THE CONSORTIUM**

The Parties hereby agree to form a consortium to make an offer to acquire all the issued ordinary shares in the capital of the Listco by way of a scheme of arrangement in accordance with the Code and the terms set out in the Scheme Announcement (the “**Scheme**”), subject to the terms and conditions of this Deed.

## 3 **COMMENCEMENT AND DURATION**

- 3.1 Clause 1 (Definitions and Interpretation), Clause 2 (The Consortium), this Clause 3 (Commencement and Duration), Clause 4.1 (Scheme), Clause 6 (Conditions), Clause 8 (Funding), Clause 17 (Representations and Warranties), Clause 19 (Termination), Clause 20 (Confidentiality) and Clause 21 (General) shall take effect from and including the date of this Deed.
- 3.2 All other Clauses and Schedules to this Deed, other than those referred to in Clause 3.1 above, shall take effect upon the Scheme becoming effective. Once in force, the terms of this Deed shall continue in full force and effect until terminated in accordance with Clause 19.





## 4 THE SCHEME

### 4.1 Scheme

- 4.1.1 The Company shall, and each of BTG, RGI and MCC shall use their respective best efforts to procure that the Company, releases the Scheme Announcement as soon as practicable but no later than one (1) month from the date hereof (or such other period as the Parties may agree in writing).
- 4.1.2 The Company shall not make or release any announcement, circular relating to the Scheme (including the Scheme Announcement) or make any decision relating to the Scheme without the consent of BTG, and the terms and conditions of the Scheme and any modifications or amendment thereof shall be subject to the prior written approval of BTG.
- 4.1.3 Subject to the release of the Scheme Announcement, RGI and MCC shall exercise all such voting rights available to them in support of the Scheme (as defined below) if they are permitted to vote under the terms of the Scheme.
- 4.1.4 Each Party shall not, and shall procure its Affiliates and any Person Acting in Concert with it not to, from the date hereof and until the close of the Scheme under the Code, directly or indirectly, buy, sell or otherwise deal in the relevant securities (as defined in the Code) of the Listco without the written consent of the other Parties.
- 4.1.5 MCC has, on or around the date hereof, executed a new service deed with the Company (the “**Employment Agreement**”) pursuant to which MCC’s employment with the Company shall commence on the Scheme Effective Date.
- 4.1.6 Each Party shall and shall procure its Affiliates and those Acting in Concert with it to comply with the Code and all Applicable Law in relation to the Scheme.
- 4.1.7 Each Party shall cooperate and proceed in good faith to cooperate with each other to consummate the Scheme (including the preparation of the Scheme Announcement, Scheme document(s), and respond to any enquiries that the SFC and the Stock Exchange may have) as soon as practicable, provided that nothing herein shall prejudice or otherwise restrict the right and discretion of BTG and/or the Company to terminate the Scheme in accordance with the terms of the Scheme or the Implementation Agreement.
- 4.1.8 Subject to any confidentiality obligations of each Party and the Code, each Party shall procure and provide each other with all information reasonably required and concerning the Scheme including any information required for inclusion in any announcement or circulate relating to the Scheme or any other disclosures as may be required under the Code or Applicable Law.
- 4.1.9 Each Party acknowledges and agrees that it shall be fully responsible for ensuring the accuracy of all statements of fact furnished or confirmed by it in each of the disclosures made under the Scheme relating to it and its Affiliates.

### 4.2 Payment of Cash Consideration

- 4.2.1 Subject to the Scheme becoming effective, RGI agrees that notwithstanding the provisions of the Code or any terms of the Scheme regarding payment of the Offer Price:
- (a) it shall receive the sum of HK\$201,213,000, as part of the aggregate Offer Price payable by the Company in respect of RGI’s Listco Shares, in accordance with the settlement timeline prescribed under the Code and the terms of the Scheme (“**Cash Consideration**”); and

- (b) the Company shall be entitled to capitalise the remainder part of the aggregate Offer Price payable by the Company in respect of RGI's Listco Shares (the "**Reinvestment Amount**") and apply such amount on behalf of RGI in settlement of the subscription price for the issuance of the Rollover Shares at Completion.

## 5 CAPITALISATION

### 5.1 Payment of Offer Price

- 5.1.1 Subject to Clause 5.3, any amount advanced by BTG for the purposes of settlement of the Offer Price pursuant to the terms of the Scheme on behalf of the Company shall be deemed to be an inter-company advance and immediately capitalised by the issue of new Shares to BTG at the issue price of S\$1 per Share.

### 5.2 Reinvestment by RGI

- 5.2.1 Subject to the Scheme becoming effective and to Clause 5.3:

- (a) RGI shall subscribe for such number of new Shares (the "**Rollover Shares**") at an issue price of S\$1 per Share, which shall be settled by the Company capitalising the Reinvestment Amount; and

- (b) the Company shall allot and issue the Rollover Shares to RGI at Completion,

subject to the terms and conditions of this Deed.

### 5.3 Resultant shareholding

- 5.3.1 The new Shares to be issued pursuant to this Clause 4 shall result in BTG and RGI continuing to respectively hold 75% and 25% of the issued Shares upon the Scheme becoming effective. Accordingly, the issue prices under Clauses 5.1.1 and 5.2 shall be adjusted where necessary to achieve the desired relative shareholding.

## 6 CONDITIONS

### 6.1 Conditions Precedent

- 6.1.1 Completion is conditional upon the Scheme becoming effective (the "**Condition**").
- 6.1.2 To the extent applicable to itself, each Party shall use their reasonable endeavours to satisfy the Condition no later than the Long Stop Date.
- 6.1.3 Subject to Clauses 19.3 and 19.4, if the Condition has not been satisfied on or prior to the Long Stop Date, this Deed shall, without the need for further notice or action by any Party, be deemed to have been terminated automatically.

## 7 COMPLETION

- 7.1 Subject to the fulfilment of the Condition, the Parties agree that Completion shall occur on the Completion Date. Completion shall take place remotely via the exchange of documents described in Clause 7.2 on the Completion Date, or at such other place as may be mutually agreed between the Parties in writing. All transactions contemplated under this Deed to be consummated at Completion shall be deemed to occur simultaneously and no such transaction shall be deemed to be consummated unless all such transactions are consummated.

- 7.2 On the Completion Date:





7.2.1 RGI shall:

- (a) subscribe for the Rollover Shares at an aggregate price equivalent to the Reinvestment Amount, payment of which shall be discharged by the Company applying and/or setting-off of the entire Reinvestment Amount.

In connection with the foregoing, RGI hereby:

- (i) irrevocably authorises, directs and instructs the Company to apply and/or set-off the entire Reinvestment Amount on its behalf as payment for the subscription for the Rollover Shares; and
- (ii) acknowledge that the allotment and issue of the Rollover Shares by the Company shall constitute full and final satisfaction of the Company's obligation to pay the portion of the Offer Price equal to the Reinvestment Amount due to RGI and upon such allotment and issue of the Rollover Shares, RGI shall have no further claim whatsoever against the Company for the portion of the Offer Price equal to the Reinvestment Amount payable to him.

7.2.2 The Company shall effect the allotment and issue of the Rollover Shares and shall deliver or make available to RGI:

- (a) a share certificate in respect of the Rollover Shares in the name of RGI, which shall be endorsed with the following restrictions:

"Any Transfer (as defined in the Shareholders' Deed) of any share evidenced by this share certificate is subject to certain restrictions as more particularly set out in the subscription and shareholders' deed dated 15 August 2024 (the "**Shareholders' Deed**") made between Ma Chin Chew, Radiant Grand International Limited, Betagro Public Company Limited and Betagro Foods (Singapore) Pte. Ltd. ("**Company**") and the constitution of the Company (in each case as amended from time to time) (collectively, the "**Agreements**"). Any Transfer in breach of any such restrictions shall be void; and

If the holder fails to take such action as may be required under the Agreements, each director of the Company shall be deemed to have been, irrevocably and by way of security, severally appointed the attorney of the holder to sign, seal and deliver the instruments of transfers of the shares evidenced by this share certificate and to file such returns or take such other action as may be necessary or desirable under the applicable legislation to give effect to the Agreements"; and

- (b) an updated electronic register of members of the Company evidencing RGI as the registered holder of the Rollover Shares.

The shareholding structure of the Company immediately upon completion of the issue of the Rollover Shares is as set out in Part B of Schedule 1.

## 8 FUNDING

8.1 BTG shall additionally contribute the following:

- 8.1.1 subject to the Scheme becoming effective, an aggregate amount of up to S\$7,000,000 (the "**Working Capital Amount**") for the capital and maintenance expenditure of the Company by way of a shareholder loan; and

8.1.2 an aggregate amount of up to S\$1,200,000 (the “**Scheme Expenses Amount**”) for and on behalf of the Company, which shall be used solely for any transaction related expenses incurred by the Company for any legal, financial, tax, corporate secretarial, printing, despatch and other services arising out of or in connection with the Scheme.

8.2 Notwithstanding Clause 8.1.2, the Parties hereby acknowledge and agree that:

8.2.1 if the aforesaid expenses incurred in connection with the Scheme exceeds the Scheme Expenses Amount, such excess; and/or

8.2.2 any other expenses incurred by the Company for services otherwise than in connection with the Scheme,

(collectively, the “**Excess Expenses Amount**”) shall be funded by the Shareholders by way of a shareholder loan in proportion with their Shareholding Percentage in such manner and on such terms as may be determined by the Board, provided that such terms shall apply equally to all Shareholders.

8.3 If any Shareholder fails or is unable to fund its proportion of the Excess Expenses Amount (“**Non-contributing Shareholder**”), the other Shareholder (the “**Contributing Shareholder**”) may at its option (but shall not be obliged to) fund the whole or part of the Non-contributing Shareholder’s shortfall. In such a situation, the Non-Contributing Shareholder shall pay interest to the Contributing Shareholder on the Non-Contributing Shareholder’s proportion of the Excess Expenses Amount at a rate of 5% per annum above the cost of funds of the Contributing Shareholder.

8.4 For the avoidance of doubt, nothing in Clause 8.3 shall prejudice the rights that a Contributing Shareholder has under Clause 18.

## 9 THE BOARD

### 9.1 Board Composition

9.1.1 Subject to Completion, the Parties agree that the size of the Board shall be increased and shall comprise not more than five (5) Directors, and each Party shall be entitled to nominate, such number of Directors as follows:

(a) BTG shall have the right to nominate three (3) Directors; and

(b) RGI shall have the right to nominate two (2) Directors (the “**MCC Directors**”) for so long as RGI holds no less than 10% of the total outstanding number of Shares, one of whom shall be MCC.

9.1.2 If RGI ceases to be eligible to appoint a Director, it shall remove, or procure the resignation of, the MCC Directors.

9.1.3 Each Party shall use its vote at any meeting of Shareholders of the Company to ensure the above appointments are duly and promptly made.

9.1.4 The directors of all other Group Companies shall, to the extent permissible by Applicable Law, be appointed and removed based on the composition of the Board as described in Clause 9.1.1.

### 9.2 Appointment and Removal of Directors

9.2.1 The right of appointment conferred on the Parties as set forth in Clause 9.1 shall include the right to remove at any time from office such nominated Person, and the right at any time and



from time to time to determine the period during which the nominated Persons shall hold the office of Director and to replace any nominated Director who ceases to be a Director for any reason.

9.2.2 Each appointment and removal of a Director pursuant to Clause 9.1 shall be made in writing and signed by a duly authorised officer for and on behalf of the Party appointing, removing or replacing such Director and shall be delivered to the registered office of the Company or at any meeting of the Board, and shall take effect upon such delivery or on the date of appointment, removal or replacement specified in the notice, whichever is the later.

9.2.3 The Company shall, as soon as reasonably practicable after receipt of the notice referred to in Clause 9.2.2, take such action as is reasonably required, to effect the appointment or removal of the relevant Director, including by way of convening a Shareholders' meeting to approve such appointment or removal and making the relevant filings. Each of the Parties hereby agrees to vote in the Shareholders' meetings, and subject to the Constitution, shall procure its nominee Director(s) to vote at any Board meeting, in accordance with such nomination or removal of the Director pursuant to the above.

9.2.4 Except as expressly provided in this Clause 9.2, no Person shall or may be appointed or removed as a Director, whether by the Board or the Shareholders of the Company.

### 9.3 **Alternate Director**

A Director shall be entitled at any time and from time to time to appoint any Person to act as his alternate (an "**Alternate Director**") and to terminate the appointment of such Person. Such Alternate Director shall be entitled while holding office as such to receive notices of meetings of the Board and to attend and vote as a Director at any such meetings at which the Director appointing him is not present and generally to exercise all the powers, rights, duties and authorities and to perform all functions of his appointor except that he shall not be entitled to attend or vote at any meeting at which the Director who is his appointor is present. An Alternate Director may represent more than one (1) Director and an Alternate Director shall be entitled at the meeting of the Board where he/she is representing a Director to one (1) vote for every Director whom he/she represents and, in the case where he/she is also a Director, in addition to his/her own vote.

### 9.4 **Board Meetings**

9.4.1 The Board shall meet as necessary to discharge its duties but in any case, no less frequently than four (4) times per year, on a quarterly basis unless decided otherwise by the Board.

9.4.2 Subject to Clause 9.7, the quorum for a Board meeting as initially scheduled shall be any two (2) Directors in office for the time being, at least one of whom shall be a MCC Director (or his Alternate Director) and one of whom shall be appointed by BTG (or his Alternate Director).

9.4.3 If a quorum is not present at any scheduled Board meeting within 60 minutes after the time specified for such meeting to commence, such meeting shall be adjourned to the date falling two (2) Business Days after the date initially scheduled and notice of the adjourned meeting and its date, time and place shall be given to each Director in accordance with Clause 9.4.5.

9.4.4 Subject to Clause 9.7, the quorum for a Board meeting which has been adjourned in accordance with Clause 9.4.3 (the "**Adjourned Board Meeting**") shall be:

- (a) subject to Clause 9.4.4(b), any one (1) Director in office for the time being who shall be a Director appointed by BTG;



- (b) in the case where an item to be considered, discussed or resolved relates to a Reserved Matter, any two (2) Directors in office for the time being who shall be one (1) MCC Director and one (1) Director appointed by BTG,

provided that no items shall be considered, discussed or resolved at the Adjourned Board Meeting which were not on the agenda or notice referred to in Clause 9.4.5.

- 9.4.5 At least one (1) Business Day's written notice of each Board meeting shall be given to each Director, or such shorter period of notice in respect of any particular meeting as may be agreed by a simple majority of the Directors, specifying the date, place and time of the relevant meeting. Such notice shall be given to all the Directors and shall be accompanied by a written agenda specifying the business of such meeting (attaching such reasonable supporting documents as may be reasonably necessary to consider such agenda or matter, including approval papers and slide decks).
- 9.4.6 All or any of the Directors may participate in a Board meeting by means of a conference telephone or any communication equipment that allows all Persons participating in the meeting to hear each other without the need for a Director to be in the physical presence of another Director. A Person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled, or if there is no such group, where the chairman of the meeting then is situated.

#### 9.5 Resolutions of Directors

- 9.5.1 Subject to Clause 9.7, at any Board meeting or Adjourned Board Meeting, each Director present shall have one (1) vote.
- 9.5.2 Subject to any additional requirements specified by Applicable Law and Clause 9.7, all resolutions and decisions of the Board which are to be passed or approved at any Board meeting or Adjourned Board Meeting shall:
  - (a) subject to Clause 9.5.2(b), be passed or approved by a simple majority vote of all the Directors present and voting at the relevant meeting; and
  - (b) in the case where such resolution or decision relates to a Reserved Matter, be passed or approved by a simple majority vote of all the Directors present at the relevant meeting, which majority vote shall include the affirmative vote of a MCC Director (or his Alternate Director).
- 9.5.3 Subject to Clause 9.7, a resolution in writing of the Directors shall:
  - (a) subject to Clause 9.5.3(b), if signed by a simple majority vote of all the Directors in office for the time being; and
  - (b) in the case where such resolution in writing or decision relates to a Reserved Matter, if signed by a simple majority vote of all the Directors in the office for the time being, which majority vote shall include the affirmative vote of a MCC Director (or his Alternate Director),

be as valid and effectual as if it had been passed at a Board meeting or Adjourned Board Meeting.

- 9.5.4 Any such resolution in writing of the Directors may consist of several documents in like form, each signed by one or more Directors.





## 9.6 Chairman

- 9.6.1 The Chairman shall be one (1) of the Directors appointed by BTG. The right of appointment of the Chairman conferred on BTG shall include the right to remove at any time from office such appointed Director as Chairman, and the right at any time and from time to time to determine the period during which such appointed Director shall hold the office of Chairman and to replace any appointed Chairman who ceases to be a Director for any reason.
- 9.6.2 The Chairman shall chair all meetings of the Board and all Shareholders' Meetings at which he is present. If the Chairman is absent from any meeting of the Directors or the Shareholders, another Director appointed by BTG present at the meeting shall be Chairman for that meeting.
- 9.6.3 The Chairman shall be entitled to a second or casting vote at any meeting of the Board or Shareholders where the votes cast are equally divided in respect of any matter.

## 9.7 Disclosure of Interest

- 9.7.1 Subject to Clause 9.7.2, each Director shall, in its capacity as Director, be entitled to vote and be counted in the quorum in respect of any approval by the Company of any agreement, transaction or arrangement in or to which (as applicable) that Director (or as appropriate Shareholder appointing such Director), or any of its Affiliates, is an interested party and in connection with any revisions or amendments to, or waiver of any rights under, such agreement, transaction or arrangement provided that its/his interest therein has been disclosed beforehand to the Board.
- 9.7.2 Notwithstanding Clause 9.7.1, the MCC Directors (or their Alternate Directors) shall abstain from voting and shall not be counted in the quorum in respect of any resolution or matter regarding any adjustment in MCC or his Affiliate's salary or payment of any discretionary bonus.

## 10 SHAREHOLDERS' MEETINGS

### 10.1 General Meetings

- 10.1.1 Meetings of Shareholders shall be held at such times and places as the Board shall determine and in accordance with Applicable Law.
- 10.1.2 The quorum for a Shareholders' meeting as initially scheduled shall be one or more Shareholders which hold such number of Shares that represent the majority of all the issued and outstanding Shares as at immediately prior to the commencement of such meeting, present in person or by proxy or attorney or by a duly authorised representative.
- 10.1.3 If a quorum is not present at any scheduled Shareholders' meeting within 60 minutes after the time specified for such meeting to commence, such meeting shall be adjourned to the date falling five (5) Business Days after the date initially scheduled and notice of the adjourned meeting and its, date, time and place shall be given to each Shareholder in accordance with Clause 10.1.5, except that written notice thereof may be given at least three (3) Business Days prior to the adjourned meeting.
- 10.1.4 Subject to Applicable Law, the quorum for an initially scheduled Shareholders' meeting which has been adjourned in accordance with Clause 10.1.3 (the "**Adjourned Shareholders' Meeting**") shall be one or more Shareholders which hold such number of Shares that represent the majority of all the issued and outstanding Shares as at immediately prior to the commencement of such meeting, present in person or by proxy or attorney or by a duly authorised representative provided that no items shall be considered, discussed or resolved at

the Adjourned Shareholders' Meeting which were not on the agenda or notice referred to in Clause 10.1.5.

- 10.1.5 Unless longer notice is required under Applicable Law, not less than 14 days' written notice (or such shorter period of notice in respect of any particular meeting as may be agreed unanimously by all the Shareholders) specifying the date, place and time of the relevant meeting and accompanied by a written agenda specifying the business of such meeting shall be given to all the Shareholders.
- 10.1.6 All or any of the Shareholders may participate in a Shareholders' meeting by means of a conference telephone or any communication equipment that allows all Persons participating in the meeting to hear each other without the need for a Shareholder to be in the physical presence of another Shareholder. A Person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled, or if there is no such group, where the chairman of the meeting then is situated.

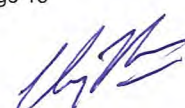
## 10.2 Resolutions of Shareholders

- 10.2.1 Subject to any additional requirements specified by Applicable Law, all resolutions and decisions of the Shareholders at any Shareholders' meeting or Adjourned Shareholders' Meeting shall be passed or approved by a simple majority vote of all the Shareholders present and voting at the relevant meeting in person, by proxy or attorney or by a duly authorised representative.
- 10.2.2 Unless a higher majority is required by Applicable Law, a resolution in writing of the Shareholders if signed by such number of Shareholders which hold a simple majority (or if required by Applicable Law, such higher majority) of all the Shares as at the date of such resolution shall be as valid and effectual as if it had been passed at a Shareholders' meeting or Adjourned Shareholders' Meeting. Any such resolution in writing of the Shareholders may consist of several documents in like form, each signed by one or more Shareholders.

## 11 RESERVED MATTERS

### 11.1 Reserved Matters

- 11.1.1 No Reserved Matter may be approved, carried out, taken or implemented by the Company unless it is approved by the Board in accordance with Clause 9.5.2 or Clause 9.5.3 (as the case may be).
- 11.1.2 All references in the Reserved Matters to amounts in Singapore dollars shall include its equivalent in any other relevant currencies as calculated by applying the Applicable Exchange Rate as of the date such agreement or commitment was entered into.
- 11.1.3 If, for any reason, any Director concludes in good faith, after consultation with external counsel, that to act in accordance with the wishes of his or her appointing Shareholder would constitute an unlawful fetter of his or her discretion or could reasonably be expected to be inconsistent with or to be in breach of his or her fiduciary duties to the Company or other duties under Applicable Law, such Director shall be entitled to require the Shareholders to approve and vote on such matter and the Shareholders agree that such matter shall be deliberated at and put to a vote at a Shareholders' meeting and not a Board meeting.





## 12 DEADLOCK

### 12.1 Deadlock

12.1.1 A “**Deadlock**” shall immediately be deemed to have arisen if:

- (a) any Reserved Matter put to the Board at two (2) or more Board meetings convened within a 12-month period is not agreed upon or resolved as required under this Deed; or
- (b) no quorum is present in accordance with Clause 9.4.4(b), at an Adjourned Board Meeting which has been scheduled in accordance with Clause 9.4.3 for the consideration, discussion or resolution of a Reserved Matter put to the Board.

For the purposes of Clause 12.1.1, any Board meeting that is adjourned or reconvened once or more than once shall each count as separate Board meetings.

### 12.2 Escalation and Deadlock Call Option

12.2.1 Upon the occurrence of a Deadlock, the representatives of BTG and RGI shall in good faith discuss and use their reasonable endeavours to resolve the Deadlock as soon as reasonably practicable.

12.2.2 If such representatives of BTG and RGI are unable to resolve the Deadlock within 30 calendar days after the date on which the Deadlock was deemed to have arisen, BTG shall be entitled (but not obliged) to, in its sole discretion serve a notice (such notice, a “**Deadlock Call Option Notice**”) requiring RGI to sell the Deadlock Call Shares at the Deadlock Call Price at such date and place in Singapore as set out in the Deadlock Call Option Notice (the “**Deadlock Call Option**”).

12.2.3 The aggregate consideration for the Deadlock Call Shares (“**Deadlock Call Price**”) shall be the higher of (a) S\$20,000,000; and (b) the sum determined in the following manner:

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$$A = B \times ((C/2) \times 7.5) - D$$

Where:

A = Deadlock Call Price.

B = RGI’s Shareholding Percentage as at the date of the Deadlock Call Option Notice.

C = The aggregate of the EBITDA for the eight (8) completed financial quarters (i.e. 2 years) immediately preceding the date of the Deadlock Call Option Notice based on the latest available audited financial statements of the Company for such financial quarters.

D = Net Debt preceding the date of the Deadlock Call Option Notice based on the latest available audited financial statements of the Company for such financial quarters, provided that if the latest available audited financial statements are prepared as at a date more than 6 months prior to the date of Deadlock Call Option Notice, an interim audit shall be undertaken by the Group’s auditors or such other mutually agreed reputable audit firm, costs of which are to be borne solely by BTG.

12.2.4 In the event a Deadlock Call Option Notice is issued, each Party shall exercise all such rights available to them to approve the transfer of all the Shares held by RGI (“**Deadlock Call**

**Shares**") and procure the removal of the MCC Directors or their Alternate Director(s) with effect on and from the date on which the sale and purchase of the Deadlock Call Shares is completed.

12.2.5 If the Deadlock Call Option is exercised and RGI fails to transfer the Deadlock Call Shares to BTG at such date and place in Singapore as set out in the Deadlock Call Option Notice, each Director shall be deemed to have been severally appointed the attorney of RGI with full power to sign, seal and deliver, in the name and on behalf of RGI, the transfer of the Deadlock Call Shares to BTG against payment of the Deadlock Call Price to the Company. On payment of the Deadlock Call Price to the Company, BTG shall be deemed to have obtained a good quittance for such payment and on execution and delivery of the transfer of the Deadlock Call Shares, BTG shall be entitled to insist upon its name being entered in the electronic register of members as the holder by transfer of the Deadlock Call Shares. The Parties shall procure that the Company shall forthwith pay the Deadlock Call Price into a separate bank account in the Company's name and shall hold such sums on trust for RGI (but without any liability to account for interest).

### 12.3 **Status Quo**

No Deadlock Matter shall be carried out by the Company pending its resolution.

## 13 **ISSUE OF SHARES**

### 13.1 **Restriction on issue of new Shares**

13.1.1 Save as provided in Clause 13.1.2, the Company shall not issue any new Shares in the capital of the Company.

13.1.2 In the event that the Board determines that (i) there is insufficient cash or cash equivalents to pay for the operating expenses of the Group; or (ii) the Group is in a negative equity position on a consolidated basis, the Board may, propose to raise funding from the Shareholders in the form of issue and allotment of new Shares.

### 13.2 **Pre-emption process**

13.2.1 Subject to Clause 13.1, any new Shares issued by the Company shall be offered (such offer a "**Rights Offer**") to each Shareholder in proportion to its Shareholding Percentage. The Board shall serve a written notice (the "**Rights Offer Notice**") to the Shareholders specifying:

- (a) the number of new Shares to be issued;
- (b) the issue price per new Share; and
- (c) such terms as may be determined by the Board, provided that such terms shall apply equally to all Shareholders.

13.2.2 Each Shareholder (an "**Accepting Shareholder**") may (but shall not be obliged to), by giving written notice to the Company within 30 calendar days after receipt of the notice referred to in Clause 13.2.1 above, accept the offer for all (but not some only) of all of the Shares offered to it. Failing such notice, the relevant Shareholder shall be deemed to have declined such offer and waived its right to subscribe for the new Shares so offered.

13.2.3 If any Shareholder does not accept the Rights Offer or is deemed to have declined the Rights Offer, the Board may at its discretion offer any or all of the Shares which were not accepted or were deemed to have been declined under the Rights Offer (the "**Surplus Shares**") by serving a further written notice to the Accepting Shareholder(s). Each Accepting Shareholder may (but



shall not be obliged to) subscribe for all or some of the Surplus Shares in (as nearly as may be) their respective shareholding proportion inter se by giving written notice to the Company within 10 calendar days from the date of the written notice from the Board, notwithstanding that this may result in a corresponding dilution of the holding(s) of Shares of those Shareholder(s) who declined or were deemed to have declined the Rights Offer.

- 13.2.4 The Board may, for a period of six (6) months thereafter, at its discretion offer the new Shares which were not accepted or were deemed to have been declined under the Rights Offer, at a price and on terms no more favourable to the purchaser(s) thereof specified in the Rights Offer Notice. In the event that the Company has not issued and sold such new Shares within the said six (6) month period, then the Company shall not thereafter issue or sell any such new Shares without again first offering such New Securities to the Shareholders pursuant to this Clause 13.
- 13.3 Subject to the requirements of Clause 13.2 and the provisions of section 161 of the Companies Act 1967 of Singapore, any new Shares shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to such Persons, at such times and on such terms as they think proper.
- 13.4 The Company shall not issue any new Shares to any Person, unless that Person is a party to this Deed or has executed and delivered a deed of adherence under which that Person shall agree to be bound by this Deed as if an original party hereto.

## 14 TRANSFER OF SHARES

### 14.1 Restrictions on Transfer

- 14.1.1 Each of RGI and MCC, jointly and severally, undertake to BTG that, save with the prior written consent of BTG:
- (a) RGI shall not Transfer any part of its interest in its Shares except:
    - (i) with the prior written consent of BTG; or
    - (ii) in accordance with the provisions of this Deed; and
  - (b) for so long as RGI remains a Shareholder, MCC shall remain the owner of 100% of the legal and beneficial interest in the shares of RGI and shall not Transfer any part of or any interest in his shares in RGI, save with the prior written consent of BTG on such terms as BTG may determine.
- 14.1.2 The Board shall be entitled to refuse to register any Transfer of any Shares purportedly made in or after a breach of this Clause 14.1.1.

## 15 TAG-ALONG RIGHT

- 15.1.1 Notwithstanding anything to the contrary in this Deed, Clause 15 shall not be applicable to any Transfer of Shares by BTG to its Affiliate, provided that the transferee of such Shares shall execute a deed of adherence to this Deed.
- 15.2 In the event that BTG receives an offer (a "**Tag Offer**") for any part of its Shares from a *bona fide* third party purchaser ("**Purchaser**") that BTG wishes to accept, BTG shall issue a written notice ("**Tag Notice**") to RGI, copied to the Company, containing a notification of the Tag Offer. It shall be a condition of sale that, save where the Purchaser acquires all of BTG and RGI's Shares, such Purchaser agrees to execute a deed of adherence to this Deed.
- 15.3 Upon receipt of any Tag Notice, RGI shall be entitled (but not obliged) to require BTG to procure

the Purchaser to offer to purchase such number of the Shares held by RGI in proportion to the Shares sold by BTG, on the same terms and conditions (including price) as set out in the Tag Offer.

- 15.4 To exercise its tag-along right, RGI shall notify BTG in writing (the “**Tag Interested Notice**”) within ten (10) Business Days of the date of the Tag Notice that it desires BTG to procure the purchase of such number of Shares held by RGI on the same terms and conditions (including price) as set out in the Tag Offer. The Tag Interested Notice shall be irrevocable and may not be withdrawn without the prior written consent of the Purchaser. Upon receipt of the Tag Interested Notice, BTG shall not be entitled to proceed with the Tag Offer unless RGI’s shares are acquired by the Purchaser simultaneously with BTG’s Shares.
- 15.5 If BTG does not receive any Tag Interested Notice within the period specified in Clause 15.4, BTG shall be free to complete the transfer of all its Shares to the Purchaser at the price and otherwise upon no more favourable terms than that stated in the Tag Notice.

## 16 NON-COMPETE AND NON-SOLICIT

### 16.1 Definitions

For the purposes of this Clause 16:

- (a) “**Affected Business**” means, in respect of MCC only, the Business, including but not limited to the goods and services provided by any Group Company as at the date of this Deed and from time to time;
- (b) “**Restricted Period**” means in respect of MCC, the time period where such Person remains employed by BTG or its Affiliates in any capacity, including but not limited to as a consultant or adviser, and for a period of 60 months after MCC ceases to be employed by BTG or its Affiliates in any capacity, including but not limited to as a consultant or adviser; and
- (c) A Person, is “**concerned in any business**” or “**concerned with the business of**”, whether online or physical, if it:
- (i) directly or indirectly engages or is concerned (whether as partner, principal, licensor, licensee, employee, consultant, officer, director, manager, agent, franchisor, franchisee, representative, advisor, promoter, investor, or otherwise) in the conduct of the business;
  - (ii) carries on for its own account either alone or in partnership or is concerned as a director or shareholder in any company engaged in the business;
  - (iii) assists any Person, firm, company or organisation with technical or commercial advice in relation to the business;
  - (iv) assists with technical or commercial advice to any Person, firm, company or organisation engaged in the manufacture and/or marketing of any product(s) or service(s) in competition with any Group Company which is likely to involve the disclosure or use by the appointee of trade secrets of such Group Company; or
  - (v) offers or agrees to enter into any of the foregoing.
- (d) “**Restricted Territories**” means Singapore and any other country where a Group



Company derives revenue from or has a business presence as at the date of this Deed and from time to time.

## 16.2 MCC's Non-Compete Obligations

16.2.1 The Parties hereby acknowledge that MCC:

- (a) is currently concerned with the business of Hup Heng Poultry Industries Pte Ltd; and
- (b) MCC and his Affiliates have an interest in 28% of the shares in Hup Heng Poultry Industries Pte Ltd.

16.2.2 MCC covenants with each of BTG and the Company that, during the Restricted Period, MCC:

- (a) shall not (either personally or through an agent); and
- (b) shall procure that his Affiliates shall not (either alone or together with any other Person), without BTG's prior written consent, directly or indirectly be concerned in any business which is competitive with the Affected Business within the Restricted Territories.

16.2.3 Without prejudice to Clause 16.2.2, if Hup Heng Poultry Industries Pte Ltd engages, or intends to engage, in any business which is competitive with the Affected Business, MCC undertakes to each of BTG and the Company that he shall henceforth cease to be concerned with the business of Hup Heng Poultry Industries Pte Ltd insofar as such activities or business undertaken or to be undertaken by Hup Heng Poultry Industries Pte Ltd is competitive with the Affected Business.

## 16.3 MCC's Non-Solicit Obligations

In addition, MCC shall not (either personally or through an agent) and shall procure that his Affiliates shall not (either alone or together with any other Person), during the Restricted Period, without BTG's prior written consent, directly or indirectly:

- (a) solicit or entice away or attempt to solicit or entice away from any Group Company the custom of any Person, firm, company or organisation who shall at any time have been a customer, client, distributor or agent of the Group or in the habit of dealing with such Group Company;
- (b) solicit or entice away or attempt to solicit or entice away from any Group Company any Person who is an officer, manager or employee of such Group Company whether or not such Person would commit a breach of his contract of employment by reason of leaving such Group Company;
- (c) disclose any information that is, or is reasonably likely to be regarded as, a trade secret or commercially sensitive to any Group Company or take any action that will disparage the Group or its shareholders; or
- (d) in relation to any trade, business or company, use any name in such a way as to be capable of or likely to be confused with the name of any member of any Group Company or and shall use all reasonable endeavours to procure that no such name shall be used by any other Person, firm, company or organisation.

## 16.4 General

- 16.4.1 Each of the restrictions in each Clause or sub-Clause above shall be enforceable by BTG and the Company independently of each of the others and its validity shall not be affected if any of the others is invalid; if any of the restrictions is void but would be valid if some part of the restriction were deleted, the restriction in question shall apply with such modification as may be necessary to make it valid.
- 16.4.2 MCC acknowledges that the provisions of this Clause 16 are no more extensive than is reasonable to protect BTG and/or the Company as party to this Deed.
- 16.4.3 MCC agrees and acknowledges that monetary damages may not be a sufficient remedy for BTG and the Company for any breach by himself of the provisions of this Clause 16, and BTG and the Company shall be entitled to seek equitable relief, including injunction and specific performance, in the event of any such breach, in addition to all other remedies available at law or in equity.
- 16.4.4 The provisions of this Clause 16 shall survive any termination of this Deed.

## **17 REPRESENTATIONS AND WARRANTIES**

17.1.1 Each Party represents and warrants to each of the other Parties that:

- (a) it has full power and authority to enter into and perform its obligations or implement the transactions contemplated by this Deed and this Deed has been validly authorised and the obligations expressed as being assumed by it under this Deed constitute its valid, legal and binding obligations enforceable against it in accordance with its terms;
- (b) neither the execution and delivery by it of this Deed nor the performance substantially or observance of any of its obligations thereunder does or will conflict with, or result in any breach or violation of, any judgement, order or decree, indenture, mortgage, trust deed, agreement or other instrument, arrangement, obligation or duty by which it is bound;
- (c) no Proceeding before or of any court, judicial, administrative or Governmental Authority, arbitrator(s) or other body is taking place, pending or threatened against it or against any of its or their respective assets which might have a material adverse effect on its business, assets, condition or operations taken as a whole, or might adversely affect its ability duly and punctually to perform and observe all its obligations hereunder;
- (d) (in respect of a corporate entity) it is a company duly incorporated and validly existing in all respects under the laws of the jurisdiction of its incorporation with full power and authority to own its assets and to carry on its business as it is now being conducted and no action has been taken or threatened (whether by it or any third party) for or with a view to its or their liquidation, receivership or analogous process; and
- (e) neither the execution and delivery by it of this Deed nor the performance substantially or observance of any of its obligations thereunder does or will cause any limitation on any of its powers whatsoever, howsoever imposed, or on the right or ability of the directors of it to exercise such powers, to be exceeded.

## **18 DEFAULT**

### **18.1 Events of default**

18.1.1 A default event occurs if:





- (a) MCC has committed a breach of any provision of his Employment Agreement and shall have failed to remedy such breach, if capable of remedy, within 30 Business Days after the date of a notice from the Company specifying the nature of the breach and requiring such breach to be remedied;
- (b) If MCC does not remain employed by BTG or its Affiliates in any capacity during the Term (as defined in the Employment Agreement) and/or the Employment Agreement is terminated pursuant to clauses 10.2(b)(ii) or 10.2(b)(iii) of the Employment Agreement;
- (c) Either Party has committed a material breach of any provision of this Deed and shall have failed to remedy such breach, if capable of remedy, within 30 Business Days after the date of a notice from the non-defaulting Shareholder specifying the nature of the breach and requiring such breach to be remedied; or
- (d) Either Party becomes unable to pay its debts or makes a composition or arrangement with his creditors or puts a proposal to his creditors for a voluntary arrangement for a composition of its/his debts or a scheme of arrangement or has any step taken by and in relation to it with a view to the appointment of an administrator, receiver or manager, judicial manager, official assignee or such similar officer, or has a petition that it/he be put into liquidation or bankruptcy (as the case may be) presented (and such petition is not dismissed, stayed, set aside or withdrawn within 90 Business Days of it being served) or it/he suffers the appointment of an administrator, receiver or manager, judicial manager, official assignee or such similar officer, in respect of any of its/his assets and the same is not stayed, discharged, released or satisfied (as the case may be) within 60 Business Days of such appointment or on the occurrence of an event which would result in the crystallisation of any floating charge over its/his property or assets or any part thereof,

(collectively, the “**Default Events**” and each a “**Default Event**”).

## 18.2 Remedy upon occurrence of a Default Event

18.2.1 If it is notified or established that a Default Event has occurred:

- (a) where RGI and/or MCC is the defaulting Party, BTG shall be entitled (but not obliged) in its sole discretion by written notice to RGI to exercise the Deadlock Call Option;
- (b) where BTG is the defaulting Party, such matter shall be resolved in accordance with Clause 21.15.

The Parties hereby agree that the unsuccessful party to any claim brought pursuant to Clause 18.2.1(b) which has been finally adjudicated on by the arbitrator (and to which no right of appeal lies in respect of such adjudication) shall bear all reasonable costs incurred by the successful party in the commencement, defense and/or conduct of such proceedings.

## 19 TERMINATION

19.1 Subject to Clause 19.4, this Deed shall terminate immediately upon the occurrence of any of the following events, whichever earlier:

- (a) the failure by the Company to release the Scheme Announcement within the time period set out in Clause 4.1.1;

- (b) pursuant to Clause 6.1.3;
  - (c) by the mutual agreement of all Parties and on the date specified in the relevant agreement; or
  - (d) with respect to a Shareholder, where such Shareholder ceases to hold any Shares in the Company save for any provisions which are expressed to continue in force after such termination.
- 19.2 Termination of this Deed shall be without prejudice to the rights or obligations of any Party accrued prior to such termination, or under any provision which is expressly stated not to be affected by such termination including in respect of any prior breach of this Deed.
- 19.3 The following provisions of this Deed shall remain in full force notwithstanding termination:
- (a) Clause 1 (*Definitions and interpretation*);
  - (b) Clause 16 (*Non-Compete and Non-Solicit*);
  - (c) Clause 19 (*Termination*);
  - (d) Clause 20 (*Confidentiality*); and
  - (e) Clause 21 (*General*), except for Clause 21.6 (*Further Assurance*) and Clause 21.12 (*Counterparts*).
- 19.4 Upon the release of the Scheme Announcement, neither Party shall be entitled to terminate this Deed except upon the lapse of the Scheme, upon the Scheme becoming effective or by the mutual agreement of all Parties.

## **20 CONFIDENTIALITY**

### **20.1 Announcements**

- 20.1.1 Subject to Clause 20.1.2, no announcement or circular in connection with the subject matter of this Deed shall be made or issued by or on behalf of any Party or its Affiliates, without the prior written approval of all Parties.
- 20.1.2 Clause 20.1.1 shall not affect any announcement or circular required by any Applicable Law or the rules of any recognised stock exchange on which the shares of any Party or its Affiliates are listed, but the Party with, or whose Affiliate has, an obligation to make an announcement or issue a circular shall consult with the other Parties, to the extent legally permitted under Applicable Law or the rules of such recognised stock exchange, before complying with such an obligation, and shall take into account the request of the other Parties in relation to the content of such announcement or circular.

### **20.2 Confidentiality Restrictions**

- 20.2.1 Subject to Clause 20.2.2, each Party shall:
- (a) keep confidential all, and shall not make any announcement or otherwise disclose to any Person any, Confidential Information; and
  - (b) not use any Confidential Information other than for the purpose of exercising its rights and performing its obligations under this Deed.





20.2.2 Clause 20.2.1 shall not prohibit the disclosure or use of any Confidential Information if and to the extent:

- (a) the disclosure or use is required by Applicable Law, any Governmental Authority or any recognised stock exchange on which the shares of any of the Parties or their Affiliates are listed;
- (b) the disclosure is made to a Governmental Authority in connection with the Tax affairs of the disclosing Party;
- (c) the disclosure or use is required for the purpose of any judicial Proceedings arising out of this Deed (or any agreement entered into pursuant to this Deed);
- (d) the disclosure or use is necessary to vest the full benefit of this Deed (or any agreement entered into pursuant to this Deed) in any Party;
- (e) the disclosure is made to the representatives of the disclosing Party who have a need to know the relevant information in the ordinary course of their duties or for the purposes of the transactions contemplated by this Deed, provided that such disclosure is made subject to compliance by such representatives with confidentiality obligations on terms substantially similar to the provisions of this Clause 20;
- (f) the disclosure is made to such Affiliate of the disclosing Party to whom information is reported in the ordinary course for the purpose of preparing consolidated financial statements, Tax filings or risk management;
- (g) the information is or becomes publicly available (other than as a result of a breach of this Deed);
- (h) the disclosure is made with the prior written consent of, if the Confidential Information relates only to a particular Party or any of its Affiliates (as the case may be), that Party; and
- (i) such information is independently developed by the relevant Party,

provided that prior to disclosure or use of any information pursuant to Clauses 20.2.2(a), 20.2.2(b) and 20.2.2(c), the Party concerned shall, if not prohibited by Applicable Law, promptly notify the other Parties of such requirement with a view to providing the other Parties with the opportunity to contest such disclosure or use or otherwise to agree on the timing and content of such disclosure or use, provided further that this proviso shall not apply in the event of a Dispute between the Parties.

20.3 The provisions of this Clause 20 shall survive any termination of this Deed.

## 21 GENERAL

### 21.1 Costs

Save as provided in this Deed, each Party shall pay its own costs, charges and expenses incurred by it in connection with the preparation, negotiation, execution and performance of this Deed.

### 21.2 Notice

21.2.1 Any notice or other communication in connection with this Deed (each, a "Notice") shall be:

- (a) in writing; and
- (b) delivered by hand, electronic mail or registered post.

21.2.2 A Notice to BTG shall be sent to the following address, or such other address as BTG may notify to the other Parties from time to time:

Address: Betagro Tower (North Park),  
323 Vibhavadi Rangsit Road,  
Thung Song Hong Sub-district, Lak Si District,  
Bangkok 10210, Thailand

Attention: Mr. Chayadhorn Taepaisitphongse

Email: chayadornt@betagro.com

21.2.3 A Notice to RGI shall be sent to the following address, or such address as RGI may notify to the other Parties from time to time:

Address: 6 Toh Yi Drive, #06-243, Toh Yi Gardens, Singapore (590006)

Attention: Ma Chin Chew

Email: machinchew@gmail.com

A Notice to MCC shall be sent to the following address, or such address as MCC may notify to the other Parties from time to time:

Address: 6 Toh Yi Drive, #06-243, Toh Yi Gardens, Singapore (590006)

Attention: Ma Chin Chew

Email: machinchew@gmail.com

21.2.4 A Notice to the Company shall be sent to the following address, or such address as the Company may notify to the other Parties from time to time:

Address: 1 Lim Chu Kang Lane 9A, Singapore 718845

Attention: Mr. Chayadhorn Taepaisitphongse

Email: chayadornt@betagro.com

21.2.5 A Notice shall be effective upon receipt and shall be deemed to have been received:

- (a) if delivered by hand or registered post, at the time of delivery; or
- (b) if delivered by electronic mail, at the time that it is received in the recipient's inbox.

### 21.3 Reasonableness

Each of the Parties confirm that it has received independent legal advice relating to all the matters provided for in this Deed and agrees that the provisions of this Deed and all documents entered into pursuant to this Deed are fair and reasonable.

### 21.4 No partnership



Nothing in this Deed or in any document referred to in it shall constitute any of the Parties a partner of any other, nor shall the execution, completion and implementation of this Deed confer on any Party any power to bind or impose any obligations to any third parties on the other Party or to pledge the credit of the other Party.

## 21.5 Assignment

21.5.1 No Party may assign (whether absolutely or by way of security and whether in whole or in part), transfer, mortgage, charge or otherwise dispose in any manner whatsoever of the benefit of this Deed to any Person without the prior written consent of the other Party.

21.5.2 This Deed shall be binding on and shall enure for the benefit of each Party and its successors and permitted assigns.

## 21.6 Further Assurance

Each of the Parties shall use its best endeavours to procure and ensure that any third party shall, from time to time execute such documents and perform such acts and things as the Parties may reasonably require to give each of them the full benefit of this Deed.

## 21.7 Invalidity

21.7.1 If any provision in this Deed shall be held to be illegal, invalid or unenforceable, in whole or in part, the provision shall apply with whatever deletion or modification that is necessary so that the provision is legal, valid and enforceable and gives effect to the commercial intention of the Parties.

21.7.2 To the extent it is not possible to delete or modify the provision, in whole or in part, under Clause 21.7.1, then such provision or part of it shall, to the extent that it is illegal, invalid or unenforceable, be deemed not to form part of this Deed and the legality, validity and enforceability of the remainder of this Deed shall, subject to any deletion or modification made under Clause 21.7.1, not be affected.

## 21.8 Remedies and Waivers

21.8.1 No failure on the part of any Party to exercise, and no delay on its part in exercising, any right or remedy under this Deed will operate as a release or waiver thereof, and any single or partial exercise of any right or remedy shall not preclude any other or further exercise thereof or the exercise of any other right or remedy. The rights provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

21.8.2 Any liability to either Party may in whole or in part be released, compounded or compromised, or time or indulgence given, by it in its absolute discretion as regards the other Party without in any way prejudicing or affecting its other rights against the other Party.

## 21.9 Entire Agreement

The written terms and conditions of this Deed (including documents entered into pursuant to this Deed) constitute the entire agreement and understanding between the Parties relating to the subject matter of this Deed and supersede any previous written or oral agreement between the Parties in relation to matters contained in this Deed. No Party has entered into this Deed in reliance upon any representation, warranty or undertaking of any other Party which is not set out or referred to in this Deed. Nothing in this Clause 21.9 shall however operate to limit or exclude liability for fraud, wilful misconduct or wilful concealment by any Party.



## 21.10 Variations

21.10.1 No variation of this Deed (or of any of the documents referred to in this Deed) shall be valid unless it is in writing and signed by or on behalf of each Party. The expression "**variation**" shall include any amendment, supplement, deletion or replacement however effected.

21.10.2 Unless expressly agreed, no variation shall constitute a general waiver of any provisions of this Deed, nor shall it affect any rights, obligations or liabilities under or pursuant to this Deed which have already accrued up to the date of variation, and the rights and obligations of the Parties under or pursuant to this Deed shall remain in full force and effect, except and only to the extent that they are so varied.

## 21.11 Third party rights

No term of this Deed is enforceable under the Contracts (Rights of Third Parties) Act 2001 of Singapore, by a Person who is not a Party to this Deed.

## 21.12 Counterparts

This Deed may be signed in any number of counterparts, all of which taken together shall constitute one and the same instrument. Any Party may enter into this Deed by signing any such counterpart (which may include counterparts delivered by facsimile and/or electronic transmission, with originals to follow) and each counterpart shall be as valid and effectual as if executed as an original.

## 21.13 Specific Performance

Without prejudice to any other rights or remedies a Party may have, the other Party acknowledges and agrees that damages alone may not be an adequate remedy, and that an order for specific performance would be an essential element of any adequate remedy, for any breach of the terms of this Deed. Accordingly, each Party shall be entitled to the remedies of injunction, specific performance and other equitable relief, or any combination of these remedies, for any threatened or actual breach of this Deed.

## 21.14 Governing Law

This Deed shall be governed by, and construed in accordance with, the laws of Singapore.

## 21.15 Dispute Resolution

21.15.1 In the event of any dispute, controversy, difference, conflict or claim arising out of or relating to this Deed or its performance, including without any limitation any question regarding its existence, validity, or a claim for unlawful act under the Applicable Laws ("**Dispute**"), the Parties agree to attempt, for a period of 30 calendar days after the receipt by a Party of a notice from the other Party of the existence of the Dispute ("**Settlement Period**"), to settle the Dispute by amicable settlement between the Parties.

21.15.2 In the event that the Dispute cannot be settled by an amicable settlement within the Settlement Period, such Dispute shall be referred to and finally resolved by arbitration in Singapore in accordance with arbitration rules of the Singapore International Arbitration Centre ("**SIAC**") for the time being in force ("**SIAC Rules**"), which SIAC Rules are deemed to be incorporated by reference in this Clause. The governing law of this arbitration agreement is the laws of Singapore. The seat of arbitration shall be Singapore. The tribunal shall consist of a single arbitrator to be appointed by the President of the Court of Arbitration for the time being of the SIAC. The arbitration shall be conducted wholly in the English language. The decision of the



arbitrator shall be final and binding upon the Parties. Notwithstanding the provisions of Clause 21.2, any notice of arbitration, response, or other communication given to or by a Party to the arbitration must be given and deemed received in accordance with the SIAC Rules.

21.15.3 Nothing in this Clause shall preclude any Party from applying urgent interlocutory relief from any court of competent jurisdiction and for this purpose, the Parties expressly submit to the non-exclusive jurisdiction of such court.

21.15.4 If a dispute arises under this Deed which appears to raise common issues of law or fact with a dispute under the Employment Agreement and/or the deed of indemnity to be entered into between, *inter alia*, the Company, MCC and RGI, then the parties to this Deed agree that the disputes will be consolidated with the tribunal first appointed being appointed as the tribunal for the consolidated proceedings.

**21.16 Prevails over constitution**

If there is any conflict or inconsistency between the provisions of this Deed and the constitutional documents of the Company then as between the Parties, the provisions of this Deed will prevail and the Parties (other than the Company) will forthwith use their best endeavours to procure an amendment to the constitutional documents of the Company so as to remove such conflict or inconsistency.



**SCHEDULE 1**  
**SHAREHOLDING STRUCTURE OF THE COMPANY**

Part A – As at the date of this Deed

<b>Shareholder</b>	<b>Ordinary Shares</b>	<b>Shareholding Percentage</b>
BTG	75	75.00%
RGI	25	25.00%

Part B – Completion of subscription of Rollover Shares

<b>Shareholder</b>	<b>Ordinary Shares</b>	<b>Shareholding Percentage</b>
BTG	76,484,585	75.00%
RGI	25,494,861	25.00%





**SCHEDULE 2**  
**PRINCIPLES FOR DETERMINATION OF EBITDA**

<b>Component</b>	<b>Description</b>	<b>Calculation</b>
Revenue	Total revenue before fair value adjustments of biological assets and agricultural produce	A
Less: Cost of sales	Cost of sales before fair value adjustments of biological assets and agricultural produce	B
<b>Gross Profit</b>	Gross profit excluding fair value adjustments of biological assets and agricultural produce	$C = A - B$
Less: Operating expense	Items considered as operating expense: <ul style="list-style-type: none"> <li>• (+) Selling and distribution expenses</li> <li>• (+) Administrative expenses</li> <li>• Other items to be agreed by the Parties</li> </ul>	D
Add: Other income	Items considered as other income: <ul style="list-style-type: none"> <li>• (+) Income from sale of animal feeds</li> <li>• Other items to be agreed by the Parties</li> </ul> Items not considered as other income: <ul style="list-style-type: none"> <li>• Government grants</li> <li>• Interest and financing income</li> <li>• Currency exchange</li> <li>• Insurance claims</li> <li>• Disposal of non-operating assets (e.g., insurance policy)</li> <li>• Other gain or income items that can be deemed as non-recurring and not part of core activities</li> </ul>	E
Add (less): Other gains or (losses)	Items considered as other gains or (losses): <ul style="list-style-type: none"> <li>• Other items to be agreed by the Parties</li> </ul> Items not considered as other gain or (losses): <ul style="list-style-type: none"> <li>• Gains (Losses) on disposal of property, plant and equipment</li> <li>• Gains (Losses) from derecognition of right-of-use assets</li> <li>• Gains (Losses) on investments in insurance contracts</li> <li>• Impairment of intangible assets and goodwill</li> <li>• Impairment of property plant &amp; equipment</li> <li>• Impairment of financial assets</li> </ul>	F
Add (less): Gains or (losses) arising from biological assets	Items considered as gains or (losses) arising from biological assets: <ul style="list-style-type: none"> <li>• (+) Sales of mature hens or quails</li> <li>• (-) Purchase of immature hens or quails</li> <li>• (-) Purchase of quail hatching eggs</li> <li>• (-) Capitalised cost of biological assets (chicken feed, direct labour and other cost to feed and grow the day-old chicks to 19 weeks-old layers)</li> <li>• Other items to be agreed by the Parties</li> </ul>	G
<b>Normalized EBIT</b>	Normalized earnings before interest and tax	$H = C - D + E + F + G$
Add: Depreciation and amortization expense	Items considered as depreciation and amortization expense: <ul style="list-style-type: none"> <li>• (+) Depreciation of property, plant, and equipment</li> <li>• (+) Amortisation of intangible assets</li> <li>• (+) Amortisation of biological assets (amortization expense of 19 to 89 weeks-old layers)</li> </ul>	I
<b>Normalized EBITDA</b>	Normalized earnings before interest, tax, depreciation and amortization	$J = H + I$

**SCHEDULE 3  
PRINCIPLES FOR DETERMINATION OF NET DEBT**

Component	Description	Calculation
Add: Short-term and long-term borrowing	Including but not limited to the following: <ul style="list-style-type: none"> <li>• Bank loan (short-term and long-term)</li> <li>• Bridge loan</li> <li>• Revolving loan</li> <li>• Syndicated loan</li> <li>• Bonds</li> <li>• Debentures</li> <li>• Promissory note</li> <li>• Bill of exchange</li> <li>• Any other borrowing</li> </ul>	A
Add: Short-term and long-term lease liability and contract liabilities	Including but not limited to the following: <ul style="list-style-type: none"> <li>• Finance lease</li> <li>• Operating lease</li> <li>• Hire purchase</li> <li>• Any other lease liabilities and contract liabilities</li> </ul>	B
Add: Income tax payable	All income tax payables	C
Add: Acquisition consideration	Consideration price for acquired companies or assets that have not yet been paid and/or not reflected on the balance sheet	D
Add: Capital expenditures (CAPEX) related payables	Outstanding payables directly related to capital expenditures including but not limited to property, plant, and equipment	E
Add: Non-controlling interests	Portion of equity that is attributable to minority shareholders in subsidiaries	F
Add: Accrued interest on loans	Interest expenses that have accrued on outstanding borrowings that have not been paid	G
Add: CAPEX commitments	Contracted commitments for future capital expenditures that have not yet been paid and/or not be reflected on the balance sheet	H
Add: Other commitments	Other contracted commitments that have not yet been paid and/or not reflected on the balance sheet including but not limited to any non-compete payment	I
Less: Cash and cash equivalents	Cash and cash equivalent as reported in the financial report excluding any cash from shareholder loan	J
Less: Investments in financial assets	Investment in shares, bonds and other non-operating financial instruments	K
<b>Net Debt</b>	Debt and debt-like items less cash and cash equivalents	$L = A + B + C + D + E + F + G + H + I - J - K$





**SCHEDULE 4  
DRAFT SCHEME ANNOUNCEMENT**

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*This joint announcement is not for release, publication or distribution, in whole or in part, in, into or from any jurisdiction where to do so would constitute a violation of the applicable laws or regulations of such jurisdiction.*

**BETAGRO FOODS  
(SINGAPORE) PTE. LTD.**  
*(Incorporated in Singapore  
as a private company limited by shares)*

**EGGRICULTURE FOODS LTD.**  
**永續農業發展有限公司**  
*(Incorporated in the Cayman Islands with  
limited liability)*  
**(Stock Code: 8609)**

## **JOINT ANNOUNCEMENT**

- (1) PROPOSED PRIVATISATION OF  
EGGRICULTURE FOODS LTD.  
BY BETAGRO FOODS (SINGAPORE) PTE. LTD.  
BY WAY OF A SCHEME OF ARRANGEMENT  
UNDER SECTION 86 OF THE COMPANIES ACT**
- (2) PROPOSED WITHDRAWAL OF LISTING OF  
EGGRICULTURE FOODS LTD.**
- (3) SPECIAL DEAL RELATING TO THE OFFEROR  
COOPERATION ARRANGEMENT**
- (4) ESTABLISHMENT OF THE INDEPENDENT BOARD  
COMMITTEE**
- (5) APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER  
AND**
- (6) RESUMPTION OF TRADING**

**Financial Adviser to the Offeror**





## Independent Financial Adviser to the Independent Board Committee

[Logo]

### INTRODUCTION

On 15 August 2024, the Offeror requested the Board to put forward the Proposal to the Scheme Shareholders for the proposed privatisation of the Company by way of a scheme of arrangement under Section 86 of the Companies Act. The Offeror and the Company entered into the Implementation Agreement on [15] August 2024 in connection with the implementation of the Proposal.

### TERMS OF THE PROPOSAL

Subject to the Scheme becoming effective, all of the Scheme Shares will be cancelled at the Cancellation Price of HK\$1.185 for each Scheme Share, among which (a) [375,000,000] Scheme Shares (comprising [169,800,000] Founder Scheme Shares and [205,200,000] Other Scheme Shares) (representing in aggregate [75]% of the issued Shares as at the date of this joint announcement) shall be cancelled in consideration for the Cancellation Price in cash; and (b) [125,000,000] Founder Rollover Scheme Shares (representing [25]% of the issued Shares as at the date of this joint announcement) will be cancelled in consideration of the Cancellation Price which shall be satisfied by the Offeror allotting and issuing to the Founder Holdco Offeror Shares credited as fully paid.

**The Offeror will not increase the Cancellation Price and does not reserve the right to do so. Shareholders and potential investors should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Cancellation Price.**

The Cancellation Price of HK\$[1.185] per Scheme Share represents:

- (a) a premium of approximately [141.8]% over the closing price of HK\$[0.490] per Share as quoted on the Hong Kong Stock Exchange on the Last Trading Date;
- (b) a premium of approximately [138.9]% over the average closing price of approximately HK\$[0.496] per Share as quoted on the Hong Kong Stock Exchange for the five trading days up to and including the Last Trading Date;
- (c) a premium of [approximately] [142.3]% over the average closing price of approximately HK\$[0.489] per Share as quoted on the

Hong Kong Stock Exchange for the 10 trading days up to and including the Last Trading Date;

- (d) a premium of approximately [146.7]% over the average closing price of approximately HK\$[0.480] per Share as quoted on the Hong Kong Stock Exchange for the 30 trading days up to and including the Last Trading Date;
- (e) a premium of approximately [180.9]% over the average closing price of [approximately] HK\$[0.422] per Share as quoted on the Hong Kong Stock Exchange for the 60 trading days up to and including the Last Trading Date;
- (f) a premium of approximately [207.5]% over the average closing price of [approximately] HK\$[0.385] per Share as quoted on the Hong Kong Stock Exchange for the 90 trading days up to and including the Last Trading Date;
- (g) a premium of approximately [258.0]% over the average closing price of approximately HK\$[0.331] per Share as quoted on the Hong Kong Stock Exchange for the 180 trading days up to and including the Last Trading Date; and
- (h) a premium of approximately [52.8]% over the audited consolidated net asset value attributable to Shareholders per Share of approximately HK\$[0.776] as at 31 March 2024, calculated based on the audited consolidated net asset value of the Company attributable to the Shareholders of approximately S\$65,731,000 as at 31 March 2024 (equivalent to approximately HK\$[387,821,900]) and 500,000,000 Shares in issue as at the date of this joint announcement.

#### **CONDITIONS OF THE PROPOSAL AND THE SCHEME**

The Proposal and the Scheme will only become effective and binding on the Company and all of the Scheme Shareholders if the following Conditions are fulfilled or waived (as applicable):

- (a) the approval of the Scheme (by way of poll) by the Scheme Shareholders representing not less than 75% in value of the Scheme Shares held by the Scheme Shareholders entitled to vote at the Court Meeting, present and voting either in person or by proxy at the Court Meeting;
- (b) (i) the approval of the Scheme (by way of a poll) by not less than 75% of the votes attaching to the Scheme Shares held by the Disinterested Shareholders entitled to vote at the Court Meeting, present and voting either in person or by proxy at the Court Meeting; and (ii) the number of votes cast (by way of a poll) by the Disinterested Shareholders present and voting either in person or



by proxy at the Court Meeting against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all Scheme Shares held by the Disinterested Shareholders;

- (c) the passing of (i) a special resolution by a majority of not less than three-fourths of the votes cast by the Shareholders present and voting in person or by proxy at the EGM to approve and give effect to any reduction of the issued Shares on the Effective Date by cancelling the Scheme Shares; and (ii) an ordinary resolution by a simple majority of the votes cast by the Shareholders present and voting in person or by proxy at the EGM to approve the simultaneous maintenance of the issued Shares at the amount immediately prior to the cancellation of the Scheme Shares by issuing to the Offeror such number of new Shares as is equal to the number of Scheme Shares cancelled and apply the reserve created in the Company's books of account as a result of the aforesaid cancellation of the Scheme Shares to pay up in full at par such new Shares so issued;
- (d) the sanction of the Scheme (with or without modifications) by the Grand Court and to the extent necessary its confirmation of any reduction of the issued Shares as a result of the cancellation of the Scheme Shares, and the delivery to the Registrar of Companies in the Cayman Islands of a copy of the order of the Grand Court for registration;
- (e) compliance, to the extent necessary, with the applicable procedural requirements and conditions, if any, under the Companies Act in relation to any reduction of the issued Shares as a result of the cancellation of the Scheme Shares;
- (f) in relation to the Offeror Cooperation Arrangement: (i) the receipt of an opinion from the Independent Financial Adviser to the Independent Board Committee confirming that the Offeror Cooperation Arrangement is fair and reasonable as far as the Disinterested Shareholders are concerned; (ii) the passing of an ordinary resolution by the Disinterested Shareholders at the EGM to approve the Offeror Cooperation Arrangement; and (iii) the grant of consent under Rule 25 of the Takeovers Code from the Executive to the Offeror Cooperation Arrangement;
- (g) all of the Approvals having been obtained, completed and/or made and remaining in full force and effect without modification or variation up to and as at the Effective Date;
- (h) all Applicable Laws having been complied with and no legal, regulatory or administrative requirement having been imposed by any Authority in any jurisdiction which is not expressly provided for, or is in addition to the legal, regulatory and administrative

requirements which are expressly provided for, in the Applicable Laws in connection with the Proposal or the Scheme;

- (i) no Authority in any jurisdiction having taken or instituted any action, proceeding, suit, investigation or enquiry (or enacted, made or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order), in each case, which would make the Proposal or the Scheme void, unenforceable, illegal or impracticable (or which would impose any material and adverse conditions or obligations in connection with the Proposal or the Scheme); and
- (j) since the date of this joint announcement, there having been no adverse change to the business, financial or trading position of the Group which is material in the context of the Group taken as a whole or in the context of the Proposal.

The Conditions in paragraphs (a) to (f) (inclusive) cannot be waived. The Offeror reserves the right to waive all or any of the Conditions in paragraphs (g) to (j) (inclusive) above in whole or in part, either generally or in respect of any particular matter. The Company has no right to waive any of the Conditions. All of the Conditions must be fulfilled or waived, as applicable, on or before the Long Stop Date, failing which the Proposal and the Scheme will lapse.

#### **CONFIRMATION OF FINANCIAL RESOURCES**

On the basis of the Cancellation Price of HK\$1.185 per Scheme Share and there being 500,000,000 Shares in issue as at the date of this joint announcement, the aggregate consideration payable for the Scheme Shares is HK\$[592,500,000].

Pursuant to the Shareholders' Deed, [125,000,000] Founder Rollover Scheme Shares (representing [25]% of the issued Shares) held by the Founder Holdco will be cancelled in consideration for the Cancellation Price, which shall be satisfied by the Offeror allotting and issuing to the Founder Holdco Offeror Shares credited as fully paid. The remaining [375,000,000] Scheme Shares (comprising [169,800,000] Founder Scheme Shares and [205,200,000] Other Scheme Shares) (representing in aggregate [75]% of the issued Shares) shall be cancelled in consideration for the Cancellation Price in cash. As such, assuming that no new Shares are issued on or before the Scheme Record Date, the amount of cash consideration payable to implement the Proposal in full will be HK\$[444,375,000].

The Offeror intends to finance the cash consideration payable under the Proposal in full by [funds from Betagro].

Lego Corporate Finance, being the financial adviser to the Offeror in connection with the Proposal, is satisfied that [sufficient financial resources are and will remain available to the Offeror to satisfy in full its payment



obligations in respect of the cash consideration payable by the Offeror under the Proposal].

#### **OFFEROR COOPERATION ARRANGEMENT**

As part of the Proposal, Betagro, Mr. Ma, the Founder Holdco and/or the Offeror have entered into the Offeror Cooperation Arrangement, comprising (i) the Shareholders' Deed; (ii) the Service Deed; and (iii) the Deed of Indemnity. As the Offeror Cooperation Arrangement contains special arrangements not offered to all Shareholders, the Offeror Cooperation Arrangement constitutes a special deal and requires the consent of the Executive under Rule 25 of the Takeovers Code. The Offeror [has made] an application for consent from the Executive in relation to [the Offeror Cooperation Arrangement conditional on the Independent Financial Adviser confirming to the Independent Board Committee that the Offeror Cooperation Arrangement is fair and reasonable as far as the Disinterested Shareholders are concerned and the passing of an ordinary resolution by the Disinterested Shareholders at the EGM to approve the Offeror Cooperation Arrangement]. Accordingly, as set out in Condition [(f)], the Proposal and the Scheme are subject to [(i) the receipt of an opinion from the Independent Financial Adviser to the Independent Board Committee confirming that the Offeror Cooperation Arrangement is fair and reasonable as far as the Disinterested Shareholders are concerned; (ii) the passing of an ordinary resolution by the Disinterested Shareholders at the EGM to approve the Offeror Cooperation Arrangement; and (iii) the grant of consent under Rule 25 of the Takeovers Code from the Executive to the Offeror Cooperation Arrangement].

#### **INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

The Independent Board Committee, comprising [all the independent non-executive Directors, namely Mr. Sneddon Donald William, Mr. Yuen Ka Lok Ernest and Mr. Lew Chern Yong], [has been established] by the Board to make recommendations to the Disinterested Shareholders as to: (i) whether the terms of the Proposal (including the Offeror Cooperation Arrangement) and the Scheme are, or are not, fair and reasonable; and (ii) whether to vote in favour of the Scheme at the Court Meeting and the resolutions in connection with the implementation of the Proposal (including the Offeror Cooperation Arrangement) at the EGM.

[Opus Capital] [has been appointed] as the Independent Financial Adviser to advise the Independent Board Committee in connection with the Proposal and the Scheme. Such appointment [has been approved] by the Independent Board Committee pursuant to Rule 2.1 of the Takeovers Code. The letter of advice of the Independent Financial Adviser to the Independent Board Committee in connection with the Proposal (including the Offeror Cooperation Arrangement) and the Scheme will be included in the Scheme Document to be despatched jointly by the Company and the Offeror to the Shareholders.

## **DESPATCH OF THE SCHEME DOCUMENT**

The Scheme Document containing, among other things: (a) further details of the Proposal (including the Offeror Cooperation Arrangement) and the Scheme; (b) an explanatory statement in respect of the Scheme as required under the Companies Act and the rules of the Grand Court; (c) the expected timetable relating to the Proposal and the Scheme; (d) a letter from the Independent Board Committee containing its recommendations to the Disinterested Shareholders in respect of the Proposal (including the Offeror Cooperation Arrangement) and the Scheme; (e) a letter of advice from the Independent Financial Adviser containing its advice to the Independent Board Committee in respect of the Proposal (including the Offeror Cooperation Arrangement) and the Scheme; and (f) notices of the Court Meeting and the EGM (including proxy forms relating to such meetings for use by the relevant Shareholders), will be despatched to the Shareholders as soon as practicable and in compliance with the requirements of the Takeovers Code and Applicable Laws.

## **WITHDRAWAL OF LISTING OF THE SHARES**

Upon the Scheme becoming effective, all of the Scheme Shares will be cancelled and the share certificates in respect of the Scheme Shares will thereafter cease to have effect as documents or evidence of title. The Company will make an application to the Hong Kong Stock Exchange for the withdrawal of the listing of the Shares on GEM of the Hong Kong Stock Exchange in accordance with Rule 9.23 of the GEM Listing Rules with effect immediately following the Effective Date.

## **IF THE SCHEME IS NOT APPROVED OR THE PROPOSAL LAPSES**

Subject to the requirements of the Takeovers Code, the Proposal and the Scheme will lapse if any of the Conditions has not been fulfilled or (where applicable) waived on or before the Long Stop Date. If the Scheme is not approved or the Proposal otherwise lapses, the listing of the Shares on GEM of the Hong Kong Stock Exchange will not be withdrawn.

## **RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares on GEM of the Hong Kong Stock Exchange was halted from 9:00 a.m. on Friday, 16 August 2024, pending the publication of this joint announcement.

An application has been made by the Company to the Hong Kong Stock Exchange for the resumption of trading in the Shares on GEM of the Hong Kong Stock Exchange with effect from [9:00 a.m.] on [\*]day, [\*] 2024.

*This joint announcement is not intended to, and does not, constitute or form part of any offer to sell or subscribe for or an invitation to purchase or subscribe for any securities or the solicitation of any vote, approval or acceptance in any*



*jurisdiction pursuant to the Proposal or otherwise, nor shall there be any sale, issuance or transfer of securities of the Company in any jurisdiction in contravention of Applicable Laws. The Proposal will be made solely through the Scheme Document, which will contain the full terms and conditions of the Proposal, including details of how to vote on the Proposal. Any approval or other response to the Proposal should be made only on the basis of information in the Scheme Document.*

*The availability of the Proposal to persons who are citizens, residents or nationals of a jurisdiction other than Hong Kong may be affected by the laws of the relevant jurisdiction in which they are located or resident or of which they are citizens. Such Scheme Shareholders should inform themselves about, and observe, any applicable legal, regulatory or tax requirements in their respective jurisdictions and, where necessary, seek their own legal advice. Further information in relation to overseas Shareholders will be contained in the Scheme Document.*

### **NOTICE TO U.S. INVESTORS**

*The Proposal and the Scheme relate to the cancellation of the securities of a company incorporated under the laws of the Cayman Islands by way of a scheme of arrangement provided for under the Companies Act. The Proposal and the Scheme are subject to Hong Kong procedural disclosure requirements and practices which are different from those of the United States.*

*A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules or the proxy solicitation rules of the United States Securities Exchange Act of 1934. Accordingly, the Proposal and the Scheme are subject to the procedural and disclosure requirements and practices applicable in the Cayman Islands and Hong Kong to schemes of arrangement and securities offer, which differ from the disclosure and procedural and practice requirements applicable under United States federal securities laws.*

*The receipt of cash pursuant to the Proposal or the Scheme by a U.S. holder of the Scheme Shares may be a taxable transaction for U.S. federal income tax purposes and under applicable U.S. state and local, as well as foreign and other, tax laws. Each holder of the Scheme Shares is urged to consult his/her/its independent professional adviser immediately regarding the tax consequences of the Proposal and the Scheme applicable to him/her/it.*

*It may be difficult for a U.S. holder of the Scheme Shares to enforce his/her/its rights and claims arising out of the U.S. federal securities laws, as the Offeror and the Company are incorporated in a country other than the United States, and some or all of their respective officers and directors may be residents of a country other than the United States. A U.S. holder of the Scheme Shares may not be able to sue a non-U.S. company or its officers or directors in a non-U.S. court for violations of the U.S. securities laws. Further, a U.S. holder of the Scheme Shares may be difficult to compel a non-U.S. company and its affiliates to subject themselves to a U.S. court's judgement.*

*Neither the U.S. Securities and Exchange Commission nor any U.S. state securities commission has approved or disapproved the Proposal or the Scheme, or determined if this joint announcement is accurate or complete. Any representation to the contrary is a criminal offence in the United States.*

*This joint announcement is not intended to, and does not, constitute, or form part of, an offer or invitation to purchase or subscribe for any securities of the Company in the United States.*

*Forward-Looking Statements: This joint announcement may include forward-looking statements. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “envisages”, “estimates”, “anticipates”, “expects”, “intends”, “may”, “will” or “should” or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts and include statements regarding the Offeror’s, the Company’s or their respective affiliates’ intentions, beliefs or current expectations. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Readers are cautioned that forward-looking statements are not guarantees of future performance and that actual results or developments may differ materially from those made in or suggested by the forward-looking statements contained in this joint announcement, and may not be indicative of results or developments in subsequent periods. The forward-looking statements and information contained in this joint announcement are made as of the date hereof and each of the Offeror and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws or the Takeovers Code.*

*Financial information disclosed in respect of the Proposal and the Scheme has been or will have been prepared in accordance with non-U.S. accounting standards that may not be comparable to financial information of U.S. companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.*

## **1. INTRODUCTION**

On 15 August 2024, the Offeror requested the Board to put forward the Proposal to the Scheme Shareholders for the proposed privatisation of the Company by way of a scheme of arrangement under Section 86 of the Companies Act. The Offeror and the Company entered into the Implementation Agreement on [15] August 2024 in connection with the implementation of the Proposal.

If the Proposal is approved and implemented:

- (a) the [294,800,000] Scheme Shares (representing [58.96]% of the issued Shares) held by the Founder Holdco will be cancelled on



the Effective Date in consideration for the Cancellation Price, among which:

- (i) [169,800,000] Founder Scheme Shares (representing [33.96]% of the issued Shares) will be cancelled in consideration for the Cancellation Price which shall be paid by the Offeror in cash; and
  - (ii) [125,000,000] Founder Rollover Scheme Shares (representing [25]% of the issued Shares) will be cancelled in consideration for the Cancellation Price, which shall be satisfied by the Offeror allotting and issuing to the Founder Holdco Offeror Shares credited as fully paid;
- (b) the [205,200,000] Other Scheme Shares (representing [41.04]% of the issued Shares) will be cancelled on the Effective Date in consideration for the Cancellation Price which shall be paid by the Offeror in cash;
  - (c) simultaneous with the cancellation of the Scheme Shares, the issued share capital of the Company will be maintained by the issuance to the Offeror, credited as fully paid, the aggregate number of new Shares as is equal to the number of cancelled Scheme Shares, such that the Company will become directly wholly owned by the Offeror. The reserve created in the Company's books of account as a result of the aforesaid cancellation of the Scheme Shares will be applied in paying up in full at par such new Shares so issued; and
  - (d) the Company will make an application to the Hong Kong Stock Exchange for the withdrawal of the listing of the Shares on GEM of the Hong Kong Stock Exchange with effect immediately following the Effective Date.

In compliance with Rule 20.1(a) of the Takeovers Code, upon the Scheme becoming effective, the consideration for cancellation of the [169,800,000] Founder Scheme Shares and the [205,200,000] Other Scheme Shares will be paid to the Scheme Shareholders whose names appear in the register of members of the Company on the Scheme Record Date as soon as possible, but in any event no later than seven business days (as defined in the Takeovers Code) after the Effective Date.

## **2. TERMS OF THE PROPOSAL**

Subject to the Scheme becoming effective, all of the Scheme Shares will be cancelled at the Cancellation Price of HK\$1.185 for each Scheme Share, among which (a) [375,000,000] Scheme Shares (comprising [169,800,000] Founder Scheme Shares and [205,200,000] Other Scheme

Shares) (representing in aggregate [75]% of the issued Shares as at the date of this joint announcement) shall be cancelled in consideration for the Cancellation Price in cash; and (b) [125,000,000] Founder Rollover Scheme Shares (representing [25]% of the issued Shares as at the date of this joint announcement) will be cancelled in consideration of the Cancellation Price which shall be satisfied by the Offeror allotting and issuing to the Founder Holdco Offeror Shares credited as fully paid.

**The Offeror will not increase the Cancellation Price and does not reserve the right to do so. Shareholders and potential investors should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Cancellation Price.**

The Cancellation Price of HK\$[1.185] per Scheme Share represents:

- (i) a premium of approximately [141.8]% over the closing price of HK\$[0.490] per Share as quoted on the Hong Kong Stock Exchange on the Last Trading Date;
- (j) a premium of approximately [138.9]% over the average closing price of approximately HK\$[0.496] per Share as quoted on the Hong Kong Stock Exchange for the five trading days up to and including the Last Trading Date;
- (k) a premium of [approximately] [142.3]% over the average closing price of approximately HK\$[0.489] per Share as quoted on the Hong Kong Stock Exchange for the 10 trading days up to and including the Last Trading Date;
- (l) a premium of approximately [146.7]% over the average closing price of approximately HK\$[0.480] per Share as quoted on the Hong Kong Stock Exchange for the 30 trading days up to and including the Last Trading Date;
- (m) a premium of approximately [180.9]% over the average closing price of [approximately] HK\$[0.422] per Share as quoted on the Hong Kong Stock Exchange for the 60 trading days up to and including the Last Trading Date;
- (n) a premium of approximately [207.5]% over the average closing price of [approximately] HK\$[0.385] per Share as quoted on the Hong Kong Stock Exchange for the 90 trading days up to and including the Last Trading Date;
- (o) a premium of approximately [258.0]% over the average closing price of approximately HK\$[0.331] per Share as quoted on the Hong Kong Stock Exchange for the 180 trading days up to and including the Last Trading Date; and



- (p) a premium of approximately [52.8]% over the audited consolidated net asset value attributable to Shareholders per Share of approximately HK\$[0.776] as at 31 March 2024, calculated based on the audited consolidated net asset value of the Company attributable to the Shareholders of approximately S\$65,731,000 as at 31 March 2024 (equivalent to approximately HK\$[387,821,900]) and 500,000,000 Shares in issue as at the date of this joint announcement.

The Cancellation Price has been determined on a commercial basis after taking into account, among other things, the recent and historical prices of the Shares traded on the Hong Kong Stock Exchange, the historical financial performance and business prospects of the Group and with reference to other privatisation transactions in Hong Kong in recent years.

### **Highest and lowest prices**

During the six-month period ended on and including the Last Trading Date, the highest closing price of the Shares as quoted on the Hong Kong Stock Exchange was HK\$0.54 on 7 August 2024, and the lowest closing price of the Shares as quoted on the Hong Kong Stock Exchange was HK\$0.25 on 15 February 2024, 21 February 2024 and 22 February 2024.

### **Dividend payment by the Company**

As at the date of this joint announcement, the Company has not declared any dividend or other distribution which remains unpaid, and the Company does not intend to make, declare and/or pay any dividend or make other distributions on or before the Effective Date or the date on which the Scheme is not approved, or the Proposal otherwise lapses (as the case may be).

In the event that any dividend and/or other distribution and/or other return of capital is announced, declared or paid in respect of the Scheme Shares after the date of this joint announcement, the Offeror reserves the right to reduce the Cancellation Price by all or any part of the amount or value of such dividend, distribution and/or, as the case may be, return of capital subject to compliance with the Takeovers Code, in which case any reference in this joint announcement, the Scheme Document or any other announcement(s) or document(s) to the Cancellation Price will be deemed to be a reference to the Cancellation Price as so reduced.

## **3. CONDITIONS OF THE PROPOSAL AND THE SCHEME**

The Proposal and the Scheme will only become effective and binding on the Company and all of the Scheme Shareholders if the following Conditions are fulfilled or waived (as applicable):

- (k) the approval of the Scheme (by way of poll) by the Scheme Shareholders representing not less than 75% in value of the Scheme Shares held by the Scheme Shareholders entitled to vote at the Court Meeting, present and voting either in person or by proxy at the Court Meeting;
- (l) (i) the approval of the Scheme (by way of a poll) by not less than 75% of the votes attaching to the Scheme Shares held by the Disinterested Shareholders entitled to vote at the Court Meeting, present and voting either in person or by proxy at the Court Meeting; and (ii) the number of votes cast (by way of a poll) by the Disinterested Shareholders present and voting either in person or by proxy at the Court Meeting against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all Scheme Shares held by the Disinterested Shareholders;
- (m) the passing of (i) a special resolution by a majority of not less than three-fourths of the votes cast by the Shareholders present and voting in person or by proxy at the EGM to approve and give effect to any reduction of the issued Shares on the Effective Date by cancelling the Scheme Shares; and (ii) an ordinary resolution by a simple majority of the votes cast by the Shareholders present and voting in person or by proxy at the EGM to approve the simultaneous maintenance of the issued Shares at the amount immediately prior to the cancellation of the Scheme Shares by issuing to the Offeror such number of new Shares as is equal to the number of Scheme Shares cancelled and apply the reserve created in the Company's books of account as a result of the aforesaid cancellation of the Scheme Shares to pay up in full at par such new Shares so issued;
- (n) the sanction of the Scheme (with or without modifications) by the Grand Court and to the extent necessary its confirmation of any reduction of the issued Shares as a result of the cancellation of the Scheme Shares, and the delivery to the Registrar of Companies in the Cayman Islands of a copy of the order of the Grand Court for registration;
- (o) compliance, to the extent necessary, with the applicable procedural requirements and conditions, if any, under the Companies Act in relation to any reduction of the issued Shares as a result of the cancellation of the Scheme Shares;
- (p) in relation to the Offeror Cooperation Arrangement: (i) the receipt of an opinion from the Independent Financial Adviser to the Independent Board Committee confirming that the Offeror Cooperation Arrangement is fair and reasonable as far as the Disinterested Shareholders are concerned; (ii) the passing of an ordinary resolution by the Disinterested Shareholders at the EGM to approve the Offeror Cooperation Arrangement; and (iii) the grant of

consent under Rule 25 of the Takeovers Code from the Executive to the Offeror Cooperation Arrangement;

- (q) all of the Approvals having been obtained, completed and/or made and remaining in full force and effect without modification or variation up to and as at the Effective Date;
- (r) all Applicable Laws having been complied with and no legal, regulatory or administrative requirement having been imposed by any Authority in any jurisdiction which is not expressly provided for, or is in addition to the legal, regulatory and administrative requirements which are expressly provided for, in the Applicable Laws in connection with the Proposal or the Scheme;
- (s) no Authority in any jurisdiction having taken or instituted any action, proceeding, suit, investigation or enquiry (or enacted, made or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order), in each case, which would make the Proposal or the Scheme void, unenforceable, illegal or impracticable (or which would impose any material and adverse conditions or obligations in connection with the Proposal or the Scheme); and
- (t) since the date of this joint announcement, there having been no adverse change to the business, financial or trading position of the Group which is material in the context of the Group taken as a whole or in the context of the Proposal.

The Conditions in paragraphs (a) to (f) (inclusive) cannot be waived. The Offeror reserves the right to waive all or any of the Conditions in paragraphs (g) to (j) (inclusive) above in whole or in part, either generally or in respect of any particular matter. The Company has no right to waive any of the Conditions. All of the Conditions must be fulfilled or waived, as applicable, on or before the Long Stop Date, failing which the Proposal and the Scheme will lapse.

Pursuant to Note 2 to Rule 30.1 of the Takeovers Code, the Offeror may only invoke any or all of the Conditions as a basis for not proceeding with the Scheme if the circumstances which give rise to the right to invoke any such Condition are of material significance to the Offeror in the context of the Proposal.

As at the date of this joint announcement and based on the information available to the Offeror and the Company, other than pursuant to the Conditions in paragraphs (a) to [(f)] (inclusive) above, the Offeror and the Company are not aware of any circumstances which may result in any of the Conditions in paragraphs [(g)] to [(i)] (inclusive) above not being satisfied.



If the Conditions are satisfied or (where applicable) waived, the Scheme will be binding on all of the Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the EGM.

## **WARNINGS**

**Shareholders and potential investors should be aware that the implementation of the Proposal and the Scheme is subject to the Conditions being fulfilled or (where applicable) waived. Accordingly, the Proposal may or may not be implemented and the Scheme may or may not become effective. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.**

## **4. CONFIRMATION OF FINANCIAL RESOURCES**

On the basis of the Cancellation Price of HK\$1.185 per Scheme Share and there being 500,000,000 Shares in issue as at the date of this joint announcement, the aggregate consideration payable for the Scheme Shares is HK\$[592,500,000].

Pursuant to the Shareholders' Deed, [125,000,000] Founder Rollover Scheme Shares (representing [25]% of the issued Shares) held by the Founder Holdco will be cancelled in consideration for the Cancellation Price, which shall be satisfied by the Offeror allotting and issuing to the Founder Holdco Offeror Shares credited as fully paid. The remaining [375,000,000] Scheme Shares (comprising [169,800,000] Founder Scheme Shares and [205,200,000] Other Scheme Shares) (representing in aggregate [75]% of the issued Shares) shall be cancelled in consideration for the Cancellation Price in cash. As such, assuming that no new Shares are issued on or before the Scheme Record Date, the amount of cash consideration payable to implement the Proposal in full will be HK\$[444,375,000].

The Offeror intends to finance the cash consideration payable under the Proposal in full by [funds from Betagro].

Lego Corporate Finance, being the financial adviser to the Offeror in connection with the Proposal, is satisfied that [sufficient financial resources are and will remain available to the Offeror to satisfy in full its payment obligations in respect of the cash consideration payable by the Offeror under the Proposal].

## **5. ARRANGEMENTS MATERIAL TO THE PROPOSAL**

### **Implementation Agreement**

On [15] August 2024, the Offeror and the Company entered into the Implementation Agreement, pursuant to which the parties have agreed to use all reasonable endeavours to do all such things within their power to implement the Proposal and cooperate to obtain all Approvals required in connection with the Proposal.

Under the Implementation Agreement, the Company has undertaken to the Offeror, among other things: (a) to use all reasonable endeavours to implement the Scheme; (b) to, and to procure each member of the Group to, maintain all licences necessary for the carrying on of the businesses and operations of each member of the Group and not to permit or suffer any of such licences to lapse; and (c) to procure that, prior to the earlier of the Effective Date and termination of the Implementation Agreement, unless otherwise approved by the Shareholders in a general meeting in accordance with Rule 4 of the Takeovers Code, the Group shall not take certain actions, including: (i) carrying on the respective businesses of each member of the Group other than in the ordinary and usual course of business; (ii) allotting, issuing, authorising or proposing the issue of any securities or making any change to its share capital, other than in respect of wholly-owned member of the Group; (iii) in respect of the Company only, recommending, proposing, declaring, paying or making any bonus issue, dividend or other distribution, whether payable in cash or otherwise; (iv) merging with any body corporate or acquiring or disposing of any assets or authorising, proposing or announcing any intention to propose any merger, demerger, acquisition or disposal, other than in the ordinary and usual course of business of the Group; (v) issuing, authorising or proposing the issue of any debentures or incurring or increasing any indebtedness or contingent liabilities other than in the ordinary and usual course of business of the Group; (vi) entering into any agreements or arrangements or exercising any options to the effect of incurrance of commitment involving material capital expenditure as stipulated in the Implementation Agreement; (vii) compromising or settling any legal proceedings for a material amount as stipulated in the Implementation Agreement; (viii) entering into contracts, including service contracts (and including making any amendment to terms and conditions of employment of employees, provision of gratuitous payment or benefits or hire or dismiss any employees of the Group), otherwise than in the ordinary and usual course of business of the Group; (ix) entering into, varying or amending terms of transaction with connected persons (as defined in the GEM Listing Rules), except in the ordinary and usual course of business and on arm's length terms; (x) creating or agreeing to create any encumbrance over its business or any assets or entering into any guarantee, indemnity or other agreement to secure an obligation of any third party except in the ordinary and usual course of business of the Group; (xi) transferring or assigning to any third party any intellectual property which it owns or has the right of use as at the date of the Implementation Agreement as well as any other intellectual property which it subsequently acquires or obtains the right of use of; (xii) amending constitutional documents or accounting policies or practices; or (xiii)

conducting any other actions that would constitute a frustrating action pursuant to Rule 4 of the Takeovers Code.

The Company has further undertaken, among other things, that it will not, and will procure that no member of the Group shall, directly or indirectly (a) solicit, encourage, or otherwise seek to procure the submission of proposals, indications of interests or offers of any kind which are reasonably likely to lead to an alternative offer from any person other than the Offeror; and (b) enter into, or participate in, any discussions or negotiations (other than responding to unsolicited enquiries) with any such person in relation to an alternative offer or provide any due diligence information and non-public information on the Company and the Group to any third party in connection therewith, save to the extent that, based on the written advice of external legal counsel: (i) the Board reasonably considers that they are likely to be in breach of their directors' duties or statutory duties not to do so; or (ii) they are required to do so under Rule 6 of the Takeovers Code or other Applicable Laws. Nothing in the Implementation Agreement is intended to prevent or deprive: (a) the Shareholders from having the opportunity to consider; or (b) the Company from considering, in each case, any unsolicited alternative offers from any person other than the Offeror.

Pursuant to the Implementation Agreement, subject to compliance with the Takeovers Code and consultation with the Executive, if the Proposal and the Scheme are not implemented as a result of the Company's acceptance of an offer or proposal competing to the Proposal, the Company shall, within five business days of written notice of the Offeror, reimburse and pay the Offeror an amount which represents the lower of (a) all costs, expenses and fees incurred by the Offeror in relation to the preparation for and implementation of the Proposal and the Scheme, including but not limited to all professional fees incurred for the due diligence on the Group and valuation of the Group; or (b) 1% of the offer value under the Scheme allowed under the Takeovers Code.

The Implementation Agreement will be terminated if the Scheme is not approved or the Proposal otherwise lapses or is withdrawn. The Offeror is also entitled to apply to the Executive to withdraw the Scheme, and subject to such approval, to terminate the Implementation Agreement if certain events occur, including: (a) failure to fulfil the Conditions which are not waivable by the Long Stop Date; (b) failure to obtain written consents or waivers (as the case may be) in respect of, among other things, subsisting agreements or arrangements entered into by the Group which contain change of control provision, requirement for the Company to remain listed on the Hong Kong Stock Exchange and/or restrictions on changes in key management of any member of the Group; (c) material breach of warranties provided by the Company in the Implementation Agreement; (d) [automatic termination of the Service Deed pursuant to the terms contained therein or by Mr. Ma]; and (e) occurrence of any event which would have a material adverse effect as stipulated in the Service Deed.



## **Offeror Cooperation Arrangement**

Betagro proposes to allow the Founder Holdco (a company wholly-owned by Mr. Ma, an executive Director, the chairman of the Board and the chief executive officer of the Company) to retain [25]% beneficial interest in the Company after the Scheme becomes effective. The Founder Holdco, which holds [294,800,000] Shares (representing [58.96]% of the issued Shares) as at the date of this joint announcement, and Mr. Ma (the sole shareholder of the Founder Holdco) have been long-term controlling shareholders of the Company since the listing of the Shares on GEM of the Hong Kong Stock Exchange in 2018. Mr. Ma [joined the Group] in 2006 and has been the key driver to the continued success of the Group through his involvement in the day-to-day management and strategic direction of the Group. Betagro considers that it is important for Mr. Ma to retain beneficial interest in the Offeror Group and involvement in the management and business operation of the Offeror Group after the Scheme becomes effective, to ensure that the benefits of synergies and collaboration between the Offeror and the Company continue to be released which will benefit the sustainable development and growth of the Offeror Group. The Founder Holdco and Mr. Ma have also provided certain warranties on, among other things, corporate matters, accounts and taxation matters of the Group and certain undertakings in connection with the implementation of the Scheme.

As part of the Proposal, Betagro, Mr. Ma, the Founder Holdco and/or the Offeror have entered into the Offeror Cooperation Arrangement, comprising (i) the Shareholders' Deed; (ii) the Service Deed; and (iii) the Deed of Indemnity. As the Offeror Cooperation Arrangement contains special arrangements not offered to all Shareholders, the Offeror Cooperation Arrangement constitutes a special deal and requires the consent of the Executive under Rule 25 of the Takeovers Code. The Offeror [has made] an application for consent from the Executive in relation to [the Offeror Cooperation Arrangement conditional on the Independent Financial Adviser confirming to the Independent Board Committee that the Offeror Cooperation Arrangement is fair and reasonable as far as the Disinterested Shareholders are concerned and the passing of an ordinary resolution by the Disinterested Shareholders at the EGM to approve the Offeror Cooperation Arrangement]. Accordingly, as set out in Condition [(f)], the Proposal and the Scheme are subject to [(i) the receipt of an opinion from the Independent Financial Adviser to the Independent Board Committee confirming that the Offeror Cooperation Arrangement is fair and reasonable as far as the Disinterested Shareholders are concerned; (ii) the passing of an ordinary resolution by the Disinterested Shareholders at the EGM to approve the Offeror Cooperation Arrangement; and (iii) the grant of consent under Rule 25 of the Takeovers Code from the Executive to the Offeror Cooperation Arrangement].

The following sets out further details of the Offeror Cooperation Arrangement:

*(i) Shareholders' Deed*

On [15] August 2024, Betagro, Mr. Ma, the Founder Holdco and the Offeror entered into the Shareholders' Deed in respect of the formation of a consortium to implement the Proposal and the governance of the Offeror, which shall take full effect upon the Scheme becoming effective. A summary of the key terms of the Shareholders' Deed is set out below:

- (a) **Consortium.** Parties to the Shareholders' Deed agree to form a consortium to make an offer to acquire all the issued Shares by way of a scheme of arrangement in accordance with the requirements of the Takeovers Code and the terms set out in this joint announcement and the Shareholders' Deed.
- (b) **Payment of cash consideration and issuance of rollover shares.** Subject to the Scheme becoming effective:
  - (i) the Founder Holdco shall receive from the Offeror the Cancellation Price in respect of the Founder Scheme Shares in cash (being HK\$[201,213,000] in aggregate) in accordance with the terms of the Scheme;
  - (ii) the Founder Holdco shall subscribe for, and the Offeror shall allot and issue, such number of new Offeror Shares, which shall be settled by the Offeror capitalising the reinvestment amount (representing the Cancellation Price payable by the Offeror to the Founder Holdco in respect of the Founder Rollover Scheme Shares in accordance with the terms of the Scheme);
  - (iii) any amount advanced by Betagro for the purposes of settlement of the Cancellation Price pursuant to the terms of the Scheme on behalf of the Offeror shall be deemed to be an inter-company advance between Betagro and the Offeror and immediately capitalised by the issue of new Offeror Shares to Betagro; and
  - (iv) the new Offeror Shares to be issued hereunder shall result in Betagro and the Founder Holdco continuing to respectively hold 75% and 25% of the issued Offeror Shares upon the Scheme becoming effective.
- (c) **Condition and completion.** Completion of the issue of the rollover shares as detailed above (the "**Completion**") is conditional upon the Scheme becoming effective and shall take place no later than seven business days upon the Scheme becoming effective.

- (d) **Board composition.** Subject to Completion, the board of directors of the Offeror shall comprise not more than five directors: (i) three of which shall be directors nominated by Betagro; and (ii) two of which shall be directors nominated by the Founder Holdco for so long as the Founder Holdco holds no less than 10% of the total number of Offeror Shares, one of whom shall be Mr. Ma.
- (e) **Funding.** Betagro shall make contributions of (i) subject to the Scheme becoming effective, an aggregate amount of up to S\$7,000,000 for the capital and maintenance expenditure of the Offeror by way of shareholders' loan; and (ii) an aggregate amount of up to S\$1,200,000 for and on behalf of the Offeror for certain transaction related expenses incurred by the Offeror in connection with the Scheme.
- (f) **Reserved matters.** No reserved matters may be approved, carried out, taken or implemented by the Offeror unless duly approved by the board of directors of the Offeror. Such reserved matters include, among other things: (i) termination of certain employees of the Offeror Group; (ii) incurrence or commitment of material amount of capital expenditure beyond the S\$7,000,000 contributed by Betagro for capital and maintenance expenditure as set out in paragraph (e) above; (iii) incurrence of material new indebtedness or obtaining material new financial facilities; (iv) entering into of certain related party transactions; (v) change to geographical location, nature and/or scope of the business of the Offeror Group, or commencement of any new activity or line of business of the Offeror Group, or the entry by the Offeror Group into any partnership or joint venture or co-operation agreement with any other party; (vi) increase in the share capital of the Offeror, the issue or grant of any option over the unissued share capital of the Offeror, issue of any Offeror Shares and/or issuing of any convertible securities by the Offeror except in accordance with [(g)(ii)] below; (vii) repurchase, cancellation or redemption of the Offeror's issued Offeror Shares or any reduction, consolidation, subdivision or reclassification or other alteration of its capital structure; (viii) amalgamation or reconstruction or merger; (ix) disposal or the acquisition of, or investment in, any undertaking, shares or other equity interests, or assets by the Offeror Group; (x) save for the winding up of members of the Offeror Group as agreed, dissolution, liquidation, restructuring or winding-up of any member of the Offeror Group, or the placement of any member of the Offeror Group under receivership or judicial management.
- (g) **Pre-emption rights.** [(i) Save as provided in (g)(ii), the Offeror shall not from the Effective Date issue any new Offeror Shares in the capital of the Offeror. (ii) In the event the board of directors of the Offeror determines that there is[, or is anticipated to be, (A) insufficient cash or cash equivalents to pay for the operating expenses of the Group; or (B) the Offeror is in a negative equity



position], the board of directors of the Offeror may, propose to raise funding from its shareholders in the form of issue and allotment of new Offeror Shares. (iii) Subject to [(g)(i)] and [(g)(ii)] above, any new Offeror Shares issued by the Offeror shall be offered to each shareholder of the Offeror in proportion to its shareholding percentage.]

- (h) **Tag-along rights.** In the event that Betagro receives an offer for any part of its Offeror Shares from a *bona fide* third party purchaser that Betagro wishes to accept, the Founder Holdco shall be entitled (but not obliged) to require Betagro to procure the third party purchaser to offer to purchase such number of Offeror Shares held by the Founder Holdco in proportion to the Offeror Shares sold by Betagro on the same terms and conditions as set out in such offer, provided that the third party purchaser executes a deed of adherence to the Shareholders' Deed.
- (i) **Transfer restriction.** Each of the Founder Holdco and Mr. Ma, jointly and severally, undertake to Betagro that, save with the prior written consent of Betagro: (i) the Founder Holdco shall not transfer any part of its interest in its Offeror Shares except in accordance with the provisions of the Shareholders' Deed; and (ii) for so long as the Founder Holdco remains a shareholder of the Offeror, Mr. Ma shall remain the owner of 100% of the legal and beneficial interest in the shares of the Founder Holdco and that Mr. Ma shall not transfer any part of or any interest in his shares in the Founder Holdco.
- (j) **Non-compete and non-solicit.**
  - (a) Mr. Ma covenants with each of Betagro and the Offeror that during the restricted period (being the period in which Mr. Ma remains employed by Betagro or its affiliates in any capacity and for a period of 60 months after cessation of such employment), Mr. Ma: shall not (either personally or through an agent) and shall procure that his affiliates shall not (either alone or together with any other person), without Betagro's prior written consent, directly or indirectly be concerned in any business which is competitive with the business of the Offeror Group within Singapore (and any other country where a member of the Offeror Group derives revenue from or has business presence), save for his interest in an agreed entity.
  - (b) Mr. Ma shall not (either personally or through an agent) and shall procure that his affiliates not to (either alone or together with any other person), during the above-mentioned restricted period, without Betagro's prior written consent, directly or indirectly: solicit or entice away or attempt to do so from the Offeror Group (A) any customer, client, distributor or agent of the Offeror Group or in the habit of dealing with the Offeror Group; (B) any officer, manager

or employee of the Offeror Group; (C) disclose any trade secret or information commercially sensitive to the Group; or (D) use any name capable of or likely to be confused with the name of any member of the Offeror Group.

- (k) **Call option.** In the event of a deadlock or an event of default by Mr. Ma and/or the Founder Holdco and subject to the procedures as specified in the Shareholders' Deed, Betagro shall be entitled (but not obliged) to serve a notice requiring the Founder Holdco to sell all of the Offeror Shares held by it to Betagro at the higher of (i) S\$20,000,000; or (ii) a price as may be determined in accordance with a formula (taking into account the Founder Holdco's shareholding percentage in the Offeror, EBITDA for the Offeror for two financial years immediately preceding the date of such notice and the net debt of the Offeror) set out in the Shareholders' Deed.
- (l) **Termination.** [Upon the publication of this joint announcement, neither party to the Shareholders' Deed shall be entitled to terminate the Shareholders' Deed except upon the lapse of the Scheme, upon the Scheme becoming effective or by mutual agreement of all parties to the Shareholders' Deed. Subject to the above, the Shareholders' Deed shall terminate immediately upon the occurrence of any of the following events, whichever earlier: (A) failure by the Offeror to release this joint announcement no later than one month from the date of the Shareholders' Deed (or such other period as the parties to the Shareholders' Deed may agree in writing); (B) by mutual agreement of all parties to the Shareholders' Deed and on the date specified in the relevant agreement; or (C) with respect to a shareholder of the Offeror, where such shareholder of the Offeror ceases to hold any Offeror Shares save for any provisions which are expressed to continue in force after such termination.]

*(ii) Service Deed*

Upon the Scheme becoming effective, Mr. Ma (an executive Director, the chairman of the Board and the chief executive officer of the Company) will serve as the chief executive officer of the Offeror in order to provide advance and assistance to the Offeror in the transition of the operations and integration of the Group to the Offeror Group upon the Scheme becoming effective and to continue to contribute to the growth and development of the Offeror Group. Accordingly, on [15] August 2024, the Offeror and Mr. Ma entered into the Service Deed which shall take full effect upon the Scheme becoming effective. A summary of the key terms of the Service Deed is set out below:

- (a) **Role and term.** The Offeror shall employ Mr. Ma as the chief executive officer or in such other equivalent capacity or office of

the Offeror as the Offeror may from time to time reasonably direct for an initial term of three years commencing from the Effective Date or the date on which the results of Mr. Ma's pre-employment medical examination is certified to be satisfactory (as set out in (c) below) (whichever is later). The parties to the Service Deed shall no later than six months prior to the expiration of the initial term, enter into good faith discussions on the extension of the term for a further period of up to three years on such terms and conditions as may be agreed in writing.

- (b) **Remuneration.** Pursuant to the Service Deed, Mr. Ma's remuneration package comprises: (i) annual salary of S\$840,000 (which may be increased after each completed calendar year of service at the sole and absolute discretion of the board of directors of the Offeror); (ii) after each completed year of service, a minimum guaranteed bonus of one month's salary as well as any discretionary bonus as the board of directors of the Offeror may in its absolute discretion determine; and (iii) an allowance of not less than S\$120,000 per annum.

As at the date of this joint announcement, Mr. Ma is entitled to an annual remuneration of S\$840,000, travel allowance of S\$120,000 per annum and a discretionary bonus pursuant to his service contract with the Company.

- (c) **Pre-employment medical examination.** The employment under the Service Deed is conditional upon satisfactory result of a pre-employment medical examination of Mr. Ma at the Offeror's expense.

- (d) **Non-compete and non-solicit.**

(a) Mr. Ma covenants with the Offeror that during the term of the employment under the Service Deed and the restricted period (being the period of 60 months after cessation of such employment), Mr. Ma: shall not (either personally or through an agent) and shall procure that his affiliates shall not (either alone or together with any other person), without the Offeror's prior written consent, directly or indirectly be concerned in any business which is competitive with the business of the Offeror Group within Singapore (and any other country where a member of the Offeror Group derives revenue from or has business presence), save for his interest in an agreed entity.

(b) Mr. Ma shall not (either personally or through an agent) and shall procure that his affiliates not to (either alone or together with any other person), during the term and the above-mentioned restricted period, without the Offeror's prior written consent, directly or indirectly: solicit or entice away or attempt to do so from the Offeror Group (A) any customer, client, distributor or agent of



the Offeror Group or in the habit of dealing with the Offeror Group; (B) any officer, manager or employee of the Offeror Group; (C) disclose any trade secret or information commercially sensitive to the Group; or (D) use any name capable of or likely to be confused with the name of any member of the Offeror Group.

- (e) **Termination.** After the initial term of three years from the Effective Date, either party to the Service Deed shall be entitled to terminate the Service Deed by giving to the other party written notice of not less than six months or by payment of six months' salary in lieu of notice. Notwithstanding the above, the Service Deed shall be deemed to have been automatically terminated without the need for further notice or payment in lieu of notice if the Scheme does not become effective or if the results of Mr. Ma's pre-employment medical examination are not made available to the Offeror within the stipulated period or are unsatisfactory. The Offeror is also entitled to terminate the employment of Mr. Ma without compensation in certain events, such as serious or wilful and persistent breach of the Service Deed by Mr. Ma, or prohibition by law from fulfilment of duties under the Service Deed.
- (f) **Consideration upon Termination.** Subject to the commencement of employment of Mr. Ma in accordance with the provisions of the Service Deed, Mr. Ma shall, in consideration for and conditional upon the compliance by Mr. Ma of the continuing restrictions during the above-mentioned restricted period as set out in (d) above and in addition to the payments and other benefits due to Mr. Ma under the Service Deed, be entitled to a one-time conditional advance of S\$4,000,000 (subject to applicable tax withholdings and Central Provident Fund contributions as required by Singapore laws) to be paid in one lump sum within seven days from the Effective Date.

*(iii) Deed of Indemnity*

In consideration of the Proposal put forth by the Offeror and the entering into of the Shareholders' Deed and the Service Deed by the Offeror, on [\*] 2024, the Founder Holdco and Mr. Ma executed the Deed of Indemnity in favour of the Offeror regarding, among other things, (i) certain warranties on, among other things, corporate matters, accounts and taxation matters of the Group as at the date of the Deed of Indemnity and as at the Effective Date; and (ii) undertakings to (a) vote in favour of all other matters necessary for the implementation of the Scheme at the EGM except for matters which the Founder Holdco is required to abstain from voting; (b) not to dispose of any Shares held or accept any other offer to acquire such Shares; and (c) not to solicit any person other than the Offeror to make a proposal competing to the Proposal provided that this shall not prevent the Founder Holdco and Mr. Ma from responding to any unsolicited proposals from any person to the extent such response is necessary to comply with

the directions, rulings, notices or orders of any relevant Authority and any Applicable Laws.

## 6. SHAREHOLDING STRUCTURE OF THE COMPANY

As at the date of this joint announcement:

- (a) the authorised share capital of the Company is HK\$100,000,000 divided into 10,000,000,000 Shares, and the Company has no relevant securities other than the 500,000,000 Shares in issue;
- (b) the Offeror does not hold any Shares and the Offeror Concert Parties hold [294,800,000] Shares (representing [58.96]% of the issued Shares), which represents the [294,800,000] Shares held by the Founder Holdco. Save as disclosed above, none of the Offeror and the Offeror Concert Parties owns or has control or direction over any voting rights and rights over the Shares;
- (c) the Scheme Shareholders (including the Offeror Concert Parties who are subject to the Scheme) legally and/or beneficially own, control or have direction over 500,000,000 Shares in aggregate, representing all of the issued Shares; and
- (d) the Company does not have any outstanding shares, options, warrants, derivatives, convertible securities or other relevant securities in issue.

### Shareholding Structure

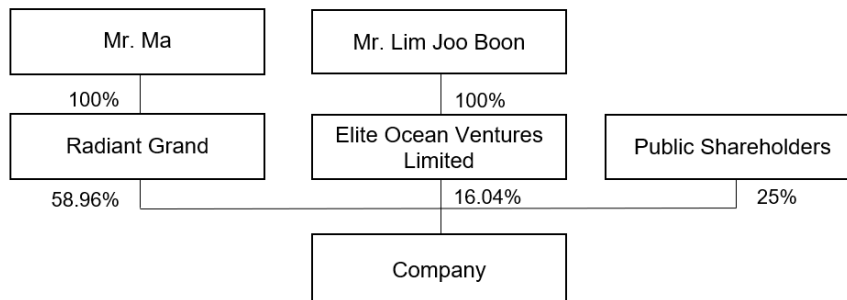
The table below sets out the shareholding structure of the Company as at the date of this joint announcement and immediately upon the Effective Date, assuming that there will be no other change in the shareholding of the Company before the Effective Date:

Shareholders	As at the date of this joint announcement		Immediately upon the Effective Date	
	Number of Shares	Total number of Shares in issue (%)	Number of Shares	Total number of Shares in issue (%)
<b>Offeror<sup>(1)</sup></b>	[ - ]	[ - ]	500,000,000	100.00
<b>Scheme Shareholders</b>				
Founder Holdco <sup>(2)</sup>	[294,800,000]	[58.96]	-	-
Disinterested Shareholders				
- Elite Ocean Ventures Limited <sup>(3)</sup>	[80,200,000]	[16.04]	-	-
- Other Disinterested Shareholders	[125,000,000]	[25.00]	-	-
Sub-total	[205,200,000]	[41.04]	-	-
<b>Aggregate number of Shares held by Scheme Shareholders</b>	<u>500,000,000</u>	<u>100.00</u>	<u>-</u>	<u>-</u>
<b>Total number of Shares in issue</b>	<u>500,000,000</u>	<u>100.00</u>	<u>500,000,000</u>	<u>100.00</u>

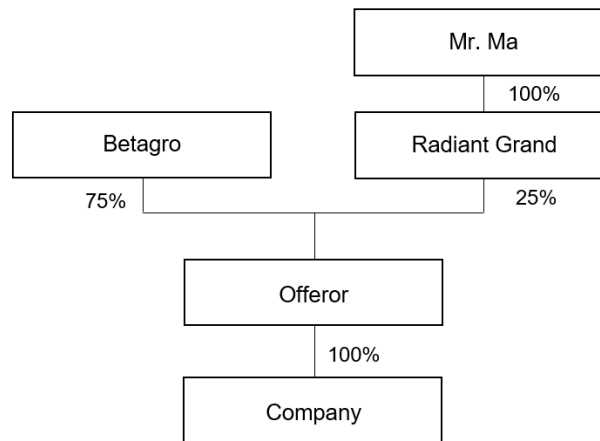
Notes:

1. As at the date of this joint announcement, the Offeror is [directly held as to [75]% by Betagro and [25]% by the Founder Holdco (an investment holding company wholly-owned by Mr. Ma). Pursuant to the terms of the Proposal and the Shareholders' Deed, the Offeror shall be held as to [75]% by Betagro and [25]% by the Founder Holdco upon the Scheme becoming effective.
2. [As at the date of this joint announcement, the Founder Holdco is wholly-owned by Mr. Ma. Therefore, Mr. Ma is deemed to be interested in the Shares in which the Founder Holdco is interested by virtue of the SFO.]
3. [As at the date of this joint announcement, Elite Ocean Ventures Limited is wholly-owned by Mr. Lim Joo Boon.]
4. [Save for (i) Mr. Ma (an executive Director) who is deemed to be interested in the [294,800,000] Shares held by the Founder Holdco (please refer to Note [1] above); and (ii) Ms. Lim Siok Eng (an executive Director) who is deemed to be interested in the [294,800,000] Shares in which Mr. Ma is deemed to be interested by virtue of the SFO as she is the spouse of Mr. Ma, none of the Directors hold or is interested in any Shares as at the date of this joint announcement.]
5. All percentages in the above table are approximations and rounded to the nearest 2 decimal places and the aggregate percentages may not add up due to rounding of the percentages to 2 decimal places.

Set out below is a simplified shareholding structure of the Company as at the date of this joint announcement:



Set out below is a simplified shareholding structure of the Company immediately upon the Effective Date:





## 7. VOTING AT THE COURT MEETING AND THE EGM

Only Scheme Shareholders as at the Meeting Record Date may attend and vote at the Court Meeting to approve the Scheme. The Offeror will provide undertakings to the Grand Court to be bound by the Scheme, so as to ensure that it will comply with and be subject to the terms and conditions of the Scheme. The Founder Holdco will provide an undertaking to the Grand Court (a) not to attend and vote at the Court Meeting; and (b) to agree to be bound by the Scheme.

All Shareholders as at the Meeting Record Date will be entitled to attend the EGM and to vote on (i) the special resolution to approve and give effect to any reduction of the issued Shares by cancelling the Scheme Shares; and (ii) the ordinary resolution to approve the simultaneous issue to the Offeror such number of new Shares as is equal to the number of Scheme Shares cancelled and apply the reserve created as a result of the aforesaid cancellation of the Scheme Shares to pay up in full at par such new Shares. In respect of the ordinary resolution in connection with the special deal relating to the Offeror Cooperation Arrangement, only Disinterested Shareholders (i.e. Scheme Shareholders other than the Founder Holdco) can vote thereon.

Pursuant to the Deed of Indemnity, the Founder Holdco has undertaken to, among other things, vote in favour of all matters necessary for the implementation of the Scheme at the EGM except for matters which the Founder Holdco is required to abstain from voting.

## 8. INFORMATION ON THE GROUP

The Company is a company incorporated in the Cayman Islands with limited liability whose Shares have been listed on GEM of the Hong Kong Stock Exchange since 7 September 2018. The Company is an investment holding company and the Group is principally engaged in the production and sale of fresh eggs and processed egg products in Singapore.

Based on the published audited consolidated financial statements of the Company prepared in accordance with the International Financial Reporting Standards, the table below sets out the financial information of the Group for the three financial years ended 31 March 2024:

	For the year ended 31 March		
	2022	2023	2024
	S\$'000	S\$'000	S\$'000
Revenue	67,058	95,766	108,417
Profit before tax	3,786	10,373	23,217
Profit after tax	3,533	8,675	19,224

As at 31 March 2024, the audited consolidated net asset value of the Company was approximately S\$65.9 million.

## 9. INFORMATION ON THE OFFEROR

The Offeror is a private company limited by shares incorporated in Singapore on 12 August 2024. It is an investment holding company and does not hold any assets or businesses as at the date of this joint announcement.

As at the date of this joint announcement, the Offeror is [directly held as to [75]% by Betagro and [25]% by the Founder Holdco (an investment holding company wholly owned by Mr. Ma)]. [Betagro is a leading integrated agro-industrial and food company based in Thailand and principally engages in production and distribution of animal feed, animal pharmaceuticals and supplements, livestock, pork products, chicken meat, eggs, and processed food for domestic consumption and export. The shares of Betagro are listed on The Stock Exchange of Thailand (Stock Code: BTG) as at the date of this joint announcement. As at the date of this joint announcement, the ultimate beneficial owners of Betagro include [\*] and [\*]]. The Founder Holdco is an investment holding company wholly owned by Mr. Ma and it directly holds [294,800,000] Shares (representing approximately [58.96]% of the issued Shares) as at the date of this joint announcement.

#### **10. INTENTION OF THE OFFEROR WITH REGARD TO THE GROUP**

Following implementation of the Proposal, the Offeror intends to work together with the Company's management to review the structure, business and strategy of the Group and, subject to result of such review and prevailing market conditions, implement appropriate strategies to enhance the Group's business.

As at the date of this joint announcement, it is the intention of the Offeror for the Group to continue to carry on its existing business and the Offeror does not have any plan to immediately make any material change to: (a) the business of the Group (including any redeployment of any fixed asset of the Group); or (b) the continued employment of the employees of the Group (other than in the ordinary course of business).

#### **11. INDEPENDENT BOARD COMMITTEE**

The Independent Board Committee, comprising [all the independent non-executive Directors, namely Mr. Sneddon Donald William, Mr. Yuen Ka Lok Ernest and Mr. Lew Chern Yong], [has been established] by the Board to make recommendations to the Disinterested Shareholders as to: (i) whether the terms of the Proposal (including the Offeror Cooperation Arrangement) and the Scheme are, or are not, fair and reasonable; and (ii) whether to vote in favour of the Scheme at the Court Meeting and the resolutions in connection with the implementation of the Proposal (including the Offeror Cooperation Arrangement) at the EGM.

#### **12. INDEPENDENT FINANCIAL ADVISER**

[Opus Capital] [has been appointed] as the Independent Financial Adviser to advise the Independent Board Committee in connection with the Proposal and the Scheme. Such appointment [has been approved] by the Independent Board Committee pursuant to Rule 2.1 of the Takeovers Code. The letter of advice of the Independent Financial Adviser to the Independent Board Committee in connection with the Proposal (including the Offeror Cooperation Arrangement) and the Scheme will be included in the Scheme Document to be despatched jointly by the Company and the Offeror to the Shareholders.

### **13. REASONS FOR AND BENEFITS OF THE PROPOSAL**

#### **To the Company:**

The privatisation of the Company will permit the Offeror and the Company to make strategic decisions focused on long-term commercial development and benefits, free from the pressure of market expectations and share price fluctuations which arise from the Company being a publicly listed company. [While the Group's key executives (including Mr. Ma) are approaching retirement age, the Proposal put forth by the Offeror provides a smooth transition of leadership and management and is expected to create synergies and strengthen the competitiveness of the merged businesses within the market.]

The Proposal, which entails the delisting of the Company, is also expected to reduce the administrative costs and management resources associated with maintaining the Company's listing status and compliance with regulatory requirements and, in turn, allow greater flexibility for the Offeror and the Company to manage the Group's business.

The Company has not conducted any equity fund raising activities in recent years, and it is expected that continued listing of the Shares may not provide any meaningful benefit to the Company in the near future. [Betagro, which holds [75]% interest in the Offeror as at the date of this joint announcement and upon the Scheme becoming effective, is a publicly listed company in Thailand and will have access to capital market for equity fund raising activities to support capital needs and long-term development of the Offeror Group upon the Scheme becoming effective.]

#### **To the Scheme Shareholders:**

The Proposal is an opportunity for Scheme Shareholders to monetise their Shares amidst challenging market and industry conditions.

The average daily trading volume of Shares for the approximate 1-month period, 3-month period and 12-month period up to and including the Last Trading Date were approximately [156,087] Shares, [167,031] Shares and [75,528] Shares per trading day, representing only approximately [0.031]%, [0.033]% and [0.015]% respectively of the total number of issued Shares as at the date of this joint announcement.

The low trading liquidity of the Shares could make it difficult for Scheme Shareholders to execute substantial on-market disposals without adversely affecting the price of the Shares. As such, the Scheme presents an immediate opportunity for Scheme Shareholders to monetise their investments for cash and redeploy the proceeds from accepting the Scheme into other investment opportunities.

The Proposal allows an exit for the Scheme Shareholders at a [compelling premium] to the current market price. The Cancellation Price represents a [significant premium] ranging from approximately [138.9]% to approximately [258.0]% [over] the average closing price per Share for the period as set out in the section headed [“2. Terms of the Proposal”] above in this joint announcement. The Cancellation Price also represents a [significant premium] of [approximately] [52.8]% [over] the audited consolidated net asset value attributable to Shareholders per Share of approximately HK\$[0.776] as at 31 March 2024.

#### **14. WITHDRAWAL OF LISTING OF THE SHARES ON GEM OF THE HONG KONG STOCK EXCHANGE**

Upon the Scheme becoming effective, all of the Scheme Shares will be cancelled and the share certificates in respect of the Scheme Shares will thereafter cease to have effect as documents or evidence of title. The Company will make an application to the Hong Kong Stock Exchange for the withdrawal of the listing of the Shares on GEM of the Hong Kong Stock Exchange in accordance with Rule 9.23 of the GEM Listing Rules with effect immediately following the Effective Date.

The Shareholders will be notified by way of an announcement of the exact dates of the last day for dealing in the Shares on GEM of the Hong Kong Stock Exchange and the day on which the Scheme and the withdrawal of the listing of the Shares on GEM of the Hong Kong Stock Exchange will become effective. A detailed timetable of the implementation of the Proposal will be included in the Scheme Document, which will also contain, among other things, further details of the Scheme.

#### **15. IF THE SCHEME IS NOT APPROVED OR THE PROPOSAL LAPSES**

Subject to the requirements of the Takeovers Code, the Proposal and the Scheme will lapse if any of the Conditions has not been fulfilled or (where applicable) waived on or before the Long Stop Date. If the Scheme is not approved or the Proposal otherwise lapses, the listing of the Shares on GEM of the Hong Kong Stock Exchange will not be withdrawn.

If the Scheme is not approved or the Proposal otherwise lapses, there are restrictions under Rule 31.1 of the Takeovers Code on making subsequent offers, to the effect that neither the Offeror nor any person who acted in concert with it in the course of the Proposal (nor any person who is subsequently acting in concert with any of them) may, within 12 months



from the date on which the Scheme is not approved or the Proposal otherwise lapses, announce an offer or possible offer for the Company, except with the consent of the Executive.

## **16. GENERAL MATTERS RELATING TO THE PROPOSAL**

### **Overseas holders of the Scheme Shares**

The availability of the Proposal to persons who are citizens, residents or nationals of a jurisdiction other than Hong Kong may be affected by the laws of the relevant jurisdiction in which they are located or resident or of which they are citizens. Such overseas Scheme Shareholders should inform themselves about and observe any applicable legal, regulatory or tax requirements in their respective jurisdictions and, where necessary, seek their own legal advice. Further information in relation to overseas Shareholders will be contained in the Scheme Document.

It is the responsibility of the overseas Scheme Shareholders who wish to take any action in relation to the Proposal and the Scheme to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdiction in connection with any such action, including the obtaining of any governmental, exchange control or other consent which may be required, the compliance with any other necessary formality and the payment of any issue, transfer or other tax in any relevant jurisdiction.

Any approval or acceptance by the Scheme Shareholders will be deemed to constitute a representation and warranty from such persons to the Offeror, the Company and their respective advisers (including Lego Corporate Finance as the financial adviser to the Offeror) that such laws and regulations have been complied with. If you are in doubt as to your position, you should consult your professional advisers.

In the event that the despatch of the Scheme Document to the overseas Scheme Shareholders is prohibited by any relevant law or regulation or may only be effected after compliance with conditions or requirements that the directors of the Offeror or the Company regard as unduly onerous or burdensome (or otherwise not in the best interests of the Company or the Shareholders), the Scheme Document may not be despatched to such holders of the Scheme Shares. For that purpose, the Company will apply for such waivers as may be required by the Executive pursuant to Note 3 to Rule 8 of the Takeovers Code at such time prior to the despatch of the Scheme Document. Any such waiver will only be granted if the Executive is satisfied that it would be unduly burdensome to despatch the Scheme Document to such holders of the Scheme Shares. In granting any such waiver, the Executive will be concerned to see that all material information in the Scheme Document is made available to such overseas Scheme Shareholders.

### **Taxation advice**

Scheme Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of the Proposal or the Scheme. It is emphasised that none of the Offeror, the Offeror Concert Parties, the Company, Lego Corporate Finance, their respective ultimate beneficial owners, directors, officers, employees, agents and associates and any other person involved in the Proposal or the Scheme accepts any responsibility for any taxation effects on, or liabilities of, any person as a result of the Proposal or the Scheme.

### **Costs of the Scheme**

If the Scheme is either not recommended by the Independent Board Committee or the Independent Financial Adviser as fair and reasonable, and the Scheme is not approved, all costs and expenses incurred by the Company in connection with the Proposal and the Scheme shall be borne by the Offeror in accordance with Rule 2.3 of the Takeovers Code.

### **Other arrangements**

As at the date of this joint announcement:

- (a) [there are no securities, warrants or options convertible into Shares held, controlled or directed by the Offeror or any of the Offeror Concert Parties;]
- (b) [none of the Offeror nor any of the Offeror Concert Parties has dealt for value in any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares during the six months prior to and including the date of this joint announcement;]
- (c) [neither the Offeror nor any of the Offeror Concert Parties has entered into any outstanding derivative in respect of the securities in the Company;]
- (d) [neither the Offeror nor any of the Offeror Concert Parties has borrowed or lent any Shares or any other relevant securities of the Company;]
- (e) [[save for the undertaking given by the Founder and the Founder Holdco in the Deed of Indemnity as set out in the section headed ["5. Arrangements Material to the Proposal - Offeror Cooperation Arrangement - (iii) Deed of Indemnity"] above in this joint announcement,] no irrevocable commitment to vote for or against the Scheme has been received by the Offeror or any of the Offeror Concert Parties;]
- (f) [save for the Offeror Cooperation Arrangement, there are no arrangements (whether by way of option, indemnity or otherwise) of any kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the Shares or the shares of the Offeror between the

Offeror or any of the Offeror Concert Parties and any other person which might be material to the Proposal;]

- (g) [save for the Offeror Cooperation Arrangement, there is no agreement or arrangement to which the Offeror or any of the Offeror Concert Parties is a party which relate to the circumstances in which it may or may not invoke or seek to invoke a Condition to the Proposal or the Scheme;]
- (h) [save for the Offeror Cooperation Arrangement], there is no understanding, arrangement or agreement or special deal (as defined under Rule 25 of the Takeovers Code) between (i) any Shareholder; and (ii) either (a) the Offeror or the Offeror Concert Parties; or (b) the Company or the Company's subsidiaries or associated companies;] and
- (i) [save for the Cancellation Price, there is no other consideration, compensation or benefit in whatever form paid or to be paid by the Offeror or any of the Offeror Concert Parties to the Scheme Shareholders in connection with the Proposal or the Scheme.]

### **Despatch of the Scheme Document**

The Scheme Document containing, among other things: (a) further details of the Proposal (including the Offeror Cooperation Arrangement) and the Scheme; (b) an explanatory statement in respect of the Scheme as required under the Companies Act and the rules of the Grand Court; (c) the expected timetable relating to the Proposal and the Scheme; (d) a letter from the Independent Board Committee containing its recommendations to the Disinterested Shareholders in respect of the Proposal (including the Offeror Cooperation Arrangement) and the Scheme; (e) a letter of advice from the Independent Financial Adviser containing its advice to the Independent Board Committee in respect of the Proposal (including the Offeror Cooperation Arrangement) and the Scheme; and (f) notices of the Court Meeting and the EGM (including proxy forms relating to such meetings for use by the relevant Shareholders), will be despatched to the Shareholders as soon as practicable and in compliance with the requirements of the Takeovers Code and Applicable Laws.

The Scheme Document will contain important information, and [the Disinterested Shareholders or the Shareholders (as the case may be)] are urged to read the Scheme Document carefully before casting any vote at (or providing any proxy in respect of) the Court Meeting and/or the EGM. Any voting or other response to the Proposal should be made only on the basis of information in the Scheme Document or any other document by which the Proposal is made.

## **17. RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares on GEM of the Hong Kong Stock Exchange was halted from 9:00 a.m. on Friday, 16 August 2024, pending the publication of this joint announcement.

An application has been made by the Company to the Hong Kong Stock Exchange for the resumption of trading in the Shares on GEM of the Hong Kong Stock Exchange with effect from [9:00 a.m.] on [\*]day, [\*] 2024.

## 18. DISCLOSURE OF DEALINGS

In accordance with Rule 3.8 of the Takeovers Code, the respective associates of the Offeror and the Company, including any person who owns or controls 5% or more of any class of the relevant securities of the Offeror or the Company, are hereby reminded to disclose their dealings in any relevant securities of the Company under Rule 22 of the Takeovers Code.

In accordance with Rule 3.8 of the Takeovers Code, the full text of Note 11 to Rule 22 of the Takeovers Code is reproduced below.

*“Responsibilities of stockbrokers, banks and other intermediaries*

*Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates of an offeror or the offeree company and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.*

*This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.*

*Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”*

## 19. DEFINITIONS

In this joint announcement, the following expressions have the meanings set out below unless the context requires otherwise.

“acting in concert” has the meaning ascribed to it in the Takeovers Code



“Applicable Laws”	any and all laws, rules, regulations, judgments, decisions, decrees, orders, injunctions, treaties, directives, guidelines, standards, notices and/or other legal, regulatory and/or administrative requirements of any Authority
“Approval”	any approval, authorisation, ruling, permission, waiver, consent, licence, permit, clearance, registration or filing which is required or desirable under any Applicable Law, or any licence, permit or contractual obligation of any member of the Group, for or in connection with the Proposal or the implementation of the Proposal in accordance with its terms and conditions (including the withdrawal of the listing of the Shares on GEM of the Hong Kong Stock Exchange), in each case excluding any filing or notification to any Authority which does not require such Authority’s approval, acknowledgement, permission, consent or clearance
“associate(s)”	has the meaning ascribed to it under the Takeovers Code
“Authority”	any supranational, national, federal, state, regional, provincial, municipal, local or other government, governmental, quasigovernmental, legal, regulatory or administrative authority, department, branch, agency, commission, bureau or body (including any securities or stock exchange) or any court, tribunal, or judicial or arbitral body
“Betagro”	Betagro Public Company Limited, a company incorporated in Thailand with limited liability and the shares of which are listed on The Stock Exchange of Thailand (Stock Code: BTG)
“Board”	the board of Directors
“Cancellation Price”	the offer price of HK\$1.185 for the cancellation of each Scheme Share to the Scheme Shareholders pursuant to the Scheme

“Companies Act”	the Companies Act (as revised) of the Cayman Islands
“Company”	Eggriculture Foods Ltd., a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on GEM of the Hong Kong Stock Exchange (Stock Code: 8609)
“Condition(s)”	the condition(s) to the implementation of the Proposal and the Scheme as set out in the section headed [“3. <i>Conditions of the Proposal and the Scheme</i> ”] in this joint announcement
“controlling shareholder”	has the meaning ascribed to it in the GEM Listing Rules
“Court Meeting”	a meeting of the Scheme Shareholders to be convened at the direction of the Grand Court at which the Scheme (with or without modification) will be voted upon, or any adjournment thereof
“Director(s)”	the director(s) of the Company
“Disinterested Shareholder(s)”	all of the Scheme Shareholder(s), other than the Founder Holdco
“EBITDA”	earnings before interest, taxes, depreciation and amortisation
“Effective Date”	the date on which the Scheme becomes effective in accordance with the Companies Act and the Conditions
“EGM”	an extraordinary general meeting of the Company to be convened for the purposes of passing all necessary resolutions for, among other things, the implementation of the Scheme, or any adjournment thereof
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate(s) of the Executive Director
“Founder Rollover Scheme Share(s)”	the Scheme Share(s) held by the Founder Holdco, which will be cancelled on the Effective Date in consideration for the Cancellation Price, which shall be satisfied by the Offeror allotting and issuing to the

	Founder Holdco Offeror Shares credited as fully paid
“Founder Scheme Share(s)”	the Scheme Share(s) held by the Founder Holdco, which will be cancelled on the Effective Date in consideration for the Cancellation Price which shall be paid by the Offeror in cash under the Scheme
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited
“Grand Court”	the Grand Court of the Cayman Islands
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People's Republic of China
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Implementation Agreement”	the implementation agreement dated [15] August 2024 entered into between the Offeror and the Company pursuant to which the parties have agreed to pursue the Proposal, the key terms of which are described in the section headed ["5. Arrangements Material to the Proposal - Implementation Agreement"] above in this joint announcement
“Independent Board Committee”	the independent committee of the Board, comprising [all the independent non-executive Directors, namely Mr. Sneddon Donald William, Mr. Yuen Ka Lok Ernest and Mr. Lew Chern Yong]
“Independent Financial Adviser” [or "Opus Capital"]	[Opus Capital Limited, a corporation licensed by the SFC to carry out Type 6 (advising on corporate finance) regulated activity under the SFO], being the independent financial adviser [appointed] by the Company to advise the Independent Board Committee in relation to the Proposal and the Scheme

“Last Trading Date”	15 August 2024, being the last day on which the Shares were traded on GEM of the Hong Kong Stock Exchange immediately prior to publication of this joint announcement
“Lego Corporate Finance”	Lego Corporate Finance Limited, a corporation licensed by the SFC to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the financial adviser to the Offeror in relation to the Proposal and the Scheme
“Long Stop Date”	[14 August] 2025, or such later date as may be agreed between the Offeror and the Company or, to the extent applicable, as the Grand Court may direct and in all cases, as permitted by the Executive
“Meeting Record Date”	the record date for the purpose of determining the entitlement of the Scheme Shareholders to attend and vote at the Court Meeting and the entitlement of the Shareholders to attend and vote at the EGM
“Mr. Ma” or “Founder”	Mr. Ma Chin Chew, an executive Director, the chairman of the Board and the chief executive officer of the Company, and a controlling shareholder of the Company as at the date of this joint announcement
“Offeror”	BETAGRO FOODS (SINGAPORE) PTE. LTD., a private company limited by shares incorporated in Singapore, which is [directly held as to [75]% by Betagro and [25]% by the Founder Holdco] as at the date of this joint announcement
“Offeror Concert Party(ies)”	person(s) who is/are acting in concert or presumed to be acting in concert with the Offeror under the Takeovers Code, including [the Founder Holdco]
“Offeror Cooperation Arrangement”	[the Shareholders' Deed, the Service Deed and the Deed of Indemnity]
“Offeror Group”	the Offeror and its subsidiaries (which will include the Group upon the Scheme becoming effective)



“Offeror Share(s)”	ordinary share(s) of S\$1.0 each in the share capital of the Offeror
“Other Scheme Share(s)”	the Scheme Share(s) other than the Founder Scheme Share(s)
“Proposal”	the proposal for the privatisation of the Company by the Offeror by way of the Scheme and the withdrawal of the listing of the Shares on GEM of the Hong Kong Stock Exchange, on the terms and subject to the Conditions set out in this joint announcement
“Radiant Grand” or “Founder Holdco”	Radiant Grand International Limited, a company incorporated in the British Virgin Islands with limited liability, which is legally and beneficially wholly-owned by Mr. Ma (i.e. the Founder). As at the date of this joint announcement, Radiant Grand holds [294,800,000] Shares (representing approximately [58.96]% of the issued Shares) and is a controlling shareholder of the Company as at the date of this joint announcement
“relevant securities”	has the meaning ascribed to it in Note 4 to Rule 22 of the Takeovers Code
“Scheme”	the scheme of arrangement to be proposed under section 86 of the Companies Act for the implementation of the Proposal
“Scheme Document”	the composite scheme document of the Offeror and the Company containing, among other things, further details of the Proposal together with the additional information set out in the section headed [“16. General Matters Relating to the Proposal — Despatch of the Scheme Document”] <i>in this joint announcement</i>
“Scheme Record Date”	the record date to be announced for determining the entitlements of the Scheme Shareholders under the Scheme
“Scheme Share(s)”	the Share(s) in issue on the Scheme Record Date
“Scheme Shareholder(s)”	the registered holder(s) of the Scheme Share(s)

“Service Deed”	the service deed dated [15] August 2024 entered into between the Offeror and Mr. Ma pursuant to which [Mr. Ma agrees to continue his executive functions in the Group after completion of the Proposal], the key terms of which are described in the section headed [“5. Arrangements Material to the Proposal - Offeror Cooperation Arrangement - (ii) Service Deed”] above in this joint announcement
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	the registered holder(s) of the Share(s)
“Shareholders' Deed”	the subscription and shareholders' deed dated [15] August 2024 entered into among Betagro, the Founder Holdco, Mr. Ma and the Offeror [in respect of the governance of the Offeror], the key terms of which are described in the section headed [“5. Arrangements Material to the Proposal - Offeror Cooperation Arrangement - (i) Shareholders' Deed”] above in this joint announcement
“S\$”	Singapore dollars, the lawful currency of Singapore
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers as amended from time to time
“U.S.” or “United States”	the United States of America
“%”	per cent

\* *For the purpose of this joint announcement, all amounts denominated in S\$ has been translated (for information only) into HK\$ using the exchange rate of S\$1.00: HK\$[\*]. Such translation shall not be construed as a representation that amounts of S\$ was or may have been converted.*

By order of the board of  
**BETAGRO FOODS**  
**(SINGAPORE) PTE. LTD.**  
**[Name of Offeror Director]**  
Director

By order of the Board  
**Eggriculture Foods Ltd.**  
**Ma Chin Chew**  
Chairman, Executive Director and  
Chief Executive Officer

Hong Kong, [\*] 2024

*As at the date of this joint announcement, the directors of the Offeror are Mr. Vasit Taepaisitphongse, Mr. Chayadhorn Taepaisitphongse, Mr. Worrawut Vanitkulbodee and Mr. Ma Chin Chew.*

*The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Group, the Founder Holdco and Mr. Ma) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than opinions expressed by the Directors in their capacity as the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.*

*As at the date of this joint announcement, the sole director of the Founder Holdco is Mr. Ma Chin Chew.*

*The sole director of the Founder Holdco accepts full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Group and the Offeror) and confirms, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this joint announcement (other than opinions expressed by the Directors in their capacity as the Directors and by the directors of the Offeror in their capacity as the directors of the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.*

*As at the date of this joint announcement, the executive Directors are Mr. Ma Chin Chew (Chairman and Chief Executive Officer), Ms. Lim Siok Eng and Mr. Tang Hong Lai; and the independent non-executive Directors are Mr. Sneddon Donald William, Mr. Yuen Ka Lok Ernest and Mr. Lew Chern Yong.*

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Offeror, the Offeror Concert Parties, the Founder Holdco and Mr. Ma) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than opinions expressed by the directors of the Offeror in their capacity as the directors of the Offeror) have been arrived at after due and careful consideration and there are*

*no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.*



**SCHEDULE 5  
RESERVED MATTERS**

1. The termination of any employment agreement of any employee of the Group with an annual remuneration in excess of S\$120,000.
2. Except for any capital expenditure financed out of the Working Capital Amount (which for the avoidance of doubt shall not be a Reserved Matter), the incurrence or commitment of any amount of capital expenditure which is in excess of S\$2,000,000.
3. The incurrence of any new indebtedness or obtaining any new financial facilities in excess of S\$5,000,000 excluding any additional indebtedness that may be incurred under financial facilities available as at the Completion Date or intercompany loans from a Group Company.
4. Any individual Related Party Transaction which is not conducted on an arms' length basis and:
  - (a) which exceeds S\$150,000; or
  - (b) when aggregated with all other Related Party Transactions during the same financial year which were not conducted on an arm's length basis, exceeds S\$1,000,000,provided that a Related Party Transaction which has been approved as a Reserved Matter or was the subject of aggregation with other Related Party Transaction(s) which have been previously approved as a Reserved Matter would not be subject to the aforementioned aggregation;
5. Any change including but not limited to geographical location, nature and/or scope of the business of the Group, or the commencement of any new activity or line of business of the Group such as incorporation or establishment of any new entity, branch or representative office of any Group Company, or the entry by a Group Company into any partnership or joint venture or co-operation agreement with any other party
6. Any increase in the share capital of the Company, the issue or grant of any option over the unissued share capital of the Company (including the adoption of any share option or award schemes), the issue of any shares in the capital of the Company and/or the issuing of any convertible securities by the Company except in accordance with Clause 13.1.2;
7. Any repurchase, cancellation or redemption of the Company's issued shares or any reduction, consolidation, subdivision or reclassification or other alteration of its capital structure;
8. Any amalgamation or reconstruction or any merger of any Group Company with any corporation, firm or other body;
9. Any disposal or the acquisition of, or investment in, any undertaking, shares or other equity interests, or assets by a Group Company; and/or
10. Save for the winding up of Alliance Glory Ventures Limited and the Listco, the dissolution, liquidation, restructuring or winding-up of any Group Company, or the placement of any Group Company under receivership or judicial management.

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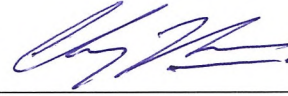


IN WITNESS whereof this Deed has been duly executed on the day and year first above written.

**BTG**

**SIGNED, SEALED AND DELIVERED** as a deed  
for and on behalf of  
**BETAGRO PUBLIC COMPANY LIMITED**

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)  
)  
)



\_\_\_\_\_  
Chayadhorn Taepaisitphongse  
Director

in the presence of:

*Sahapat Wipatavit.*

\_\_\_\_\_  
Witness' signature

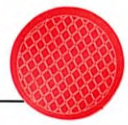

Name: Sahapat Wipatavit

Address: 2882/435 Petchburi Road, Bang Kapi,  
Huai Khwang, Bangkok

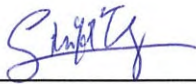
**RGI**

**SIGNED, SEALED AND DELIVERED** as a deed  
for and on behalf of  
**RADIANT GRAND INTERNATIONAL LIMITED**

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)  
)  
)  
\_\_\_\_\_  
Ma Chin Chew  
Director



in the presence of:



\_\_\_\_\_  
Witness' signature



Name: *Sim Yoke Teng*

Address: *c/o 30 Cecil Street  
#10-01/02  
S(049712)*

**MCC**

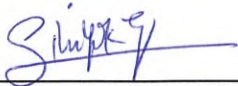
**SIGNED, SEALED AND DELIVERED** as a deed  
by **MA CHIN CHEW**

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)  
)  
)



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in the presence of:



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Witness' signature

Name: *Sim Yok Teng*

Address: *4030 Cecil Street  
#10-01/02  
S(049712)*



**Company**

**SIGNED, SEALED AND DELIVERED** as a deed  
for and on behalf of  
**BETAGRO FOODS (SINGAPORE) PTE. LTD.**

)  
)  
)  
)



Chayadhorn Taepaisitphongse  
Director

in the presence of:

Sahapat Wipatavit

Witness' signature

Name: Sahapat Wipatavit

Address: 2882/435 Petchburi Road, Bang Ka Pi,  
Huay Kwang, Bangkok