

PLATO CAPITAL LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 199907443M)

**RESPONSES TO SUBSTANTIAL AND RELEVANT QUESTIONS FROM SHAREHOLDERS OF
THE COMPANY FOR THE PURPOSES OF THE ANNUAL GENERAL MEETING TO BE HELD
ON 27 APRIL 2021**

The Board of Directors (the “**Board**”) of Plato Capital Limited (the “**Company**” or “**Plato**”) would like to thank shareholders of the Company for submitting their questions in advance of the Annual General Meeting to be held by electronic means on 27 April 2021. Below are the responses of the Company to the substantial and relevant questions.

Question 1:

Around 5 years ago, the CEO mentioned that he would have been happy with an enrolment of around 400 for Epsom College. While it is nice to see that Epsom had turned in a small profit, I'm curious what the enrolment trend is like for the past 5 years pre-COVID. What is the enrolment situation right now given that the students are largely locals? Has there been any success in shoring up local enrolment rate? Pre-COVID, what percentage of students were locals? Can you provide a % breakdown of foreign student enrolment by country (Pre-COVID)? In approximately how many more years do we anticipate the Group's investment in Epsom to pay for itself?

Company's Response:

Epsom College (the “**School**”) has, over the past two years shifted its marketing efforts to the North Asian market given the very competitive domestic market, successful academic track record of the School and fee arbitrage opportunity for foreign parents given the relative position of the Malaysian ringgit and the low absolute fee levels in comparison with UK alternatives. Pre-pandemic, these initiatives have yielded positive results. As of April 2021, 55% of the student populations are non-Malaysian; with a significant proportion of these students hailing from the North Asian markets of South Korea, Japan and China.

However, the closure of national borders as part of COVID-19 prevention measures has led to a stall in new students from outside Malaysia and the logistical complexities arising from quarantine, extended virtual learning and adverse economic impact has led to existing foreign families withdrawing from the School. In addition, the international school market for local Malaysian students continues to prove challenging with many new British syllabus schools continuing to open; including those affiliated with branded UK independent schools.

Notwithstanding the aforementioned, a deep dive into costs as part of the School's pandemic response has yielded significant operational efficiencies which have translated into a better financial performance for the financial year ended 31 December 2020. However, at this point in time, with continued uncertainty over border reopenings and government policy and heightened competition with more international schools opening in Malaysia, we do not foresee a significant positive contribution from the School in the near term.

Question 2:

Can you advise what product lines are driving TYKC's revenue?

Company's Response:

TYKC has over the past year completely exited the hard disk business and shifted its emphasis into its Industrial Products Group which provides precision engineered components for sectors ranging from climate control, data storage and automotive parts.

Question 3:

I wasn't able to attend last year's AGM and ask this but what was the rationale for investing in Subhomes and quickly exiting it?

Company's Response:

Subhome was seen as a passive investment and complementary to the group's hospitality business given its presence in the home sharing and extended stay space. A decision was subsequently made to exit the investment in order to focus on the group's existing hospitality businesses.

Question 4:

The IT business has been in doldrums for a long time. Has the company considered strengthening this business function by using other customer-preferred ERP softwares?

Company's Response:

The Company intends to focus its efforts on the hospitality and education sectors in light of the availability of capital and resources in this difficult operating environment during the Covid-19 pandemic.

Question 5:

The group's revenue is heavily dependent on free international travel, what is the group's view on reducing this dependency and strengthening other pillars (e.g. having more diversified revenue from manufacturing, IT services)

Company's Response:

As explained in question 4 above, the group is currently not flushed with liquidity and as such, the core focus of management at this point in time is guiding its current portfolio through the Covid-19 pandemic, minimising losses or maximising returns on current assets, as the case may be, without having to incur significant capital outlay.

Question 6:

Plato has made losses over several years. What are the management plans to make the company profitable again over next few years?

Company's Response:

As an investment holding company, Plato's profitability is driven predominantly by the underlying performance of its portfolio companies. Prior to the Covid-19 pandemic, underperformance has been attributable predominantly to the delays in development of new hospitality projects and the difficult operating environment present in the Malaysian international school space.

The Covid-19 pandemic has unfortunately had a significant impact on the global hospitality and education sectors and as such, the company's portfolio and performance have similarly been impacted. Management has worked closely with the portfolio companies to significantly reduce costs and improve operating efficiencies but a recovery will ultimately be dependent on a broader global recovery and border reopenings - issues which are outside of the Company's control.

In the interim, the Company continues to look further into potential avenues to reduce costs and will assess on an opportunistic basis any and all options available to it as to optimising its portfolio.

Question 7:

Hospitality track will likely continue to bleed over next 2 years. Any plans to diversify or liquidate on non-profitable assets?

Company's Response:

The Company will assess, on an opportunistic basis, any and all options available with regards to optimising its portfolio and assets.

Question 8:

The stock is languishing with volume at a trickle, Will the chairman consider privatising the company?

Company's Response:

The Chairman has not considered privatizing the Company at this time.

By Order of the Board
Plato Capital Limited

Gareth Lim Tze Xiang
Chief Executive Officer
26 April 2021

This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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