APPENDIX DATED 10 APRIL 2025

THIS APPENDIX IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your issued and fully paid-up ordinary shares in the capital of Avarga Limited, you should immediately forward this Appendix to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited (the "**SGX-ST**") assumes no responsibility for the accuracy of any of the statements made, opinions expressed or reports contained in this Appendix.

AVARGA LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No.: 196700346M)

APPENDIX TO THE NOTICE OF ANNUAL GENERAL MEETING DATED 10 APRIL 2025

IN RELATION TO:

(1) THE PROPOSED CHANGE OF AUDITORS FROM MOORE STEPHENS LLP TO CLA GLOBAL TS PUBLIC ACCOUNTING CORPORATION;

(2) THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE; AND

(3) THE PROPOSED SHARE CONSOLIDATION OF EVERY TEN (10) EXISTING SHARES OF THE COMPANY AS AT THE RECORD DATE (AS DEFINED HEREIN) INTO ONE (1) CONSOLIDATED SHARE OF THE COMPANY, FRACTIONAL ENTITLEMENTS TO BE DISREGARDED.

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THE PROPOSED CHANGE OF AUDITORS FROM MOORE STEPHENS LLP TO CLA GLOBAL TS PUBLIC ACCOUNTING CORPORATION

Except where the context otherwise requires, the following definitions apply throughout this Appendix:

"**2025 AGM**"	:	Has the meaning ascribed to it in paragraph 1 of this Appendix
"**ACRA**"	:	Accounting and Corporate Regulatory Authority of Singapore
"**AGM**"	:	Annual General Meeting of the Company
"**Audit Committee**"	:	The Audit and Risk Management Committee of the Company
"**Auditors**"	:	The auditors of the Company as appointed from time to time
"**Board**"	:	The board of directors of the Company
"**CDP**"	:	The Central Depository (Pte) Limited
"**CLA Global**"	:	Has the meaning ascribed to it in paragraph 2 of this Appendix
"**CLA Global TS**"	:	CLA Global TS Public Accounting Corporation
"**Companies Act**"	:	The Companies Act 1967 of Singapore, as may be amended or modified from time to time
"**Company**"	:	Avarga Limited
"**Constitution**"	:	The existing Constitution of the Company
"**Directors**"	:	The directors of the Company as at the Latest Practicable Date
"**FY2024**"	:	Financial year ended 31 December 2024
"**Group**"	:	The Company and its subsidiaries
"**Latest Practicable Date**"	:	12 March 2025, being the latest practicable date prior to the date of this Appendix
"**Listing Manual**"	:	The listing manual of the SGX-ST, as may be amended or modified from time to time

"**Moore Stephens**"	:	Moore Stephens LLP
"**Proposed Change of Auditors**"	:	The proposed change of the Company's Auditors from Moore Stephens to CLA Global TS
"**Register of Members**"	:	The register of members of the Company
"**Securities Account**"	:	The securities account maintained by a Depositor with CDP but does not include a securities sub-account maintained with a Depository Agent
"**SGX-ST**"	:	Singapore Exchange Securities Trading Limited
"**Shareholders**"	:	Registered holders of Shares except that where the registered holder is CDP, the term "**Shareholders**" shall, in relation to such Shares and where the context admits, mean the persons named as Depositors in the Depository Register and whose Securities Accounts are credited with the Shares
"**Shares**"	:	Ordinary shares in the capital of the Company
"**Substantial Shareholder**"	:	A person who has an interest in not less than 5% of the issued voting Shares of the Company
"**S$**" and "**cents**"	:	Singapore dollars and cents respectively
"**%**"	:	Percentage or per centum

The terms "**Depositor**", "**Depository Agent**" and "**Depository Register**" shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act 2001 of Singapore.

The term "**treasury shares**" shall have the meaning ascribed to it in Section 4 of the Companies Act.

The term "**subsidiary**" shall have the meaning ascribed to it in Section 5 of the Companies Act.

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

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

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

The Company has engaged Chang See Hiang & Partners as its legal adviser for the corporate action set out in this Appendix.

1. BACKGROUND AND RATIONAL FOR THE PROPOSED CHANGE OF AUDITORS

The Company has on 10 April 2025 issued a Notice of AGM convening its forthcoming AGM to be held on 25 April 2025 at 1.30 p.m. at Drama Centre Function Room 2, 100 Victoria Street, National Library Level 3, Singapore 188061 (the "**2025 AGM**"). The Company refers to Ordinary Resolution No. 5 relating to the Proposed Change of Auditors. The purpose of this Appendix is to provide Shareholders with the relevant information pertaining to, and to seek Shareholders' approval for the Proposed Change of Auditors at the 2025 AGM.

Moore Stephens was appointed as the Auditors of the Company on 30 September 2022.

On 27 February 2025, Moore Stephens formally notified the Company that they would not be seeking re-appointment upon their retirement at the 2025 AGM.

Furthermore, as part of a broader review of the business needs and strategic direction of the Group, the Board is of the view that it would be appropriate and timely to effect a change of Auditors of the Company.

Following a review and evaluation of various audit firms which have experience in auditing publicly listed companies in Singapore, the Board, in consultation with the Audit Committee, and taking into consideration the requirements of Rule 712 and Rule 715 of the Listing Manual, has determined that CLA Global TS is best suited to meet the existing needs and audit requirement of the Group. CLA Global TS was selected from amongst several audit firms which provided proposals to the Company, after taking into account, *inter alia*, the adequacy of the resources and experience of CLA Global TS, the audit engagement partner assigned to the audit, the Group's audit requirements and the number and experience of supervisory and professional staff to be assigned to the audit of the Group, the fee structure and audit arrangement proposed by CLA Global TS. The Board and the Audit Committee have also considered, amongst others, the Audit Quality Indicators Disclosure Framework issued by ACRA in assessing CLA Global TS's suitability for the proposed appointment and are of the opinion that CLA Global TS will be able to fulfil the audit requirements of the Company and the Group without compromising the standard and effectiveness of the audit of the Company and the Group.

CLA Global TS had on 1 April 2025 given its written consent to act as Auditors of the Company, subject to the approval from Shareholders being obtained at the 2025 AGM. Accordingly, the appointment of CLA Global TS will only be effective upon the approval of Shareholders at the 2025 AGM.

In view of the above, the Board is of the opinion that the Proposed Change of Auditors is in the best interests of the Company and the Shareholders. The Board wishes to highlight that the Proposed Change of Auditors is in no way the result of any disagreement with Moore Stephens. The Directors wish to express their appreciation for the past services rendered by Moore Stephens.

2. INFORMATION ON CLA GLOBAL TS AND THE AUDIT ENGAGEMENT PARTNER

The information set out in this Appendix on CLA Global TS and the audit engagement partner has been provided to the Company by CLA Global TS. The Directors have not conducted an independent review or verification of the accuracy of the statements and information set out below.

Established in 1993, CLA Global TS is a trusted public accounting and Asia-focused business advisor. An independent network member of CLA Global Limited ("**CLA Global**"), a leading global organisation comprising of independent accounting and advisory firms, CLA Global TS serves as the member firm for Singapore, Southeast Asia and China, and is a key leading firm for CLA Global in Asia.

Led by professionals with more than 30 years of experience, CLA Global TS envisions itself as "The Growth Strategist for Asia". The firm provides a full spectrum of professional services from its locations in Singapore, China and Malaysia and is actively expanding through strategic partnerships in the Southeast Asia region.

Ranked among the top ten largest accounting firms in Singapore, CLA Global TS offers a wide range of services, including but not limited to Audit, Tax, Risk Advisory, Sustainability Reporting, Valuation, Mergers & Acquisitions, Business Process Outsourcing, Cybersecurity Advisory, Data Analytics, Restructuring, Country Advisory, and more.

For more information on CLA Global TS, please visit its website at https://www.cla-ts.com/.

Ms. Loh Hui Nee has over 20 years of working experience in an international accounting firm focusing on assurance services in public listed companies, multinational corporations and small and medium enterprises. Her exposure covers a wide range of industries which include recycling & renewable energy, trading, manufacturing & construction, bio-technology & pharmaceutical, service, oil & gas, and non-profit organization. She is also involved in Initial Public Offering projects where the firm functions as reporting accountants and due-diligence reviews for clients making significant investment acquisitions.

3. COMPLIANCE WITH RULES 712, 715 AND 1203(5) OF THE LISTING MANUAL

CLA Global TS is registered with ACRA and approved under the Accountants Act. The audit engagement partner is a public accountant registered under the Accountants Act.

The Audit Committee, after having reviewed and deliberated, and after taking into consideration the suitability and independence of CLA Global TS in meeting the audit requirements of the Group as well as the various factors as set out in paragraph 2 and paragraph 3 of this Appendix, has recommended the Proposed Change of Auditors for approval by the Board.

In accordance with the requirements of Rule 715 of the Listing Manual, CLA Global TS and, where appropriate, independent members firms of the CLA Global network, will be engaged to audit the financial statements of the Company, its Singapore-incorporated subsidiaries and its significant foreign-incorporated subsidiaries and associated companies. Accordingly, the Directors confirm that Rule 715 of the Listing Manual has been or will be complied with.

In accordance with the requirements of Rule 1203(5) of the Listing Manual:

(a) Moore Stephens has confirmed by way of a letter dated 28 March 2025 that they are not aware of any professional reasons why the new Auditor, CLA Global TS, should not accept appointment as Auditors of the Company;

(b) the Company confirms that there were no disagreements with the outgoing Auditor, Moore Stephens, on accounting treatments within the last twelve (12) months;

(c) the Company confirms that, other than as set out above, it is not aware of any circumstances connected with the Proposed Change of Auditors that should be brought to the attention of Shareholders;

(d) the Company confirms that there are no specific reasons for the Proposed Change of Auditors that ought to be brought to the attention of the Shareholders which has not been disclosed in this Appendix. The Proposed Change of Auditors is neither due to any disagreement with Moore Stephens nor the dismissal of Moore Stephens; and

(e) the Company confirms that it is or will be in compliance with Rule 712 and Rule 715 of the Listing Manual in relation to the appointment of CLA Global TS as the Auditors of the Company.

4. INTERESTS OF DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS

The interests of the Directors and Substantial Shareholders in the Shares, as extracted from the Register of Directors' Shareholdings and the Register of Substantial Shareholders, as at the Latest Practicable Date, are set out below:

	Direct Interest		Deemed Interest		Total Interest	
	Number of Shares	%(1)	Number of Shares	%(1)	Number of Shares	%(1)
Directors						
Tong Kooi Ong	–	–	786,618,653(2)	86.60	786,618,653	86.60
Tong Ian	–	–	–	–	–	–
Lai Ven Li	–	–	–	–	–	–
Moey Weng Foong	–	–	–	–	–	–
Andrew Lim Cheong Seng	–	–	–	–	–	–
Kevin Kang Kah Wee	–	–	–	–	–	–
Substantial Shareholders						
TKO Pte. Ltd.(2)	488,371,653	53.77	–	–	488,371,653	53.77
Tong Kooi Ong	–	–	786,618,653(3)	86.60	786,618,653	86.60
ZICO Trust (S) Ltd.(4)	–	–	786,618,653(3)	86.60	786,618,653	86.60
3Cs Investments Limited(5)	–	–	73,439,000(6)	8.09	73,439,000	8.09
Phileo Capital Limited	224,808,000	24.75	–	–	224,808,000	24.75
Genghis S.á.r.l.	73,439,000	8.09	–	–	73,439,000	8.09

Notes:

(1) As a percentage of the total number of issued Shares as at the Latest Practicable Date, comprising 908,313,642 Shares in issue (excluding 41,831,700 Shares in treasury).

(2) By virtue of Phileo Trust, a family trust constituted under a trust deed where Mr. Tong Kooi Ong is the sole beneficiary, and with ZICO Trust (S) Ltd. as its appointed trustee, Mr. Tong Kooi Ong has a deemed interest in the following Shares pursuant to Section 4 of the SFA: (a) the 488,371,653 Shares held by TKO Pte. Ltd., which is wholly-owned by ZICO Trust (S) Ltd.; (b) the 224,808,000 Shares held by Phileo Capital Limited, which is wholly-owned by ZICO Trust (S) Ltd.; and (c) the 73,439,000 Shares held by Genghis S.á.r.l., which is wholly-owned by 3Cs Investments Limited, which is in turn wholly-owned by ZICO Trust (S) Ltd..

(3) The Shares are beneficially owned by TKO Pte. Ltd., Phileo Capital Limited and Genghis S.á.r.l..

(4) Pursuant to Section 4 of the SFA, ZICO Trust (S) Ltd. is deemed interested in the following Shares: (a) the 488,371,653 Shares held by TKO Pte. Ltd., which is wholly-owned by ZICO Trust (S) Ltd.; (b) the 224,808,000 Shares held by Phileo Capital Limited, which is wholly-owned by ZICO Trust (S) Ltd.; and (c) the 73,439,000 Shares held by Genghis S.á.r.l., which is wholly-owned by 3Cs Investments Limited, which is in turn wholly-owned by ZICO Trust (S) Ltd..

(5) As Genghis S.á.r.l. is wholly-owned by 3Cs Investments Limited, pursuant to Section 4 of the SFA, 3Cs Investments Limited is deemed interested in the 73,439,000 Shares held by Genghis S.á.r.l..

(6) The Shares are beneficially owned by Genghis S.á.r.l..

5. AUDIT COMMITTEE'S STATEMENT

The Audit Committee has reviewed the Proposed Change of Auditors, and taking into account the suitability of CLA Global TS, the Group's audit requirements and the requirements of the Listing Manual, recommends the proposed appointment of CLA Global TS as Auditors of the Company in place of Moore Stephens.

6. DIRECTORS' RECOMMENDATION

The Directors are of the opinion that the Proposed Change of Auditors is in the interests of the Company and accordingly recommend that Shareholders vote in favour of Ordinary Resolution No. 5 relating to the Proposed Change of Auditors.

7. ACTION TO BE TAKEN BY SHAREHOLDERS

7.1 Appointment of Proxies

If a Shareholder is unable to attend the 2025 AGM and wishes to appoint a proxy to attend and vote on his behalf, he should complete, sign and return the attached Proxy Form in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the Company's Share Registrar, B.A.C.S. Private Limited at 77 Robinson Road #06-03, Robinson 77 Singapore 068896, not less than 72 hours before the time fixed for the 2025 AGM. The completion and return of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the 2025 AGM if he subsequently wishes to do so. In such event, the relevant Proxy Form will be deemed to be revoked and the Company reserves the right to refuse to admit any person or persons appointed under the Proxy Form to the 2025 AGM.

7.2 When Depositor regarded as Shareholder

A Depositor shall not be regarded as a Shareholder entitled to attend the 2025 AGM and to speak and vote thereat unless he is shown to have Shares entered against his name in the Depository Register as certified by CDP not less than 72 hours before the time fixed for the 2025 AGM.

8. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the Proposed Change of Auditors, the Company and its subsidiaries and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading. Where information in this Appendix 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 Appendix in its proper form and context.

9. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are available for inspection at the Company's registered office during normal business hours from the date of this Appendix up to the date of the 2025 AGM:

(a) the Constitution;

(b) the professional clearance letter issued by Moore Stephens to CLA Global TS dated 28 March 2025; and

(c) the letter of consent to act as Auditors from CLA Global TS dated 1 April 2025.

By Order of the Board
AVARGA LIMITED

Tong Ian
Chief Executive Officer and Executive Director

THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

Except where the context otherwise requires, the following definitions apply throughout this Appendix:

"**2025 AGM**"	:	Has the meaning ascribed to it in paragraph 1.1 of this Appendix
"**ACRA**"	:	Accounting and Corporate Regulatory Authority of Singapore
"**AGM**"	:	Annual general meeting of the Company
"**Board**"	:	The board of directors of the Company
"**CDP**"	:	The Central Depository (Pte) Limited
"**Companies Act**"	:	The Companies Act 1967 of Singapore, as may be amended or modified from time to time
"**Company**"	:	Avarga Limited
"**Constitution**"	:	The existing Constitution of the Company
"**Controlling Shareholder**"	:	A person who holds directly or indirectly 15% or more of the total voting rights of the Company (unless the SGX-ST determines otherwise) or a person who in fact exercises control over the Company, as defined under the Listing Manual
"**Directors**"	:	The directors of the Company as at the Latest Practicable Date
"**EPS**"	:	Earnings per Share
"**FY2024**"	:	Financial year ended 31 December 2024
"**Group**"	:	The Company and its subsidiaries
"**Latest Practicable Date**"	:	12 March 2025, being the latest practicable date prior to the date of this Appendix
"**Listing Manual**"	:	The listing manual of the SGX-ST, as may be amended or modified from time to time
"**Market Day**"	:	A day on which the SGX-ST is open for securities trading
"**NAV**"	:	Net asset value

"**Off-Market Share Purchase**"	:	A Share Purchase (if effected otherwise than on the SGX-ST) pursuant to an equal access scheme (as defined under Section 76C of the Companies Act) for the purchase of Shares from the Shareholders
"**On-Market Share Purchase**"	:	A Share Purchase effected on the SGX-ST through the ready market, through one or more duly licensed stockbrokers appointed by the Company for the purpose
"**Proposed Renewal of the Share Purchase Mandate**"	:	The renewal of the Share Purchase Mandate to be proposed at the 2025 AGM
"**Registrar**"	:	Registrar of Companies appointed under the Companies Act and includes any Deputy or Assistant Registrar of Companies
"**Securities Account**"	:	The securities account maintained by a Depositor with CDP but does not include a securities sub-account maintained with a Depository Agent
"**SGX-ST**"	:	Singapore Exchange Securities Trading Limited
"**Shareholders**"	:	Registered holders of Shares except that where the registered holder is CDP, the term "**Shareholders**" shall, in relation to such Shares and where the context admits, mean the persons named as Depositors in the Depository Register and whose Securities Accounts are credited with the Shares
"**Share Purchase**"	:	Purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate
"**Share Purchase Mandate**"	:	General mandate given by Shareholders to authorise the Board to purchase or otherwise acquire Shares in accordance with the terms set out in this Appendix as well as the rules and regulations set forth in the Companies Act and the Listing Manual
"**Shares**"	:	Ordinary shares in the capital of the Company
"**SFA**"	:	The Securities and Futures Act 2001 of Singapore
"**SIC**"	:	Securities Industry Council of Singapore
"**Substantial Shareholder**"	:	A person who has an interest in not less than 5% of the issued voting Shares of the Company
"**Take-over Code**"	:	The Singapore Code on Take-overs and Mergers, as may be amended or modified from time to time

"**S$**" and "**cents**"	:	Singapore dollars and cents respectively
"**%**"	:	Percentage or per centum

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

The term "**treasury shares**" shall have the meaning ascribed to it in Section 4 of the Companies Act.

The term "**subsidiary**" shall have the meaning ascribed to it in Section 5 of the Companies Act.

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

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

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

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

The Company has engaged Chang See Hiang & Partners as its legal adviser for the corporate action set out in this Appendix.

1 INTRODUCTION

1.1 The Company has on 10 April 2025 issued a Notice of AGM convening its forthcoming AGM to be held on 25 April 2025 at 1.30 p.m. at Drama Centre Function Room 2, 100 Victoria Street, National Library Level 3, Singapore 188061 (the "**2025 AGM**"). The Company refers to Ordinary Resolution No. 8 relating to the Proposed Renewal of the Share Purchase Mandate. The purpose of this Appendix is to provide Shareholders with the relevant information pertaining to, and to seek Shareholders' approval for the Proposed Renewal of the Share Purchase Mandate at the 2025 AGM.

1.2 It is a requirement under the Companies Act that a company, which wishes to purchase or otherwise acquire its own shares, has to obtain the approval of its shareholders at a general meeting of the company. The Company proposes to seek the approval of the Shareholders at the forthcoming 2025 AGM for the renewal of the Share Purchase Mandate to authorise the Directors to buy back its issued and fully paid Shares in accordance with the terms set out in this Appendix as well as the rules and regulations set out in the Companies Act and the Listing Manual.

1.3 The purpose of this Appendix is to explain the rationale for, and provide Shareholders with information relating to, the Proposed Renewal of the Share Purchase Mandate.

2 THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

2.1 RATIONALE FOR THE SHARE PURCHASE MANDATE

2.1.1 The Share Purchase Mandate will give the Company the flexibility to undertake Share Purchases at any time, subject to market conditions, during its validity period. The Directors believe that the Share Purchase Mandate will provide the Company with a mechanism to facilitate the return of any surplus cash in excess of the Group's working capital requirements in an expedient and cost-efficient manner. The Directors further believe that Share Purchases may also buffer short-term share price volatility and offset the effects of share price speculation. Where Shares are purchased by the Company and are held as treasury shares, it will also enable the Company to transfer the treasury shares for the purposes of the Company's employees' share option scheme.

2.1.2 If and when circumstances permit, the Directors will decide whether to effect the Share Purchases via On-Market Share Purchases or Off-Market Share Purchases, after taking into account the amount of surplus cash available, the then prevailing market conditions and the most cost effective and efficient approach.

2.1.3 The Share Purchases would be made only as and when the Directors consider it to be in the best interests of the Company and in appropriate circumstances which the Directors believe will not result in any material adverse effect on the liquidity and the orderly trading of the Shares, as well as the financial condition of the Group.

2.2 AUTHORITY AND LIMITS ON THE SHARE PURCHASE MANDATE

The authority and limits placed on the Share Purchases under the Share Purchase Mandate are set out below:

2.2.1 Maximum number of Shares

(a) Only Shares which are issued and fully paid-up may be purchased or acquired by the Company. In accordance with Rule 882 of the Listing Manual, the total number of Shares which may be purchased or acquired pursuant to the Share Purchase Mandate shall not exceed 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in each class as at the date of the 2025 AGM at which approval for the Proposed Renewal of the Share Purchase Mandate is being sought (the "**Approval Date**"). Under the Companies Act, any Shares which are held as treasury shares and subsidiary holdings will be disregarded for the purpose of computing the 10% limit. As at the Latest Practicable Date, the Company had 41,831,700 treasury shares and no subsidiary holdings, and the Shares, being the ordinary shares in the capital of the Company, were the only class of shares issued by the Company.

(b) For illustrative purposes only, on the basis of 908,313,642 issued Shares as at the Latest Practicable Date, and assuming that no further Shares are issued and bought back prior to the 2025 AGM, not more than 90,831,364 Shares (representing 10% of the total number of issued Shares as at that date) may be purchased by the Company pursuant to the proposed Share Purchase Mandate during the duration referred to in paragraph 2.2.2(a) below.

2.2.2 Duration of Authority

(a) Share Purchases may be made, at any time and from time to time, on and from the Approval Date up to:

(i) the date on which the next AGM of the Company is held or required by law to be held;

(ii) the date on which the Share Purchases are carried out to the full extent mandated; or

(iii) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied by the Shareholders in a general meeting,

whichever is the earliest.

(b) The authority conferred on the Board by the Share Purchase Mandate to purchase Shares may be renewed at the next AGM of the Company or at an extraordinary general meeting of the Company to be convened immediately after the conclusion or adjournment of the next AGM.

2.2.3 **Manner of Share Purchases**

(a) Share Purchases may be made by way of:

(i) an On-Market Share Purchase; and/or

(ii) an Off-Market Share Purchase.

(b) The Directors may impose such terms and conditions which are not inconsistent with the Share Purchase Mandate, the Listing Manual and the Companies Act, as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes. However, an Off-Market Share Purchase effected in accordance with an equal access scheme must satisfy all the following conditions:

(i) offers under the scheme are to be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;

(ii) all of those persons shall be given a reasonable opportunity to accept the offers made to them; and

(iii) the terms of all the offers shall be the same, except that there shall be disregarded:

(1) differences in consideration attributable to the fact that the offers relate to Shares with different accrued dividend entitlements;

(2) differences in consideration attributable to the fact that the offers relate to Shares with different amounts remaining unpaid (if applicable); and

(3) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

In addition, the Listing Manual provides that, in making an Off-Market Share Purchase, the Company must issue an offer document to all Shareholders which must contain at least the following information:

(i) the terms and conditions of the offer;

(ii) the period and procedures for acceptance;

(iii) the reasons for the proposed Share Purchase;

(iv) the consequences, if any, of Share Purchases that will arise under the Take-over Code or other applicable take-over rules;

(v) whether the Share Purchase, if made, could affect the listing of the Shares on the SGX-ST;

(vi) details of any Share Purchases made by the Company during the previous 12 months (whether On-Market Share Purchases or Off-Market Share Purchases), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for such Share Purchases, where relevant, and the total consideration paid for such Share Purchases; and

(vii) whether the Shares purchased by the Company will be cancelled or kept as treasury shares.

2.2.4 **Maximum Purchase Price**

(a) The purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) to be paid for a Share will be determined by the Directors.

(b) However, the purchase price to be paid for the Shares pursuant to the Share Purchase Mandate must not exceed:

(i) in the case of an On-Market Share Purchase, 105% of the Average Closing Price (as defined below) of the Shares; and

(ii) in the case of an Off-Market Share Purchase, 120% of the Average Closing Price of the Shares,

(the "**Maximum Price**").

(c) For the above purposes, "**Average Closing Price**" means the average of the closing market prices of a Share over the last 5 Market Days, on which transactions in the Shares were recorded, before the day on which the On-Market Share Purchase was made or, as the case may be, before the date of making an announcement by the Company of an offer for an Off-Market Share Purchase and deemed to be adjusted for any corporate action that occurs during the above-mentioned relevant 5 Market Days and the day on which the On-Market Share Purchase was made.

2.3 **STATUS OF PURCHASED SHARES UNDER THE SHARE PURCHASE MANDATE**

2.3.1 Under Section 76B of the Companies Act, any Share which is purchased shall, unless held as a treasury share, be deemed cancelled immediately on purchase, and all rights and privileges attached to that Share will expire on cancellation. All Shares purchased by the Company, unless held as treasury shares, will be automatically delisted by the SGX-ST, and (where applicable) all certificates in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following the settlement of any such purchase. The total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are not held as treasury shares.

2.3.2 Some of the provisions on treasury shares under the Companies Act are summarised below:

(a) **Maximum Holdings**

The number of Shares held as treasury shares shall not at any time exceed 10% of the total number of issued Shares; and the Company shall be entered in the Register of Members or the Depository Register, as the case may be, as the member holding those Shares.

(b) **Voting and Other Rights**

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings; and for the purposes of the Companies Act, the Company shall be treated as having no right to vote in respect of treasury shares and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Company's assets may be made, to the Company in respect of the treasury shares. However, the allotment of Shares as fully paid bonus shares in respect of treasury shares is allowed. Also, a subdivision or consolidation of any treasury share into treasury shares of a greater or smaller number, as the case may be, is allowed so long as the total value of the treasury shares after the sub-division or consolidation is the same as before.

(c) **Disposal and Cancellation**

Where Shares purchased or acquired by the Company are held as treasury shares, the Company may at any time:

(i) sell the treasury shares (or any of them) for cash;

(ii) transfer the treasury shares (or any of them) for the purposes of or pursuant to any share scheme, whether for the Company's employees, directors or other persons;

(iii) transfer the treasury shares (or any of them) as consideration for the acquisition of shares in or assets of another company or assets of a person;

(iv) cancel the treasury shares (or any of them); or

(v) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

The Shares purchased under the Share Purchase Mandate will be held as treasury shares or cancelled by the Company taking into consideration the then prevailing circumstances and requirements of the Company at the relevant time.

In addition, under the Listing Manual, the Company must submit to the SGX-ST a confirmation of compliance with the relevant provisions of Chapter 8 of the Listing Manual for the issue of shares out of treasury, and an immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares, stating the following:

(i) date of the sale, transfer, cancellation and/or use;

(ii) purpose of such sale, transfer, cancellation and/or use;

(iii) number of treasury shares sold, transferred, cancelled and/or used;

(iv) number of treasury shares before and after such sale, transfer, cancellation and/or use;

(v) percentage of the number of treasury shares against the total number of Shares outstanding in a class that is listed before and after such sale, transfer, cancellation and/or use; and

(vi) value of the treasury shares if they are used for a sale or transfer, or cancelled.

2.4 REPORTING REQUIREMENTS

2.4.1 Within 30 days of the passing of a Shareholders' resolution to approve or renew the Share Purchase Mandate, as the case may be, the Company shall lodge a copy of such resolution with the Registrar.

2.4.2 The Company shall lodge with the Registrar a notice of Share Purchase within 30 days of such Share Purchase. Such notification shall include the date of the purchases, the number of Shares purchased by the Company, the number of Shares cancelled, the number of treasury shares held, the Company's issued share capital before and after the purchases, the amount of consideration paid by the Company for the purchases, whether the Shares were purchased out of the profits or the capital of the Company and such other particulars as may be required in the prescribed form.

2.4.3 Within 30 days of the cancellation or disposal of treasury shares in accordance with the Companies Act, the Company shall lodge with the Registrar a notice of the cancellation or disposal of treasury shares with such particulars as may be required in the prescribed form.

2.5 SOURCE OF FUNDS

2.5.1 The Company may only apply funds for the Share Purchases in accordance with the applicable laws in Singapore. The Company may not purchase its Shares for a consideration other than in cash and in the case of an On-Market Share Purchase, for settlement otherwise than in accordance with the trading rules of the SGX-ST.

2.5.2 The Company intends to use internal sources of funds or external borrowings, or a combination of both, to finance its Share Purchases.

2.5.3 The Companies Act stipulates that any purchases of Shares may be made out of the Company's capital and/or profits so long as the Company is solvent. Under the Companies Act, a Company is solvent if at the date of the payment made by the Company in consideration of acquiring any right with respect to the purchase or acquisition of its own Shares:

(a) there is no ground on which the Company could be found to be unable to pay its debts;

(b) if:

(1) it is intended to commence winding up of the Company within the period of 12 months immediately after the date of the payment, the Company will be able to pay its debts in full within the period of 12 months after the date of commencement of the winding up; or

(2) it is not intended so to commence winding up, the Company will be able to pay its debts as they fall due within the period of 12 months immediately after the date of the payment; and

(c) the value of the Company's assets is not less than the value of its liabilities (including contingent liabilities) and will not, after the proposed purchase, acquisition, variation or release (as the case may be), become less than the value of its liabilities (including contingent liabilities).

2.5.4 Where the consideration paid by the Company for the Share Purchases is made out of profits, such consideration will correspondingly reduce the amount of profits available for the distribution of cash dividends by the Company. However, where the consideration paid by the Company for the Share Purchases is made out of capital, the amount of profits available for the distribution of cash dividends by the Company will not be reduced. The Companies Act further stipulates that a payment for such purchase of shares shall include any expenses (including brokerage or commission) incurred directly in the purchase.

2.6 FINANCIAL EFFECTS

2.6.1 The financial effects on the Company and the Group arising from the Share Purchases will depend on, *inter alia*, whether the Share Purchases are made by way of On-Market Share Purchases or Off-Market Share Purchases, the price paid for such Shares and whether the Shares are held in treasury or cancelled.

2.6.2 For illustrative purposes only, the financial effects on the Company and the Group arising from the Share Purchases, based on the audited financial statements of the Company and the Group for FY2024, are prepared assuming the following:

(a) the Share Purchases comprised 90,831,364 Shares (representing the maximum 10% allowed under the Share Purchase Mandate of the 908,313,642 issued Shares excluding treasury shares and subsidiary holdings, as at the Latest Practicable Date);

(b) in the case of On-Market Share Purchases, the Maximum Price was S$0.245 (being 5% above the Average Closing Price prior to the Latest Practicable Date) and accordingly, the maximum amount of funds (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) required for effecting such On-Market Share Purchases would amount to approximately S$22.3 million;

(c) in the case of Off-Market Share Purchases, the Maximum Price was S$0.280 (being 20% above the Average Closing Price prior to the Latest Practicable Date) and accordingly, the maximum amount of funds (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) required for effecting such Off-Market Share Purchases would amount to approximately S$25.4 million;

(d) the Share Purchases were made out of the Company's capital and profits as the Company has decided that any Share Purchases made under the Share Purchase Mandate will be made out of capital and profits;

(e) the Share Purchases took place on 1 January 2025 and the Shares purchased were (i) cancelled; or (ii) held as treasury shares; and

(f) the Share Purchases were financed by external short-term bank borrowings.

(i) On-Market Share Purchases

	Group			Company		
		After Share Purchases			After Share Purchases	
	Before Share Purchases S$'000	Share Purchases cancelled S$'000	Share Purchases held as Treasury Shares S$'000	Before Share Purchases S$'000	Share Purchases cancelled S$'000	Share Purchases held as Treasury Shares S$'000
As at 31 December 2024						
Share capital	169,597	147,343	169,597	169,597	147,343	169,597
Other reserves	(46,182)	(46,182)	(46,182)	74	74	74
Retained earnings/(Accumulated losses)	242,919	242,919	242,919	(47,495)	(47,495)	(47,495)
Treasury shares	(12,130)	(12,130)	(34,384)	(12,130)	(12,130)	(34,384)
	354,204	331,950	331,950	110,046	87,792	87,792
Non-controlling interests	121,625	121,625	121,625	–	–	–
Total Equity	475,829	453,575	453,575	110,046	87,792	87,792
Current assets	527,854	527,854	527,854	98,142	98,142	98,142
Current liabilities	(146,558)	(168,812)	(168,812)	(634)	(22,888)	(22,888)
Non-current assets	190,566	190,566	190,566	12,545	12,545	12,545
Non-current liabilities	(96,033)	(96,033)	(96,033)	(7)	(7)	(7)
Net Asset Value (NAV)	475,829	453,575	453,575	110,046	87,792	87,792
Total borrowings	102,691	124,945	124,945	94	22,348	22,348
Less: Cash and bank balances	200,617	200,617	200,617	1,617	1,617	1,617
Less: Other deposits with financial institutions	–	–	–	–	–	–
Net debt[1]	(97,926)	(75,672)	(75,672)	(1,523)	20,731	20,731
Profit/(loss) after tax and non-controlling interests	23,559	23,559	23,559	(15,453)	(15,453)	(15,453)
Number of Shares outstanding as at 31 December 2024 ('000)	908,314	817,483	817,483	908,314	817,483	817,483
Weighted average number of Shares as at 31 December 2024						
– Basic ('000)	908,314	817,483	817,483	908,314	817,483	817,483
– Diluted ('000)	908,314	817,483	817,483	908,314	817,483	817,483
Financial Ratios						
NAV per Share[2] (cents)	39.00	40.61	40.61	12.12	10.74	10.74
Gross debt gearing[3] (times)	0.24	0.30	0.30	–	0.25	0.25
Net debt gearing[4] (times)	–	–	–	–	0.24	0.24
Current ratio[5] (times)	3.60	3.13	3.13	154.80	4.29	4.29
EPS[6] (cents)						
– Basic	2.59	2.88	2.88	(1.70)	(1.89)	(1.89)
– Diluted	2.59	2.88	2.88	(1.70)	(1.89)	(1.89)

Notes:

(1) "Net debt" represents total borrowings less cash and cash equivalents and other deposits with financial institutions.

(2) "NAV per Share" represents net asset value after non-controlling interests divided by the number of Shares as at 31 December 2024.

(3) "Gross debt gearing" represents total borrowings divided by net tangible asset value.

(4) "Net debt gearing" represents net debt divided by net tangible asset value.

(5) "Current ratio" represents current assets divided by current liabilities.

(6) "Basic EPS" represents profit after tax and non-controlling interests divided by the weighted average number of Shares as at 31 December 2024.

(ii) Off-Market Share Purchases

	Group			Company		
		After Share Purchases			After Share Purchases	
	Before Share Purchases S$'000	Share Purchases cancelled S$'000	Share Purchases held as Treasury Shares S$'000	Before Share Purchases S$'000	Share Purchases cancelled S$'000	Share Purchases held as Treasury Shares S$'000
As at 31 December 2024						
Share capital	169,597	144,164	169,597	169,597	144,164	169,597
Other reserves	(46,182)	(46,182)	(46,182)	74	74	74
Retained earnings/(Accumulated losses)	242,919	242,919	242,919	(47,495)	(47,495)	(47,495)
Treasury shares	(12,130)	(12,130)	(37,563)	(12,130)	(12,130)	(37,563)
	354,204	328,771	328,771	110,046	84,613	84,613
Non-controlling interests	121,625	121,625	121,625	–	–	–
Total Equity	475,829	450,396	450,396	110,046	84,613	84,613
Current assets	527,854	527,854	527,854	98,142	98,142	98,142
Current liabilities	(146,558)	(171,991)	(171,991)	(634)	(26,067)	(26,067)
Non-current assets	190,566	190,566	190,566	12,545	12,545	12,545
Non-current liabilities	(96,033)	(96,033)	(96,033)	(7)	(7)	(7)
Net Asset Value (NAV)	475,829	450,396	450,396	110,046	84,613	84,613
Total borrowings	102,691	128,124	128,124	94	25,527	25,527
Less: Cash and bank balances	200,617	200,617	200,617	1,617	1,617	1,617
Less: Other deposits with financial institutions	–	–	–	–	–	–
Net debt[1]	(97,926)	(72,493)	(72,493)	(1,523)	23,910	23,910
Profit/(loss) after tax and non-controlling interests	23,559	23,559	23,559	(15,453)	(15,453)	(15,453)
Number of Shares outstanding as at 31 December 2024 ('000)	908,314	817,483	817,483	908,314	817,483	817,483
Weighted average number of Shares as at 31 December 2024						
– Basic ('000)	908,314	817,483	817,483	908,314	817,483	817,483
– Diluted ('000)	908,314	817,483	817,483	908,314	817,483	817,483
Financial Ratios						
NAV per Share[2] (cents)	39.00	40.22	40.22	12.12	10.35	10.35
Gross debt gearing[3] (times)	0.24	0.31	0.31	–	0.30	0.30
Net debt gearing[4] (times)	–	–	–	–	0.28	0.28
Current ratio[5] (times)	3.60	3.07	3.07	154.80	3.77	3.77
EPS[6] (cents)						
– Basic	2.59	2.88	2.88	(1.70)	(1.89)	(1.89)
– Diluted	2.59	2.88	2.88	(1.70)	(1.89)	(1.89)

Notes:

(1) "Net debt" represents total borrowings less cash and cash equivalents and other deposits with financial institutions.

(2) "NAV per Share" represents net asset value after non-controlling interests divided by the number of Shares as at 31 December 2024.

(3) "Gross debt gearing" represents total borrowings divided by net tangible asset value.

(4) "Net debt gearing" represents net debt divided by net tangible asset value.

(5) "Current ratio" represents current assets divided by current liabilities.

(6) "Basic EPS" represents profit after tax and non-controlling interests divided by the weighted average number of Shares as at 31 December 2024.

The financial effects set out above are purely for illustrative purposes only. Although the Share Purchase Mandate would authorise the Company to buy back up to 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date that the Share Purchase Mandate is renewed, the Company may not necessarily buy back or be able to buy back 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in full.

2.7 TAX IMPLICATIONS ARISING FROM SHARE PURCHASES

Shareholders who are in doubt as to their respective tax positions or any tax implications of Share Purchases by the Company, or who may be subject to tax whether in or outside Singapore, should consult their own professional advisers.

2.8 LISTING MANUAL RELATING TO SHARE PURCHASES

2.8.1 The Listing Manual specifies that a listed company shall notify the SGX-ST of any On-Market Share Purchases not later than 9.00 a.m. on the Market Day following the day on which the On-Market Share Purchase was made, and of any Off-Market Share Purchases not later than 9.00 a.m. on the second Market Day after the close of acceptance of the offer for the Off-Market Share Purchase. The notification of such Share Purchases to the SGX-ST shall be in such form and shall include such details that the SGX-ST may prescribe. The Company shall make arrangements with its stockbrokers to ensure that they provide the Company in a timely fashion the necessary information which will enable the Company to make the notifications to the SGX-ST.

2.8.2 When seeking the approval of Shareholders for the Proposed Renewal of the Share Purchase Mandate, the Company is required to disclose details pertaining to the purchases of Shares made by the Company during the previous 12 months, including the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for such purchases of Shares, where relevant, and the total consideration paid for such purchases.

2.8.3 While the Listing Manual does not expressly prohibit purchase of shares by a listed company during any particular time or times, the Company will not undertake Share Purchases after a price-sensitive development has occurred or has been the subject of a consideration and/or a decision of the Board until such time as the price-sensitive information has been publicly announced. In particular, the Company will not buy any Shares during the period commencing one (1) month before the announcement of the Company's half year and full year financial statements, and ending on the date of announcement of the relevant results.

2.8.4 The Listing Manual requires a listed company to ensure that at least 10% of the total number of issued Shares excluding treasury shares (excluding preference shares and convertible equity securities) in a class that is listed is at all times held by the public. The "public", as defined under the Listing Manual, are persons other than the directors, chief executive officer, substantial shareholders or controlling shareholders of the Company or its subsidiaries, as well as the associates of such persons. Based on the Registers of Directors' Shareholdings maintained by the Company and its subsidiaries and the Register of Substantial Shareholders maintained by the Company and the information received by the Company as at the Latest Practicable Date, there are 120,960,189 Shares held by public Shareholders, representing approximately 13.32% of the total number of issued Shares. Assuming the Company exercises the Share Purchase Mandate in full and purchases 10% of the total number of issued Shares excluding treasury shares and subsidiary holdings through On-Market Share Purchases from the public, the number of

Shares in the hands of the public would be reduced to approximately 30,128,825 Shares, representing approximately 3.69% of the total number of issued Shares excluding treasury shares. Accordingly, the Company is of the view that there is a sufficient number of Shares in issue held by public Shareholders which would permit the Company to undertake purchases or acquisitions of its Shares up to the full 10% limit pursuant to the Share Purchase Mandate without affecting the listing status of the Shares on the SGX-ST. While the Share Purchase Mandate would authorise Share Purchases up to a maximum of 10% limit, Shareholders should note that Share Purchases may not be carried out up to the full 10% limit as authorised, or at all.

2.8.5 In undertaking any Share Purchases, the Directors will use their best efforts to ensure that, notwithstanding such Share Purchases, a sufficient float held by the public will be maintained so that the Share Purchases will not adversely affect the listing status of the Shares on the SGX-ST, cause market illiquidity or adversely affect the orderly trading of the Shares.

2.9 TAKE-OVER CODE IMPLICATIONS ARISING FROM SHARE PURCHASES

2.9.1 The resultant increase in the percentage of voting rights held by a Shareholder and persons acting in concert with him, following any Share Purchases, will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code ("**Rule 14**"). Consequently, depending on the number of Shares purchased by the Company and the Company's total number of issued Shares at that time, a Shareholder or group of Shareholders acting in concert with each other could obtain or consolidate effective control of the Company and could become obliged to make an offer under Rule 14.

2.9.2 Under the Take-over Code, persons acting in concert or concert parties comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of shares in a company, to obtain or consolidate effective control of that company. Unless the contrary is established, the following persons, *inter alia*, will be presumed to be acting in concert, namely, (i) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts), and (ii) a company, its parent, subsidiaries and fellow subsidiaries, and their associated companies and companies of which such companies are associated companies, all with one another, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the aforesaid for the purchase of voting rights. For this purpose, ownership or control of at least 20% but not more than 50% of the voting rights of a company will be regarded as the test of associated company status.

2.9.3 The circumstances under which Shareholders (including Directors) and persons acting in concert with them respectively will incur an obligation to make a take-over offer under Rule 14 after a purchase or acquisition of Shares by the Company are set out in Rule 14 and Appendix 2 of the Take-over Code ("**Appendix 2**").

2.9.4 In general terms, the effect of Rule 14 and Appendix 2 is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring Shares, the voting rights of such directors and their concert parties would increase to 30% or more, or, in the event that such directors and their concert parties hold between 30% and 50% of the voting rights in the Company, the voting rights of such Directors and their concert parties would increase by more than 1% in any period of 6 months. In calculating the percentages of voting rights of such Directors and their concert parties, treasury shares shall be excluded.

2.9.5 Under Appendix 2, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder would increase to 30% or more, or, if such Shareholder holds between 30% and 50% of the voting rights in the Company, the voting rights of such Shareholder would increase by more than 1% in any period of 6 months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Purchase Mandate.

2.9.6 Shareholders and their concert parties will be subject to the provisions of Rule 14 if they acquire any Shares after the Company's Share Purchases. For the purpose of the Take-over Code, an increase in the percentage of voting rights as a result of the Share Purchases will be taken into account in determining whether a Shareholder and persons acting in concert with him have increased their voting rights by more than 1% in any period of 6 months.

2.9.7 If the Company decides to cease the purchase of Shares before it has purchased in full such number of Shares authorised by its Shareholders at the 2025 AGM, the Company will promptly inform its Shareholders of such cessation. This will assist Shareholders to determine if they can buy any more Shares without incurring an obligation under Rule 14.

2.9.8 Based on the Register of Directors' Shareholdings and the Register of Substantial Shareholders, as at the Latest Practicable Date, the shareholdings of the Directors, the Substantial Shareholders, and the Relevant Persons (as defined below) before and after the purchase of Shares pursuant to the Share Purchase Mandate, assuming (i) the Company purchases the maximum 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings), and (ii) there is no change in the number of Shares held by the Directors and the Substantial Shareholders or which they are deemed interested in, are set out in paragraph 2.11 of this Appendix.

2.9.9 For the purposes of the Take-over Code, Tong Kooi Ong, Executive Chairman of the Company, his son Tong Ian (who is a director and the CEO of the Company), TKO Pte. Ltd., Phileo Capital Limited, Genghis S.à.r.l., 3Cs Investments Limited, ZICO Trust (S) Ltd., Ng Say Guan, Tong Kooi Mei, Chung Chee Khuen, Bernard Tong Kim Chun and Tan Puay Lin (collectively, the "**Relevant Persons**") are regarded as persons acting in concert in relation to the Company. As at the Latest Practicable Date, the Relevant Persons own in aggregate 787,353,453 Shares, representing approximately 86.68% of the issued Shares (excluding treasury shares and subsidiary holdings). As the Relevant Parties' aggregate interest is more than 50% of the total voting rights of the Company, the Share Purchase Mandate, even if exercised in full, will not result in them incurring any obligation to make a general offer under Rule 14 of the Take-over Code.

2.9.10 Other than the foregoing, the Directors are not aware of any fact(s) or factor(s) which suggest or imply that any particular person(s) and/or Shareholder(s) are, or may be regarded as, parties acting in concert such that their respective interests in the Shares should or ought to be consolidated, and consequences under the Take-over Code would ensue as a result of a Share Purchase.

2.9.11 Shareholders are advised to consult their professional advisers and/or the SIC and/or other relevant authorities at the earliest opportunity as to whether an obligation on their part, if any, to make a mandatory take-over offer under the Take-over Code would arise by reason of any Share Purchases by the Company.

2.10 DETAILS OF SHARE PURCHASES DURING THE PREVIOUS 12 MONTHS

The Company did not purchase any Shares in the twelve (12) months preceding the Latest Practicable Date.

2.11 INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors or Substantial Shareholders has any interest, direct or indirect, in the Proposed Renewal of the Share Purchase Mandate (other than through their respective shareholdings in the Company).

2.11.1 Directors

The interests of the Directors in the Shares as recorded in the Register of Directors' Shareholdings as at the Latest Practicable Date are set out below:

	Before Share Purchases (No. of Shares)			Before Share Purchases %[1]	After Share Purchases %[2]
	Direct Interest	Deemed Interest	Total Interest		
Directors					
Tong Kooi Ong	–	786,618,653[3]	786,618,653	86.60	96.22
Tong Ian	–	–	–	–	–
Lai Ven Li	–	–	–	–	–
Moey Weng Foong	–	–	–	–	–
Andrew Lim Cheong Seng	–	–	–	–	–
Kevin Kang Kah Wee	–	–	–	–	–

Notes:

(1) As a percentage of the total number of issued Shares as at the Latest Practicable Date, comprising 908,313,642 Shares (excluding treasury shares and subsidiary holdings).

(2) As a percentage of the total number of issued Shares, comprising 817,482,278 Shares (assuming that the Company purchases the maximum number of 90,831,364 Shares under the Share Purchase Mandate and excluding treasury shares and subsidiary holdings).

(3) The Shares are beneficially owned by TKO Pte. Ltd., Phileo Capital Limited and Genghis S.á.r.l..

2.11.2 Substantial Shareholders

The interests of the Substantial Shareholders in the Shares as recorded in the Register of Substantial Shareholders as at the Latest Practicable Date are set out below:

	Before Share Purchases (No. of Shares)			Before Share Purchases %[1]	After Share Purchases %[2]
	Direct Interest	Deemed Interest	Total Interest		
Substantial Shareholders					
TKO Pte. Ltd.	488,371,653	–	488,371,653	53.77	59.74
Tong Kooi Ong[3]	–	786,618,653[4]	786,618,653	86.60	96.22
ZICO Trust (S) Ltd.[5]	–	786,618,653[4]	786,618,653	86.60	96.22
3Cs Investments Limited[6]	–	73,439,000[7]	73,439,000	8.09	8.98
Phileo Capital Limited	224,808,000	–	224,808,000	24.75	27.50
Genghis S.á.r.l.	73,439,000	–	73,439,000	8.09	8.98

Notes:

(1) As a percentage of the total number of issued Shares as at the Latest Practicable Date, comprising 908,313,642 Shares in issue (excluding 41,831,700 Shares in treasury).

(2) As a percentage of the total number of issued Shares, comprising 817,482,278 Shares (assuming that the Company purchases the maximum number of 90,831,364 Shares under the Share Purchase Mandate and excluding treasury shares and subsidiary holdings).

(3) By virtue of Phileo Trust, a family trust constituted under a trust deed where Mr. Tong Kooi Ong is the sole beneficiary, and with ZICO Trust (S) Ltd. as its appointed trustee, Mr. Tong Kooi Ong has a deemed interest in the following Shares pursuant to Section 4 of the SFA: (a) the 488,371,653 Shares held by TKO Pte. Ltd., which is wholly-owned by ZICO Trust (S) Ltd.; (b) the 224,808,000 Shares held by Phileo Capital Limited, which is wholly-owned by ZICO Trust (S) Ltd.; and (c) the 73,439,000 Shares held by Genghis S.á.r.l., which is wholly-owned by 3Cs Investments Limited, which is in turn wholly-owned by ZICO Trust (S) Ltd..

(4) The Shares are beneficially owned by TKO Pte. Ltd., Phileo Capital Limited and Genghis S.á.r.l..

(5) Pursuant to Section 4 of the SFA, ZICO Trust (S) Ltd. is deemed interested in the following Shares: (a) the 488,371,653 Shares held by TKO Pte. Ltd., which is wholly-owned by ZICO Trust (S) Ltd.; (b) the 224,808,000 Shares held by Phileo Capital Limited, which is wholly-owned by ZICO Trust (S) Ltd.; and (c) the 73,439,000 Shares held by Genghis S.á.r.l., which is wholly-owned by 3Cs Investments Limited, which is in turn wholly-owned by ZICO Trust (S) Ltd..

(6) As Genghis S.á.r.l. is wholly-owned by 3Cs Investments Limited, pursuant to Section 4 of the SFA, 3Cs Investments Limited is deemed interested in the 73,439,000 Shares held by Genghis S.á.r.l..

(7) The Shares are beneficially owned by Genghis S.á.r.l..

2.11.3 **Relevant Persons**

The interests of the Relevant Persons in the Shares as at the Latest Practicable Date are set out below:

	Before Share Purchases (No. of Shares)			Before Share Purchases %[1]	After Share Purchases %[2]
	Direct Interest	Deemed Interest	Total Interest		
Relevant Persons					
TKO Pte. Ltd.	488,371,653	–	488,371,653	53.77	59.74
Tong Kooi Ong[3]	–	786,618,653[4]	786,618,653	86.60	96.22
ZICO Trust (S) Ltd.[5]	–	786,618,653[4]	786,618,653	86.60	96.22
3Cs Investments Limited[6]	–	73,439,000[7]	73,439,000	8.09	8.98
Phileo Capital Limited	224,808,000	–	224,808,000	24.75	27.50
TKO Pte. Ltd.	488,371,653	–	488,371,653	53.77	59.74
Genghis S.á.r.l.	73,439,000	–	73,439,000	8.09	8.98
Ng Say Guan[8]	100,000	–	100,000	0.01	0.01
Tong Kooi Mei[9]	800[10]	–	800	n.m.	n.m.
Chung Chee Khuen[11]	50,000	–	50,000	0.01	0.01
Bernard Tong Kim Chun[12]	451,000	–	451,000	0.05	0.06
Tan Puay Lin[13]	133,000	–	133,000	0.01	0.02

Notes:

(1) As a percentage of the total number of issued Shares as at the Latest Practicable Date, comprising 908,313,642 Shares (excluding treasury shares and subsidiary holdings).

(2) As a percentage of the total number of issued Shares, comprising 817,482,278 Shares (assuming that the Company purchases the maximum number of 90,831,364 Shares under the Share Purchase Mandate and excluding treasury shares and subsidiary holdings).

(3) By virtue of Phileo Trust, a family trust constituted under a trust deed where Mr. Tong Kooi Ong is the sole beneficiary, and with ZICO Trust (S) Ltd. as its appointed trustee, Mr. Tong Kooi Ong has a deemed interest in the following Shares pursuant to Section 4 of the SFA: (a) the 488,371,653 Shares held by TKO Pte. Ltd., which is wholly-owned by ZICO Trust (S) Ltd.; (b) the 224,808,000 Shares held by Phileo Capital Limited, which is wholly-owned by ZICO Trust (S) Ltd.; and (c) the 73,439,000 Shares held by Genghis S.á.r.l., which is wholly-owned by 3Cs Investments Limited, which is in turn wholly-owned by ZICO Trust (S) Ltd..

(4) The Shares are beneficially owned by TKO Pte. Ltd., Phileo Capital Limited and Genghis S.á.r.l..

(5) Pursuant to Section 4 of the SFA, ZICO Trust (S) Ltd. is deemed interested in the following Shares: (a) the 488,371,653 Shares held by TKO Pte. Ltd., which is wholly-owned by ZICO Trust (S) Ltd.; (b) the 224,808,000 Shares held by Phileo Capital Limited, which is wholly-owned by ZICO Trust (S) Ltd.; and (c) the 73,439,000 Shares held by Genghis S.á.r.l., which is wholly-owned by 3Cs Investments Limited, which is in turn wholly-owned by ZICO Trust (S) Ltd..

(6) Issued Shares held in the name of the registered holders, Phileo Capital Limited and Genghis S.à.r.l..

(7) Issued Shares held in the name of the registered holder, Genghis S.à.r.l..

(8) Ms. Ng Say Guan is a director of 3Cs Investments Limited.

(9) Ms. Tong Kooi Mei is the sister of Mr. Tong Kooi Ong.

(10) "n.m." means not meaningful.

(11) Mr. Chung Chee Khuen is the director of several Malaysian private companies controlled by Mr. Tong Kooi Ong.

(12) Mr. Bernard Tong Kim Chun is a nephew of Mr. Tong Kooi Ong.

(13) Ms. Tay Puay Lin is the spouse of a director of The Edge Media Group Pte. Ltd., a company controlled by Mr. Tong Kooi Ong.

3. DIRECTORS' RECOMMENDATION

The Directors are of the opinion that the Proposed Renewal of the Share Purchase Mandate is in the interests of the Company and accordingly recommend that Shareholders vote in favour of Ordinary Resolution No. 8 relating to the Proposed Renewal of the Share Purchase Mandate.

4. ACTION TO BE TAKEN BY SHAREHOLDERS

4.1 Appointment of Proxies

If a Shareholder is unable to attend the 2025 AGM and wishes to appoint a proxy to attend and vote on his behalf, he should complete, sign and return the attached Proxy Form in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the Company's Share Registrar, B.A.C.S. Private Limited at 77 Robinson Road #06-03, Robinson 77 Singapore 068896, not less than 72 hours before the time fixed for the 2025 AGM. The completion and return of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the 2025 AGM if he subsequently wishes to do so. In such event, the relevant Proxy Form will be deemed to be revoked and the Company reserves the right to refuse to admit any person or persons appointed under the Proxy Form to the 2025 AGM.

4.2 When Depositor regarded as Shareholder

A Depositor shall not be regarded as a Shareholder entitled to attend the 2025 AGM and to speak and vote thereat unless he is shown to have Shares entered against his name in the Depository Register as certified by CDP not less than 72 hours before the time fixed for the 2025 AGM.

5. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the Proposed Renewal of the Share Purchase Mandate, the Company and its subsidiaries and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading. Where information in this Appendix 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 Appendix in its proper form and context.

6. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are available for inspection at the Company's registered office during normal business hours from the date of this Appendix up to the date of the 2025 AGM:

(a) the Constitution; and

(b) the Annual Report for the financial year ended 31 December 2024.

By Order of the Board
AVARGA LIMITED

Tong Ian
Chief Executive Officer and Executive Director

THE PROPOSED SHARE CONSOLIDATION OF EVERY TEN (10) EXISTING SHARES OF THE COMPANY AS AT THE RECORD DATE (AS DEFINED HEREIN) INTO ONE (1) CONSOLIDATED SHARE OF THE COMPANY, FRACTIONAL ENTITLEMENTS TO BE DISREGARDED

Except where the context otherwise requires, the following definitions apply throughout this Appendix:

"**2025 AGM**"	:	Has the meaning ascribed to it in paragraph 1 of this Appendix
"**Act**"	:	The Companies Act 1967 of Singapore, as may be amended or modified from time to time
"**Affected Shareholders**"	:	Has the meaning ascribed to it in paragraph 2.1 of this Appendix
"**Board**"	:	The board of directors of the Company as at the Latest Practicable Date
"**CDP**"	:	The Central Depository (Pte) Limited
"**Company**"	:	Avarga Limited
"**Consolidated Share(s)**"	:	Has the meaning ascribed to it in paragraph 2.1 of this Appendix
"**Constitution**"	:	The existing Constitution of the Company
"**Directors**"	:	The directors of the Company as at the Latest Practicable Date
"**EPS**"	:	Earnings per Share
"**Group**"	:	The Company and its subsidiaries
"**Latest Practicable Date**"	:	12 March 2025, being the latest practicable date prior to the date of this Appendix
"**Listing Manual**"	:	The listing manual of the SGX-ST, as may be amended or modified from time to time
"**Market Day**"	:	A day on which the SGX-ST is open for trading in securities
"**NTA**"	:	Net tangible assets
"**Proposed Share Consolidation**"	:	Has the meaning ascribed to it in paragraph 2.1 of this Appendix

"**Record Date**"	:	Has the meaning ascribed to it in paragraph 2.1 of this Appendix
"**SFA**"	:	The Securities and Futures Act 2001 of Singapore
"**SGX-ST**"	:	Singapore Exchange Securities Trading Limited
"**Share Consolidation Effective Date**"	:	Has the meaning ascribed to it in paragraph 2.5.1 of this Appendix
"**Shareholders**"	:	Registered holders of Shares except that where the registered holder is CDP, the term "**Shareholders**" shall, in relation to such Shares and where the context admits, mean the persons named as Depositors in the Depository Register and whose Securities Accounts are credited with the Shares
"**Shares**"	:	Ordinary shares in the capital of the Company
"**Substantial Shareholder**"	:	Has the meaning given to it in Section 2 of the SFA
"**Unit Share Market**"	:	The unit share market of the SGX-ST
"**VWAP**"	:	Volume-weighted average price
"**S$**" and "**cents**"	:	Singapore dollars and cents respectively
"**%**"	:	Per centum or percentage

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

The term "**treasury shares**" shall have the meaning ascribed to it in Section 4 of the Companies Act.

The term "**subsidiary**" shall have the meaning ascribed to it in Section 5 of the Companies Act.

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

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

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

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

The Company has engaged Chang See Hiang & Partners as its legal adviser for the corporate action set out in this Appendix.

1. INTRODUCTION

The Company has on 10 April 2025 issued a Notice of AGM convening its forthcoming AGM to be held on 25 April 2025 at 1.30 p.m. at Drama Centre Function Room 2, 100 Victoria Street, National Library Level 3, Singapore 188061 (the "**2025 AGM**"). The Company refers to Ordinary Resolution No. 9 relating to the Proposed Share Consolidation. The purpose of this Appendix is to provide Shareholders with the relevant information pertaining to, and to seek Shareholders' approval for, the Proposed Share Consolidation at the 2025 AGM.

2. THE PROPOSED SHARE CONSOLIDATION

2.1 Details of the Proposed Share Consolidation

As announced on 13 March 2025, the Company is proposing to seek Shareholders' approval to undertake a share consolidation, pursuant to which the Company proposes to consolidate every ten (10) existing Shares held by the Shareholders as at the record date to be determined by the Directors (the "**Record Date**") into one (1) ordinary share of the Company (collectively referred to as the "**Consolidated Shares**" and each, a "**Consolidated Share**"), fractional entitlements to be disregarded (the "**Proposed Share Consolidation**"). Fractions of a Consolidated Share arising from the Proposed Share Consolidation will be aggregated and dealt with in the manner set out in paragraph 2.5.2 below.

Accordingly, subject to Shareholders' approval being obtained for the Proposed Share Consolidation at the 2025 AGM, the number of Consolidated Shares held by Shareholders arising from the Proposed Share Consolidation will be ascertained on the Record Date. After the Record Date, every ten (10) existing Shares registered in the name of each Shareholder as at the Record Date will be consolidated into one (1) Consolidated Share, fractional entitlements to be disregarded.

Each Consolidated Share will rank *pari passu* in all respects with each other and will be traded in board lots of one hundred (100) Consolidated Shares. **Shareholders holding less than ten (10) existing Shares as at the Record Date will not be entitled to any Consolidated Shares and will no longer be Shareholders upon completion of the Proposed Share Consolidation (the "Affected Shareholders").** Affected Shareholders should consult their stockbroker, bank manager, solicitor, accountant or other professional adviser immediately. They may, subject to such advice on actions that they should take and their own investment policies and risk/return requirements, wish to consider the possibility of purchasing additional Shares so as to increase the number of existing Shares held to a multiple of ten (10) existing Shares as at the Record Date.

As at the Latest Practicable Date, the Company has an issued and paid-up share capital of S$169,596,374.34 comprising 908,313,642 Shares (excluding 41,831,700 treasury shares). The Company has no outstanding share options, share awards or convertible securities. On the assumption that there will be no new Shares issued by the Company up to and including the Record Date and no fractions of Consolidated Shares arising from the Proposed Share Consolidation, and subject to Shareholders' approval being obtained for the Proposed Share Consolidation at the 2025 AGM, the issued and paid-up share capital of the Company would be S$169,596,374.34 comprising 90,831,364 Consolidated Shares (excluding 4,183,170 treasury shares) following the completion of the Proposed Share Consolidation.

The Proposed Share Consolidation will have no impact on the issued and paid-up share capital of the Company. The Proposed Share Consolidation will not involve the diminution of any liability in respect of unpaid capital or the payment to any Shareholder of any paid-up capital of the Company and has no effect on the Shareholders' funds (if any) of the Company and the Group. Shareholders will not be required to make any payment to the Company in respect of the Proposed Share Consolidation. The Proposed Share Consolidation will not cause any material changes to the percentage shareholding of each Shareholder, other than non-material changes due to rounding and disregarding fractional entitlements.

Shareholders should note that the number of Consolidated Shares which they will be entitled to pursuant to the Proposed Share Consolidation, based on their holdings of existing Shares as at the Record Date, will be rounded down to the nearest whole Consolidated Share and any fractions of a Consolidated Share arising from the Proposed Share Consolidation will be disregarded and dealt with in the manner set out in paragraph 2.5.2 below.

For illustrative purposes, if a Shareholder holds 1,099 Shares as at the Record Date, following the Proposed Share Consolidation and rounding down to the nearest whole Consolidated Share and disregarding any fractions of Consolidated Shares arising from the Proposed Share Consolidation, the Shareholder will be entitled to 109 Consolidated Shares. For further illustration, please refer to the illustration table below which reflects generally the changes to be made to a Shareholder's size of shareholding pursuant to the Proposed Share Consolidation.

Size of Shareholding	
Before Proposed Share Consolidation	**After Proposed Share Consolidation**
10 – 99	1 – 9[(1)]
100 – 999	10 – 99[(1)]
1,000 – 9,999	100 – 999
10,000 – 99,999	1,000 – 9,999
100,000 – 999,999	10,000 – 99,999
1,000,000 and above	100,000 and above

Note:

(1) Shareholders whose shareholdings fall under this range can only trade their Consolidated Shares on the SGX-ST Unit Share Market.

Shareholders are reminded to check their respective shareholdings in the Company on and about the Record Date before trading.

Shareholders should also note that although the trading price per Consolidated Share should theoretically be proportionately higher than the trading price per existing Share prior to the Proposed Share Consolidation, there can be no assurance that the Proposed Share Consolidation will achieve the desired results nor is there assurance that such results (if achieved) can be sustained in the longer term.

2.2 Rationale for the Proposed Share Consolidation

The Directors believe that the Proposed Share Consolidation will generally be beneficial to the Company and its Shareholders for the following reasons:

(i) Reduction of Volatility of the Company's Share Price

The Shares have traded on the Mainboard of the SGX-ST between S$0.188 and S$0.250 in the past six months preceding the Latest Practicable Date.

Shares that are lowly-priced may generally be more prone to speculation and market manipulation, which may result in excessive share price volatility. The Directors believe that the Proposed Share Consolidation may serve to reduce the volatility of the Company's share price and reduce fluctuations in the Company's market capitalisation.

(ii) Increase in the Market Interest and Attractiveness of the Company

The Directors are of the view that the low share price may lead to the Shares being negatively perceived as penny stocks, which reduces its appeal to long-term retail and institutional investors. The Directors expect that, following the Proposed Share Consolidation, all other things being equal, the theoretical trading price and NTA of each Consolidated Share would be higher than that of the current trading price and NTA of each existing Share, taking into account the decrease in the number of Shares in issue following the Proposed Share Consolidation. Accordingly, the Proposed Share Consolidation is expected to improve and to allow the Company to move away from such potential market perception of the Shares.

Additionally, following the Proposed Share Consolidation, the increased share price may facilitate corporate actions and increase market interest and activity in the Consolidated Shares, and may generally make the Consolidated Shares more attractive to retail and institutional investors. The Proposed Share Consolidation may also increase coverage of the Company amongst research houses and fund managers, potentially providing a more diverse shareholder base, liquidity and exposure for strong corporate brand value.

Shareholders should note that there is no assurance that the Proposed Share Consolidation will achieve the desired results described above or benefit all Shareholders, nor is there assurance that such results (if achieved) can be sustained in the longer term.

2.3 Approvals and Conditions for the Proposed Share Consolidation

The Proposed Share Consolidation is subject to, *inter alia*:

(a) the receipt of in-principle approval of the SGX-ST for the dealing in, listing of and quotation for the Consolidated Shares on the Mainboard of the SGX-ST and compliance with such conditions (if any) as the SGX-ST may impose in connection therewith; and

(b) the approval of the Shareholders for the Proposed Share Consolidation by Ordinary Resolution at the 2025 AGM.

On 18 March 2025, the SGX-ST granted its in-principle approval for the dealing in, listing of and quotation for the Consolidated Shares on the Mainboard of the SGX-ST, subject to, *inter alia*, the following conditions:

(i) compliance with the SGX-ST's listing requirements; and

(ii) Shareholders' approval being obtained at the 2025 AGM for the Proposed Share Consolidation.

The SGX-ST's in-principle approval is not an indication of the merits of the Proposed Share Consolidation, the existing Shares or the Consolidated Shares, the Company and/or its subsidiaries or any of the transactions contemplated in association with the Proposed Share Consolidation.

An announcement will be made by the Company to notify the Shareholders of the Record Date for the Proposed Share Consolidation, the date when the Proposed Share Consolidation will become effective and the date on which the Consolidated Shares will commence trading on the SGX-ST in board lots of one hundred (100) Consolidated Shares in due course.

2.4 Updating of Register of Members and Depository Register

If the approval of the Shareholders to the Proposed Share Consolidation is obtained at the 2025 AGM, the Shareholders' entitlements of the Consolidated Shares will be determined on the Record Date, based on their shareholdings as at 5.00 p.m. on such date. The Register of Members and the Depository Register will be updated to reflect the number of Consolidated Shares held by Shareholders based on their shareholdings in the Company as at the Record Date. The Shares will commence trading on a post-consolidation basis in board lots of one hundred (100) Consolidated Shares at 9.00 a.m. on the date falling two (2) Market Days prior to the Share Consolidation Effective Date.

2.4.1 Deposit of Share Certificates with CDP

Shareholders who hold physical share certificates in respect of the existing Shares in their own names (the "**Old Share Certificates**") and who wish to deposit the same with CDP and have their Consolidated Shares credited to their Securities Accounts maintained with CDP, must deposit their Old Share Certificates with CDP, together with duly executed instruments of transfer in favour of CDP, at least twelve (12) Market Days prior to the Record Date. After the Record Date, CDP will not accept any Old Share Certificates for deposit.

After the Record Date, CDP will only accept the deposit of physical share certificates in respect of the Consolidated Shares (the "**New Share Certificates**"). Shareholders who wish to deposit their share certificates with CDP after the Record Date must first deliver their Old Share Certificates to the Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road #06-03 Robinson 77 Singapore 068896, for cancellation and issuance of New Share Certificates in replacement thereof, as described below.

2.4.2 Issue of New Share Certificates

Shareholders who have deposited their Old Share Certificates with CDP at least twelve (12) Market Days prior to the Record Date need not take any action. The Company will make arrangements with CDP to effect the exchange for New Share Certificates pursuant to the Proposed Share Consolidation.

Shareholders who have not deposited their Old Share Certificates as aforesaid or who do not wish to deposit their Old Share Certificates with CDP are advised to forward all their Old Share Certificates to the Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road #06-03 Robinson 77 Singapore 068896, as soon as possible after they have been notified of the Record Date for cancellation and exchange for New Share Certificates, and preferably, not later than five (5) Market Days after the Record Date. No acknowledgement of receipt will be issued by the Share Registrar upon receipt of any Old Share Certificates tendered. The New Share Certificates will be sent by ordinary mail to the registered addresses of the relevant Shareholders at their own risk within ten (10) Market Days from the Record Date or the date of receipt of the Old Share Certificates, whichever is later. Shareholders are to deliver their respective Old Share Certificates to the Share Registrar or CDP in accordance with the provisions set out above, only after the Company's announcement of the Record Date.

Shareholders should note that New Share Certificates will not be issued to Shareholders unless their Old Share Certificates have already been tendered to the Share Registrar for cancellation.

Shareholders should notify the Share Registrar if they have lost any of their existing Old Share Certificates or if there is any change in their respective addresses from those reflected in the Register of Members of the Company.

2.4.3 Share Certificates not valid for settlement of trades on the SGX-ST

Shareholders who hold Old Share Certificates are reminded that their Old Share Certificates are not valid for settlement of trading in the Consolidated Shares on the Mainboard of the SGX- ST, as the Shares are traded under a book-entry (scripless) settlement system. After the Share Consolidation Effective Date, their Old Share Certificates will continue to be accepted by the Share Registrar for cancellation and issuance of New Share Certificates in replacement thereof for an indefinite period. The New Share Certificates will not be valid for delivery for trades done on the Mainboard of the SGX-ST although they will continue to be *prima facie* evidence of legal title to Consolidated Shares.

2.5 Trading Arrangements for the Consolidated Shares, Odd Lots arising from the Proposed Share Consolidation and Fractional Entitlements of Consolidated Shares

2.5.1 Trading Arrangements for Consolidated Shares

Subject to Shareholders' approval for the implementation of the Proposed Share Consolidation having been obtained at the 2025 AGM, the Register of Members will be closed on the Record Date to determine the entitlements of Shareholders to the Consolidated Shares. With effect from 9.00 a.m. on the Market Day immediately following the Record Date (the "**Share Consolidation Effective Date**"), every ten (10) existing Shares registered in the name of each Shareholder will be consolidated to constitute one (1) Consolidated Share, fractional entitlements to be disregarded. Accordingly, every ten (10) existing Shares as at 5.00 p.m. on the Market Day immediately preceding the Share Consolidation Effective Date will represent one (1) Consolidated Share, fractional entitlements to be disregarded, with effect from 9.00 a.m. on the Share Consolidation Effective Date. Trading in the existing Shares on the Mainboard of the SGX-ST will cease after 5.00 p.m. on the date falling two (2) Market Days prior to the Record Date.

2.5.2 Fractional Entitlements of Consolidated Shares

All fractional entitlements arising upon the implementation of the Proposed Share Consolidation will be aggregated and dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company, including but not limited to (i) disregarding fractional entitlements, or (ii) aggregating and selling the same and retaining the net proceeds for the benefit of the Company or on such other basis (including the use of such proceeds) as they may, in their absolute discretion, deem appropriate. Shareholders will not be paid for any fractional Consolidated Shares which are disregarded or any of the proceeds arising from any aggregation and sale of such fractions.

2.5.3 Odd Lots Trading Arrangements

The existing Shares are currently traded in board lots of one hundred (100) existing Shares on the Mainboard of the SGX-ST. Following the completion of the Proposed Share Consolidation, the Securities Accounts maintained with CDP of Shareholders (being Depositors) may be credited with odd lots of Consolidated Shares (that is, lots other than board lots of one hundred (100) Consolidated Shares).

Shareholders who receive odd lots of Consolidated Shares pursuant to the Proposed Share Consolidation and who wish to trade in such odd lots may trade with a minimum size of one (1) Consolidated Share on the SGX-ST Unit Share Market. The SGX-ST Unit Share Market will enable trading in odd lots in any quantity less than one (1) board lot of the underlying shares. As odd lots of Consolidated Shares can be traded on the SGX-ST Unit Share Market, no separate arrangement will be made for the trading of such odd lots.

Shareholders should note that the market for trading of such odd lots of Consolidated Shares may be illiquid and they may have to bear disproportionate transaction costs in trading their Consolidated Shares on the SGX-ST Unit Share Market. Shareholders who wish to trade their Consolidated Shares on the SGX-ST Unit Share Market should consult their stockbroker, bank manager, solicitor, accountant, tax adviser or other professional advisers.

To avoid any odd lots being held after the completion of the Proposed Share Consolidation, Shareholders may wish to, no later than two (2) Market Days prior to the Record Date, purchase additional existing Shares or dispose of part of their existing Shares such that their shareholding in the Company as at the Record Date shall be a multiple of 1,000 existing Shares.

2.6 Financial Effects of the Proposed Share Consolidation

2.6.1 Bases and Assumptions

The financial effects of the Proposed Share Consolidation are presented purely for illustrative purposes only and do not purport to be indicative or a projection of the actual results and financial position of the Group immediately after completion of the Proposed Share Consolidation.

The *pro forma* financial effects of the Proposed Share Consolidation have been computed based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2024, on the following bases and assumptions:

(a) there will be no fractions of Consolidated Shares arising from the Proposed Share Consolidation;

(b) the issued and paid-up share capital of the Company as at the Latest Practicable Date comprises 908,313,642 Shares (excluding treasury shares);

(c) the financial effects on the consolidated NTA per Share of the Group and the gearing of the Group is computed on the assumption that the Proposed Share Consolidation was completed on 31 December 2024;

(d) the financial effects on the EPS of the Group is computed on the assumption that the Proposed Share Consolidation was completed on 1 January 2024; and

(e) the computation does not take into account any expenses that may be incurred in connection with the Proposed Share Consolidation.

2.6.2 Share Capital

For illustrative purposes only and assuming that the Proposed Share Consolidation had been completed on the Latest Practicable Date, the *pro forma* financial effects of the Proposed Share Consolidation on the share capital of the Company are as follows:

	Before the Proposed Share Consolidation	**After the Proposed Share Consolidation**
Issued and paid-up capital (S$)	169,596,374.34	169,596,374.34
Number of Shares as at the Latest Practicable Date	908,313,642	90,831,364

2.6.3 NTA per Share

For illustrative purposes only and assuming that the Proposed Share Consolidation had been completed on 31 December 2024, the *pro forma* financial effects of the Proposed Share Consolidation on the consolidated NTA of the Group as at 31 December 2024 are as follows:

	Before the Proposed Share Consolidation	**After the Proposed Share Consolidation**
Consolidated NTA (S$'000)	311,920	311,920
Number of Shares as at 31 December 2024	908,313,642	90,831,364
Consolidated NTA per Share (Singapore dollars)	0.34	3.43

2.6.4 EPS

For illustrative purposes only and assuming that the Proposed Share Consolidation had been completed on 1 January 2024, the *pro forma* financial effects of the Proposed Share Consolidation on the EPS of the Group are as follows:

	Before the Proposed Share Consolidation	**After the Proposed Share Consolidation**
Net profit attributable to equity holders of the Company (S$'000)	23,559	23,559
Weighted average number of Shares for the financial year ended 31 December 2024	908,313,642	90,831,364
EPS (Singapore cents)	2.59	25.94

2.6.5 Gearing

The Proposed Share Consolidation will not have any effect on the gearing of the Company.

2.6.6 Six (6)-months VWAP

The following table sets out the highest and lowest transacted price of the Shares, and the volume of Shares transacted, on the Mainboard of the SGX-ST for the 6-month period up to and including the Latest Practicable Date:

	Share Price		
	Highest Price	**Lowest Price**	**Share Volume**
September 2024	S$0.205	S$0.195	3,306,400
October 2024	S$0.210	S$0.188	3,713,400
November 2024	S$0.250	S$0.198	197,687,524
December 2024	S$0.250	S$0.205	2,941,300
January 2025	S$0.240	S$0.210	325,600
February 2025	S$0.240	S$0.215	246,100
1 March 2025 up to and including the Latest Practicable Date	S$0.235	S$0.230	109,200

Source: Bloomberg Finance L.P.

The volume-weighted average price ("**VWAP**") per Share for the 6-month period up to and including the Latest Practicable Date is S$0.2317. Assuming the Proposed Share Consolidation was completed prior to the Latest Practicable Date, the theoretical adjusted VWAP per Share for the 6-month period up to and including the Latest Practicable Date would be S$2.317.

2.7 Notice of Record Date

The Record Date for the purposes of determining the Shareholders' entitlements pursuant to the Proposed Share Consolidation will be announced at a later date.

3 DIRECTORS' AND SUBSTANTIAL SHAREHOLDER'S INTERESTS

The interests of the Directors and Substantial Shareholders in the Shares, as extracted from the Register of Directors' Shareholdings and the Register of Substantial Shareholders, as at the Latest Practicable Date, are set out below:

	Direct Interest		Deemed Interest		Total Interest	
	Number of Shares	%(1)	Number of Shares	%(1)	Number of Shares	%(1)
Directors						
Tong Kooi Ong	–	–	786,618,653(2)	86.60	786,618,653	86.60
Tong Ian	–	–	–	–	–	–
Lai Ven Li	–	–	–	–	–	–
Moey Weng Foong	–	–	–	–	–	–
Andrew Lim Cheong Seng	–	–	–	–	–	–
Kevin Kang Kah Wee	–	–	–	–	–	–
Substantial Shareholders						
TKO Pte. Ltd.(2)	488,371,653	53.77	–	–	488,371,653	53.77
Tong Kooi Ong	–	–	786,618,653(3)	86.60	786,618,653	86.60
ZICO Trust (S) Ltd.(4)	–	–	786,618,653(3)	86.60	786,618,653	86.60
3Cs Investments Limited(5)	–	–	73,439,000(6)	8.09	73,439,000	8.09
Phileo Capital Limited	224,808,000	24.75	–	–	224,808,000	24.75
Genghis S.á.r.l.	73,439,000	8.09	–	–	73,439,000	8.09

Notes:

(1) As a percentage of the total number of issued Shares as at the Latest Practicable Date, comprising 908,313,642 Shares in issue (excluding 41,831,700 Shares in treasury).

(2) By virtue of Phileo Trust, a family trust constituted under a trust deed where Mr. Tong Kooi Ong is the sole beneficiary, and with ZICO Trust (S) Ltd. as its appointed trustee, Mr. Tong Kooi Ong has a deemed interest in the following Shares pursuant to Section 4 of the SFA: (a) the 488,371,653 Shares held by TKO Pte. Ltd., which is wholly-owned by ZICO Trust (S) Ltd.; (b) the 224,808,000 Shares held by Phileo Capital Limited, which is wholly-owned by ZICO Trust (S) Ltd.; and (c) the 73,439,000 Shares held by Genghis S.á.r.l., which is wholly-owned by 3Cs Investments Limited, which is in turn wholly-owned by ZICO Trust (S) Ltd..

(3) The Shares are beneficially owned by TKO Pte. Ltd., Phileo Capital Limited and Genghis S.á.r.l..

(4) Pursuant to Section 4 of the SFA, ZICO Trust (S) Ltd. is deemed interested in the following Shares: (a) the 488,371,653 Shares held by TKO Pte. Ltd., which is wholly-owned by ZICO Trust (S) Ltd.; (b) the 224,808,000 Shares held by Phileo Capital Limited, which is wholly-owned by ZICO Trust (S) Ltd.; and (c) the 73,439,000 Shares held by Genghis S.á.r.l., which is wholly-owned by 3Cs Investments Limited, which is in turn wholly-owned by ZICO Trust (S) Ltd..

(5) As Genghis S.á.r.l. is wholly-owned by 3Cs Investments Limited, pursuant to Section 4 of the SFA, 3Cs Investments Limited is deemed interested in the 73,439,000 Shares held by Genghis S.á.r.l..

(6) The Shares are beneficially owned by Genghis S.á.r.l..

4 DIRECTOR'S RECOMMENDATIONS

The Directors are of the opinion that the Proposed Share Consolidation is in the interests of the Company and accordingly recommend that Shareholders vote in favour of Ordinary Resolution No. 9 relating to the Proposed Share Consolidation.

5 ACTION TO BE TAKEN BY SHAREHOLDERS

5.1 Appointment of Proxies

If a Shareholder is unable to attend the 2025 AGM and wishes to appoint a proxy to attend and vote on his behalf, he should complete, sign and return the attached Proxy Form in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the Company's Share Registrar, B.A.C.S. Private Limited at 77 Robinson Road #06-03, Robinson 77 Singapore 068896, not less than 72 hours before the time fixed for the 2025 AGM. The completion and return of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the 2025 AGM if he subsequently wishes to do so. In such event, the relevant Proxy Form will be deemed to be revoked and the Company reserves the right to refuse to admit any person or persons appointed under the Proxy Form to the 2025 AGM.

5.2 When Depositor regarded as Shareholder

A Depositor shall not be regarded as a Shareholder entitled to attend the 2025 AGM and to speak and vote thereat unless he is shown to have Shares entered against his name in the Depository Register as certified by CDP not less than 72 hours before the time fixed for the 2025 AGM.

6 DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the Proposed Share Consolidation, the Company and its subsidiaries and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading. Where information in this Appendix 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 Appendix in its proper form and context.

7 DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are available for inspection at the Company's registered office during normal business hours from the date of this Appendix up to the date of the 2025 AGM:

(a) the Constitution; and

(b) the Annual Report for the financial year ended 31 December 2024.

By Order of the Board
AVARGA LIMITED

Tong Ian
Chief Executive Officer and Executive Director