

CIRCULAR DATED 5 FEBRUARY 2021

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

This Circular is issued by Grand Venture Technology Limited (the “**Company**”). If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of the Company held through The Central Depository (Pte) Limited (“**CDP**”), you need not forward this Circular to the purchaser or transferee as arrangements will be made by CDP for a separate Circular to be sent to the purchaser or transferee. If you have sold or transferred all your shares represented by physical share certificate(s), you should at once hand this Circular to the purchaser or transferee or to the bank, stockbroker or agent through whom you effected the sale or transfer, for onward transmission to the purchaser or transferee.

The legal advisers appointed by the Company for the purpose of the corporate actions set out in this Circular is Morgan Lewis Stamford LLC.

*This Circular has been reviewed by the Company's Sponsor, CIMB Bank Berhad, Singapore Branch (“**Sponsor**”) in accordance with Rule 226(2)(b) of the SGX-ST Listing Manual Section B: Rules of Catalist. This document has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.*

The contact person for the Sponsor is Mr Jason Chian, Head, Corporate Finance, CIMB Bank Berhad, Singapore Branch, at 50 Raffles Place, #09-01 Singapore Land Tower, Singapore 048623, Telephone: +65 6337 5115.



GRAND VENTURE TECHNOLOGY LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 201222831E)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

- (A) THE PROPOSED PLACEMENT OF 71,527,000 NEW ORDINARY SHARES (THE “PLACEMENT SHARES”) TO NT SPV 12 AT AN ISSUE PRICE OF S\$0.33 FOR EACH PLACEMENT SHARE (THE “PROPOSED PLACEMENT”); AND**
- (B) THE PROPOSED TRANSFER OF CONTROLLING INTEREST IN THE COMPANY TO NT SPV 12 ARISING FROM THE PROPOSED PLACEMENT.**

IMPORTANT DATES AND TIMES:

Last date and time for lodgement of Proxy Form : 26 February 2021 at 10.00 a.m.

Date and time of Extraordinary General Meeting : 1 March 2021 at 10.00 a.m.

Place of Extraordinary General Meeting : The EGM will be held by electronic means in accordance with the manner as set out in the Notice of EGM at Page N-1 of this Circular.

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DEFINITIONS

In this Circular, the following definitions apply throughout unless the context otherwise requires or otherwise stated:

- “1HFY2020”** : The six-month period ended 30 June 2020
- “Associates”** : (a) In relation to any director, chief executive officer, substantial shareholder or controlling shareholder (being an individual) means:
- (i) his immediate family;
 - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
 - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30.0% or more; and
- (b) in relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30.0% or more
- “Board”** : The board of Directors of the Company as at the Latest Practicable Date
- “Business Days”** : A day (other than a Saturday, a Sunday or a gazetted public holiday in Singapore) on which commercial banks are open for business in Singapore
- “Catalist”** : The Catalist Board of the SGX-ST
- “Catalist Rules”** : The Listing Manual Section B: Rules of Catalist of the SGX-ST, as amended, modified or supplemented from time to time
- “CDP”** : The Central Depository (Pte) Limited
- “Circular”** : This circular to Shareholders dated 5 February 2021
- “Companies Act”** : Companies Act (Chapter 50) of Singapore, as amended, supplemented or modified from time to time
- “Company”** : Grand Venture Technology Limited
- “Completion”** : Completion of the Proposed Placement
- “Completion Date”** : Has the meaning ascribed to it in Section 2.4.3 of this Circular

DEFINITIONS

“Consideration”	:	Has the meaning ascribed to it in Section 2.1 of this Circular
“Controlling Interest”	:	The interest of the Controlling Shareholder(s)
“Controlling Shareholder”	:	A person who (a) holds directly or indirectly 15.0% or more of the total number of issued shares excluding treasury shares in the company (unless the SGX-ST determines that such a person is not a controlling shareholder of the company); or (b) in fact exercises control over a company
“Constitution”	:	The constitution of the Company, as amended from time to time
“Director”	:	A director of the Company as at the Latest Practicable Date
“EGM”	:	The extraordinary general meeting of the Company to be held by electronic means on 1 March 2021 at 10.00 a.m. to seek the approval of Shareholders for the Proposed Transactions, notice of which is set out on pages N-1 to N-3 of this Circular
“Enlarged Share Capital”	:	The enlarged issued and paid-up share capital of the Company on a diluted basis immediately after the Completion, being 305,780,000 Shares
“EPS”	:	Earnings per Share
“Existing Share Capital”	:	The existing issued and paid-up share capital of the Company of 234,253,000 Shares as at the Latest Practicable Date. The Company has no treasury shares or subsidiary holdings.
“FY”	:	Financial year ended or ending on 31 December, as the case may be
“Group”	:	The Company and its subsidiaries (each a “Group Company”)
“Holding Announcement”	:	Has the meaning ascribed to it in Section 2.1 of this Circular
“Issue Price”	:	S\$0.33 for each Placement Share
“Latest Practicable Date”	:	4 February 2021, being the latest practicable date prior to the issue of this Circular
“LQN”	:	Has the meaning ascribed to it in Section 1.2 of this Circular
“LTN Transfer”	:	Has the meaning ascribed to it in Section 2.10.3 of this Circular
“Market Day”	:	A day on which the SGX-ST is open for securities trading
“Metalbank”	:	Metalbank Singapore Pte. Ltd.
“Net Proceeds”	:	Has the meaning ascribed to it in Section 2.6 of this Circular

DEFINITIONS

“Nominating Committee”	:	The Nominating Committee of the Company
“Notice of EGM”	:	The notice of EGM which is on pages N-1 to N-3 of this Circular
“NTA”	:	Net tangible assets
“Parties”	:	The Company and the Placee
“Placee”	:	NT SPV 12
“Placee Sale”	:	Has the meaning ascribed to it in Section 2.10.1 of this Circular
“Placee Sale Proceeds”	:	Has the meaning ascribed to it in Section 2.10.1 of this Circular
“Placement Agreement”	:	The conditional placement agreement dated 12 January 2021 entered into between the Company and the Placee in relation to the Proposed Placement
“Placement Shares”	:	Has the meaning ascribed to it in Section 2.1 of this Circular
“Proposed Placement”	:	Has the meaning ascribed to it in Section 2.1 of this Circular
“Proposed Transactions”	:	The Proposed Placement and the Proposed Transfer of Controlling Interest
“Proposed Transfer of Controlling Interest”	:	The proposed transfer of controlling interest in the Company to the Placee arising from the the allotment and issue of the Placement Shares
“Register of Members”	:	Register of members of the Company
“Sale Shares”	:	Has the meaning ascribed to it in Section 2.10.1 of this Circular
“SFA”	:	Securities and Futures Act (Chapter 289) of Singapore, as amended, supplemented or modified from time to time
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“SGXNet”	:	A broadcast network utilised by companies listed on the SGX-ST for the purposes of sending information (including announcements) to the SGX-ST (or any other broadcast or system networks prescribed by the SGX-ST)
“Shareholders”	:	The registered holders of Shares of the Company, except where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context so admits, mean the Depositors whose Securities Accounts are credited with those Shares
“Shares”	:	Ordinary shares in the capital of the Company

DEFINITIONS

“SPA”	:	The conditional sale and purchase agreement dated 12 January 2021 entered into between the Placee and Metalbank in relation to the Placee Sale
“Sponsor”	:	CIMB Bank Berhad, Singapore Branch
“Substantial Shareholder”	:	A person who has an interest or interests in voting Shares in the Company representing not less than 5.0% of all the voting Shares of the Company, as defined under Section 81 of the Companies Act
“Sunshine”	:	Sunshine Ventures Pte. Ltd.
“Sunshine Sale”	:	Has the meaning ascribed to it in Section 2.10.2 of this Circular
“Sunshine Sale Proceeds”	:	Has the meaning ascribed to it in Section 2.10.2 of this Circular
“Sunshine Sale Shares”	:	Has the meaning ascribed to it in Section 2.10.2 of this Circular
“Takeover Code”	:	Singapore Code on Take-overs and Mergers, as amended, supplemented or modified from time to time
“Undertaking”	:	Has the meaning ascribed to it in Section 2.4.6 of this Circular
“VWAP”	:	Volume weighted average price

Currencies, Units and Others

“%” or “per cent”	:	Per centum or percentage
“S\$” and “cents”	:	Singapore dollars and cents, respectively, the lawful currency of the Republic of Singapore

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

The terms “**subsidiaries**” and “**related corporations**” shall have the meanings ascribed to them respectively in the Companies Act.

Any reference to a time of day in this Circular shall be a reference to Singapore time, unless otherwise stated.

Any reference in this Circular to any enactment is a reference to that enactment for the time being amended or re-enacted. Any term defined under the Companies Act, the SFA, the Catalist Rules or such statutory modification thereof and used in this Circular shall, where applicable, have the meaning ascribed to it under the Companies Act, the SFA, the Catalist Rules or such statutory modification thereof, as the case may be, unless otherwise provided.

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

DEFINITIONS

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Any discrepancies in figures included in this Circular between the amounts and totals thereof are due to rounding. Accordingly, figures shown as totals in certain tables in this Circular may not be an arithmetic aggregation of the figures that precede them.

Cautionary Note on Forward-Looking Statements

All statements other than statements of historical facts included in this Circular are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “expect”, “anticipate”, “believe”, “estimate”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “if”, “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect the Company’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders should not place undue reliance on such forward-looking statements, and the Company does not undertake any obligation to update publicly or revise any forward-looking statements, subject to compliance with all applicable laws and regulations and/or the Listing Manual and/or any other regulatory or supervisory body or agency.

LETTER TO SHAREHOLDERS

GRAND VENTURE TECHNOLOGY LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 201222831E)

Directors:

Lee Tiam Nam (Executive Chairman)
Ng Wai Yuen, Julian (Chief Executive Officer and Executive Director)
Liew Yoke Pheng, Joseph (Lead Independent Director)
Pong Chen Yih (Independent Director)
Heng Su-Ling Mae (Independent Director)

Registered Office:

2 Changi North Street 1
GVT Building
Singapore 498828

5 February 2021

To: The Shareholders of Grand Venture Technology Limited

Dear Sir/Madam,

- (A) **THE PROPOSED PLACEMENT OF 71,527,000 NEW ORDINARY SHARES (THE “PLACEMENT SHARES”) TO NT SPV 12 AT AN ISSUE PRICE OF S\$0.33 FOR EACH PLACEMENT SHARE (THE “PROPOSED PLACEMENT”); AND**
- (B) **THE PROPOSED TRANSFER OF CONTROLLING INTEREST IN THE COMPANY TO NT SPV 12 ARISING FROM THE PROPOSED PLACEMENT.**
-

1. INTRODUCTION

1.1 Purpose of this Circular

The Directors are convening an EGM to be held by way of electronic means on 1 March 2021 at 10.00 a.m. to seek Shareholders’ approval for the following (collectively, the “**Proposed Transactions**”):

- (a) the Proposed Placement (Ordinary Resolution 1); and
- (b) the Proposed Transfer of Controlling Interest (Ordinary Resolution 2).

The purpose of this Circular is to provide Shareholders with information relating to the Proposed Transactions, and to seek Shareholders’ approval in relation thereto at the EGM. The Notice of EGM is set out on pages N-1 to N-3 of this Circular.

1.2 Listing and Quotation

In connection with the Proposed Placement, an application has been made by the Sponsor, for and on behalf of the Company, for the dealing in, listing of and quotation for the Placement Shares on the Catalist of the SGX-ST.

On 2 February 2021, the Company announced that the SGX-ST had, by way of a listing and quotation notice issued on 2 February 2021 (“**LQN**”), granted its in-principle approval for the listing of and quotation for up to 71,527,000 Placement Shares, subject to, *inter alia*, the

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Company obtaining specific approvals from Shareholders at the EGM for (a) the Proposed Placement and (b) the Proposed Transfer of Controlling Interest.

Shareholders are advised that the LQN is not to be taken as an indication of the merits of the Proposed Placement, the Placement Shares, the Company and/or its subsidiaries.

1.3 Conditionality of Resolutions

Shareholders should note that Ordinary Resolutions 1 and 2 are inter-conditional upon the passing of one another. This means that if any of Ordinary Resolutions 1 and 2 is not approved by Shareholders at the EGM, none of Ordinary Resolutions 1 and 2 would be passed.

Ordinary Resolutions 1 and 2 are inter-conditional as the Proposed Placement will result in the transfer of a Controlling Interest in the Company to the Placee. As such, approval of the Ordinary Resolution 2 in respect of the Proposed Transfer of Controlling Interest is required for the Proposed Placement to proceed.

2. THE PROPOSED PLACEMENT

2.1 Background

On 4 January 2021, the Company announced *inter alia* that it was in discussions with a third party regarding a potential subscription for new Shares (the “**Holding Announcement**”).

On 12 January 2021, the Company announced *inter alia* that it had entered into a conditional placement agreement (the “**Placement Agreement**”) with the Placee for the allotment and issue of 71,527,000 new Shares (the “**Placement Shares**”) to the Placee at an issue price of S\$0.33 for each Placement Share (the “**Issue Price**”) for an aggregate consideration of S\$23,603,910 (the “**Consideration**”), on the terms and conditions of the Placement Agreement (the “**Proposed Placement**”).

To proceed with the Proposed Placement, specific approval from Shareholders is being sought at the EGM.

2.2 Rationale of the Proposed Placement

The Company is of the view that the investment by the Placee through the Proposed Placement is beneficial to the Company and the Group as the proceeds from the Proposed Placement will increase the resources available to the Company for its operational needs, among other expenses, and the financing of future strategic investments and/or acquisitions, and will allow the Group to further strengthen its financial position and capital base.

2.3 Information on the Placee

As at the Latest Practicable Date, the Placee is a limited liability company incorporated in the Cayman Islands and is a wholly-owned subsidiary of Novo Tellus PE Fund 2, L.P. (the “**Fund**”), a US\$250 million private equity fund. The Fund is domiciled in the Cayman Islands and makes private equity investments in the technology and industrials sector of Southeast Asia, with a focus on mid-market companies. The Fund’s investors are predominantly global large-scale

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institutional investors such as asset allocation, retirement/pension, sovereign wealth, and university endowment funds. The Fund's investment advisor is Novo Tellus Capital Partners Pte. Ltd., a fund management company regulated by the Monetary Authority of Singapore and holding a capital markets services license.

The Placee and the Fund were introduced to the Company through its business associates. The Placee wishes to be an investor in the Company and has agreed to subscribe for the Placement Shares for the purposes of investment, and will not be holding the Placement Shares in trust or as nominee. No commission or introducer fee is payable in connection with the Proposed Placement, and no share borrowing arrangement has been entered into to facilitate the Proposed Placement.

Shareholders should note that information relating to the Placee in this section was provided by the Placee. The Company and the Directors have not independently verified the accuracy and correctness of such information herein.

As at the Latest Practicable Date, each of the Placee and its shareholder (a) does not hold any Shares; and (b) is not related to any of the Directors, Substantial Shareholders, or their respective Associates. Save as disclosed in Section 2.10 below, there is no connection (including business relationship) between the Placee and its shareholder and the Directors or Substantial Shareholders.

The Placee has warranted to the Company, *inter alia*, that there is no agreement or understanding between the Placee and any persons to act in concert to cooperate, through the acquisition of Shares (whether pursuant to the Placement Agreement or otherwise), to obtain or consolidate effective control (as defined in the Takeover Code) of the Company.

2.4 **Principal Terms of the Placement**

2.4.1 Issue Price and basis upon which the discount was determined

The Issue Price of S\$0.33 represents a discount of approximately 18.0% to the VWAP of S\$0.40 per Share based on the trades done on the SGX-ST on 11 January 2021, being the last full market day when the Shares were traded immediately preceding the date the Placement Agreement was signed.

The Issue Price was commercially agreed between the Company and the Placee on a willing-buyer, willing-seller basis after arm's length negotiations, taking into account (a) the 60-day VWAP of S\$0.36 per Share; and (b) the VWAP of S\$0.32 per Share based on the trades done on the SGX-ST on 30 December 2020, being the last full market day when the Shares were traded immediately preceding the Holding Announcement, to which the Issue Price represents a premium of approximately 3.1%.

2.4.2 Conditions Precedent

Completion is conditional upon:

- (a) the listing and quotation notice from the SGX-ST for the listing and quotation of the Placement Shares on Catalist being obtained from the SGX-ST and not having been revoked or amended and, where such notice is subject to conditions, to the extent that

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any conditions for the listing and quotation of the Placement Shares on Catalist are required to be fulfilled on or before the Completion Date, they are so fulfilled;

- (b) the allotment, issue and placement of the Placement Shares not being prohibited by any statute, order, rule or regulation promulgated after the date of the Placement Agreement by any legislative, executive or regulatory body or authority of Singapore which is applicable to the Company;
- (c) the approval of the Shareholders having been obtained at an extraordinary general meeting to be convened for *inter alia* the issue of the Placement Shares and all transactions contemplated by the Placement Agreement, and such approval not having been revoked or amended and if such approval is subject to any conditions and where such conditions affect any party, such conditions being reasonably acceptable to the party concerned, and if such conditions are required to be fulfilled on or before the Completion Date, they are so fulfilled;
- (d) all corporate approvals and third party approvals (including consents from the lenders of the Company), where applicable, having been obtained by the Company in respect of the allotment, issue and subscription of the Placement Shares and the change of shareholding and transfer of controlling interest in the Company as a result thereto, and such approvals remaining in full force and effect on Completion and, if such approvals are subject to any conditions which are required to be fulfilled on or prior to Completion, such conditions are fulfilled;
- (e) there having been, as at the Completion Date, no occurrence of any event nor the discovery of any fact rendering untrue or incorrect in any material respect any of the warranties provided by the Company if they were repeated on and as of the Completion Date; and
- (f) there not having occurred, in the opinion of the Placee, any material adverse change, or any development reasonably likely to involve a prospective material adverse change, whether or not arising from transactions in the ordinary course of business, subsequent to the date of the Placement Agreement.

2.4.3 Completion

Completion shall take place on the date falling 12 clear Market Days after the date on which all the conditions set out in Section 2.4.2 above are satisfied or otherwise waived in writing by the relevant parties, and in any case no later than three (3) months from the date of the Placement Agreement, unless specifically agreed in writing between the Parties (the “**Completion Date**”). Pursuant to the LQN, the Placement Shares are to be placed out within seven (7) Market Days from the date of the EGM. The Company intends to seek an extension of time from the SGX-ST for Completion, and such extension if obtained will be announced in due course.

If any of the conditions set forth in Section 2.4.2 above are not satisfied within three (3) months from the date of the Placement Agreement, or such other date as the Parties may agree, the Placement Agreement shall *ipso facto* terminate and the obligations of the Parties thereunder shall cease and be of no further effect, and save in the event that the condition set forth in Section 2.4.2(c) above is not satisfied, neither the Placee nor the Company shall have any claim against the other for costs, expenses, damages, losses, compensation or otherwise in

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respect of the Placement (except for any right to make a claim arising from any antecedent breach of the Placement Agreement or the liability of the Company for the payment of all fees, costs, expenses and taxes (if any) in connection with the allotment, issue and listing of the Placement Shares on Catalist and obtaining Shareholders' approval for the issue of the Placement Shares).

2.4.4 Indemnities

In the event the Placement Agreement is terminated due to non-satisfaction of the condition set forth in Section 2.4.2(c) above, the Company shall reimburse the Placee for all costs and expenses incurred by the Placee in connection with the Placement Agreement up to a maximum amount of S\$50,000.

Subject to the terms and conditions of the Placement Agreement, the Company shall defend, indemnify and hold harmless the Placee from and against any direct losses which it incurs arising from any breach of obligations of the Company (and not the Placee) under the Placement Agreement up to a maximum of 100% of the Consideration.

2.4.5 Appointment of Director nominated by the Placee

In connection with the Placement, the Placee shall be entitled to nominate one (1) Director (the "**Placee Nominee**") for appointment to the Board, such appointment to take place within 14 days after Completion. The appointment of the Placee Nominee shall be subject to the Placee Nominee being deemed appropriate for the Board, including pursuant to the assessment of the Sponsor and the Nominating Committee, and being able to satisfy all of the requirements for a director of a listed entity on the SGX-ST pursuant to applicable laws and regulations including the Catalist Rules.

The Placee shall also be entitled to request the appointment of one (1) Director on the Board for as long as it holds at least 10.0% of the total issued and paid up share capital of the Company, provided that such Director is deemed appropriate for the Board, including pursuant to the assessment of the Sponsor and the Nominating Committee, and is able to satisfy all of the requirements for a director of a listed entity on the SGX-ST pursuant to applicable laws and regulations including the Catalist Rules.

2.4.6 Undertaking by Mr. Lee Tiam Nam

Pursuant to the Placement Agreement, the Company's Executive Chairman, Mr. Lee Tiam Nam, has provided an irrevocable undertaking (the "**Undertaking**") in favour of the Company and the Placee to use his best efforts to ensure that a majority of the non-conflicted Shareholders present and voting at the EGM shall vote to approve the Proposed Transactions and any other matter necessary or proposed to be implemented together with the foregoing.

2.4.7 Moratorium

The Placee has undertaken not to sell, transfer or otherwise dispose of any of the Placement Shares for a period of 12 months from the Completion date.

LETTER TO SHAREHOLDERS

2.5 The Placement Shares

On Completion, the Company will allot and issue, and the Placee will subscribe for, 71,527,000 Placement Shares representing approximately 30.5% of the Existing Share Capital and 23.4% of the Enlarged Share Capital of the Company as at the Latest Practicable Date. Please refer to the **Appendix** to this Circular for further details on the dilutive effect of the Proposed Transactions on the shareholding structure of the Company.

The Placement Shares, when allotted and issued, are duly authorised, validly issued and credited as fully paid-up, free from any and all encumbrances, listed and tradable on the SGX-ST and rank *pari passu* with all other existing Shares, save that they will not rank for any dividends, rights, allotments, distributions or entitlements, the record date for which falls before the date of issue of such Shares.

2.6 Use of Proceeds

The estimated net proceeds from the Proposed Placement, after deducting estimated fees and expenses in relation to the Placement (including listing and application fees, professional fees and other miscellaneous expenses) of approximately S\$0.1 million, is approximately S\$23.5 million (the “**Net Proceeds**”):

The Company intends to apply the Net Proceeds in the following estimated proportions:

Use of Proceeds	Amount (S\$'000)	Percentage Allocation
Expansion via mergers and acquisitions, joint ventures and partnerships	19,000	81%
Investing and enhancing operational and engineering capabilities	3,000	13%
General working capital	1,504	6%
TOTAL	23,504	100%

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

The Company will make periodic announcements on the utilisation of the Net Proceeds as and when the funds are materially disbursed and whether such use is in accordance with the stated use and the stated percentage allocated. The Company will also provide a status report on the use of the Net Proceeds in the Company's interim and full-year financial statements issued under Rule 705 of the Catalist Rules and the Company's annual report. Where the Net Proceeds have been used for working capital purposes, the Company will provide a breakdown with specific details on how such proceeds have been applied in its announcements and the annual report. Where there is any material deviation from the stated use of Net Proceeds, the Company will make the necessary announcement on the reasons for such deviation.

LETTER TO SHAREHOLDERS

2.7 Rule 812 of the Catalist Rules

The Placee has confirmed to the Company that it is not a person who falls within the categories set out in Rule 812(1) of the Catalist Rules. Accordingly, none of the Placement Shares will be placed by the Company to any person who is a Director or Substantial Shareholder, or any other person in the categories set out in Rule 812(1) of the Catalist Rules.

2.8 Authority to issue the Placement Shares

Rule 805(1) of the Catalist Rules provides that an issuer must obtain the prior approval of shareholders in general meeting for the issuance of shares or convertible securities, unless such shares or convertible securities are issued under a general mandate obtained from shareholders in general meeting.

Separately, Rule 811(1) of the Catalist Rules provides that an issue of shares must not be more than 10% discount to the weighted average price for trades done on the SGX-ST for the full market day on which the placement or subscription agreement was signed. Rule 811(3) of the Catalist Rules provides, *inter alia*, that Rule 811(1) of the Catalist Rules is not applicable if specific shareholder approval is obtained for the issue of shares.

Given that (a) the Placement Shares will not be allotted and issued pursuant to the Company's general share issue mandate; and (b) the Issue Price of S\$0.33 for each Placement Share is more than 10.0% discount to the prevailing market price of the Shares immediately preceding the date of the Placement Agreement, the Company will be seeking specific Shareholders' approval at the EGM for the Proposed Placement for the purposes of Rules 805(1) and 811(3) of the Catalist Rules.

2.9 No placement agent

There is no placement agent appointed for the Proposed Placement. The Proposed Placement will be undertaken by way of an exempted offer under Section 275 (accredited investors and certain other persons) of the SFA. Accordingly, no prospectus or offer information statement will be issued by the Company in connection with the Proposed Placement.

2.10 Sale and Transfer of Shares by Controlling Shareholder

As at the Latest Practicable date, Metalbank is a Controlling Shareholder of the Company and holds 125,952,000 Shares representing approximately 53.77% of the Existing Share Capital of the Company.

2.10.1 Sale of Shares to the Placee

As announced by the Company on 12 January 2021, the Placee had on 12 January 2021 also entered into a conditional sale and purchase agreement (the "**SPA**") with Metalbank for the sale by Metalbank of 19,000,000 Shares (the "**Sale Shares**") to the Placee at a consideration of S\$0.33 per Sale Share, amounting to an aggregate of S\$6,270,000 (the "**Placee Sale Proceeds**") (the "**Placee Sale**"). Completion of the sale and purchase of the Sale Shares under the SPA is conditional upon, *inter alia*, Completion of the Proposed Placement in accordance with the Placement Agreement. The Sale Shares represent approximately 8.1% of the Existing

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Share Capital of the Company, and together with the Placement Shares, will represent approximately 29.6% of the Enlarged Share Capital of the Company. There will not be any moratorium period in respect of the Sale Shares.

Following the completion of the Placee Sale, Mr. Kong Sang Wah (Managing Director (Malaysia)) and Mr. Saw Yip Hooi (Group Senior Director of Sales (Malaysia)) are expected to receive a portion of the Placee Sale Proceeds in their capacity as shareholders of Metalbank, and Mr. Kong Sang Wah will thereafter cease to be a shareholder of Metalbank while Mr. Saw Yip Hooi's shareholding in Metalbank will be reduced. Mr. Lee Tiam Nam (Executive Chairman of the Company), Mr. Ng Wai Yuen, Julian (Chief Executive Officer of the Company) and Mr. Tan Chun Siong (Chief Operating Officer of the Company), who collectively own approximately 66.9% of total share capital of Metalbank as at the Latest Practicable Date, will not be receiving any part of the Placee Sale Proceeds (whether directly or indirectly, in cash or otherwise) in their capacity as shareholders of Metalbank, and each of their shareholdings in Metalbank will increase accordingly.

2.10.2 Sale of Shares to Sunshine Ventures Pte. Ltd.

As announced by the Company on 18 January 2021, the Company had been informed that Metalbank had on 14 January 2021 completed the sale of 7,520,000 Shares (the "**Sunshine Sale Shares**") to Sunshine Ventures Pte. Ltd. ("**Sunshine**"), a Substantial Shareholder, at a consideration of S\$0.33 per Sunshine Sale Share, amounting to an aggregate of S\$2,481,600 (the "**Sunshine Sale Proceeds**") (the "**Sunshine Sale**"). In relation thereto, Sunshine had provided an undertaking that it shall not sell, transfer or otherwise dispose of any of the Sunshine Sale Shares (save to its related corporations) for a period of 12 months from the date of completion of the Sunshine Sale.

Following the completion of the Sunshine Sale, Mr. Saw Yip Hooi is expected to receive a portion of the Sunshine Sale Proceeds in his capacity as shareholder of Metalbank and his shareholding in Metalbank will be reduced. Mr. Lee Tiam Nam, Mr. Ng Wai Yuen, Julian and Mr. Tan Chun Siong, who collectively own approximately 66.9% of total share capital of Metalbank as at the Latest Practicable Date, will not be receiving any part of the Sunshine Sale Proceeds (whether directly or indirectly, in cash or otherwise) in their capacity as shareholders of Metalbank, and each of their shareholdings in Metalbank will increase accordingly.

Pursuant to the notice of change in interest submitted by Metalbank and announced on 18 January 2021, the Company notes and wishes to inform Shareholders that the Sunshine Sale is independent of the Placee Sale.

2.10.3 Transfer of Shares to Mr. Lee Tiam Nam

As announced by the Company on 12 January 2021, the Company understands that Mr. Lee Tiam Nam is in discussions with Metalbank in relation to a potential transfer of Shares from Metalbank (not amounting to an obligation to make a mandatory general offer under Rule 14 of the Takeover Code). The Company has been informed, and wishes to update Shareholders, that following the EGM, Metalbank intends to transfer 12,000,000 Shares to Mr. Lee Tiam Nam in consideration of a reduction in number of shares held by Mr. Lee Tiam Nam in Metalbank (the "**LTN Transfer**"). Following the completion of the LTN Transfer, it is expected that Mr. Lee Tiam Nam's shareholding in Metalbank will be reduced, and the shareholdings of each of Mr. Ng Wai Yuen, Julian and Mr. Tan Chun Siong in Metalbank will increase accordingly.

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The Company will make the appropriate announcements upon receipt of the respective notices of changes in interest from Mr. Lee Tiam Nam and Metalbank following the completion of the LTN Transfer where applicable.

Following the completion of the Placee Sale, the Sunshine Sale and the LTN Transfer, it is expected that:

- (a) Mr. Lee Tiam Nam will directly hold 12,199,400 Shares representing approximately 3.99% of the Enlarged Share Capital of the Company;
- (b) Metalbank will directly hold 94,952,000 Shares representing approximately 31.05% of the Enlarged Share Capital of the Company; and
- (c) Mr. Lee Tiam Nam will continue to hold more than 20% of the shareholding interests in Metalbank and accordingly, will be deemed to have an interest in the Shares held by Metalbank.

2.11 The Proposed Placement as an Interested Person Transaction

The Company's Sponsor has advised that the Placee is deemed to be an interested person and the Proposed Placement constitutes an interested person transaction for the purposes of Chapter 9 of the Catalist Rules, given that the Placee has entered into (a) the Placement Agreement with the Company; and (b) the SPA with Metalbank (being an interested person under Chapter 9 of the Catalist Rules) which is conditional upon, *inter alia*, the Completion of the Placement.

Pursuant to Rule 906(1)(a) of the Catalist Rules, Shareholders' approval is required for a transaction between the Group and an interested person if the value of the transaction amounts to 5.0% or more of the Group's latest audited NTA.

The Consideration for the Placement Shares of S\$23,603,910 represents approximately 80.1% of the Group's latest audited NTA value as at 31 December 2019 of S\$29,461,000. Accordingly, the Proposed Placement is subject to Shareholders' approval at the EGM pursuant to Rule 906 of the Catalist Rules.

The Placee will abstain, and has undertaken to ensure that its Associates will abstain, from voting on the resolution approving the Proposed Placement.

The total value of all interested person transactions with the Placee (excluding the Proposed Placement) for FY2021 up to the Latest Practicable Date is S\$0. The total value of all interested person transactions (excluding the Proposed Placement) for FY2021 up to the Latest Practicable Date is S\$0.

Having considered, among others, the rationale and terms of the Proposed Placement, the Audit Committee is of the view that the Proposed Placement is on normal commercial terms and is not prejudicial to the interests of the Company and its minority Shareholders.

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3. THE PROPOSED TRANSFER OF CONTROLLING INTEREST

Rule 803 of the Catalyst Rules provides that an issuer must not issue securities to transfer a controlling interest without prior approval by Shareholders in a general meeting. Under the Catalyst Rules, a Controlling Shareholder is a person who (a) holds directly or indirectly 15.0% or more of the total number of issued Shares (excluding treasury shares) in the Company, or (b) in fact exercises control over the Company.

As at the Latest Practicable Date, the Placee does not own any Shares. Upon Completion of the Proposed Placement, the Placee will hold 71,527,000 Shares, representing approximately 23.4% of the Enlarged Share Capital of the Company of 305,780,000 Shares.

The Proposed Placement will result in the Placee holding more than 15.0% of the Company's Enlarged Share Capital, thereby causing a transfer of Controlling Interest. Accordingly, the Company is seeking the approval of Shareholders for the Proposed Transfer of Controlling Interest in accordance with Rule 803 of the Catalyst Rules.

Please refer to the **Appendix** to this Circular for further details on the dilutive effect of the Proposed Transactions on the shareholding structure of the Company.

4. INDICATIVE SHAREHOLDING INTERESTS PRIOR TO AND AFTER THE PROPOSED PLACEMENT

Please refer to the **Appendix** to this Circular for indicative shareholding interests of the Directors, Substantial Shareholders, the Placee and other Shareholders immediately prior to and after the Proposed Transactions.

5. PRO FORMA FINANCIAL EFFECTS

5.1 Bases and Assumptions

The *pro forma* financial effects of the Proposed Placement on the Company's share capital and the Group's NTA per Share and EPS as set out below are strictly for illustrative purposes and are not indicative of the actual financial position and results of the Group following Completion.

The objective of presenting the *pro forma* financial effects of the Proposed Placement as shown below is to illustrate what the historical financial information might have been had the Proposed Placement been completed at an earlier date. However, such financial information is not necessarily indicative of the results of the operations or the related effects in the financial position that would have been attained had the Proposed Placement been completed at the earlier date.

These illustrative *pro forma* financial effects have been computed based on the (i) latest audited financial statements of the Group for FY2019; and (ii) unaudited financial statements of the Group for 1HFY2020, and on the following bases and assumptions:

- (a) the estimated fees and expenses incurred by the Company in connection with the Proposed Placement is approximately S\$100,000;

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- (b) the financial effect on the NTA per Share is computed based on the assumption that the Proposed Placement was completed either on 31 December 2019 for illustrating the *pro forma* financial effects for FY2019 or 30 June 2020 for illustrating the *pro forma* financial effects for 1HFY2020; and
- (c) the financial effect on the EPS is computed based on the assumption that the Placement was completed either on 1 January 2019 for illustrating the *pro forma* financial effects for FY2019 or 1 January 2020 for illustrating the *pro forma* financial effects for 1HFY2020.

5.2 Share Capital

	Number of Shares (excluding treasury shares)
Before the Proposed Placement ⁽¹⁾	234,253,000
After Completion of the Proposed Placement ⁽²⁾	305,780,000

Note:

- (1) Based on the Existing Share Capital of 234,253,000 Shares as at the Latest Practicable Date. The Company has no treasury shares or subsidiary holdings.
- (2) 71,527,000 Placement Shares will be issued upon Completion.

5.3 NTA per Share

The NTA per Share of the Group before and after the allotment and issue of the Placement Shares is as follows:

	Before the Proposed Placement	After Completion of the Proposed Placement
NTA as at 31 December 2019 (S\$'000)	29,461	52,965
Number of issued Shares as at 31 December 2019	234,253,000	305,780,000
NTA per Share as at 31 December 2019 (Singapore cents)	12.58	17.32
NTA as at 30 June 2020 (S\$'000)	31,611	55,115
Number of issued Shares as at 30 June 2020	234,253,000	305,780,000

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	Before the Proposed Placement	After Completion of the Proposed Placement
NTA per Share as at 30 June 2020 (Singapore cents)	13.49	18.02

5.4 EPS

The EPS of the Group before and after the allotment and issue of the Placement Shares is as follows:

	Before the Proposed Placement	After Completion of the Proposed Placement
Profit attributable to Shareholders for FY2019 (S\$'000)	3,097	2,997
Weighted average number of issued Shares for FY2019	231,227,523	302,754,523
EPS for FY2019 (Singapore cents)	1.34	0.99
Profit attributable to Shareholders for 1HFY2020 (S\$'000)	2,223	2,123
Weighted average number of issued Shares for 1HFY2020	234,253,000	305,780,000
EPS for 1HFY2020 (Singapore cents)	0.95	0.69

6. CONFIRMATION BY THE DIRECTORS

The Directors are of the opinion that, as of the Latest Practicable Date, after taking into consideration:

- (a) the Group's present bank facilities, the working capital available to the Group is sufficient to meet its present requirements, and the Proposed Placement is being undertaken for purposes set out in Section 2.2 above; and
- (b) the Group's present bank facilities and the Net Proceeds, the working capital available to the Group is sufficient to meet its present requirements.

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7. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save as disclosed in this Circular, none of the Directors, the Substantial Shareholders or their respective Associates has any interest, direct or indirect, in the Proposed Transactions, other than through their respective directorships and/or shareholdings in the Company.

As at the Latest Practicable Date, the interests of the Directors and Substantial Shareholders in the Shares, as recorded in the Register of Directors' shareholdings and Register of Substantial Shareholders' shareholdings respectively, are as set out in the **Appendix** to this Circular.

8. DIRECTORS' RECOMMENDATIONS

8.1 The Proposed Transactions

The Directors, having considered, amongst others, the terms and conditions, rationale, intended use of proceeds and financial effects of the Proposed Placement and the Proposed Transfer of Controlling Interest, and all other relevant information set out in this Circular, are of the opinion that the Proposed Placement and the Proposed Transfer of Controlling Interest are in the best interests of the Company, and accordingly recommend that Shareholders vote in favour of the proposed resolutions relating thereto as set out in the Notice of EGM.

8.2 No Regard to Specific Objectives

Shareholders, in deciding whether to vote in favour of the ordinary resolutions relating to the Proposed Transactions, should read carefully the terms, rationale for and benefits of the Proposed Transactions. In giving the above recommendations, the Directors have not had regard to the specific investment objectives, financial situation, tax position or unique needs or constraints of any individual Shareholder. As Shareholders would have different investment objectives, the Directors recommend that any Shareholder who may require specific advice in relation to his or her specific investment objectives or portfolio should consult his or her stockbroker, bank, solicitor, accountant, tax adviser or other professional advisers.

9. ABSTENTION FROM VOTING

In view of Metalbank's deemed interest in the Proposed Placement by reason of the Placee Sale (which is conditional upon the Completion of the Proposed Placement), Metalbank, its Associates and Mr. Lee Tiam Nam (who is a Controlling Shareholder of Metalbank) will abstain from voting at the EGM on the ordinary resolutions relating to the Proposed Transactions. Metalbank, its Associates and Mr. Lee Tiam Nam will also decline to accept appointment as proxies for any Shareholder to vote in respect of the ordinary resolutions relating to the Proposed Transactions, unless the Shareholder concerned shall have given specific instructions in his Proxy Form as to the manner in which his votes are to be cast in respect of the said resolutions.

In view of the Proposed Placement as an interested person transaction, pursuant to Rule 919 of the Catalist Rules, the Placee and its Associates (if any) will abstain from voting at the EGM on the ordinary resolution relating to the Proposed Placement. The Placee and its Associates will also decline to accept appointment as proxies for any Shareholder to vote in respect of the ordinary resolution relating to the Proposed Placement, unless the Shareholder concerned shall

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have given specific instructions in his Proxy Form as to the manner in which his votes are to be cast in respect of the said resolution. As at the Latest Practicable Date, the Placee and its Associates do not own any Shares and accordingly, will not be voting at the EGM.

The Company will disregard any votes cast on a resolution by any of the abovementioned persons and any persons who are required to abstain from voting.

10. EXTRAORDINARY GENERAL MEETING

Pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, the EGM will be held by way of electronic means on 1 March 2021 at 10.00 a.m. (Singapore Time) for the purpose of considering and if thought fit, passing, with or without any modification, the Ordinary Resolutions relating to the Proposed Transactions as set out in the Notice of EGM.

11. ACTION TO BE TAKEN BY SHAREHOLDERS

11.1 Notice of EGM, Circular and Proxy Form

Printed copies of the Notice of EGM, this Circular and the Proxy Form will not be sent to Shareholders. Instead, the Notice of EGM, this Circular and the Proxy Form may be accessed at the Company's website at the URL <https://www.gvt.com.sg/>. The Notice of EGM, this Circular and the Proxy Form are also available on SGXNet at the URL <https://www.sgx.com/securities/company-announcements>.

11.2 Attendance at the EGM

Due to the current COVID-19 advisories issued by the relevant authorities in Singapore and the related safe distancing measures in Singapore, the EGM will be held by way of electronic means and Shareholders will not be able to attend the EGM in person. Shareholders will be able to watch the proceedings of the EGM through a "live" webcast or listen to these proceedings through a "live" audio feed. In order to do so, a Shareholder who wishes to watch the "live" webcast or listen to the "live" audio feed must pre-register by 6.00 p.m. (Singapore Time) on 22 February 2021, via the email address contact@gvt.com.sg. Following authentication of his/her/its status as Shareholders, authenticated Shareholders will receive email instructions on how to access the webcast and audio feed of the proceedings of the EGM by 10.00 a.m. (Singapore Time) on 26 February 2021.

11.3 Participation at the EGM

Alternative arrangements have been made by the Company to allow Shareholders to participate at the EGM via electronic means. Such alternative arrangements include:

- (a) arrangements by which Shareholders may electronically access the EGM proceedings and observe and/or listen to the live audio-visual webcast or live audio-only stream;
- (b) arrangements by which Shareholders may submit comments, queries and/or questions to the chairman of the EGM (the "**Chairman of the Meeting**") in advance of the EGM;

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- (c) arrangements by which the Board and the management may address substantial and relevant comments, queries and/or questions before the EGM; and
- (d) arrangements by which Shareholders may appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM.

Details of the steps for pre-registration for the live audio-visual webcast or live audio-only stream, submission of comments, queries and/or questions in advance of the EGM and submission of Proxy Forms to appoint the Chairman of the Meeting to attend, speak and vote at the EGM are set out in the Notice of EGM.

11.4 Key Dates and Times

Key Dates and Times	Action to be taken by Shareholders
22 February 2021, 6.00 p.m.	Deadline for Shareholders to: <ul style="list-style-type: none"> (a) pre-register for the live audio-visual webcast or live audio-only stream; and (b) submit comments, queries and/or questions in advance of the EGM.
26 February 2021, 10.00 a.m.	Deadline for Shareholders to submit Proxy Forms to appoint the Chairman of the Meeting to attend, speak and vote at the EGM.
26 February 2021, 10.00 a.m.	Shareholders, who have pre-registered for the live audio-visual webcast or live audio-only stream and who have been verified by the Company will receive an email which will contain the user ID and password details as well as the URL to access the live audio-visual webcast or the toll-free telephone number to access the live audio-only stream (the “ Confirmation Email ”). Shareholders who have pre-registered for the live audio-visual webcast or live audio-only stream but who have not received the Confirmation Email by 12.00 p.m. (Singapore Time) on 26 February 2021, should contact the Company at contact@gvt.com.sg .
1 March 2021, 10.00 a.m.	Shareholders may participate at the EGM via electronic means by: <ul style="list-style-type: none"> (a) accessing the URL in the Confirmation Email and entering the user ID and password to access the live audio-visual webcast; or (b) calling the toll-free telephone number to access the live audio-only stream.

11.5 Important Reminder

Due to the constantly evolving COVID-19 situation in Singapore, the Company may be required to change the arrangements for the EGM at short notice. For the latest updates on the

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arrangements for the EGM, Shareholders should check the Company's website at the URL <https://www.gvt.com.sg/>. Such updates will also be made available on SGXNet at the URL <https://www.sgx.com/securities/company-announcements>.

12. DIRECTORS' RESPONSIBILITY STATEMENT

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

13. DOCUMENTS FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company located at 2 Changi North Street 1, GVT Building, Singapore 498828 during normal business hours for three (3) months from the date of this Circular:

- (a) the existing Constitution of the Company;
- (b) the annual reports of the Company for FY2018 and FY2019;
- (c) the Placement Agreement; and
- (d) the Undertaking.

Shareholders who wish to inspect these documents at the registered office of the Company are required to send an email request to contact@gvt.com.sg to make an appointment in advance. The Company will arrange a date when each Shareholder can come to the registered office to inspect accordingly. The inspection of documents will be arranged with each Shareholder to limit the number of people who are present at the registered office at any one point in time and such arrangements are subject to the prevailing regulations, orders, advisories and guidelines relating to safe distancing which may be implemented by the relevant authorities from time to time.

Yours faithfully

For and on behalf of the Board of Directors of
GRAND VENTURE TECHNOLOGY LIMITED

Lee Tiam Nam
Executive Chairman

APPENDIX – CHANGES IN SHAREHOLDING INTERESTS

	Prior to the Proposed Placement ⁽¹⁾				Upon Completion of the Proposed Placement ⁽²⁾			
	Direct Interest		Deemed Interest		Direct Interest		Deemed Interest	
	Number of Shares	%	Number of Shares	%	Number of Shares	%	Number of Shares	%
<u>DIRECTORS</u>								
Lee Tiam Nam ⁽³⁾⁽⁴⁾	199,400	0.09	125,952,000	53.77	199,400	0.07	106,952,000	34.98
Ng Wai Yuen Julian	-	-	-	-	-	-	-	-
Liew Yoke Pheng Joseph	-	-	-	-	-	-	-	-
Pong Chen Yih	-	-	-	-	-	-	-	-
Heng Su-Ling Mae	-	-	-	-	-	-	-	-
<u>SUBSTANTIAL SHAREHOLDERS (OTHER THAN DIRECTORS)</u>								
Metalbank Singapore Pte. Ltd. ⁽⁴⁾	125,952,000	53.77	-	-	106,952,000	34.98	-	-
Sunshine Ventures Pte. Ltd.	28,135,000	12.01	-	-	28,135,000	9.20	-	-
SF Capital Investment Pte. Ltd. ⁽⁵⁾	-	-	28,135,000	12.01	-	-	28,135,000	9.20
CLSF LLP ⁽⁵⁾	-	-	28,135,000	12.01	-	-	28,135,000	9.20
ZG Innotech Pte. Ltd.	15,520,000	6.63	-	-	15,520,000	5.08	-	-
Lu Jinfeng ⁽⁶⁾	-	-	15,520,000	6.63	-	-	15,520,000	5.08
<u>OTHERS</u>								
The Placee	-	-	-	-	90,527,000	29.61	-	-
	Number of Shares		%		Number of Shares		%	

APPENDIX D – CHANGES IN SHAREHOLDING INTERESTS

Public	64,446,600	27.51	64,446,600	21.08
TOTAL	234,253,000	100.00	305,780,000	100.00

Notes:

- (1) Based on 234,253,000 Shares in the issued and paid-up share capital of the Company, excluding treasury shares and subsidiary holdings, as at the Latest Practicable Date.
- (2) Based on 305,780,000 Shares in the issued and paid-up share capital of the Company, excluding treasury shares and subsidiary holdings, taking into consideration (a) the allotment and issue of the Placement Shares pursuant to the Proposed Placement; and (b) the sale and purchase of the Sale Shares pursuant to the Placee Sale.
- (3) Metalbank holds 125,952,000 Shares as at the Latest Practicable Date, and 106,952,000 Shares upon completion of the Proposed Placement and the Placee Sale. Mr. Lee Tiam Nam is deemed to have an interest in the Shares held by Metalbank by virtue of Section 7(4A) of the Companies Act.
- (4) The respective shareholding interests of Mr. Lee Tiam Nam and Metalbank do not take into account the intended transfer of 12,000,000 Shares from Metalbank to Mr. Lee Tiam Nam pursuant to the LTN Transfer, as set out in Section 2.10.3 of this Circular. Following the completion of the Placee Sale, the Sunshine Sale and the LTN Transfer, it is expected that Mr. Lee Tiam Nam will directly hold 12,199,400 Shares representing approximately 3.99% of the Enlarged Share Capital of the Company, and Metalbank will directly hold 94,952,000 Shares representing approximately 31.05% of the Enlarged Share Capital of the Company. Mr. Lee Tiam Nam will continue to hold more than 20% of the shareholding interests in Metalbank and accordingly, will be deemed to have an interest in the Shares held by Metalbank by virtue of Section 7(4A) of the Companies Act.
- (5) Sunshine Ventures Pte. Ltd. holds 28,135,000 Shares as at the Latest Practicable Date. SF Capital Investment Pte. Ltd. and CLSF LLP are each deemed to have an interest in the Shares held by Sunshine Ventures Pte. Ltd. by virtue of Section 7(4A) of the Companies Act.
- (6) ZG Innotech Pte. Ltd. holds 15,520,000 Shares as at the Latest Practicable Date. Mr. Lu Jinfeng is deemed to have an interest in the Shares held by ZG Innotech Pte. Ltd. by virtue of Section 7(4A) of the Companies Act.

NOTICE OF EXTRAORDINARY GENERAL MEETING

GRAND VENTURE TECHNOLOGY LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 201222831E)

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (“**EGM**”) of Grand Venture Technology Limited (the “**Company**”) will be held by way of electronic means on 1 March 2021 at 10.00 a.m. for the purpose of considering and, if thought fit, passing with or without modifications, the following resolutions:

*All capitalised terms in this Notice of EGM which are not defined herein shall have the meanings ascribed to them in the circular to shareholders of the Company dated 5 February 2021 (the “**Circular**”).*

Shareholders should note that Ordinary Resolutions 1 and 2 as set out in this Notice are inter-conditional on each other. This means that if any one of Ordinary Resolutions 1 or 2 is not approved, all of Ordinary Resolutions 1 and 2 will not be duly approved.

ORDINARY RESOLUTION 1: THE PROPOSED PLACEMENT

THAT subject to and contingent upon Ordinary Resolution 2 as set out in this Notice of EGM being passed:

- (a) authority be and is hereby given to the Directors to allot and issue to the Placee 71,527,000 Placement Shares, as an interested person transaction in accordance with Rule 906 of the Catalist Rules and pursuant to Section 161 of the Companies Act and Rules 805 and 811 of the Catalist Rules, at an issue price of S\$0.33 for each Placement Share, credited as fully paid-up, subject to and in accordance with the terms and conditions set out in the Placement Agreement; and
- (b) the Directors and each of them be and are hereby authorised to complete, enter and do all acts and things (including without limitation, prepare and finalise, approve, sign, execute and deliver all such documents or agreements as may be required) and do all deeds and things as they may consider necessary, desirable, incidental or expedient for the purposes of or to give effect to this Ordinary Resolution 1 and implement any of the foregoing as they think fit and in the interests of the Company.

ORDINARY RESOLUTION 2: THE PROPOSED TRANSFER OF CONTROLLING INTEREST

THAT subject to and contingent upon Ordinary Resolution 1 as set out in this Notice of EGM being passed:

- (a) approval be and is hereby given for the allotment and issuance by the Company of the Placement Shares to the Placee on the terms and subject to the conditions set out in the Placement Agreement which constitutes a transfer of Controlling Interest in the Company to the Placee pursuant to Rule 803 of the Catalist Rules; and
- (b) the Directors and each of them be and are hereby authorised to complete, enter and do all acts and things (including without limitation, prepare and finalise, approve, sign, execute and deliver all such documents or agreements as may be required) and do all deeds and things as they may consider necessary, desirable, incidental or expedient for the purposes of or to give effect to this Ordinary Resolution 2 and implement any of the foregoing as they think fit and in the interests of the Company.

NOTICE OF EXTRAORDINARY GENERAL MEETING

BY ORDER OF THE BOARD GRAND VENTURE TECHNOLOGY LIMITED

Lee Tiam Nam
Executive Chairman
5 February 2021

Notes:

1. The EGM is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of this Notice will not be sent to members. Instead, this Notice will be sent to members by electronic means via publication on the Company's website at the URL <https://www.gvt.com.sg/> and will also be made available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.
2. Due to the current COVID-19 advisories issued by the relevant authorities in Singapore and the related safe-distancing measures in Singapore, the EGM will be held by way of electronic means and members will not be able to attend the EGM in person. A member will be able to watch the proceedings of the EGM through a "live" webcast or listen to these proceedings through a "live" audio feed. In order to do so, a member who wishes to watch the "live" webcast or listen to the "live" audio feed must pre-register by 6.00 p.m. (Singapore Time) on 22 February 2021, via the email address contact@gvt.com.sg. Following authentication of his/her/its status as members, authenticated members will receive email instructions ("**Confirmation Email**") on how to access the webcast and audio feed of the proceedings of the EGM by 10.00 a.m. (Singapore Time) on 26 February 2021. Members who have pre-registered for the live audio-visual webcast or live audio-only stream but who have not received the Confirmation Email by 12.00 p.m. (Singapore Time) on 26 February 2021, should contact the Company at contact@gvt.com.sg.
3. A member who pre-registers to watch the "live" webcast or listen to the "live" audio feed may also submit questions related to the resolutions to be tabled for approval at the EGM. To do so, all questions must be submitted by 6.00 p.m. (Singapore Time) on 22 February 2021 by email at contact@gvt.com.sg. Members will not be able to ask questions during the live audio-visual webcast or live audio-only stream of the EGM proceedings. Therefore, it is important for Members to pre-register and submit their questions in advance of the EGM. The Company will address all substantial and relevant questions (as may be determined by the Company in its sole discretion) received from the Shareholders relating to the Proposed Transactions prior to the EGM via the SGX website at the URL <https://www.sgx.com/securities/companyannouncements> and the Company's website at the URL <https://www.gvt.com.sg/> and/or during the EGM.
4. A member (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM if such member wishes to exercise his/her/its voting rights at the EGM. The accompanying proxy form for the EGM may be accessed at the Company's website at the URL <https://www.gvt.com.sg/>, and will also be made available on the SGX website at the URL <https://www.sgx.com/securities/companyannouncements>.
5. Where a member (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.
6. Investors who hold shares through relevant intermediaries (as defined in section 181 of the Companies Act), including CPF and SRS investors, and who wish to participate in the EGM by (a) observing or listening to the EGM proceedings via "live" audio-visual webcast or "live" audio-only stream; (b) submitting questions in advance of the EGM; and/or (c) appointing the Chairman of the Meeting as proxy to attend, speak and vote on their behalf at the EGM, should contact the relevant intermediary (which would include, in the case of CPF and SRS investors, their respective CPF Agent Banks and SRS Operators) through which they hold such shares as soon as possible in order to make the necessary arrangements for them to participate in the EGM.

CPF or SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days before the date of the EGM.
7. The Chairman of the Meeting, as proxy, need not be a member of the Company.

NOTICE OF EXTRAORDINARY GENERAL MEETING

8. The Proxy Form, if submitted by post, must be deposited at the registered office of the Company located at 2 Changi North Street 1, GVT Building, Singapore 498828, not less than 72 hours before the time fixed for holding the EGM.
9. The Proxy Form, if submitted electronically, must be submitted via email to contact@gvt.com.sg, not less than 72 hours before the time fixed for holding the EGM. In view of the current Covid-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.
10. Where the Proxy Form is executed by an individual, it must be executed under the hand of the individual or his attorney duly authorised. Where the Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised.

PERSONAL DATA PRIVACY

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

IMPORTANT:

1. The EGM will be held and convened by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of the Notice of EGM dated 5 February 2021 ("**Notice of EGM**") and this Proxy Form will not be sent to members. Instead, the Notice of EGM and this Proxy Form will be sent to members by electronic means via publication on the Company's website at the URL <https://www.gvt.com.sg/> and will also be made available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.
2. Alternative arrangements relating to attendance at the EGM by way of electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions to the Chairman of the Meeting in advance of the EGM, addressing of substantial and relevant questions at the EGM and voting by appointment of the Chairman of the Meeting as a proxy at the EGM, are set out in the Notice of EGM.
3. Due to the current COVID-19 advisories issued by the relevant authorities in Singapore and the related safe-distancing measures in Singapore, the EGM will be held by way of electronic means and members will not be able to attend the EGM in person. A member (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM if such member wishes to exercise his/her/its voting rights at the EGM.

NOTES:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act (Chapter 289) of Singapore), you should insert that number. If you have Shares registered in your name in the Register of Members of the Company, you should insert that number. If you have shares entered against your name in the Depository Register and registered in your name in the Register of Members, you should insert the aggregate number of Shares. If no number is inserted, this form of proxy will be deemed to relate to all the Shares held by you.
2. Due to the current COVID-19 advisories issued by the relevant authorities in Singapore and the related safe-distancing measures in Singapore, the EGM will be held by way of electronic means and members will not be able to attend the EGM in person. A member (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM if such member wishes to exercise his/her/its voting rights at the EGM. This Proxy Form may be accessed at the Company's website at the URL <https://www.gvt.com.sg/>, and will also be made available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements>.

Where a member (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

3. CPF or SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days before the date of the EGM.
4. The Chairman of the Meeting, as proxy, need not be a member of the Company.
5. This Proxy Form, if submitted by post, must be deposited at the registered office of the Company located at 2 Changi North Street 1, GVT Building, Singapore 498828, not less than 72 hours before the time fixed for holding the EGM.
6. This Proxy Form, if submitted electronically, must be submitted via email to contact@gvt.com.sg, not less than 72 hours before the time fixed for holding the EGM. In view of the current Covid-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.
7. Where this Proxy Form is executed by an individual, it must be executed under the hand of the individual or his attorney duly authorised. Where this Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised.
8. Where this Proxy Form is executed under the hand of an attorney duly authorised, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with this Proxy Form, failing which this Proxy Form may be treated as invalid.
9. A corporation which is a member of the Company may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Companies Act.

General:

The Company shall be entitled to reject a Proxy Form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the Proxy Form. In addition, in the case of Shares entered in the Depository Register, the Company may reject a Proxy Form if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time fixed for holding the EGM, as certified by the CDP to the Company. A Depositor shall not be regarded as a member of the Company entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register 72 hours before the time fixed for holding the EGM.

Personal data privacy:

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