

PROPOSED NON-RENOUCEABLE NON-UNDERWRITTEN RIGHTS ISSUE

1. INTRODUCTION

The Board of Directors (the “**Board**” or “**Directors**”) of Luminor Financial Holdings Limited (the “**Company**”, and together with its subsidiaries, collectively the “**Group**”) wishes to announce that the Company is proposing to undertake a non-renounceable non-underwritten rights issue (the “**Rights Issue**”) of up to 167,437,355 new ordinary shares in the capital of the Company (the “**Rights Shares**”) at an issue price of S\$0.05 for each Rights Share (the “**Issue Price**”) on the basis of one Rights Share for every one ordinary share in the capital of the Company (the “**Shares**”) held by the shareholders of the Company (the “**Shareholders**”) as at a time and date to be determined by the Directors for the purpose of determining the Shareholders’ entitlements under the Rights Issue (the “**Record Date**”), fractional entitlements to be disregarded.

As at the date of this announcement, there is a shareholder loan with principal amount of S\$8,000,000 owing to Mr Kwan Chee Seng (“**KCS**”), controlling shareholder and Non-Executive Director of the Company. KCS intends to subscribe for the Rights Issue pursuant to his Irrevocable Undertaking (as defined below) as detailed in paragraph 3.7 by way of set-off against the principal amount of the shareholder loan owing to him.

2. RATIONALE FOR THE RIGHTS ISSUE AND KCS LOAN SET-OFF

The Company had considered various means to reduce its indebtedness including conversion of loan and equity fundraising. After due deliberation, the Directors are of the opinion that the Rights Issue is in the best interests of the Company and shareholders for the following reasons:

(a) **Equitable Participation** – By undertaking a Rights Issue rather than a direct conversion of the shareholder’s loan from KCS, all existing Shareholders are given an opportunity to maintain their *pro rata* shareholding and participate in the future growth of the Group. The Rights Issue is on a non-renounceable basis to streamline the Rights Issue process by saving time and costs whilst enabling existing Shareholders an opportunity to participate in future growth prospects of the Company.

(b) **Strong Shareholder Support** – KCS, as controlling shareholder of the Company, has committed to subscribe for his entitlement and all Excess Rights Shares (as defined below) by way of set off the loan owing by the Company to him against the subscription consideration payable by him pursuant to the Rights Issue. This demonstrates confidence in the Group’s prospects, underscoring strong support for its strategic direction and provides assurance that the Rights Issue will be successfully completed. This commitment reduces execution risk and strengthens the Group’s financial position.

(c) **Premium Issue Price** – Whilst the Issue Price has been set at a premium to the Last Traded Price (as defined below) and the theoretical ex-rights price (calculated based on the Last Traded Price), the Issue Price is at a discount to the net asset value per share as at 30 June 2025. With the Irrevocable Undertaking from KCS at such Issue Price, the Company will be able to pare down its borrowings owing to KCS by issuing fewer shares.

Taking into consideration of the abovementioned factors, the Directors are of the view that the Rights Issue and the KCS Loan Set-off (as defined below) are beneficial for the Group as they will strengthen the Group’s financial position and support its long-term growth strategy. Specifically, the Rights Issue and the KCS Loan Set-off will enable the Group to: (i) strengthen its financial position by improving the Group’s debt-equity ratio; (ii) substantially reduce the Group’s indebtedness and gearing per share; (iii) enhance its cash flow to meet anticipated general working capital requirements; (iv) with regard to the KCS Loan Set-off, minimize cash outflow requirements, thereby improving liquidity and financial flexibility; and (v) allow the Group to focus its resources on growing its business activities.

3. PROPOSED NON-RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE

3.1 Introduction

The Rights Issue will not be undertaken pursuant to the general share mandate (the “**General Mandate**”) obtained at the annual general meeting of the Company held on 28 April 2025 (“**2025 AGM**”) and 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.

3.2 Principal Terms of the Rights Issue

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

Principal Terms of Rights Issue	Description
Allotment Ratio	One Rights Share for every one existing Share held by Entitled Shareholders (as defined below) as at the Record Date, fractional entitlements to be disregarded
Issue Price	The Issue Price of each Rights Share will be S\$0.05, payable in full upon acceptance and/or application.
Discount/ Premium (specifying benchmarks and periods)	<p>The Issue Price represents:</p> <ul style="list-style-type: none"> (i) a premium of approximately 51.52% to the closing price of S\$0.033 per Share on the Catalist Board of the SGX-ST (“Catalist”) on 23 December 2025 (being the full market day on which the Shares were last transacted prior to the release of this announcement) (the “Last Traded Price”); and (ii) a premium of approximately 20.48% to the theoretical ex-rights price of S\$0.0415 per Share (being the theoretical market price of each Share assuming the completion of the Rights Issue, and is calculated based on the Last Traded Price) (“TERP”). The TERP was calculated using this formula: $\text{TERP} = \frac{(P \times N) + (I \times R)}{N + R}$ <p>where P = Last Traded Price N = number of existing shares I = issue price of the Rights Shares R = number of Rights Shares to be issued</p> <p>The Issue Price has been determined after taking into account, amongst others, fundraising needs and the Company’s share price performance and volume in the past 12 months, as well as expected future growth of the Company. In setting the Issue Price at a premium to the TERP, the Company seeks to provide all Shareholders with an equitable opportunity to participate in the Rights Issue while reflecting the intrinsic value of the Group, which is currently trading below its net asset value per share of approximately S\$0.0929 as at 30 June 2025 (based on unaudited financial statements of the Group which was</p>

	<p>announced on 13 August 2025). The Issue Price is at a discount of approximately 46.18% to the unaudited net asset value per share as at 30 June 2025.</p> <p>This pricing approach underscores confidence in the Group's future and demonstrates the Company's commitment to fair and transparent capital management that aligns with the interests of all Shareholders.</p>
Use of Proceeds	<p>The net proceeds of the Rights Issue (after KCS Loan Set-off) will mainly be used for general working capital purposes, so as to provide the Group with more flexibility and enhance its ability to formulate strategies and execute its business plans. Depending on the final level subscription of the Rights Issue by the Entitled Shareholders, a portion of the Net Proceeds may be utilised to repay bank facilities.</p> <p>Please refer to paragraph 3.8 entitled "Use of Proceeds" below for further details.</p>
Purpose of Rights Issue	<p>The Company is undertaking the Rights Issue with the objective of strengthening the Group's financial position and debt-equity ratio, substantially reducing the Group's indebtedness and net gearing and enhancing the Group's cash flow to support anticipated general working capital requirements to allow the Group to focus its resources on growing its business activities.</p> <p>The Rights Issue will also provide Shareholders with an opportunity to maintain their <i>pro rata</i> equity shareholding in the Company, and will allow existing Shareholders who are confident of the prospects of the Group to further participate in its future growth.</p>

3.3 Basis of Provisional Allotment

The Rights Issue is proposed to be made on a non-renounceable non-underwritten basis to the Entitled Shareholders, on the basis of one Rights Share for every one existing Share held by the Shareholders as at the Record Date, fractional entitlements to be disregarded.

3.4 Size of the Rights Issue

Based on the existing total number of Shares of the Company of 167,437,355 Shares (excluding treasury shares, if any), the Company will issue up to 167,437,355 Rights Shares. As at the date of this announcement, the Company does not have any outstanding warrants or options.

For illustrative purposes only, depending on the level of subscription of the Rights Issue, the shareholding interests of the Undertaking Shareholder (as defined below) after the completion of the Rights Issue are set out below:

- (a) Assuming that all Entitled Shareholders subscribe in full for their entitlements ("**Maximum Subscription Scenario**"), the Company will issue 167,437,355 Rights Shares and the resultant enlarged number of issued and paid-up Shares after the completion of the Rights Issue will be 334,874,710 Shares.

If the Rights Issue follows the Maximum Subscription Scenario:

	Number of Shares held as at the date of this announcement		Rights entitlement to be subscribed	Number of Shares held immediately after the Rights Issue	
	Number of Shares	% ⁽²⁾		Number of Shares	% ⁽³⁾
Kwan Chee Seng	46,401,339 ⁽¹⁾	27.71	46,401,339	92,802,678	27.71
Other Shareholders	121,036,016	72.29	121,036,016	242,072,032	72.29
Total	167,437,355	100.00	167,437,355	334,874,710	100.00

Notes:

- (1) This represents the number of Shares held directly by KCS and does not include any deemed interests (approximately 2.17%) in Shares of KCS.
 - (2) Based on the total number of Shares of the Company of 167,437,355 Shares as at date of this announcement.
 - (3) Based on the total enlarged number of Shares of the Company of 334,874,710 Shares immediately upon completion of the Rights Issue.
- (b) Assuming that none of the Entitled Shareholders (except for the Undertaking Shareholder (as defined below)) subscribe for their *pro rata* entitlements to the Rights Shares and only the Undertaking Shareholder subscribes in full for his entitlement as well as subscribes in full for all Excess Rights Shares (as defined below) remaining unsubscribed by other Entitled Shareholders as at the closing date of the Rights Issue ("**Minimum Subscription Scenario**"), the Company will issue 167,437,355 Rights Shares and the resultant enlarged number of issued and paid-up Shares after the completion of the Rights Issue will be 334,874,710 Shares.

If the Rights Issue follows the Minimum Subscription Scenario:

	Number of Shares held as at the date of this announcement		Rights entitlement to be subscribed	Number of Shares held immediately after the Rights Issue	
	Number of Shares	% ⁽²⁾		Number of Shares	% ⁽³⁾
Kwan Chee Seng	46,401,339 ⁽¹⁾	27.71	167,437,355	213,838,694	63.86
Other Shareholders	121,036,016	72.29	Nil	121,036,016	36.14
Total	167,437,355	100.00	167,437,355	334,874,710	100.00

Notes:

- (1) This represents the number of Shares held directly by KCS and does not include any deemed interests (approximately 2.17%) in Shares of KCS.
- (2) Based on the total number of Shares of the Company of 167,437,355 Shares as at date of this announcement.
- (3) Based on the total enlarged number of Shares of the Company of 334,874,710 Shares immediately upon completion of the Rights Issue.

Based on both scenarios, the Company will be able to maintain the free float requirement of at least 10% of the total number of Shares to be held by members of the public following completion of the Rights Issue.

3.5 Status of the Rights Shares

The Issue Price will be payable in full upon acceptance and/or application. The Rights Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares for any dividends, rights, allotments or other distributions, the record date of which falls on or after the date of issue of the Rights Shares.

3.6 Eligibility of Shareholders to Participate in the Rights Issue

3.6.1 Entitled Shareholders

The Company proposes to provisionally allot Rights Shares to all Shareholders who are eligible to participate in the Rights Issue (the “**Entitled Shareholders**”), which comprise Entitled Depositors and Entitled Scripholders (both as defined below).

3.6.2 Entitled Depositors

Shareholders whose Shares are registered in the name of The Central Depository (Pte) Limited (“**CDP**”) and whose securities accounts with CDP (the “**Securities Accounts**”) are credited with Shares as of 5.00 p.m. (Singapore time) on the Record Date (the “**Depositors**”) will be provisionally allotted their entitlements 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. “**Entitled Depositors**” are Depositors whose registered addresses with CDP are in Singapore as at the Record Date or who have, at least three (3) market days prior to the Record Date, provided to CDP, at 4 Shenton Way, #02-01, SGX Centre 2, Singapore 068807, with addresses in Singapore for the service of notices and documents.

3.6.3 Entitled Scripholders

Duly completed and stamped transfers (in respect of Shares not registered in the name of CDP) together with all relevant documents of the title received up to 5.00 p.m. (Singapore time) on the Record Date by the Company’s share registrar, Tricor Barbinder Share Registration Services (the “**Share Registrar**”) at 9 Raffles Place, Republic Plaza, Tower I, #26-01, Singapore 048619 will be registered to determine the provisional entitlements of the transferee (a “**Scripholder**”, which term shall include a person who is registered as a holder of Shares and whose share certificates are not deposited with CDP) under the Rights Issue. “**Entitled Scripholders**” are Scripholders whose registered addresses with the Company are in Singapore as of the Record Date or who have, at least three (3) market days prior to the Record Date, provided the Share Registrar with addresses in Singapore for the service of notices and documents.

3.6.4 Supplementary Retirement Scheme (“**SRS**”)

Members under the SRS (the “**SRS Members**”) who bought their Shares previously using their account opened with the relevant approved bank (the “**SRS Accounts**”) and who wish to accept their provisional allotments of Rights Shares 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 must instruct the relevant approved banks in which they hold their SRS Accounts to accept their provisional allotments of Rights Shares on their behalf in accordance with the Offer Information Statement (“**OIS**”). Any application made directly to CDP or through automated teller machines of any participating bank appointed and named in the OIS by such SRS Members will be rejected.

3.6.5 Provisional Allotments and Excess Applications

Entitled Shareholders will be at liberty to accept in full or in part, or decline their provisional allotments of the Rights Shares, and will be eligible to apply for additional Rights Shares (“**Excess Rights Shares**”) in excess of their provisional allotments under the Rights Issue.

Fractional entitlements to the Rights Shares will be disregarded in arriving at the Entitled Shareholders’ entitlements and will, together with the provisional allotments which are not taken up for any reason, be aggregated and used to satisfy excess applications (if any), or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interest

of the Company.

In the allotment of Excess Rights Shares, preference will be given to the Entitled Shareholders for the rounding of odd lots, and 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 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 also not make any allotment and issuance of any Rights Shares that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in a general meeting.

AS THE RIGHTS ISSUE IS MADE ON A NON-RENOUNCEABLE BASIS, ENTITLED SHAREHOLDERS SHOULD NOTE THAT THE PROVISIONAL ALLOTMENT OF RIGHTS SHARES CANNOT BE RENOUNCED IN PART OR IN WHOLE IN FAVOUR OF A THIRD PARTY, OR TRADED ON THE SGX-ST.

3.6.6 Foreign Shareholders

For practical reasons and in order to avoid any violation of the securities legislation applicable in countries other than Singapore, the Rights Issue is only made in Singapore and the Rights Shares will **NOT** be offered to Shareholders with registered addresses outside Singapore as at the Record Date and who have not, at least three (3) market days prior to the Record Date, provided CDP or the Share Registrar, as the case may be, with registered addresses in Singapore for the service of notices and documents (the “**Foreign Shareholders**”). The OIS to be issued by the Company in respect of the Rights Issue and its accompanying documents will not be mailed outside Singapore. Accordingly, no provisional allotments of the Rights Shares will be made to Foreign Shareholders and no purported acceptance thereof or application will be valid.

3.6.7 Take-over Code Implication

The Take-over Code regulates the acquisition of shares of, *inter alia*, corporations with a primary listing on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), including the Company. Except with the consent of the Securities Industry Council (“**SIC**”), 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 parties acting in concert with him) carry 30.0% or more of the voting rights of the company; or
- (b) any person who, together with parties acting in concert with him, holds not less than 30.0% but not more than 50.0% of the voting rights of the company and such person, or any party acting in concert with him, acquires in any period of six (6) months additional shares carrying more than 1.0% of the voting rights of the company,

such person must extend a mandatory general offer immediately to the shareholders for the remaining shares in the company in accordance with the provisions of the Take-over Code. In addition to such person, each of the principal members of the group of parties acting in concert with him may, according to the circumstances of the case, have the obligation to extend an offer.

In general, the acquisition of instruments convertible into, rights to subscribe for and options in respect of new shares which carry voting rights does not give rise to an obligation to make a mandatory general offer under the Take-over Code. However, the exercise of any conversion or subscription rights or options will be considered to be an acquisition of voting rights for the purposes of the Take-over Code.

Shareholders who are in doubt as to their obligations, if any, to make a mandatory general offer under the Take-over Code as a result of any allotment and issuance of any Rights Shares should consult the SIC and/or their professional advisers.

3.7 Irrevocable Undertaking

To show support for the Rights Issue and to demonstrate commitment to the Company, KCS (the “**Undertaking Shareholder**”) has furnished an irrevocable undertaking dated 24 December 2025

to the Company in connection with the Rights Issue (the “**Irrevocable Undertaking**”) that, *inter alia*:

- (i) he will subscribe and pay for: (A) all provisional allotments of Rights Shares based on his existing shareholding interests in the Company; and (B) all Excess Rights Shares which remain unsubscribed by other Entitled Shareholders as at the closing date of the Rights Issue (“**Closing Date**”) after satisfying all applications and excess applications (if any) for the Rights Shares in full;
- (ii) he will remain the beneficial owner of the Shares that he owns or controls as at the date of the Irrevocable Undertaking, during the period between the date of the Irrevocable Undertaking and the Record Date, and will not sell, transfer or otherwise dispose of, any of the same or of any interest therein during such period;
- (iii) he has sufficient financial resources available to subscribe for and pay for in full all the Rights Shares or such other number of Rights Shares which are provisionally allotted to him pursuant to the Rights Issue by the Closing Date (including the Excess Rights Shares); and
- (iv) he will do all such acts and things and execute all such documents as may be reasonably required to give effect to its undertakings in the Irrevocable Undertaking.

For illustrative purposes only, depending on the level of subscription of the Rights Issue, the rights entitlements to be subscribed by the Undertaking Shareholder is set out below:

Undertaking Shareholder	Number of Shares held ⁽¹⁾	Shareholding Interest (%) ⁽²⁾	Rights entitlements to be subscribed	
			Minimum Subscription Scenario	Maximum Subscription Scenario
Kwan Chee Seng	46,401,339	27.71	167,437,355 Rights Shares	46,401,339 Rights Shares

Notes:

- (1) Number of Shares directly held by the Undertaking Shareholder as at the date of this announcement (excluding any deemed interests in Shares of approximately 2.17%).
- (2) Based on the total number of Shares of the Company of 167,437,355 Shares as at date of this announcement.

The Irrevocable Undertaking is subject to and conditional upon, *inter alia*:

- (a) the Whitewash Waiver being granted by the SIC to KCS, subject to any conditions that the SIC may impose which are reasonably acceptable to KCS;
- (b) the approval of the Shareholders in connection with the Rights Issue, including the allotment and issue of the Rights Shares and the approval of Independent Shareholders for a whitewash resolution (“**Whitewash Resolution**”) (if the Whitewash Waiver is obtained), being obtained at the EGM to be convened;
- (c) the receipt of listing and quotation notice (“**LQN**”) from the SGX-ST (and such approval not having been withdrawn or revoked on or prior to the date of completion of the Rights Issue) for the dealing in, listing of and quotation for the Rights Shares on the Catalist and, if such approval is granted subject to conditions, such conditions being acceptable to the Company;
- (d) the lodgement of the OIS, together with all other accompanying documents (if applicable), to be issued by the Company in connection with the Rights Issue, with the SGX-ST acting as an agent on behalf of the Monetary Authority of Singapore; and
- (e) 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 the Closing Date.

3.8 Use of Proceeds

Assuming the Maximum Subscription Scenario and set-off of the KCS Loan of S\$2,300,000, the Rights Issue is expected to raise net proceeds of up to approximately S\$5,871,867.75, after deducting estimated costs and expenses of approximately S\$200,000.

Assuming the Minimum Subscription Scenario and set-off of the KCS Loan of S\$8,000,000, the Rights Issue is expected to raise net proceeds of up to approximately S\$171,867.75, after deducting estimated costs and expenses of approximately S\$200,000.

The Company intends to use the net proceeds pursuant to the Rights Issue as described above ("**Net Proceeds**") in the following manner:

Proposed use of Net Proceeds	Maximum Subscription Scenario		Minimum Subscription Scenario	
	Approximate Allocation of Net Proceeds (S\$)	Approximate Allocation of Net Proceeds (%)	Approximate Allocation of Net Proceeds (S\$)	Approximate Allocation of Net Proceeds (%)
General working capital	3,871,867.75	65.94	171,867.75	100.00
Repayment of bank facilities	2,000,000.00	34.06	-	-
Total	5,871,867.75	100.00	171,867.75	100.00

The Company will make periodic announcements on the utilisation of the Net Proceeds as and when such proceeds are materially disbursed and provide a status report on the use of such proceeds in the interim and full-year financial statements issued pursuant to Rule 705 of the Listing Manual Section B: Rules of Catalist of SGX-ST ("**Catalist Rules**") and in the Company's annual report, until such time the proceeds have been fully utilised. Where the Net Proceeds have been used for working capital purposes, the Company will provide a breakdown with specific details on the use of proceeds for working capital. Where there is a material deviation in the use of Net Proceeds, the Company will announce the reasons for such deviation.

Pending the deployment of the Net Proceeds, such proceeds may be placed as deposits with financial institutions and/or invested in short-term money market or debt instruments and/or for any other purposes on a short-term basis, as the Directors may in their absolute discretion deem fit.

For the purposes of Rule 814(1)(f) of the Catalist Rules, the Directors are of the opinion that, barring any unforeseen circumstances, 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. Notwithstanding the present sufficiency of working capital, the reasons for undertaking the Rights Issue are set out in paragraph 2 of this announcement; 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.

3.9 Option to Scale Down

Depending on the level of subscription for the Rights Shares, the Company will, if necessary or where the Whitewash Waiver referred to in paragraph 6 is not obtained, scale down the subscription for the Rights Shares and/or excess applications for the excess Rights Shares by any of the Shareholders to avoid placing the relevant Shareholder in the position of incurring a mandatory general offer obligation under the Takeover Code as a result of other Shareholders not taking up their Rights Shares entitlement fully.

3.10 Non-Underwritten Rights Issue

The Directors are of the opinion that there is no minimum amount which must be raised from the Rights Issue, taking into consideration the Irrevocable Undertaking and intended use of Net Proceeds. Accordingly, the Company has decided to proceed with the Rights Issue on a non-underwritten basis in view of the cost savings from not having to bear any underwriting fees and commission. The Rights Issue will not be withdrawn after commencement of the ex-rights trading of the Shares pursuant to Rule 820(1) of the Catalist Rules.

3.11 Approvals and Conditions

The Rights Issue is subject to, *inter alia*, the following conditions:

- (a) the approval of the Shareholders for the Rights Issue, including the allotment and issue of the Rights Shares being obtained at the EGM to be convened;
- (b) the receipt of LQN from the SGX-ST (and such approval not having been withdrawn or revoked on or prior to the date of completion of the Rights Issue) for the dealing in, listing of, and quotation for the Rights Shares on the Catalist and, if such approval is granted subject to conditions, such conditions being acceptable to the Company;
- (c) the lodgement of the OIS, together with all other accompanying documents (if applicable), to be issued by the Company in connection with the Rights Issue, with the SGX-ST acting as an agent on behalf of the Monetary Authority of Singapore; and
- (d) 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 the date of completion of the Rights Issue.

An application will be made by the Company to the SGX-ST through the Company's Sponsor, UOB Kay Hian Private Limited, for the dealings in, listing of and quotation for the Rights Shares on the Catalist. An announcement will be made in due course to notify the Shareholders when the LQN is obtained.

The Record Date will also be fixed in due course after obtaining the requisite Shareholders' approvals and the LQN from the SGX-ST, and an announcement on the Record Date will be separately made by the Company in due course.

3.12 Equity Fund Raising Exercise in the Last 12 Months

The Company has not undertaken any equity fund raising exercise in the last 12 months.

3.13 Offer Information Statement

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 will be contained in the OIS to be issued by the Company in due course. All Entitled Shareholders will receive the appropriate application forms and accompanying documents at their Singapore addresses.

The OIS will be lodged with the SGX-ST, acting as an agent on behalf of the Monetary Authority of Singapore, and despatched or, as the case may be, disseminated to Entitled Shareholders, or will be disclosed in subsequent announcements in due course.

3.14 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).

4. PROPOSED SET-OFF OF SHAREHOLDER'S LOAN VIA RIGHTS ISSUE SUBSCRIPTION

4.1 Loan Repayment Deed

Pursuant to the proposed Rights Issue, the Company has entered into a conditional loan repayment deed with KCS as at the date of this announcement ("**Loan Repayment Deed**") in relation to the repayment of the shareholder's loan owing by the Company to KCS of a principal amount of S\$8,000,000 ("**KCS Loan**").

The Company intends to repay the KCS Loan by way of set-off against the aggregate subscription consideration payable by KCS pursuant to the Rights Issue ("**KCS Loan Set-off**").

4.2 Repayment of the KCS Loan

Pursuant to the Loan Repayment Deed, KCS has agreed to the repayment of the KCS Loan by way of set-off against the aggregate subscription consideration payable by KCS pursuant to the Rights Issue.

The Company is entitled to set-off all or part of the principal amount of the KCS Loan against the subscription consideration payable by KCS for the Rights Shares (and Excess Rights Shares, as may be applicable) in which the principal amount of the KCS Loan to be set-off shall be rounded down to the nearest S\$100,000 based on the total subscription consideration payable by KCS for the Rights Shares (and Excess Rights Shares, as may be applicable), per the terms of the Loan Repayment Deed. The outstanding balance amount owing by the Company to KCS shall be repaid by way of the Group's internally generated cash from operations.

For illustrative purposes only, depending on the level of subscription of the Rights Issue, the KCS Loan will be repaid in the manner as follows:

- (i) Maximum Subscription Scenario: Assuming that all Entitled Shareholders subscribe in full for their entitlements, KCS will subscribe for 46,401,339 Rights Shares for an aggregate subscription consideration of S\$2,320,066.95, which will be paid by KCS as follows:

(A) an amount of S\$2,300,000 will be paid by way of set-off against the KCS Loan pursuant to the KCS Loan Set-off; and

(B) balance subscription consideration for the Rights Shares to be paid in cash by KCS.

The outstanding balance amount owing by the Company to KCS shall be repaid by way of the Group's internally generated cash from operations.

- (ii) Minimum Subscription Scenario: Assuming that none of the Eligible Shareholders (except for the Undertaking Shareholder) subscribe for their *pro rata* entitlements to the Rights Shares and only KCS (as Undertaking Shareholder) subscribes in full for his entitlement as well as subscribes in full for all Excess Rights Shares remaining unsubscribed by other Entitled Shareholders as at the Closing Date, KCS will subscribe for 167,437,355 Rights Shares for an aggregate subscription consideration of S\$8,371,867.75, which will be paid by KCS as follows:

(A) an amount of S\$8,000,000 will be paid by way of set-off against the KCS Loan pursuant to the KCS Loan Set-off; and

(B) balance subscription consideration for the Rights Shares (including Excess Rights Shares) to be paid in cash by KCS.

4.3 Terms of the Loan Repayment Deed

The repayment of the KCS Loan under the Loan Repayment Deed is conditional upon, *inter alia*, the fulfilment of the conditions precedent:

- (i) the Whitewash Waiver being granted by the SIC to the Concert Party Group (as defined below), subject to any conditions that the SIC may impose which are reasonably acceptable to the Concert Party Group;
- (ii) Shareholders' approval being obtained in respect of the allotment and issuance of the Rights Shares and the Whitewash Resolution (if the Whitewash Waiver is obtained); and
- (iii) the completion of the Rights Issue.

If any of the conditions set out in the Loan Repayment Deed is not satisfied (or waived by the Company) within 12 months of the Loan Repayment Deed (or such other date as the parties may agree in writing), the Company will have the right to terminate the Loan Repayment Deed.

5. FINANCIAL EFFECTS OF THE RIGHTS ISSUE

The tables illustrating the financial effects of the Rights Issue have been prepared based on the Group's latest audited consolidated financial statements for the financial year ended 31 December 2024 ("FY2024") and the following principal assumptions:

- (i) the financial effects on the net tangible assets ("**NTA**") per share and net gearing of the Group are computed based on the assumption that the Rights Issue had been completed on 31 December 2024; and
- (ii) the financial effects on the loss per Share ("**LPS**") of the Group is computed based on the assumption that the Rights Issue had been completed on 1 January 2024;
- (iii) the estimated costs of the Rights Issue of approximately S\$200,000; and
- (iv) an exchange rate of S\$1 to MYR3.1709.

For the avoidance of doubt, the financial effects of the Rights Issue on the Group are for illustrative purposes only and are, therefore, not indicative of the actual financial performance or position of the Group after the completion of the Rights Issue.

(A) NTA per Share of the Group

The financial effects on the NTA per share of the Group are as follows:

	Before the Rights Issue	After the Rights Issue	
		Minimum Subscription Scenario	Maximum Subscription Scenario
NTA attributable to equity holders of the Group (S\$'000)	14,927	23,099	23,099
Number of Shares	167,437,355	334,874,710	334,874,710
NTA per share (S\$ cents)	8.91	6.90	6.90

(B) Loss per Share of the Group

The financial effects on the LPS of the Group are as follows:

	Before the Rights Issue	After the Rights Issue	
		Minimum Subscription Scenario	Maximum Subscription Scenario
Net loss attributable to equity holders of the Group (S\$'000)	(3,534)	(3,014)	(3,385)
Number of Shares	167,437,355	334,874,710	334,874,710
LPS (S\$ cents)	(2.11)	(0.90)	(1.01)

(C) Net Gearing⁽¹⁾

The financial effects on the net gearing of the Group are as follows:

	Before the Rights Issue	After the Rights Issue	
		Minimum Subscription Scenario	Maximum Subscription Scenario
Net debt ⁽²⁾ (S\$'000)	32,385	24,214	24,214
Capital ⁽³⁾ and Net Debt (S\$'000)	48,031	48,031	45,731
Net Gearing (%)	67.43	50.41	52.95

Notes:

(1) Net gearing is derived by dividing net debt by capital and net debt of the Group.

(2) Net debt represents trade and other payables, bank borrowings, redeemable preference shares, lease liabilities less cash and cash equivalents.

(3) Capital represents equity attributable to owners of the Company less statutory reserve.

(D) Share Capital

The financial effects on share capital of the Company are as follows:

	Before the Rights Issue	After the Rights Issue	
		Minimum Subscription Scenario	Maximum Subscription Scenario
Issued and paid-up share capital of the Company as at the date of this announcement (MYR'000)	20,629 ⁽¹⁾	46,541	46,541
Number of Shares	167,437,355	334,874,710	334,874,710

Note:

(1) Based on latest audited financial statements of the Group as at 31 December 2024 as extracted from the Group's annual report for the financial year ended 31 December 2024.

6. WHITEWASH WAIVER

As at the date of this announcement, Kwan Chee Seng and the parties acting in concert with him (the **“Concert Party Group”**) collectively hold an aggregate of 50,030,436 Shares representing 29.88% of the existing number of Shares (excluding treasury shares and subsidiary holdings).

Under Rule 14.1 of the Take-over 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) carrying 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”**).

Depending on the level of subscription of the Rights Shares by shareholders of the Company, the subscription of the Rights Shares pursuant to the Rights Issue may result in the Concert Party Group acquiring more than 30% of the voting rights of the Company thereby incurring an obligation on its part to make the Mandatory Offer pursuant to Rule 14.1 of the Code, unless the approval of the Whitewash Resolution or the waiver of the rights of the independent shareholders (being Shareholders other than the Concert Party Group (the **“Independent Shareholders”**)) to receive the Mandatory Offer for the Company from the Concert Party Group, is obtained from the Independent Shareholders.

In view of the above, an application will be made to the SIC for, among others, a waiver of the obligations of the Concert Party Group to make the Mandatory Offer as a result of the Rights Issue (the **“Whitewash Waiver”**). An 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 Resolution for their approval at the EGM. The Company will make the necessary announcements upon receipt of the SIC’s approval for the Whitewash Waiver.

7. CIRCULAR AND EGM

The Company will be convening an EGM to seek Shareholders’ approval for, *inter alia*, the Rights Issue and the Whitewash Resolution. 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.

8. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Kwan Chee Seng, the Undertaking Shareholder, is a controlling shareholder and Non-Executive Director of the Company.

Save as disclosed in this announcement and save for their interest arising by way of their respective shareholding interest and/or directorship in the Company (including but not limited to the KCS Loan Set-off), none of the Directors and substantial shareholders of the Company and their respective associates has any interests, direct or indirect, in the Rights Issue.

9. 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 inquiries, 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 the 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.

10. FURTHER ANNOUNCEMENTS

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

11. CAUTIONARY STATEMENT

The Directors would like to advise the Shareholders and potential investors that the Rights Issue is subject to certain conditions being fulfilled and there is no certainty or assurance as at the date of this announcement that the Rights Issue will be completed or that no changes will be made to the terms thereof. Accordingly, Shareholders and potential investors are advised to exercise caution when dealing or trading in the Shares. Shareholders and potential investors are advised to read this announcement and any further update announcement(s) released 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.

BY ORDER OF THE BOARD

Kwan Yu Wen
Executive Director
24 December 2025

*This announcement has been reviewed by the Company's sponsor, UOB Kay Hian Private Limited ("**Sponsor**").*

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

The contact person for the Sponsor is Mr Lance Tan, Senior Vice President, at 83 Clemenceau Avenue, #10-01 UE Square, Singapore 239920, telephone (65) 6590 6881.