A-SMART HOLDINGS LTD
(Company Registration No. 199902058Z)
(Incorporated in the Republic of Singapore)

PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE

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1. INTRODUCTION

1.1 The board of directors ("**Board**" or "**Directors**") of A-Smart Holdings Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Company is proposing to undertake a renounceable non-underwritten rights issue (the "**Rights Issue**") of up to 268,781,002 new ordinary shares in the capital of the Company ("**Rights Shares**") at an issue price of S$0.10 for each Rights Share ("**Issue Price**"), on the basis of one (1) Rights Share for every one (1) existing ordinary share in the capital of the Company ("**Shares**") held by the shareholders of the Company ("**Shareholders**") as at a record date to be determined by the Board, at and on which the register of members of the Company and the transfer books will be closed to determine the provisional allotment of the Rights Shares of the Entitled Shareholders (as defined below) ("**Record Date**").

In accordance with Rule 821 of the Listing Manual of the Mainboard ("**Listing Manual**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the Record Date shall only be determined after the Rights Issue has been approved by the SGX-ST.

1.2 The principal terms of the Rights Issue are set out below:

Proposed Principal Terms of the Rights Issue	**Description**
Issue Price of each Right Share	Issue Price of S$0.10 per Rights Share, payable in full upon acceptance and/or application
Discount (specifying benchmarks and periods)	The Issue Price represents a discount of approximately: (1) 15.3% to the closing price of S$0.118 per Share on 17 June 2026, being the last trading day where there were Shares traded immediately prior to the date of this announcement ("**Last Traded Price**"); and (2) 8.3% to the theoretical ex-rights price(1) of S$0.109 per Share (based on the Last Traded Price). **Notes:**

Proposed Principal Terms of the Rights Issue	Description
	(1) The theoretical ex-rights price is calculated based on the following formula: $$\frac{\text{Market capitalisation of the Company}^{(a)} + \text{gross proceeds from the Rights Shares}^{(b)}}{\text{Number of Shares after issuance of Rights Shares}^{(c)}}$$ Whereby: (a) Market capitalisation of the Company is calculated based on 268,781,002 Shares (assuming full exercise of all Outstanding Options (as defined below)) and Last Traded Price of S$0.118. (b) Gross proceeds from the Rights Shares are calculated based on 268,781,002 Rights Shares and Issue Price of S$0.10. (c) Number of Shares after issuance of Rights Shares is 537,562,004 Shares, calculated based on 268,781,002 Shares (assuming full exercise of all Outstanding Options and 268,781,002 Rights Shares.
Allotment Ratio	One (1) Rights Share for every one (1) existing Share held by Shareholders as at the Record Date.
Use of Proceeds	Please refer to paragraph 4 of this announcement for details on the use of proceeds of Rights Issue.
Purpose of Issue	Please refer to paragraph 3 of this announcement for details on the purpose of the Rights Issue.

The terms and conditions of the Rights Issue are subject to such changes as the Directors may deem fit. The final terms and conditions of the Rights Issue, including procedures for acceptances and applications for the Rights Shares, will be contained in an offer information statement (the “**Offer Information Statement**”), to be lodged with the Monetary Authority of Singapore (“**MAS**”), and its accompanying documents to be despatched or disseminated by the Company to Entitled Shareholders (as defined below) in due course. A further announcement on the lodgement and despatch or dissemination of the Offer Information Statement will be made by the Company at the appropriate time.

Further details on the principal terms and conditions of the Rights Issue are set out in paragraph 2 of this announcement.

1.3 The Rights Issue will be subject to Shareholders' approval, which will be sought at an extraordinary general meeting ("**EGM**") to be convened. A circular to Shareholders containing further information on the proposed Rights Issue, together with the notice of EGM, will be issued by the Company in due course.

1.4 As an indication of their intention to support for the Rights Issue and to demonstrate their commitment to and vote of confidence in the Company, certain shareholders of the Company, namely Mr Ma Weidong ("**MWD**") and Mr Oei Hong Leong ("**OHL**") (each an "**Undertaking Shareholder**", and collectively, the "**Undertaking Shareholders**"), intend to each provide an irrevocable undertaking to the Company in respect of the Rights Issue (each, an "**Irrevocable Undertaking**", and collectively, the "**Irrevocable Undertakings**"). Further details of the Irrevocable Undertakings are set out in paragraph 8 of this announcement. The Company will make further announcements in relation to the Irrevocable Undertakings as and when appropriate.

2. PROPOSED PRINCIPAL TERM OF THE RIGHTS ISSUE

2.1 Basis of Provisional Allotment

The Rights Issue will be made on a *pro rata*, renounceable and non-underwritten basis of one (1) Rights Share for every one (1) Share held by the Shareholders as at the Record Date.

2.2 Size of the Rights Issue

As at the date of this announcement, the Company has an issued and paid-up share capital comprising 268,312,252 Shares (excluding treasury shares, if any) ("**Existing Share Capital**") and 468,750 outstanding share options ("**Outstanding Options**") granted pursuant to the A-Smart Employee Share Option Scheme 2018, which was adopted by the Company on 30 November 2018 ("**Employee Share Option Scheme**"), exercisable into 468,750 new Shares.

<u>Minimum Scenario</u>

Based on the Existing Share Capital and assuming that:

(a) no new Shares are issued on or prior to the Record Date;

(b) only the Undertaking Shareholders, subscribe for their respective *pro rata* entitlements to the Rights Shares and such number of Excess Rights Shares (as defined below), if any, remaining unsubscribed by the other Entitled Shareholders (as defined below) as at the closing date of the Rights Issue, in accordance with their respective Irrevocable Undertakings as detailed in paragraph 8 of this announcement; and

(c) none of the Outstanding Options are exercised on or prior to the Record Date,

the Company will issue 268,312,252 Rights Shares ("**Minimum Scenario**"). Under the Minimum Scenario, the issued and paid-up share capital of the Company will increase to 536,624,504 Shares upon the allotment and issuance of the Rights Shares.

Maximum Scenario

Based on the Existing Share Capital and assuming that:

(a) all of the Outstanding Options are exercised and new Shares are issued pursuant thereto on or prior to the Record Date;

(b) save for sub-paragraph (a) above, no other new Shares are issued on or prior to the Record Date; and

(c) only the Undertaking Shareholders, subscribe for their respective *pro rata* entitlements to the Rights Shares and such number of Excess Rights Shares (as defined below), if any, remaining unsubscribed by the other Entitled Shareholders (as defined below) as at the closing date of the Rights Issue, in accordance with their respective Irrevocable Undertakings as detailed in paragraph 8 of this announcement,

the Company will issue 268,781,002 Rights Shares ("**Maximum Scenario**"). Under the Maximum Scenario, the issued and paid-up share capital of the Company will increase to 537,562,004 Shares upon the allotment and issuance of the Rights Shares.

Please refer to Appendix A of this announcement for an illustration of the shareholding interests of the Undertaking Shareholders under each of the Minimum Scenario and the Maximum Scenario following completion of the Rights Issue.

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

2.3 **Scaling Down of Subscriptions**

Depending on the level of subscription for the Rights Issue, and the approval of the Whitewash Waiver as detailed in paragraph 9 of this announcement, the Company may, if necessary and upon the approval of the SGX-ST, scale down the Rights Shares subscribed by any Shareholder to:

(a) avoid placing such Shareholder and/or parties acting in concert with it (as defined in the Singapore Code on Take-overs and Mergers ("**Takeover Code**")) in the position of incurring an obligation to make a mandatory general offer under the Takeover Code as a result of other Entitled Shareholders (as defined below) not taking up, whether partly or in full, their provisional allotments of the Rights Shares; and/or

(b) avoid the transfer of a controlling interest in the Company, which is prohibited under Rule 803 of the Listing Manual, unless prior approval of Shareholders is obtained in a general meeting.

2.4 **Ranking**

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

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

2.5 **Non-underwritten basis of the Rights Issue**

The Rights Issue will not be underwritten. In the reasonable opinion of the Directors, and having regard to the Irrevocable Undertakings which are intended to be provided by the Undertaking Shareholders, as well as the cost savings to be enjoyed by the Company arising from the absence of underwriting fees and commissions, the Directors are of the view that it is neither necessary nor cost effective for the Rights Issue to be underwritten by a financial institution.

3. RATIONALE

3.1 The Company is proposing the Rights Issue to raise proceeds to meet the working capital requirements for an ongoing property development, Timor Marina Square ("**Timor Marina Square Project**"), in Timor-Leste. Timor Marina Square Project, which is 79% owned by the Group, is a mixed-use property development in Dili, Timor-Leste. The Company anticipates that it will require approximately S$19 million for the Timor Marina Square Project over the construction period of twelve (12) months.

3.2 The Company believes that the Rights Issue will: (i) strengthen the Company's capital base and improve its liquidity position; (ii) provide funding support for the Timor Marina Square Project; (iii) provide existing Shareholders who are confident in the future prospects of the Company with an opportunity to further participate in the equity growth of the Company; (iv) minimise immediate dilution to existing Shareholders by offering the Rights Shares on a *pro rata* basis; and (v) improve the gearing of the Company by way of set-off of subscription monies payable by MWD for his subscription of Rights Shares (including Excess Rights Shares, if any) against the MWD Shareholder Loan (as defined below).

3.3 Further, the Irrevocable Undertakings which are intended to be provided by the Undertaking Shareholders will provide the Company with greater certainty as to the successful completion of the Rights Issue and the availability of the expected proceeds therefrom.

4. USE OF PROCEEDS

4.1 The net proceeds from the Rights Issue, after deduction of estimated expenses of approximately S$300,000 and the set-off of the MWD Shareholder Loan of up to S$6,600,000 against amounts payable by MWD for his subscription of Rights Shares (including Excess Rights Shares, if any) ("**Net Proceeds**"), are as follows:

(a) approximately S$19,978,100 under the Maximum Scenario; and

(b) approximately S$19,931,225 under the Minimum Scenario.

4.2 The Company intends to use the Net Proceeds in the following manner and proportions:

Use of Net Proceeds	Percentage of Net Proceeds (%)
To fund the working capital needs of Timor Marina Square Project in Timor-Leste, including the repayment of bridging loan	100
Total	100

4.3 The Company will make periodic announcements on the utilisation of the Net Proceeds as and when such proceeds are materially disbursed and whether such disbursements are in accordance with the stated use of proceeds, and subsequently provide a status report on the use of such proceeds in its annual report. Where there is any material deviation from the stated use of proceeds, the Company will announce the reasons for such deviation.

4.4 Pending the deployment of the proceeds raised from the Rights Issue for the use(s) mentioned above, the proceeds may be placed as deposits with financial institutions or invested in short-term money market or debt instruments, or for any other purposes on a short-term basis as the Directors may deem fit in the interests of the Group.

5. OPINION OF DIRECTORS

5.1 As at the date of this announcement, the Directors are of the opinion that barring any unforeseen circumstances, and after taking into consideration:

(a) the Group's present bank facilities and cash position, the working capital available to the Group is not sufficient to meet its present requirements which include the working capital requirements of its property development project(s) in Timor-Leste. The Rights Issue is being undertaken to fund the working capital needs of the Group's Timor Marina Square Project in Timor-Leste;

(b) the Group's present bank facilities and cash position, along with the Net Proceeds, the working capital available to the Group is sufficient to meet its present capital requirements.

5.2 The Directors are of the opinion that the Rights Issue will strengthen the financial position and capital base of the Group. It will also provide the Shareholders with an opportunity to participate in the growth and expansion of the Group's business and also to maintain their *pro rata* equity interests in the Company by accepting their *pro rata* entitlements to the Rights Issue, as well as applying for Excess Rights Shares (as defined below) at the Issue Price. For the reasons outlined in paragraph 3 above, the Directors believe the Rights Issue is in the interest of the Group.

5.3 The Rights Shares will be issued at a discount to the current market price as a proactive measure to encourage wider participation by existing Shareholders. This offer is intended to ensure that a broader base of investors has the opportunity to participate in the Company's capital structure, and to encourage subscription for the Rights Shares.

5.4 In determining the Issue Price and the discount referred to in paragraph 1 of this announcement, the Directors have taken into account, *inter alia*, (a) the Company's funding needs; (b) the Company's share price performance and trading volume over the past 12 months; (c) prevailing market conditions.

6. ELIGIBILITY TO PARTICIPATE IN THE RIGHTS ISSUE

6.1 Eligibility to Participate

The Company proposes to provisionally allot Rights Shares to all Shareholders who are eligible to participate in the Rights Issue on the basis of their shareholdings in the Company as at the Record Date ("**Entitled Shareholders**"). The Entitled Shareholders comprise Entitled Depositors and Entitled Scripholders (both as defined below).

Entitled Shareholders will be entitled to participate in the Rights Issue and receive the Offer Information Statement (through electronic dissemination, if applicable) together with the appropriate application forms and accompanying documents at their respective Singapore addresses as maintained with the records of CDP or the Share Registrar, as the case may be.

6.2 Entitled Depositors

"**Entitled Depositors**" are Entitled Shareholders with Shares standing to the credit of their securities accounts with CDP as at 5.00 p.m. (Singapore time) on the Record Date, provided that such Entitled Depositors have registered addresses in Singapore with CDP as at the Record Date or if they have registered addresses outside Singapore, they have provided CDP with a registered address in Singapore no later than 5.00 p.m. (Singapore time) on the date being three (3) market days (being a day on which the SGX-ST is open for trading in securities) prior to the Record Date.

Entitled Depositors will be provisionally allotted the Rights Shares on the basis of the number of Shares standing to the credit of their securities accounts as at 5.00 p.m. (Singapore time) on the Record Date.

6.3 Entitled Scripholders

"**Entitled Scripholders**" are Entitled Shareholders whose share certificates have not been deposited with CDP as well as transferees who have tendered to the Share Registrar, registrable transfers of their Shares and the certificates relating thereto for registration up to the Record Date, provided that such Entitled Scripholders have registered addresses in Singapore with the Company as at the Record Date or if they have registered addresses outside Singapore, they have provided the Share Registrar with a registered address in Singapore no later than 5.00 p.m. (Singapore time) on the date being three (3) market days (being a day on which the SGX-ST is open for trading in securities) prior to the Record Date.

Entitled Scripholders will have to submit duly completed and stamped transfers in respect of Shares not registered in the name of CDP, together with all relevant documents of title, so as to be received up to 5.00 p.m. (Singapore time) on the Record Date by the Share Registrar, in order to be registered to determine provisional allotments of Rights Shares.

6.4 CPF Investment Scheme

Shareholders who have previously purchased Shares using their Central Provident Fund ("**CPF**") account savings ("**CPF Funds**") under the Central Provident Fund Investment Scheme ("**CPFIS**") may only use their CPF Funds for the payment of the Issue Price to subscribe for their provisional allotments of Rights Shares and (if applicable) to apply for Excess Rights Shares (as defined below), subject to the applicable CPF rules and regulations. Such

Shareholders who wish to accept provisional allotments of the Rights Shares and (if applicable) apply for Excess Rights Shares (as defined below) using CPF Funds will need to instruct their respective approved CPF agent banks with whom they hold their CPF investment accounts, to accept the provisional allotments of the Rights Shares and (if applicable) apply for Excess Rights Shares (as defined below) on their behalf in accordance with the terms and conditions in the Offer Information Statement. CPF Funds may not be used to purchase provisional allotments of nil-paid Right Shares directly from the market.

6.5 **Supplementary Retirement Scheme ("SRS")**

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

6.6 **Foreign Shareholders**

For practical reasons and to avoid any violation of the relevant legislation applicable in countries other than Singapore, the Rights Shares will not be offered to Shareholders with registered addresses outside Singapore as at 5.00 p.m. (Singapore time) on the Record Date and who have not, by no later than 5.00 p.m. (Singapore time) on the date being three (3) market days (being a day on which the SGX-ST is open for trading in securities) prior to the Record Date, provided to the Share Registrar or CDP, as the case may be, with registered addresses in Singapore for the service of notices and documents ("**Foreign Shareholders**"). As Foreign Shareholders will not be entitled to participate in the Rights Issue, no provisional allotments of the Rights Shares will be made to Foreign Shareholders and no purported acceptance thereof or application by Foreign Shareholders will be valid.

The Offer Information Statement and its accompanying documents will also NOT be despatched to persons purchasing entitlements to Rights Shares through the book-entry (scripless) settlement system if their registered addresses with CDP are outside Singapore ("**Foreign Purchasers**"). Foreign Purchasers may not accept any "nil-paid" rights credited to their securities accounts unless the Company and its counsel are satisfied that such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.

Entitlements to Rights Shares which would otherwise have been provisionally allotted to Foreign Shareholders will, if practicable to do so and at the absolute discretion of the Company, be sold "nil-paid" on the SGX-ST, as soon as practicable, after dealings in the provisional allotments of Rights Shares commence. Such sales may, however, only be effected if the

Company, in its absolute discretion, determines that a premium can be obtained from such sales, after taking into account expenses to be incurred in relation thereto. The net proceeds from all such sales, after deduction of all expenses therefrom, will be dealt with in accordance with the terms set out in the Offer Information Statement.

6.7 **Provisional Allotments and Excess Applications**

Entitled Shareholders will be at liberty to accept (in full or in part), decline, renounce or (in the case of Entitled Depositors) trade their provisional allotments of Rights Shares on the SGX-ST during the provisional allotment trading period prescribed by the SGX-ST and will be eligible to apply for additional Rights Shares ("**Excess Rights Shares**") in excess of their provisional allotments under the Rights Issue.

The provisional allotments of Rights Shares which are not taken up or allotted for any reason will be aggregated and allotted to satisfy excess applications for Rights Shares (if any), or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the best interests of the Company, subject to applicable laws and the Listing Manual.

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

6.8 **Trading of odd lots**

For the purposes of trading on the Mainboard of the SGX-ST, each board lot of Shares will comprise 100 Shares. Following the Rights Issue, Shareholders who hold odd lots of Shares (that is, lots other than board lots of 100 Shares) and who wish to trade in odd lots on the Mainboard of the SGX-ST should note that they are able to do so on the SGX-ST's Unit Share Market. The SGX-ST's Unit Share Market is a ready market for trading of odd lots of Shares with a minimum size of one (1) Share. The market for trading of such odd lots may be illiquid. There is no assurance that Shareholders who hold odd lots of Shares will be able to acquire such number of Shares required to make up a board lot, or to dispose of their odd lots (whether in part or in whole) on the SGX-ST's Unit Share Market.

7. SHAREHOLDER LOAN AND SET-OFF ARRANGEMENTS

7.1 As at the date of this announcement, the Company has an outstanding shareholder loan of S$6,600,000 owing to MWD ("**MWD Shareholder Loan**"). The MWD Shareholder Loan is unsecured, bears interest at 6% per annum and is repayable on demand.

7.2 Pursuant to the intended Irrevocable Undertaking to be provided by MWD, MWD will agree to subscribe for his *pro rata* entitlement of Rights Shares under the Rights Issue and to make excess applications for such number of Excess Rights Shares, and to satisfy all or part of the subscription monies payable therefor by way of set-off against the MWD Shareholder Loan of up to S$6,600,000. Upon completion of such set-off, the outstanding principal amount of the MWD Shareholder Loan shall be reduced accordingly, and any remaining balance shall be repaid out of the internal resources of the Company.

8. IRREVOCABLE UNDERTAKINGS

8.1 As at the date of this announcement, the number of Shares held and the proportion held in the Existing Share Capital by each of the Undertaking Shareholder is as follows:

Undertaking Shareholders	**Number of Shares**		**Total Shareholding Interest (%)**
	Direct Interest	**Deemed Interest**	
MWD	112,500,000	529,500[(1)]	42.13
OHL	64,889,944	-	24.18

Note:

(1) Mr Ma Weidong is deemed interested in 529,500 Shares held by his spouse, Mrs Jin Li Yan by virtue of Section 7 of the Companies Act 1967 of Singapore.

8.2 As an indication of their intention to support the Rights Issue and to demonstrate their confidence in and commitment to the Company, the Undertaking Shareholders intend to each provide the Irrevocable Undertakings pursuant to which each Undertaking Shareholder will, subject to certain conditions, irrevocably undertake to the Company, *inter alia*, to subscribe for and settle in full and/or procure the subscription of and settlement in full of their respective *pro rata* entitlement of the Rights Shares and within such time and date to be informed by the Company (to the extent permitted by the SGX-ST, CDP or any relevant authority), and subject to the Whitewash Waiver (as defined below) granted by the Securities Industry Council ("**SIC**") (as the case may be), and in accordance with the terms of the Rights Issue, make excess applications and payment for the Excess Rights Shares (as the case may be) that remain unsubscribed for by the Entitled Shareholders at the closing date of the Rights Issue after satisfying all applications and excess applications (if any) for the Rights Shares, the details of which as follows:

Undertaking Shareholders	***Pro-rata* entitlement of the Rights Shares**	**Excess Rights Shares**
MWD	113,029,500	Up to 21,361,001
OHL	64,889,944	Up to 69,500,557

No commission or fee will be paid to the Undertaking Shareholders in consideration of the Irrevocable Undertakings.

8.3 Please refer to Appendix A of this announcement for an illustration of the shareholding interests of the Undertaking Shareholders under each of the Minimum Scenario and the Maximum Scenario following completion of the Rights Issue.

9. WHITEWASH WAIVER

9.1 Under Rule 14.1 of the Takeover Code, where (a) any person acquires whether by a series of transactions over a period of time or not, Shares which (taken together with shares held or acquired by persons acting in concert with him) carry 30% or more of the voting rights in the Company; or (b) any person who together with persons acting in concert with him, holds not less than 30% but not more than 50% of the voting rights in the Company and such person, or any person acting in concert with him, acquires in any period of six (6) months additional Shares carrying more than 1% of the voting rights, he is required to make a mandatory general offer for all the Shares in the Company which he does not already own or control ("**Mandatory Offer**").

9.2 As at the date of this announcement,

(a) MWD and the parties acting in concert with him (the "**MWD Concert Party Group**") collectively hold an aggregate of 113,029,500 Shares representing 42.13% of the total number of issued Shares; and

(b) OHL and the parties acting in concert with him collectively (the "**OHL Concert Party Group**") hold 64,889,944 Shares, representing approximately 24.18% of the total number of issued Shares.

9.3 The shareholding interests of the MWD Concert Party Group and the OHL Concert Party Group under the Maximum Scenario and the Minimum Scenario are set out in Appendix A of this announcement.

In this connection,

(a) the subscription by MWD for the Rights Shares and such number of Excess Rights Shares (if any) pursuant to his intended Irrevocable Undertaking, or the subscription by MWD for the Rights Shares and the Excess Rights Shares (if any) in connection with the Rights Issue, may result in the MWD Concert Party Group, which presently holds between 30% and 50% of the voting rights in the Company, acquiring additional Shares carrying more than 1% of the voting rights in the Company within a period of six (6) months;

(b) the subscription by OHL for the Rights Shares and such number of Excess Rights Shares (if any) pursuant to his intended Irrevocable Undertaking, or the subscription by OHL for the Rights Shares and any Excess Rights Shares (if any) in connection with the Rights Issue, may result in the OHL Concert Party Group, which presently holds less than 30% of the voting rights in the Company, acquiring Shares which may cause it to hold 30% or more of the voting rights in the Company.

In the abovementioned events, the MWD Concert Party Group and/or the OHL Concert Party Group would incur an obligation to make a Mandatory Offer pursuant to Rule 14.1 of the Takeover Code, unless the approval of the Whitewash Resolution for MWD (as defined below) or the Whitewash Resolution for OHL (as defined below) (as the case may be), for the waiver by Independent Shareholders (being Shareholders other than MWD and parties acting in concert with him, or OHL and parties acting in concert with him, as applicable) ("**Independent Shareholders**") of their rights to receive a Mandatory Offer from the relevant Concert Party Group, is obtained.

For the avoidance of doubt:

(a) in relation to the Whitewash Resolution for MWD (as defined below), MWD Concert Party Group shall abstain from voting, while OHL Concert Party Group may vote; and

(b) in relation to the Whitewash Resolution for OHL (as defined below), OHL Concert Party Group shall abstain from voting, while MWD Concert Party Group may vote.

9.4 In view of the above, an application will be made to the SIC for, *inter alia*, a waiver of the obligation of the MWD Concert Party Group and the OHL Concert Party Group to make the Mandatory Offer as a result of the subscription of Rights Shares and Excess Rights Shares (if any) pursuant to the Rights Issue and the Irrevocable Undertakings intended to be provided by MWD and OHL ("**Whitewash Waiver**").

9.5 An independent financial adviser ("**IFA**") will be appointed to advise the Directors who are considered independent for the purposes of making the recommendation to the Independent Shareholders in relation to the Whitewash Resolutions (as defined below) for their approval at the EGM. Further details of the Whitewash Waiver being sought, and the advice of the IFA, will be set out in the Circular to be despatched to Shareholders in due course.

10. EQUITY FUND RAISING EXERCISE IN THE PAST 12 MONTHS

10.1 The Company has not undertaken any equity fund raising exercise in the past twelve (12) months.

11. ADJUSTMENT TO OPTIONS

11.1 As described in paragraph 2.2 of this announcement, as at the date of this announcement, there are 468,750 Outstanding Options granted pursuant to the Employee Share Option Scheme.

11.2 As a result of the Rights Issue, adjustments may have to be made to the number and/or exercise price of the Outstanding Options following the completion of the Rights Issue. The Company will in due course make the appropriate announcement and notify holders of the Outstanding Options following the completion of the Rights Issue, of such adjustments as and when appropriate.

12. APPROVALS AND CONDITIONS

12.1 Shareholders should note that the Rights Issue is subject to, *inter alia*, the following conditions:

(a) the receipt of the approval in-principle from the SGX-ST for the dealing in, listing of and quotation for the Rights Shares on the Mainboard of the SGX-ST and such approval not having been withdrawn or revoked as at the date of completion of the Rights Issue, and if such approval is granted subject to conditions, such conditions being acceptable to the Company;

(b) the lodgement of the Offer Information Statement, together with all other accompanying documents (if applicable), to be issued by the Company in connection with the Rights Issue, with the Monetary Authority of Singapore;

(c) the Whitewash Waiver being granted by the SIC and not having been withdrawn or revoked as at the date of completion of the Rights Issue;

(d) the approval of the Shareholders in connection with the Rights Issue, including the allotment and issue of the Rights Shares, being obtained at the EGM;

(e) in relation to MWD, the approval of the Independent Shareholders for the whitewash resolution ("**Whitewash Resolution for MWD**"), if the Whitewash Waiver is obtained, being obtained at the EGM;

(f) in relation to OHL, the approval of the Independent Shareholders for the whitewash resolution ("**Whitewash Resolution for OHL**"), if the Whitewash Waiver is obtained, being obtained at the EGM;

(g) all other necessary consents, approvals and waivers required from any person, financial institution or regulatory body, or authority of Singapore or elsewhere under any and all agreements applicable to the Company and/or applicable laws for the Rights Issue and to give effect to the Rights Issue being obtained and not having been revoked or amended before completion of the Rights Issue.

For the purposes of this announcement, the Whitewash Resolution for MWD and the Whitewash Resolution for OHL shall be collectively referred to as the "**Whitewash Resolutions**".

12.2 An application will be made by the Company to the SGX-ST for permission to deal in and for the listing and quotation for the Rights Shares on the Mainboard of the SGX-ST. An appropriate announcement will be made in due course when the Company receives the approval in-principle for the Rights Shares from the SGX-ST.

12.3 The Record Date will also be fixed in due course after obtaining the approval in-principle of the SGX-ST, for which an announcement on the Record Date will be separately made by the Company in due course.

13. NOTIFICATION UNDER SECTION 309B OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE

The provisional allotments of Rights Shares are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in the MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

14. CIRCULAR AND EXTRAORDINARY GENERAL MEETING

The Company will be convening an EGM to seek Shareholders' approval for, *inter alia*, the Rights Issue (including the allotment and issue of the Rights Shares) and the Whitewash Resolutions. A circular containing, *inter alia*, the notice of the EGM and details of the proposed resolutions will be despatched to the Shareholders in due course.

15. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Mr Ma Weidong, the Undertaking Shareholder, is the non-executive chairman and non-independent director of the Company and a substantial shareholder of the Company. Mr Oei Hong Leong, the Undertaking Shareholder, is a substantial shareholder of the Company.

Save as disclosed in this announcement and save for their interests arising by way of their respective shareholding interest and/or directorship in the Company, as the case may be, none of the Directors nor, to the best of the Directors' knowledge, any of the substantial Shareholders, has any interest, whether direct or indirect, in the Rights Issue.

16. FURTHER ANNOUNCEMENTS

Further announcements will be made by the Company in relation to the Rights Issue, as and when appropriate.

17. CAUTIONARY STATEMENT

Shareholders and potential investors are advised to exercise caution when dealing or trading in the Shares. The completion of the Rights Issue is subject to certain conditions. As at the date of this announcement, there is no certainty or assurance that the Rights Issue will be completed or that no changes will be made to the terms thereof. Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors who are in any doubt about this announcement should consult their stockbroker, bank manager, solicitor, or another professional adviser.

18. DIRECTORS' RESPONSIBILITY STATEMENT

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

BY ORDER OF THE BOARD

Lim Huan Chiang
Executive Director and Chief Executive Officer
18 June 2026

Appendix A

The shareholding interests of the Undertaking Shareholders after the completion of the Rights Issue are set out below:

(a) If the Rights Issue follows Minimum Scenario:

Shareholders	Number of Shares held as at the date of this announcement		Rights entitlements to be subscribed [(2)]	Number of Shares held immediately after the Rights Issue	
	Number of Shares	(%)		Number of Shares	(%)
MWD	113,029,500 [(1)]	42.13 [(3)]	134,156,126	247,185,626	46.06 [(3)]
OHL	64,889,944	24.18 [(4)]	134,156,126	199,046,070	37.09 [(4)]
Other Shareholders	90,392,808	33.69	-	90,392,808	16.85
Total	268,312,252	100	268,312,252	536,624,504	100

Notes:

(1) This represents the number of Shares held directly by MWD and includes his deemed interests in 529,500 Shares held by his spouse, Mrs Jin Li Yan, by virtue of Section 7 of the Companies Act 1967 of Singapore.

(2) The aggregate of the *pro-rata* entitlement to the Rights Shares and the Excess Rights Shares pursuant to the Irrevocable Undertakings intended to be provided by the Undertaking Shareholders, assuming none of the Entitled Shareholders (other than the Undertaking Shareholders) subscribed for their respective *pro-rata* entitlements to the Rights Shares.

(3) The shareholding interests represent the aggregate interests of the MWD Concert Party Group.

(4) The shareholding interests represent the aggregate interests of the OHL Concert Party Group.

Appendix A

(b) If the Rights Issue follows Maximum Scenario:

Shareholders	Number of Shares held as at the date of this announcement and assuming all Outstanding Options are exercised		Rights entitlements to be subscribed [(2)]	Number of Shares held immediately after the Rights Issue	
	Number of Shares	(%)		Number of Shares	(%)
MWD	113,029,500 [(1)]	42.05 [(3)]	134,390,501	247,420,001	46.03 [(3)]
OHL	64,889,944	24.14 [(4)]	134,390,501	199,280,445	37.07 [(4)]
Other Shareholders	90,861,558	33.81	-	90,861,558	16.90
Total	268,781,002	100	268,781,002	537,562,004	100

Notes:

(1) This represents the number of Shares held directly by MWD and includes his deemed interests in 529,500 Shares held by his spouse, Mrs Jin Li Yan, by virtue of Section 7 of the Companies Act 1967 of Singapore.

(2) The aggregate of the *pro-rata* entitlement to the Rights Shares and the Excess Rights Shares pursuant to the Irrevocable Undertakings intended to be provided by the Undertaking Shareholders, assuming none of the Entitled Shareholders (other than the Undertaking Shareholders) subscribed for their respective pro-rata entitlements to the Rights Shares.

(3) The shareholding interests represent the aggregate interests of the MWD Concert Party Group.

(4) The shareholding interests represent the aggregate interests of the OHL Concert Party Group.