



(formerly known as Net Pacific Financial Holdings Limited)
(Incorporated in the Republic of Singapore)
(Company Registration Number 200300326D)

ACQUISITION OF AN INDUSTRIAL LAND USE RIGHT

The Board of Directors (the “**Board**”) of Net Pacific Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that its 51%-owned subsidiary, Saint Pearl Travel Products (Guangdong) Co., Ltd. (“**Saint Pearl**”), has been successful in its bid through a public bidding process (the “**Auction**”) and has, in this relation, entered into a contract for State-Owned Construction Land Use Right Assignment (国有建设用地使用权出让合同) (“**Transfer Contract**”) for a piece of leasehold industrial land situated at east of Yanjiang Road, Sanjiang Town, Xinhui District, Jiangmen, Guangdong Province, the People's Republic of China (“**PRC**”) (中国广东省江门市新会区三江镇沿江路东侧地块) (the “**Land**”), with Jiangmen Natural Resources Bureau (江门市自然资源局) (the “**Bureau**”) on 10 December 2025, for a consideration of RMB15,640,800 (approximately HKD17,199,000) (“**Consideration**”)(the “**Acquisition**”).

Unless otherwise stated, all currency translations of Hong Kong Dollar (“**HKD**”) and Chinese Yuan (“**RMB**”) used are based on the exchange rate of RMB1 to HKD1.0996 as at 11 December 2025, the date immediately preceding the date of this announcement.

1. INFORMATION ON THE BUREAU, THE LAND AND THE AUCTION

The Bureau is a government department under the Jiangmen Municipal People's Government of the PRC (江门市人民政府). It is the primary authority responsible for the Jiangmen city's land supply. It organizes and conducts public bidding process called “bid, auction, and listing” (招拍挂) for selling of state-owned land use rights.

Based on information available on the Jiangmen city Auction website (网上挂牌出让公告 <http://zyjy.jiangmen.cn/xhqtdgpgg/97205.htm>), the Land has an area of approximately 41.16 Acre (亩) or 27,437 square metres. It has a leasehold validity of 50 years (from the date of delivery of the Land) which is renewable upon expiry subject to approval from the Bureau. It is zoned for industrial use by the Bureau as part of the national land use planning.

In June 2025, Saint Pearl submitted to the Bureau an intention to bid for the Land. The Bureau reviewed the profile of Saint Pearl and on 17 November 2025, granted Saint Pearl the right to bid through the Auction organised by the Bureau. On 25 November 2025, in accordance with the bidding rules, Saint Pearl paid a bidding deposit of RMB3,130,000 (equivalent to approximately HKD3,442,000) representing approximately 20% of the Consideration (the “**Deposit**”) to qualify for participation in the Auction. The Deposit is refundable, subject to applicable terms and conditions, and counts towards the Consideration payable. On 5 December 2025, the Bureau notified Saint Pearl of its successful bidding upon the close of the Auction. On 10 December 2025, the Transfer Contract was entered into between Saint Pearl and the Bureau.

The Bureau and its official(s) and their respective associates are not related to the Company, its directors and controlling shareholders, or their respective associates. As of the date of this

announcement, the Bureau does not hold any shares in the capital of the Company directly or indirectly.

2. SALIENT TERMS OF THE ACQUISITION

2.1 CONSIDERATION

The Consideration of approximately RMB15,640,800 (equivalent to approximately HKD17,199,000) was the minimum bid price of the Land that Saint Pearl won at the Auction.

The Consideration was submitted by Saint Pearl after taking into account, inter alia, the following:

- (i) the current market conditions; and
- (ii) the current market value, with reference to an indicative valuation of RMB32,924,892 (equivalent to approximately HKD36,204,000) dated 11 October 2025 performed by an independent valuer in Guangdong Province, commissioned by Saint Pearl. The said valuation was based on fair market value approach which takes reference to the current market value of such lands in the surrounding vicinity.

The Consideration shall be settled as follows:

- (i) The Deposit of RMB3,130,000 (equivalent to approximately HKD3,442,000) was paid on 25 November 2025; and
- (ii) The remaining Consideration of RMB12,510,800 (equivalent to approximately HKD13,757,000) shall be payable within 15 days upon signing of the Transfer Contract with the Bureau, not later than 24 December 2025.

2.2 DELIVERY OF LAND AND COMPLETION OF THE ACQUISITION

The Land shall be delivered to Saint Pearl for use on 16 December 2025.

Completion of the Acquisition is subject to the settlement of the Consideration, relevant taxes and fees as stipulated in the Transfer Contract, followed by completion of real estate registration process and issuance of certificates by relevant authorities.

2.3 CONSTRUCTION TIMELINE AND GOVERNEMENT BUYBACK

Saint Pearl estimates to spend approximately RMB18,000,000 (equivalent to approximately HKD19,793,000) within the next two (2) years from the date of Completion of the Acquisition on construction of a manufacturing plant and office (the “**Construction**”) of approximately 20,000 square meters on the Land (the “**New Site**”) based on a construction budget of RMB900 per square meter, with a timeline and development phases to be determined based on the production requirement and external market condition. Saint Pearl does not anticipate significant additional costs for production equipment and facilities at the New Site. This is because existing equipment and facilities will be relocated to the New Site from the current production plant and existing office, thereby minimizing capital expenditure beyond construction costs, while Saint Pearl intends to activate the move in few stages without significantly interrupting the daily operations of the production plant, and at minimal moving costs.

According to the Transfer Contract and pursuant to the Jiangmen City's Provisional Measures on Further Optimizing the Investment Environment and Promoting the Implementation and Construction of Industrial Projects (江门市关于进一步优化投资环境促进工业项目落地建设的若干措施(暂行)), Saint Pearl shall commence Construction on the Land before 9 June 2026 and complete the Construction by 9 December 2027. Saint Pearl may submit an application for approval 30 days before 9 June 2026 for an extension of completion time of up to one (1) year (the “**Extension**”) for (i) delay in the commencement of the Construction, subject to approval by the Bureau, or (ii) delay in the Construction arising from significant market changes or force

majeure, subject to approval by the County (City, District) Joint Conference on Investment Promotion (县(市、区)招商引资工作联席会议). In the event Saint Pearl intends to change the land use from industrial use or has not commenced Construction following the expiration of the Extension, it may apply to the PRC government for a buyback of the Land at a price not exceeding the Consideration or swapped for a land parcel of equivalent value (the **“Buyback Provision”**).

2.4 SOURCE OF FUNDS

The Consideration and Construction totalling RMB33,640,800 (equivalent to approximately HKD36,991,000) will be funded by bank borrowings:

- Mr Li Rongda (**“Mr Li”**), the director of Saint Pearl, has arranged a non-secured, non-interest bearing short-term advance of RMB10 million (equivalent to approximately HKD10,996,000) to Saint Pearl that is set aside for funding of the Acquisition, of which RMB3.13 million (equivalent to approximately HKD3,442,000) was utilised in paying the Deposit;
- The Group has drawn down various one (1) to three (3) years' terms bank facilities amounting to approximately RMB12.8 million (equivalent to approximately HKD14,075,000) (the **“Facilities”**), which are set aside for bridging the settlement requirement of the remaining Consideration due on 24 December 2025. These Facilities are secured by way of personal guarantee by the directors of Saint Pearl, being Mr Li and Mr Ben Lee, the latter being also a Non-Independent Non-Executive Director of the Company; and
- Saint Pearl is in negotiation with a few local banks in PRC for long-term mortgage borrowings for the purpose of funding the balance RMB12,510,800 (equivalent to approximately HKD13,757,000), secured by a charge over the Land and a personal guarantee by the directors of Saint Pearl, being Mr Li and Mr Ben Lee. Saint Pearl expects that the mortgage borrowings can be finalised within two months from the completion of the real estate registration and issuance of relevant certificates of the Land.

2.5 CONTROLLING SHAREHOLDER, JOINT VENTURE PARTNER AND SAINT PEARL'S UNDERTAKING

The Company had requested, and the following controlling shareholder of the Company, joint venture partner of Saint Pearl and Saint Pearl, and all of whom have agreed to provide undertakings (the **“Undertakings”**) as follows:

- (a) Mr. Ben Lee, in his capacity as a controlling shareholder of the Company, undertakes that, in the event Saint Pearl has not commenced Construction following the expiration of the Extension and is unable to re-sell the Land to the Bureau at the initial cost pursuant to the Buyback Provision, Mr. Ben Lee shall be responsible to (i) buy back the Land from Saint Pearl in lieu of the PRC government at the Consideration, or (ii) compensate Saint Pearl for any shortfall if the PRC government buy back at any amount less than the Consideration. Mr. Ben Lee shall also compensate Saint Pearl for any loss arising from the Acquisition on top of the aforesaid remedies (i) or (ii), including but not limited to, any interest cost and expenses arising from and in connection with the Acquisition within three (3) months at the discretion of the Company.
- (b) Mr. Ben Lee further undertakes that, should there be any government policy adjustments related to the PRC land use, or Saint Pearl's non-compliance with or violation of relevant laws, regulations, policies, or the terms of the Transfer Contract, that triggers government-mandated actions against Saint Pearl, including but not limited to, government fines and claims, compulsory repossession of the Land at a price lower than the Consideration plus any cost incurred in pre-construction and Construction stage, or compulsory repossession without compensation, Mr. Ben Lee shall be responsible to (i) compensate Saint Pearl for any government fines and claims, and (ii) compensate Saint Pearl for any shortfall if the PRC government repossesses the Land at any amount less than the Consideration plus any cost incurred in pre-construction and Construction stage (if any), or (iii) buy back the Land from Saint Pearl in lieu of the PRC government at the Consideration plus any cost incurred in pre-construction and Construction stage (if any) if such buyback is permitted. Mr. Ben Lee shall

also compensate Saint Pearl for any loss arising from the Acquisition on top of the aforesaid remedies (i) to (iii), including but not limited to, any interest cost and expenses arising from and in connection with the Acquisition within three (3) months at the discretion of the Company.

- (c) Mr Ben Lee, in his capacity as a controlling shareholder of the Company, along with Jiangmen Limingzhu Technology Co., Ltd. (the “**Joint Venture Partner**”) being the shareholder holding the remaining 49% interest of Saint Pearl, undertake to provide continuous financial support to Saint Pearl. Pursuant to such undertakings, they have committed to (i) providing continuous financial support to Saint Pearl for the Acquisition, Construction, and its business operations should any cash flow need arises within a period of not less than 24 months following the signing date of the Transfer Contract, and (ii) arranging and securing the necessary funding and external financing for all capital expenditure and related expenses associated with the Acquisition and Construction, without requiring any financial or corporate support from the Company.
- (d) Apart from these, Mr. Li, a director of Saint Pearl, representing the board of directors of Saint Pearl, undertakes that Saint Pearl shall arrange and secure the necessary funding and external financing for all capital expenditure and related expenses associated with the Acquisition and Construction, without requiring any financial or corporate support from the Company.

3. RATIONALE FOR THE ACQUISITION

At present, Saint Pearl operates a manufacturing plant, an assembly plant, and a warehouse at No. 38, 1st Floor, Building 1, No. 898 Jiangmen Avenue Middle, Pengjiang District, Jiangmen City, Guangdong Province, the PRC (中国广东省江门市蓬江区江门大道中 898 号 1 栋 1 层 38 号) (the “**Existing Site**”) under operating leases.

The rationale for the Acquisition is as follows:

1. Saint Pearl intends to increase its potential production capacity and production efficiency in the long run in response to the recent rising trend in Original Equipment Manufacturing (“**OEM**”) and Original Design Manufacturing (“**ODM**”) orders and prototype development projects received and commenced by Saint Pearl. Should this growth sustain, the Existing Site with 13,117 square meters is anticipated to be neither adequate nor cost-effective for meeting projected demand within the next one to two years. The Acquisition is thus strategically timed to bring the New Site of 27,437 square meters operational, enabling Saint Pearl to meet the anticipated higher production levels, thereby capturing greater market share and sales.
2. With the development potential of the Land that matches competitors in scale, Saint Pearl can leverage such assets to attract more orders from high-end customers seeking modern and scalable facilities in short to medium term.
3. Saint Pearl's directors expect Saint Pearl to secure a back-to-back long-term mortgage borrowing for the financing of the Acquisition and Construction with cost-effective financing solutions under the prevalent PRC environment. This offers Saint Pearl an opportunity to participate in the Auction for the Land suitable for Saint Pearl's production needs, and to construct its own production plant. Saint Pearl directors note that the Bureau rarely offers industrial vacant land for public auction of such size, usage of land and budget.
4. The Existing Site is a leased premise over eight (8) years from 1 July 2023 with a re-negotiation clause upon completion of four (4) years lease term, i.e. 30 June 2027. The Acquisition mitigates the risk of termination of lease or unfavourable terms of leases during re-negotiations and is also expected to result in significant rental cost-savings in the long term under the current low-interest rate environment.

5. Saint Pearl won the auction at the minimum bid price, which was approximately 48% of the indicative valuation performed by an independent valuer under fair value market approach. Furthermore, the Buyback Provision along with the Undertakings, assuring adequate working capital for business operations while eliminating downside risk from value depreciation, and provides room for potential capital gains.

Despite the fact that the existing scale of operations at Saint Pearl's existing plant has yet reached its optimal production level to achieve cost minimisation, and that the Acquisition will significantly increase the gearing ratio of the Group, the Board considered that (i) the Consideration is fair and reasonable, taking into account the land's location, permitted use, prevalent market condition and Group's long-term development potential; and (ii) the Buyback Provision and Undertakings effectively mitigate the downside risk of the Acquisition. Therefore, the Board is of the view that the Acquisition is in the best interests of the Group, is in line with the Group's key business strategies and would benefit its long-term business development.

4. RELATIVE FIGURES COMPUTED BASED ON RULE 1006 OF CATALIST RULES

For illustrative purposes only, based on the Group's latest audited consolidated financial statements for the financial year ended 30 June 2025 ("FY2025"), the relative figures for the Acquisition computed on the bases set out in Rule 1006 of the Catalist Rule of Section B of the Listing Manual of the SGX-ST: Rules of Catalist ("**Catalist Rules**") are as follows:

Rule 1006	Bases of Computation	Relative Figures (%)
(a)	Catalist Rule 1006(a) - Net asset value of the assets to be disposed, compared with the Group's net asset value.	Not applicable as the Acquisition relates to an acquisition of asset.
(b)	Catalist Rule 1006(b) - The net profits attributable to the assets acquired, compared with the Group's net profits.	Not applicable as there are no net profits attributable to the Land.
(c)	Catalist Rule 1006(c) - Aggregate value of the purchase consideration to be given ⁽¹⁾ , compared with the issuer's market capitalization based on the total number of issued shares excluding treasury shares ⁽²⁾ .	58.62%
(d)	Catalist Rule 1006(d) - Number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue	Not applicable as there are no equity securities issued as consideration for the Acquisition.
(e)	Catalist Rule 1006(e) – The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves.	Not applicable as the Company is not a mineral, oil and gas company.

(1) For the purpose of computation of the ratio under Rule 1006(c), purchase consideration is mainly represented by the aggregate total of Consideration and Construction.

(2) The market capitalization of the Company is based on 525,630,328 shares in issue as at 9 December 2025 (being the last trading day immediately preceding the signing date of the Transfer Contract) and the weighted average price of S\$0.020 of the Shares transacted on the SGX-ST on the same date of S\$10.51 million.

As the applicable relative figure as computed under Catalyst Rule 1006(c) above exceeds 5% but does not exceed 75%, the Acquisition constitutes a “discloseable transaction” as defined in Chapter 10 of the Catalyst Rules.

5. FINANCIAL EFFECTS OF THE ACQUISITION

The proforma financial effects of the Acquisition on the net tangible asset (“NTA”) per share and the earnings per share (“EPS”) of the Group are set out below. The proforma financial effects are purely for illustration purposes only and are therefore not necessarily indicative of the actual financial position of the Group after the Acquisition has been fully completed.

5.1 Effect of the Acquisition on NTA

For the purpose of illustration and assuming that the Acquisition had been completed on 30 June 2025, being the end of the most recently completed financial year, and based on the Group’s FY2025 audited consolidated financial statements, and the aggregate total of the Consideration and Construction the effect on the NTA per share of the Group as at 30 June 2025 would be as follows:

	Before the Acquisition	After the Acquisition
NTA attributable to the owners of the Group (HKD’000)	68,403	70,424
Number of issued shares	525,630,328	525,630,328
NTA per share (HK cents)	13.01	13.40

Note: the above NTA per share is computed based on assumption that the Acquisition is funded through bank borrowings.

5.2 Effect of the Acquisition on loss per share (“LPS”)

Assuming that the Acquisition had been completed on 1 January 2024, being the beginning of the most recently completed financial year, the effect on the LPS of the Group for FY2025 would be as follows:

	Before the Acquisition	After the Acquisition
Loss after tax (HKD’000)	19,243	17,222
Weighted average number of issued shares	525,630,328	525,630,328
LPS (HK cents)	(3.66)	(3.28)

The above LPS are computed based on the assumptions that:

- i) Depreciation is calculated based on the leasehold useful life of the Land to be acquired; and*
- ii) the Acquisition is funded through bank borrowings at an interest rate of 3.10% per annum.*

5.3 Effect of the Acquisition on gearing ratio

For the purpose of illustration and assuming that the Acquisition had been completed on 30 June 2025, being the end of the most recently completed financial year, and based on the Group’s FY2025 audited consolidated financial statements, the effect on the gearing ratio of the Group as at 30 June 2025 would be as follows:

(HKD’000)	Before the Acquisition	After the Acquisition
Bank Borrowings	7,864	44,855
Loan from shareholders	11,832	11,832
Total external borrowings	19,696	56,687
Equity	68,403	68,403
Gearing ratio (%)	28.79%	82.87%

Note: the above gearing ratio is computed based on the total external borrowings that includes both bank borrowings and loan from shareholders.

6. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

The Directors and controlling shareholders and their respective associates are not related to the Bureau, its official(s) or their respective associates. Other than through their respective shareholdings (if any) in the Company, none of the Directors and controlling shareholder or their respective associates, has any interest, direct or indirect, in the Acquisition.

7. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Transfer Contract and letters of Undertakings are available for inspection during normal business hours at the Company's registered office at 35 Selegie Road #10-25, Singapore 188307, for a period of three (3) months commencing from the date of this announcement.

8. CAUTIONARY STATEMENT

Shareholders are advised to exercise caution in trading the Company's shares. The Acquisition is subject to numerous conditions and there is no certainty or assurance as at the date of this announcement that the Acquisition will be completed, or that no changes will be made to the terms thereof. The Company will make the necessary announcements as and when there are further developments on the Acquisition. Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders should consult their stockbrokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

9. DIRECTORS SERVICE CONTRACTS

No person is proposed to be appointed as a director of the Company in connection with the Acquisition. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

By Order of the Board

Ong Chor Wei @ Alan Ong
Chief Executive Officer and Executive Director
12 December 2025

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

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