

CIRCULAR DATED 22 JANUARY 2026

THIS CIRCULAR IS ISSUED BY BROADWAY INDUSTRIAL GROUP LIMITED (THE “COMPANY”). THIS CIRCULAR IS IMPORTANT AS IT CONTAINS THE RECOMMENDATIONS OF THE RECOMMENDING DIRECTORS (AS DEFINED HEREIN) AND THE ADVICE OF XANDAR CAPITAL PTE. LTD., THE INDEPENDENT FINANCIAL ADVISER TO THE RECOMMENDING DIRECTORS. THIS CIRCULAR REQUIRES YOUR IMMEDIATE ATTENTION AND YOU SHOULD READ IT CAREFULLY.

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

Please note that no printed copies of this Circular will be despatched to Shareholders (as defined herein) unless requested by the Shareholders via the submission of the Request Form (as defined herein). Only printed copies of the Notice of EGM (as defined herein), the Electronic Dissemination Notice (as defined herein), the Proxy Form (as defined herein) and the Request Form will be despatched to Shareholders. If you have sold or transferred all your Shares (as defined herein), you should immediately forward the Notice of EGM, the Electronic Dissemination Notice, the Proxy Form and the Request Form to the purchaser or transferee or to the bank, stockbroker, solicitor or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. However, such documents should not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any jurisdiction where the making of or the acceptance of the Exit Offer (as defined herein) would violate the law of that jurisdiction.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular.



CIRCULAR TO SHAREHOLDERS

IN RELATION TO

- (1) THE PROPOSED SELECTIVE CAPITAL REDUCTION OF S\$0.262 IN CASH FOR EACH SHARE CANCELLED; AND**
- (2) THE PROPOSED DELISTING OF THE COMPANY FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED.**

Financial Adviser to the Company



**Independent Financial Adviser in respect of the Exit Offer
by way of the Selective Capital Reduction**



XANDAR CAPITAL PTE. LTD.
(Company Registration Number: 200002789M)
(Incorporated in the Republic of Singapore)

IMPORTANT DATES AND TIMES:

Last date and time for lodgement of Proxy Form	:	10 February 2026 at 11 a.m.
Date and time of Extraordinary General Meeting	:	13 February 2026 at 11 a.m.
Place of Extraordinary General Meeting	:	Holiday Inn Singapore Atrium, 317 Outram Road, Singapore 169075

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DEFINITIONS

In this Circular, the following definitions shall apply throughout unless the context otherwise requires or otherwise stated:

“1H FY2025”	:	The six-month financial period ended 30 June 2025
“1H FY2025 Results”	:	The unaudited condensed interim financial statements of the Group for 1H FY2025
“2024 MGO”	:	Shall have the meaning ascribed to it in paragraph 2.3.1 of the Letter to Shareholders in this Circular
“Abstaining Directors”	:	The Directors abstaining from making a recommendation on the Exit Offer by way of the Selective Capital Reduction and the Delisting to the Eligible Shareholders, namely, Mr Wee Liang Kiang and Mr Tan Ping Hao
“ACRA”	:	The Accounting and Corporate Regulatory Authority
“Aggregate Cash Distribution”	:	The aggregate sum of approximately S\$4,523,537 that will be returned to the Eligible Shareholders in cash if the Selective Capital Reduction is effected, on the basis of S\$0.262 for each Share held by each Eligible Shareholder that is cancelled as a result of the Selective Capital Reduction
“Announcement”	:	The announcement on the Announcement Date in relation to the Company's intention to undertake a delisting exercise by way of the Selective Capital Reduction, made available on SGXNet
“Announcement Date”	:	5 December 2025
“Board”	:	The board of Directors
“Business Day”	:	A day, other than Saturday, Sunday or a public holiday, on which banks are open for business in Singapore
“CDP”	:	The Central Depository (Pte) Limited
“Circular”	:	This circular to Shareholders dated 22 January 2026
“Close of Offer”	:	Shall have the meaning ascribed to it in paragraph 2.3.1 of the Letter to Shareholders in this Circular
“Code”	:	The Singapore Code on Take-overs and Mergers
“Companies Act”	:	Companies Act 1967 of Singapore, as may be amended, modified or supplemented from time to time
“Company”	:	Broadway Industrial Group Limited
“Constitution”	:	The constitution of the Company, as may be amended, modified, or supplemented from time to time
“Controlling Shareholder”	:	Patec Pte. Ltd.

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“Controlling Shareholder Group”	:	Shall have the meaning ascribed to it in paragraph 2.9 of the Letter to Shareholders in this Circular
“Court”	:	The High Court of the Republic of Singapore
“Court Order”	:	The order of the Court approving the Selective Capital Reduction
“CPF”	:	The Central Provident Fund
“CPF Agent Banks”	:	Agent banks included under the CPFIS
“CPFIS”	:	CPF Investment Scheme
“CPFIS Investors”	:	Investors who have purchased Shares using their CPF contributions pursuant to the CPFIS
“Delisting”	:	The proposed delisting of the Company from the SGX-ST
“Delisting Resolution”	:	Shall have the meaning ascribed to it in paragraph 6.2.2 of the Letter to Shareholders in this Circular
“Directors”	:	The directors of the Company as at the date of this Circular
“Effective Date”	:	Shall have the meaning ascribed to it in paragraph 14.2.1 of the Letter to Shareholders in this Circular
“EGM”	:	The extraordinary general meeting of the Company to be convened on 13 February 2026 at 11 a.m., at Holiday Inn Singapore Atrium, 317 Outram Road, Singapore 169075, notice of which is set out on pages N-1 to N-3 of this Circular
“Electronic Dissemination Notice”	:	The notice to Shareholders regarding the electronic dissemination of this Circular containing, amongst others, instructions for the electronic retrieval of this Circular
“Eligible Shareholders”	:	Shall have the meaning ascribed to it in paragraph 2.6 of the Letter to Shareholders in this Circular
“EPS”	:	Earnings per Share
“Exit Offer”	:	Shall have the meaning ascribed to it in paragraph 2.6 of the Letter to Shareholders in this Circular
“Exit Offer Price”	:	S\$0.262 in cash for each Share
“Financial Adviser”	:	SAC Capital Private Limited, the financial adviser in respect of the Selective Capital Reduction
“First Extension Application”	:	Shall have the meaning ascribed to it in paragraph 2.4 of the Letter to Shareholders in this Circular
“FY”	:	The financial year ended 31 December of the relevant year

DEFINITIONS

“Group”	:	The Company and its subsidiaries from time to time
“HK Valuer”	:	Knight Frank Petty Limited
“IFA”	:	Xandar Capital Pte. Ltd., the independent financial adviser to the Recommending Directors in respect of the Exit Offer by way of the Selective Capital Reduction
“IFA Letter”	:	The letter dated 22 January 2026 from the IFA in respect of the Exit Offer by way of the Selective Capital Reduction containing, amongst other things, the advice of the IFA to the Recommending Directors in respect of the Exit Offer by way of the Selective Capital Reduction, as set out in Appendix A to this Circular
“Last Trading Day”	:	Shall have the meaning ascribed to it in paragraph 5.1.4 of the Letter to Shareholders in this Circular
“Last Undisturbed Trading Day”	:	Shall have the meaning ascribed to it in paragraph 5.1.4 of the Letter to Shareholders in this Circular
“Latest Practicable Date”	:	14 January 2026, being the latest practicable date prior to the electronic dissemination of this Circular
“Listing Manual”	:	The listing manual of the Mainboard of the SGX-ST in force as at the Latest Practicable Date
“NAV”	:	Net asset value
“Notice of EGM”	:	The notice of the EGM as set out on pages N-1 to N-3 of this Circular
“Overseas Persons”	:	Shall have the meaning ascribed to it in paragraph 18.1 of the Letter to Shareholders in this Circular
“Patec Taiwan”	:	Patec Precision Industry Co., Ltd.
“Proxy Form”	:	The proxy form in respect of the EGM as set out in this Circular
“Recommending Directors”	:	Directors who are regarded as independent for the purposes of making a recommendation to the Eligible Shareholders on the Exit Offer by way of the Selective Capital Reduction and the Delisting, namely Mr. Basil Chan, Dr. Teo Ho Pin and Mr. Jen Kwong Hwa
“Record Date”	:	The date, to be determined by the Directors and announced by the Company, on which the transfer books of the Company and the Register of Members will be closed in order to determine the entitlements of the Eligible Shareholders to the Aggregate Cash Distribution pursuant to the Selective Capital Reduction
“Register of Members”	:	The register of members of the Company

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“Registered Address”	:	The address of each Shareholder as set out in the Register of Members
“Relevant Securities”	:	Shall have the meaning ascribed to it in paragraph 9.2.1 of the Letter to Shareholders in this Circular
“Request Form”	:	The request form to request for printed copies of this Circular
“Resolutions”	:	Shall have the meaning ascribed to it in paragraph 1.1 of the Letter to Shareholders in this Circular
“Restricted Jurisdiction”	:	Shall have the meaning ascribed to it in paragraph 18.2 of the Letter to Shareholders in this Circular
“SCR Resolution”	:	Shall have the meaning ascribed to it in paragraph 6.2.1 of the Letter to Shareholders in this Circular
“Second Extension Application”	:	Shall have the meaning ascribed to it in paragraph 2.4 of the Letter to Shareholders in this Circular
“Securities Account”	:	The securities account maintained by a Depositor with CDP
“Selective Capital Reduction”	:	The proposed selective capital reduction of the Company pursuant to Section 78G of the Companies Act, as detailed in paragraph 2.6 of the Letter to Shareholders in this Circular
“SFA”	:	Securities and Futures Act 2001 of Singapore, as may be amended, modified or supplemented from time to time
“SGXNet”	:	A system network used by listed companies to send information and announcements to the SGX-ST or any other system networks prescribed by the SGX-ST
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Share Registrar”	:	Boardroom Corporate & Advisory Services Pte. Ltd.
“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 maintained with CDP are credited with the Shares
“Shares”	:	Ordinary shares in the issued share capital of the Company
“Shenzhen Property”	:	The Group’s industrial complex located at No. 5 North Luyin Road, Pingshan District, Shenzhen, Guangdong Province, the People’s Republic of China
“SIC”	:	Securities Industry Council
“SRS”	:	Supplementary Retirement Scheme
“SRS Account”	:	An account opened by a SRS Investor with a SRS Operator

DEFINITIONS

“SRS Investors”	:	Investors who have purchased Shares through their SRS Account pursuant to the SRS
“SRS Operators”	:	An approved financial institution with which an SRS Account is opened and maintained
“Summary Valuation Reports”	:	Shall have the meaning ascribed to it in paragraph 11.1 of Appendix D to this Circular
“Thailand Properties”	:	The Group’s two land parcels and factory buildings located at No. 135 and 999 in Hi-Tech Industrial Estate, Moo 1, Highway No. 32, Ban Len Sub-district, Bang Pa-in District, Phra Nakhon Si Ayutthaya Province, Thailand
“Thailand Valuer”	:	CBRE (Thailand) Co., Ltd
“Valuation Reports”	:	Shall have the meaning ascribed to it in paragraph 11.1 of Appendix D to this Circular
“VWAP”	:	Volume-weighted average price
“S\$” and “cents”	:	Singapore dollars and cents, respectively
“%” or “per cent”	:	Percentage or per centum

Acting in Concert and Associates. Unless otherwise defined, the expression “**acting in concert**” and the term “**associates**” shall have the same meanings as ascribed to them respectively in the Code.

Announcements and Notices. References to the making of an announcement or the giving of notice by the Company shall include the release of an announcement by the Company or its agents, for and on behalf of the Company, to the press or the delivery of or transmission by telephone, facsimile, SGXNet or otherwise of an announcement to the SGX-ST. An announcement made otherwise than to the SGX-ST shall be notified to the SGX-ST simultaneously.

Depository Related Terms. The terms “**Depositor**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

Expressions. Words importing the singular shall, where applicable, include the plural and *vice versa* and words indicating a specific gender shall, where applicable, include the other genders (male, female or neuter). References to persons shall, where applicable, include corporations.

Headings. The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Rounding. Any discrepancies in figures included in this Circular between the listed amounts and their totals are due to rounding. Accordingly, figures may have been adjusted to ensure that totals or sub-totals shown, as the case may be, reflect an arithmetic aggregation of the figures that precede them.

Shareholders. References to “**you**”, “**your**” and “**yours**” in this Circular are, as the context so determines, to Shareholders (including persons whose Shares are deposited with CDP or who have purchased the Shares on the SGX-ST).

Statutes. Any reference in this Circular to any enactment or statutory provision is a reference to that enactment or statutory provision for the time being amended, modified, supplemented or re-enacted. Any word defined in the Companies Act, the Code, the Listing Manual, the SFA, or any such statutory or regulatory modification thereof and not otherwise defined in this Circular shall, where applicable, have the meaning assigned to it under the Companies Act, the Code, the Listing Manual, the SFA or that modification thereof, as the case may be, unless the context otherwise requires.

DEFINITIONS

Subsidiary, wholly owned subsidiary and related corporation. References to “**subsidiary**”, “**wholly owned subsidiary**” and “**related corporation**” shall have the meanings ascribed to them respectively in Sections 5, 5B and 6 of the Companies Act.

Time and date. Any reference to a time of day and date in this Circular shall be a reference to Singapore time and date, unless otherwise stated.

Total Number of Shares and Percentage of Shares. Unless otherwise stated, any reference in this Circular to the total number of issued Shares is a reference to a total of 457,106,461 Shares (excluding 14,808,150 Shares held in treasury) as at the Latest Practicable Date. Unless otherwise specified, all references to a percentage shareholding in the capital of the Company in this Circular are based on such number of Shares as at the Latest Practicable Date.

Reproduced Statements. Statements which are reproduced in their entirety or as excerpts from the IFA Letter and the Constitution are set out in this Circular within quotes and in *italics*, and all capitalised terms and expressions used within these reproduced statements and not defined herein shall have the same meanings ascribed to them in the IFA Letter and the Constitution respectively.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements other than statements of historical facts included in this Circular are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “aim”, “seek”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “will”, “if”, “would”, “should”, “could”, “may” and “might”. These forward-looking statements reflect the Company’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of information available as at the Latest Practicable Date. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements.

Given the risks and uncertainties that may cause the actual results, performance or achievements of the Company and/or Group to be materially different than expected, expressed or implied by the forward-looking statements in this Circular, Shareholders and investors are advised not to place undue reliance on those forward-looking statements. Further, the Company assumes no obligation to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances for any reason, even if new information becomes available or other events occur in the future, subject to compliance with all applicable laws and/or any regulatory or supervisory body or agency.

LETTER TO SHAREHOLDERS

BROADWAY INDUSTRIAL GROUP LIMITED

(Company Registration Number: 199405266K)
(Incorporated in the Republic of Singapore)

Directors:

Mr. Wee Liang Kiang (Non-Independent Non-Executive Chairman)
Mr. Basil Chan (Lead Independent Director)
Dr. Teo Ho Pin (Independent Director)
Mr. Jen Kwong Hwa (Independent Director)
Mr. Tan Ping Hao (Non-Independent Non-Executive Director)

Registered Office:

54 Serangoon North
Avenue 4, #05-02
Singapore 555854

22 January 2026

To: Shareholders of the Company

Dear Shareholders

(1) THE SELECTIVE CAPITAL REDUCTION; AND**(2) THE DELISTING OF THE COMPANY FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (“SGX-ST”).****1. INTRODUCTION**

- 1.1 The Board wishes to convene the EGM to seek Shareholders’ approval for the following, which shall each be proposed as a special resolution:

1.1.1 the Selective Capital Reduction; and

1.1.2 the Delisting,

(collectively, the “**Resolutions**”).

- 1.2 The purpose of this Circular is to provide Shareholders with the relevant information pertaining to the Selective Capital Reduction and the Delisting.

- 1.3 The Company intends for Shareholders to vote on the Resolutions, at the EGM to be convened on 13 February 2026 at 11 a.m., at Holiday Inn Singapore Atrium, 317 Outram Road, Singapore 169075, notice of which is set out in pages N-1 to N-3 of this Circular. Shareholders should note that the Company intends for the Resolutions to be inter-conditional upon one another. This means that if any of the Resolutions is not approved, the other Resolution will not be passed.

- 1.4 Drew & Napier LLC is the legal adviser to the Company as to Singapore law in relation to the Selective Capital Reduction and the Delisting. This Circular was prepared by the Company with assistance from Drew & Napier LLC in relation to the Selective Capital Reduction and the Delisting.

2. BACKGROUND

- 2.1 The Company was incorporated in the Republic of Singapore on 28 July 1994 and was listed on the Mainboard of the SGX-ST on 30 November 1994. The Company is a manufacturer of precision-machined components offering a mix of cost-efficient manufacturing facilities, state-of-the-art technologies, experienced management teams and innovative solutions to a global customer base.

- 2.2 As at the Latest Practicable Date, the Company has 457,106,461 Shares, excluding Shares held in treasury. The Company holds 14,808,150 treasury shares and there are no instruments convertible into Shares, or options, rights or warrants for the issuance of any new Shares, outstanding.

LETTER TO SHAREHOLDERS

2.3 Following:

2.3.1 the close of the mandatory conditional cash offer in accordance with Rule 14 of the Code for all the Shares by United Overseas Bank Limited, for and on behalf of the Controlling Shareholder (the “**2024 MGO**”) on 23 December 2024 (the “**Close of Offer**”); and

2.3.2 the completion of the exercise of the rights of the then shareholders of the Company pursuant to Section 215(3) of the Companies Act on 10 April 2025,

the total number of Shares owned, controlled or agreed to be acquired by the Controlling Shareholder and persons acting in concert with it is 439,841,054 Shares, representing approximately 96.22% of the total number of Shares.¹

2.4 As the Company had ceased to meet the free float requirements under Rule 723 of the Listing Manual at the Close of Offer, the Company had requested the SGX-ST to suspend the trading of the Shares with effect from 9.00 a.m. (Singapore time) on 24 December 2024. The Company had on 19 March 2025 made an application to the SGX-ST for an extension of time of three (3) months commencing from 24 March 2025 to comply with Rule 724(2) of the Listing Manual, which the SGX had granted on 11 April 2025 (the “**First Extension Application**”). Further to the First Extension Application, the Company had on 20 June 2025 made a second application to the SGX-ST for a further extension of time of six (6) months commencing from 23 June 2025 (being the date following the last day of the three-month period granted under the First Extension Application) to 22 December 2025 to comply with Rule 724(2) of the Listing Manual, which the SGX-ST had granted on 18 September 2025 (the “**Second Extension Application**”). The Company had on 18 December 2025 made a third application to the SGX-ST for a further extension of time of six (6) months commencing from 23 December 2025 (being the date following the last day of the six-month period granted under the Second Extension Application) to comply with Rule 724(2) of the Listing Manual, which the SGX-ST had granted on 12 January 2026, subject to certain conditions as set out in the Company’s announcement dated 13 January 2026.

2.5 As mentioned in the offer document dated 11 November 2024 and the announcement dated 20 December 2024, each issued by United Overseas Bank Limited for and on behalf of the Controlling Shareholder, the Controlling Shareholder intends to make the Company its wholly-owned subsidiary and does not intend to preserve the listing status of the Company.

2.6 The Company intends to undertake a delisting exercise by way of a selective capital reduction pursuant to Section 78G of the Companies Act, which will entail the cancellation of the Shares held by all the Shareholders other than the Controlling Shareholder (the “**Eligible Shareholders**”) and the return of the relevant share capital in cash to the Eligible Shareholders (the “**Selective Capital Reduction**”), thereby giving the Eligible Shareholders a reasonable opportunity to realise the value of their Shares. The Selective Capital Reduction shall serve as a fair and reasonable exit offer to the Eligible Shareholders (the “**Exit Offer**”) for the purpose of the delisting of the Company under Rules 1307 and 1309 of the Listing Manual.

2.7 Under Rule 1307 of the Listing Manual, the SGX-ST may agree to an application by the Company to delist from the SGX-ST if:

2.7.1 the Company convenes a general meeting to obtain Shareholders’ approval for the Delisting; and

2.7.2 the resolution to delist the Company has been approved by a majority of at least 75% of the total number of Shares excluding treasury shares and subsidiary holdings held by the Shareholders present and voting, on a poll, either in person or by proxy at the meeting. The Controlling Shareholder and its concert parties must abstain from voting on the resolution.

¹ The percentage shareholding interest referred to in this Circular is based on the total number of 457,106,461 Shares (excluding 14,808,150 Shares held in treasury) as at the Latest Practicable Date. Percentages are rounded to the nearest two (2) decimal places.

LETTER TO SHAREHOLDERS

- 2.8 In addition, Rule 1309 of the Listing Manual requires that if the Company is seeking to delist from the SGX-ST:
- 2.8.1 an exit offer must be made to the Shareholders and holders of any other classes of listed securities to be delisted. The Exit Offer must:
- (i) be fair and reasonable; and
 - (ii) include a cash alternative as the default alternative; and
- 2.8.2 the Company must appoint an independent financial adviser to advise on the Exit Offer and the independent financial adviser must opine that the Exit Offer is fair and reasonable.
- 2.9 As at the Latest Practicable Date, the interests in Shares held by the Controlling Shareholder and its concert parties (together, the “**Controlling Shareholder Group**”) are as follows:
- 2.9.1 the Controlling Shareholder is the legal and beneficial owner of 439,841,054 Shares, representing approximately 96.22% of the total number of Shares;
- 2.9.2 Patec Taiwan, the sole member of the Controlling Shareholder, is deemed interested in the 439,841,054 Shares owned by the Controlling Shareholder;
- 2.9.3 Yida Investments Pte. Ltd., the holder of 28.87% of the shares of Patec Taiwan which is in turn the sole member of the Controlling Shareholder, is deemed interested in the 439,841,054 Shares owned by the Controlling Shareholder; and
- 2.9.4 Wee Hong Jie, the sole shareholder of Yida Investments Pte. Ltd. and the holder of 12.87% of the shares of Patec Taiwan (held on trust by Shin Kong Commercial Bank), is deemed interested in the 439,841,054 Shares owned by the Controlling Shareholder.
- 2.10 For the avoidance of doubt, the concert parties as set out in paragraphs 2.9.1 to 2.9.4 do not directly hold Shares.

3. SELECTIVE CAPITAL REDUCTION

- 3.1 The Company proposes to cancel all of the 17,265,407 Shares held by the Eligible Shareholders in consideration for S\$0.262 per Share (the “**Exit Offer Price**”) by way of the Selective Capital Reduction. If the Selective Capital Reduction is effected, an aggregate sum of approximately S\$4,523,537 will be returned to the Eligible Shareholders in cash, on the basis of the Exit Offer Price for each Share held by each Eligible Shareholder that is cancelled as a result of the Selective Capital Reduction.
- 3.2 In arriving at the Exit Offer Price, the Company had taken into consideration, among others, the historical trading prices of the Shares, the current market conditions in the industries and markets which the Group operates in, the Group’s NAV per Share, the 2024 MGO offer price, and the loss of public float resulting in the suspension of the trading of the Shares on the SGX-ST.
- 3.3 It is intended that the Selective Capital Reduction will be effected by cancelling 17,265,407 Shares constituting all the Shares that are held by the Eligible Shareholders, reducing the total Shares from 457,106,461 Shares (excluding treasury shares) to 439,841,054 Shares (excluding treasury shares), representing a reduction of approximately 3.78% of the total Shares (excluding treasury shares). Upon completion of the Selective Capital Reduction, if effected, the Controlling Shareholder will remain as the sole Shareholder of the Company and hold the remaining 439,841,054 Shares (excluding treasury shares) that are not cancelled, which shall represent the entire equity share capital of the Company.

Shareholders should note that the Exit Offer Price of S\$0.262 for each Share is final and the Company will not revise the same.

LETTER TO SHAREHOLDERS

- 3.4 The Directors have confirmed that, as at the Latest Practicable Date, no alternative offer or proposal from any third party for the Shares has been received. The Company also notes that there is no publicly available evidence of any alternative offer for the Shares from any third party.

4. CONFIRMATION OF FINANCIAL RESOURCES

- 4.1 The Board has confirmed that sufficient financial resources are available to the Company to fund the Aggregate Cash Distribution which will be returned to the Eligible Shareholders if the Selective Capital Reduction becomes effective.
- 4.2 The Financial Adviser to the Company, SAC Capital Private Limited, has also confirmed that sufficient financial resources are available to the Company to fund the Aggregate Cash Distribution which will be returned to the Eligible Shareholders if the Selective Capital Reduction becomes effective.

5. RATIONALE FOR THE EXIT OFFER AND DELISTING

- 5.1 The Company is of the view that it is in the best interests of the Company and the Shareholders that the Company pursues the Exit Offer by way of the Selective Capital Reduction and the Delisting, for the reasons set out below:

- 5.1.1 as stated in the offer document dated 11 November 2024 issued by United Overseas Bank Limited for and on behalf of the Controlling Shareholder, the 2024 MGO was undertaken as part of the Controlling Shareholder's strategic initiative to acquire control of a manufacturer of precision-machined components with manufacturing footprints in Thailand, China and Vietnam. The 2024 MGO was not initiated, proposed or undertaken by the Company.

The Controlling Shareholder had stated its intention to make the Company its wholly-owned subsidiary and that it had no intention of preserving the listing status of the Company. The Company understands from the Controlling Shareholder that it does not intend to support or take any steps for the restoration of the public float and/or for the lifting of the trading suspension of the Shares by the SGX-ST. The trading of the Shares has thus been and remains suspended since 24 December 2024, and minority Shareholders have not been able to exit their investment in the Company.

Accordingly, the Board has conducted a thorough and independent evaluation of several options for returning capital to the minority Shareholders and providing the minority Shareholders with an ability to exit their investment in the Company. The Recommending Directors ultimately determined that the Selective Capital Reduction is in the best interests of the Company and its minority Shareholders as it would be the most time and cost-efficient in facilitating a full exit for all minority Shareholders and delisting the Company as soon as possible.

The Controlling Shareholder has confirmed that it has no objection to the Company undertaking the Selective Capital Reduction;

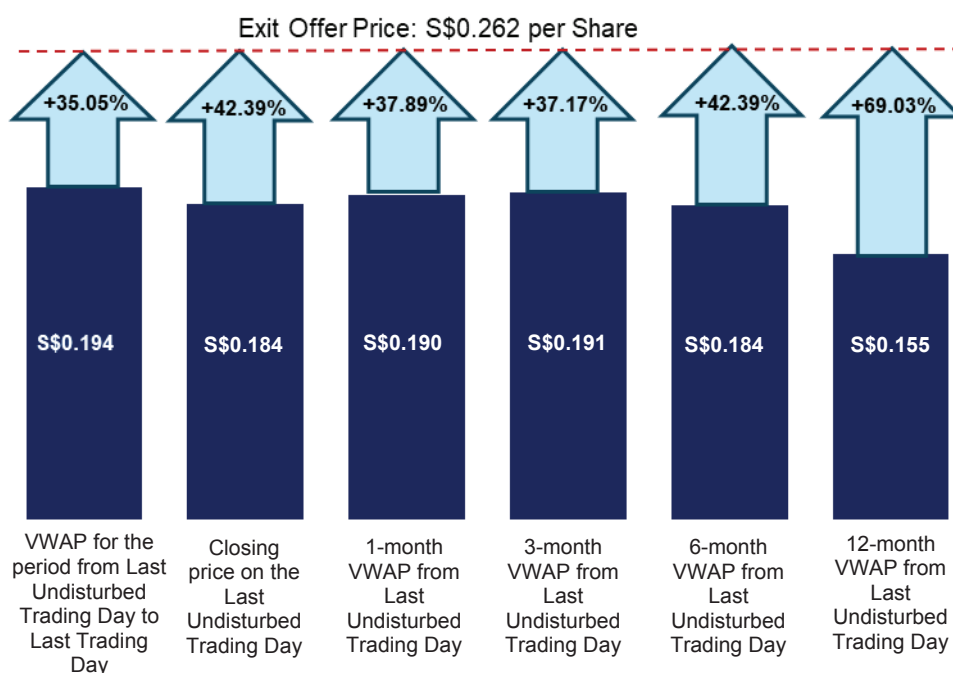
- 5.1.2 looking ahead, the Group expects hard disk drive market demand to soften slightly due to ongoing geopolitical uncertainties, persistent global tariff issues and continuing US-China trade tensions. These factors have disrupted global supply chains and raised operational costs, resulting in more cautious enterprise spending. In such an environment, the ability to act swiftly by adjusting cost structures, diversifying supply chains, re-prioritising product strategies and responding to customer needs becomes a competitive necessity. With the Company as a private company, the Group will be better positioned to navigate these challenges. In particular, the Company would have greater control and flexibility to pursue longer-term strategies of the business which may conflict with the short-term expectations of the public market, as well as capitalise on emerging growth opportunities and navigate the increasingly competitive and uncertain business environment.

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In addition, if the Company is delisted, the Company will be able to dispense with compliance costs and resources associated with maintenance of a listed status and other regulatory requirements and channel such resources towards its business operations;

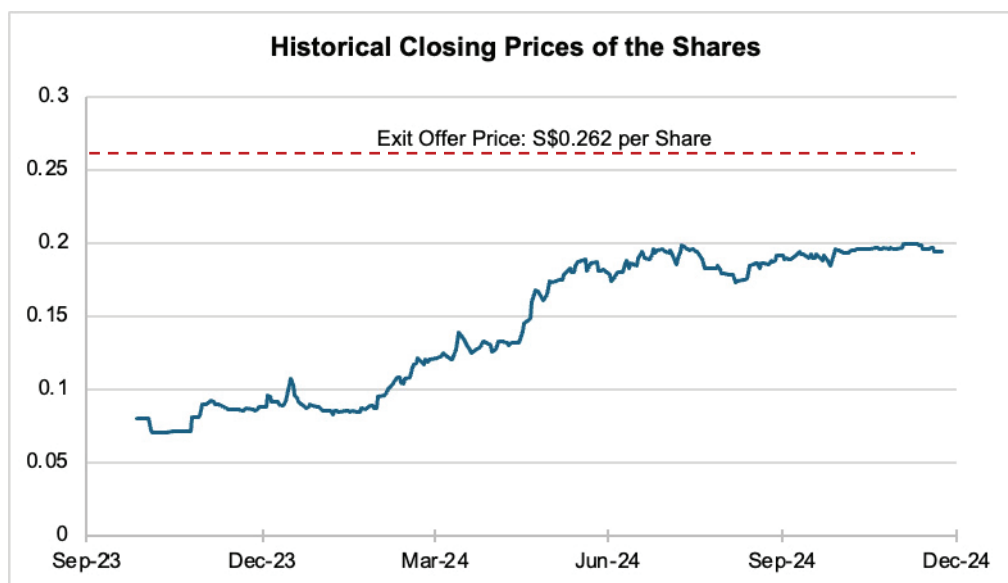
- 5.1.3 the Company has no present need for access to the Singapore capital markets and has not carried out any corporate exercise to raise cash funding on the SGX-ST since 2014. After taking into account (a) the Group's cash and cash equivalents of approximately S\$32.1 million as at 30 June 2025; (b) the Group's net working capital of approximately S\$49.0 million as at 30 June 2025; (c) the absence of any material committed capital expenditure or expansion plans requiring significant external funding; and (d) the estimated amount required to fund the Selective Capital Reduction, it is also unlikely that the Company will require access to the Singapore capital markets to finance its operations in the foreseeable future. Therefore, the listing status of the Company brings minimal benefits to the Company and its Shareholders going forward;
- 5.1.4 the Company believes the Exit Offer presents Eligible Shareholders with an opportunity to realise their investment in cash at an attractive premium over the historical traded prices of the Shares.

Historical Share prices for the various periods prior to and including the Last Undisturbed Trading Day and up to the Last Trading Day

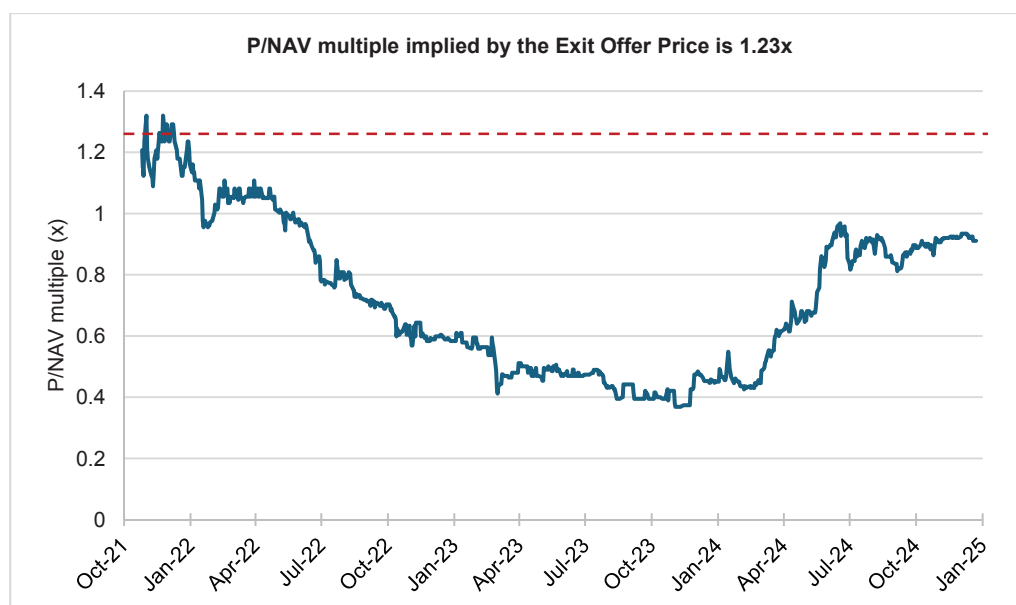


As set out in the chart above, the Exit Offer Price represents a premium of approximately 37.89%, 37.17%, 42.39% and 69.03% above the VWAP per Share for the 1-month, 3-month, 6-month and 12-month periods respectively prior to and including 25 October 2024 (the “**Last Undisturbed Trading Day**”), being the last full day of trading of the Shares prior to the announcement of the 2024 MGO on 28 October 2024. The Exit Offer Price also represents a premium of 42.39% above the closing price on the Last Undisturbed Trading Day and a premium of 35.05% above the VWAP per Share for the period from the Last Undisturbed Trading Day to 23 December 2024, being the last full day of trading prior to the suspension of the Shares (the “**Last Trading Day**”).

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As illustrated in the price chart above, the Shares have traded below the Exit Offer Price for the preceding 1-year period from the Last Undisturbed Trading Day up to the Last Trading Day.



The P/NAV multiple as implied by the Exit Offer Price is 1.23 times, calculated based on the Company's unaudited NAV per Share of S\$0.21 as at 30 June 2025. This represents a premium of 159.54% and 170.99% above the average P/NAV multiples of 0.68 times and 0.71 times for the 1-year and 3-year periods prior to and including the Last Undisturbed Trading Day respectively.

Based on the chart above, the Shares have mostly closed below the P/NAV multiple of 1.23 times for the preceding 3-year period prior to and including the Last Undisturbed Trading Day up to the Last Trading Day;

- 5.1.5 the Exit Offer Price represents a premium of approximately 33.0% over the 2024 MGO offer price of S\$0.197; and

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5.1.6 the Exit Offer presents the Eligible Shareholders with an opportunity to completely exit their investment in the Shares given the suspension of the trading of the Shares on the SGX-ST.

5.2 **If the Eligible Shareholders do not approve the Selective Capital Reduction, there is no guarantee that another opportunity will arise in the future for them to realise the value of their Shares.**

6. PROCESS OF THE SELECTIVE CAPITAL REDUCTION AND THE DELISTING

6.1 The Exit Offer and the Delisting will be subject to various procedures and approvals, including Shareholders' approvals at the EGM and the approval of the Selective Capital Reduction by the Court.

6.2 As mentioned in paragraph 1 above, Shareholders' approvals are being sought for the following:

6.2.1 the Selective Capital Reduction by way of a special resolution approved by a majority of at least 75 per cent of all Shares held by the Eligible Shareholders present and voting at the EGM and subject to the approval of the Court of the Selective Capital Reduction pursuant to Section 78G of the Companies Act (the "**SCR Resolution**"); and

6.2.2 the Delisting by way of a special resolution under Rules 1307 and 1309 of the Listing Manual. Such special resolution requires the approval of a majority of at least 75 per cent of the total number of Shares (excluding treasury Shares and subsidiary holdings) held by the Shareholders (excluding the Controlling Shareholder Group) present and voting, on a poll, either in person or by proxy at the EGM to be convened for the Shareholders to vote on this resolution (the "**Delisting Resolution**"). The Controlling Shareholder Group must abstain from voting on the resolution. The members of the Controlling Shareholder Group and their respective shareholdings in the Company are set out in paragraph 2.9 of this Circular.

6.3 Pursuant to Section 78G of the Companies Act, in order for the Selective Capital Reduction to be approved:

6.3.1 the SCR Resolution must be passed by Eligible Shareholders approving the Selective Capital Reduction; and

6.3.2 the approval and confirmation by the Court of the Selective Capital Reduction must be obtained.

6.4 After obtaining Shareholders' approvals of the Resolutions at the EGM, an application will be made to the Court to obtain the Court's approval and confirmation of the Selective Capital Reduction.

6.5 Upon receipt of the Court Order, the Selective Capital Reduction will take effect upon the lodgement of a copy of the Court Order, together with the other documents as prescribed under the Companies Act, with the ACRA within 90 days beginning with the date the Court Order is made, or within such longer period as the ACRA may allow.

6.6 For the avoidance of doubt, the Exit Offer is conditional upon Shareholders' approvals of the Resolutions (with each of the Resolutions being inter-conditional upon one another), and the approval and confirmation of the Selective Capital Reduction by the Court. **In the event that the Resolutions are not approved by the Shareholders at the EGM, the Exit Offer will not proceed and will lapse. Given that the Company does not meet the free float requirements under Rule 723 of the Listing Manual and the Controlling Shareholder does not intend to support or take any steps for the restoration of the public float and/or for the lifting of the trading suspension of the Shares by the SGX-ST, the Company will remain listed on the SGX-ST and the trading of the Shares will continue to be suspended if the Exit Offer does not proceed. Pursuant to Rule 729 of the Listing Manual, where the trading of the Shares is suspended, there must not be any transfers of Shares, unless approved by the SGX-ST.**

6.7 Shareholders should note that the Company will only be able to settle the Aggregate Cash Distribution to the Eligible Shareholders and submit an application to delist to the SGX-ST under Rule 1307 of the Listing Manual after obtaining the necessary approvals from the Shareholders and the Court.

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- 6.8 Upon completion of the Selective Capital Reduction, the Controlling Shareholder will collectively hold the remaining 439,841,054 Shares that are not cancelled, representing the entire equity share capital of the Company.
- 6.9 In the event that any of the conditions in paragraphs 6.2 and 6.3 above is not fulfilled and the Company is unable to undertake the Exit Offer and withdraws the same, the Company will evaluate other avenues for privatisation, subject to compliance with requirements under the Code and the Listing Manual. Should an exit offer still be considered the best available option at the relevant time, which under the Code cannot be undertaken earlier than 12 months from the date of withdrawal or lapse of the Exit Offer, while the Company may be willing to enhance the exit offer, there is no certainty or assurance that the financial performance of the Company, or the business and market conditions, will not deteriorate at such material time as to make this option impractical. Shareholders should note that the 12-month default restriction against undertaking another exit offer is irrespective of whether the exit offer price for any subsequent offer is higher, lower or the same as the current Exit Offer Price.

7. FINANCIAL EFFECTS OF THE SELECTIVE CAPITAL REDUCTION

- 7.1 The financial effects of the Selective Capital Reduction are set out below for illustrative purposes only and are not intended to reflect the actual future financial performance or position of the Group after the completion of the Selective Capital Reduction.
- 7.2 The pro forma financial effects of the Selective Capital Reduction on the share capital, earnings, NAV and gearing of the Group have been prepared based on the audited consolidated financial statements of the Group for FY2024 and the Company's issued share capital, and taking into account, *inter alia*, the following bases and assumptions:
- 7.2.1 the financial effects of the Selective Capital Reduction on the Company's share capital and the Group's NAV and gearing are computed assuming that the Selective Capital Reduction was completed on 31 December 2024, being the last day of FY2024;
- 7.2.2 the financial effects of the Selective Capital Reduction on the Group's earnings and EPS are computed assuming that the Selective Capital Reduction was completed on 1 January 2024, being the first day of FY2024; and
- 7.2.3 the estimated incremental transaction costs incurred in relation to the Selective Capital Reduction are disregarded for computational purposes.

7.3 Share Capital

For illustrative purposes only, the effects of the Selective Capital Reduction on the share capital of the Company are as follows:

	Before the Selective Capital Reduction	After the Selective Capital Reduction
Number of Shares (including treasury shares)	471,914,611	454,649,204
Number of Shares (excluding treasury shares)	457,106,461	439,841,054
Amount of share capital (S\$) (including treasury shares) ⁽¹⁾	113,162,976	108,987,299
Amount of share capital (S\$) (excluding treasury shares)	110,552,220	106,376,543

Note:

- (1) The Company refers to paragraph 6.3 of the Exit Offer Announcement and wishes to clarify the following: (a) the illustration in respect of the amount of share capital of the Company before and after the Selective Capital Reduction reflects the share capital inclusive of treasury shares; and (b) due to an inadvertent error, the amount of share capital of the Company (including treasury shares) in the scenario after the Selective Capital Reduction should be read as stated in this paragraph 7.3 and shall supersede the illustration as set out in paragraph 6.3 of the Exit Offer Announcement.

LETTER TO SHAREHOLDERS

7.4 NAV

For illustrative purposes only, the pro forma financial effects of the Selective Capital Reduction on the NAV of the Company and the Group are as follows:

Company		
	Before the Selective Capital Reduction	After the Selective Capital Reduction
Net assets (S\$'000)	112,405	107,881
Number of Shares (excluding treasury shares)	457,106,461	439,841,054
NAV per Share (Singapore cents)	24.59	24.53

Group		
	Before the Selective Capital Reduction	After the Selective Capital Reduction
Net assets (S\$'000)	99,407	94,884
Number of Shares (excluding treasury shares)	457,106,461	439,841,054
NAV per Share (Singapore cents)	21.75	21.57

7.5 EPS

For illustrative purposes only, the pro forma financial effects of the Selective Capital Reduction on the EPS of the Group are as follows:

Group		
	Before the Selective Capital Reduction	After the Selective Capital Reduction
Profit attributable to Shareholders (S\$'000)	12,151	12,151
Weighted average no. of Shares – Basic	454,890,707	437,625,300
EPS – Basic (Singapore cents)	2.67	2.78

7.6 Gearing

For illustrative purposes only, the pro forma financial effects of the Selective Capital Reduction on the gearing of the Group are as follows:

Group		
	Before the Selective Capital Reduction	After the Selective Capital Reduction
Total borrowings (S\$'000)	10,526	10,526
Equity attributable to Shareholders (S\$'000)	99,407	94,884
Gearing (times)	0.106	0.111

LETTER TO SHAREHOLDERS

8. CONTROLLING SHAREHOLDER'S INTENTION FOR THE COMPANY

8.1 Controlling Shareholder's Future Plans for the Company

8.1.1 The Controlling Shareholder currently intends for the Company to continue with its existing business activities and has no intention to (a) introduce any major changes to the business of the Company; (b) re-deploy the Company's fixed assets; or (c) discontinue the employment of any of the existing employees of the Group, other than in the ordinary course of business.

8.1.2 Nonetheless, the Controlling Shareholder retains the flexibility at any time to consider any options or opportunities in relation to the Group which may present themselves and which the Controlling Shareholder regards to be in the interests of the Group.

8.2 No Compulsory Acquisition

8.2.1 The Controlling Shareholder is not entitled to, and will not avail itself of, the rights of compulsory acquisition under Section 215(1) of the Companies Act.

8.2.2 The Eligible Shareholders will have no right and are not entitled to require the Controlling Shareholder to acquire their Shares under Section 215(3) of the Companies Act.

9. DISCLOSURES OF SHAREHOLDINGS AND DEALINGS

9.1 Share Capital

As at the Latest Practicable Date:

9.1.1 the Company has only one class of Shares in issue. There are 457,106,461 Shares and 14,808,150 treasury shares; and

9.1.2 there are no instruments convertible into Shares, or options, rights or warrants for the issuance of any new Shares, outstanding.

9.2 Disclosures by the Controlling Shareholder Group

As at the Latest Practicable Date, save as set out in **Appendix B** to this Circular, none of the members of the Controlling Shareholder Group:

9.2.1 owns, controls or has agreed to acquire (a) any Shares; (b) any securities which carry voting rights in the Company; or (c) any convertible securities, warrants, options or derivatives in respect of any Shares or securities referred to in (a) and (b) (the "**Relevant Securities**");

9.2.2 has dealt for value in any Relevant Securities during the period commencing three (3) months prior to the Announcement Date and ending on the Latest Practicable Date;

9.2.3 has granted any security interest relating to any Relevant Securities to another person, whether through a charge, pledge or otherwise;

9.2.4 has borrowed any Relevant Securities from another person (excluding borrowed Relevant Securities which have been on-lent or sold);

9.2.5 has lent any Relevant Securities to another person; or

9.2.6 has entered into any arrangement with any person of the kind referred to in Note 7 on Rule 12 of the Code, including any indemnity or option or arrangements, and any agreement or understanding, formal or informal, of whatever nature, relating to the Relevant Securities which may be an inducement to deal or refrain from dealing.

LETTER TO SHAREHOLDERS

9.3 Disclosures by the Financial Adviser

As at the Latest Practicable Date, none of the Financial Adviser, its related corporations and the associated companies controlled by the Financial Adviser on a discretionary basis have dealt in any Relevant Securities in the manner described in paragraphs 9.2.1 to 9.2.6 above.

10. EXEMPTIONS BY THE SIC

10.1 The SIC has exempted the Selective Capital Reduction from Rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29 and 33.2 and Note 1(b) on Rule 19 of the Code, subject to the following conditions:

10.1.1 the Controlling Shareholder and parties acting in concert with it abstain from voting on the Selective Capital Reduction;

10.1.2 Mr Wee Liang Kiang and Mr Tan Ping Hao abstain from making a recommendation on the Selective Capital Reduction to the Eligible Shareholders;

10.1.3 the Company appointing an independent financial adviser to advise the Eligible Shareholders on the Selective Capital Reduction; and

10.1.4 the Selective Capital Reduction being approved by Shareholders within six (6) months of the Announcement Date.

10.2 Independence of Directors and Scope of Responsibility

10.2.1 Mr Wee Liang Kiang, the non-independent and non-executive chairman of the Company appointed by the Controlling Shareholder, is a director of the Controlling Shareholder, the chairman of Patec Taiwan and the father of Mr Wee Hong Jie. Mr Tan Ping Hao is a non-independent and non-executive director of the Company appointed by the Controlling Shareholder. Accordingly, Mr Wee Liang Kiang and Mr Tan Ping Hao are presumed to be acting in concert with the Controlling Shareholder.

10.2.2 In view of Mr Wee Liang Kiang's and Mr Tan Ping Hao's relationships with the Controlling Shareholder, and taking into consideration Note 3 of Rule 24.1 of the Code which states that directors who have an irreconcilable conflict of interests should not join with the remainder of the Board in the expression of its views on the offer, the SIC has ruled that the Abstaining Directors are to abstain from making a recommendation and are exempted from the requirement to make or assume responsibility for any recommendation on the Selective Capital Reduction to the Eligible Shareholders.

10.2.3 All Directors (including the Abstaining Directors) must, nonetheless, still assume responsibility for the accuracy of the facts stated or opinions expressed in documents and advertisements that may be issued by, or on behalf of, the Company to Eligible Shareholders in connection with the Selective Capital Reduction.

11. ABSTENTIONS IN RELATION TO THE RESOLUTIONS

11.1 The Controlling Shareholder and parties acting in concert with it will abstain from voting on the Resolutions at the EGM by reason of the following:

11.1.1 in relation to the SCR Resolution, the abstentions are in accordance with one of the conditions by the SIC as set out in paragraph 10.1.1 above; and

11.1.2 in relation to the Delisting Resolution, the Controlling Shareholder Group must abstain from voting pursuant to Rule 1307 of the Listing Manual.

11.2 The Company will disregard any votes cast on the Resolutions by the Controlling Shareholder Group as they are required to abstain from voting on the Resolutions by reason of the foregoing.

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12. IRREVOCABLE UNDERTAKINGS

As at the Latest Practicable Date, none of the Controlling Shareholder, its concert parties and/or the Company has received any irrevocable undertaking from any Eligible Shareholder to vote in favour of the Resolutions.

13. ADVICE OF THE IFA

13.1 The IFA, Xandar Capital Pte. Ltd., is appointed pursuant to Rule 1309(2) of the Listing Manual and in accordance with one of the conditions imposed by the SIC as set out in paragraph 10.1.3 above to advise the Recommending Directors for the purposes of making their recommendation to the Eligible Shareholders in respect of the Exit Offer by way of the Selective Capital Reduction. Shareholders are advised to read and consider the IFA Letter issued by the IFA in its entirety and should consider carefully the advice of the IFA in respect of the recommendations of the Recommending Directors before deciding whether to vote in favour of the Selective Capital Reduction at the EGM. The IFA's advice is set out in its letter dated 22 January 2026 which is reproduced in **Appendix A** to this Circular.

13.2 **In arriving at its recommendation in respect of the Selective Capital Reduction as the Exit Offer, the IFA has taken into account certain considerations (an extract of which is reproduced in *italics* below). Shareholders should read the extract in conjunction with, and in the context of, the full text of the IFA Letter.** Unless otherwise defined, all terms and expressions used in the extract below shall have the same meanings as defined in the IFA Letter.

“6.1 “FAIRNESS” OF THE SELECTIVE CAPITAL REDUCTION AS THE EXIT OFFER

We set out below a summary of the key factors we have taken into our consideration when assessing the “fairness” of the Selective Capital Reduction:

6.1.1 Factors for the Selective Capital Reduction as the Exit Offer

The following factors substantiate the “fairness” of the Selective Capital Reduction:

- (a) the Exit Offer Price represents a P/NAV ratio of approximately 1.23 times;*
- (b) the Exit Offer Price represents a P/RNAV ratio of approximately 1.23 times;*
- (c) while the EV/EBITDA ratio represented by the Exit Offer Price is moderately below the mean and median corresponding ratios, the P/E ratio and the P/NAV ratio represented by the Exit Offer Price are higher than the mean and median corresponding ratios of the Comparable Companies;*
- (d) the P/NAV ratio represented by the Exit Offer Price is also higher than the range of the P/NAV ratios of the Comparable Companies;*
- (e) while the premia of the Exit Offer Price for the one (1)-month, three (3)-month and six (6)-month periods prior to and including the Last Undisturbed Trading Day are all within the range but slightly lower than the mean corresponding ratios of the Recent Successful Privatisations, Shareholders should note that such valuation statistics are dependent on various factors and the comparison is for illustration purposes only;*
- (f) the Exit Offer Price is slightly lower than the range of estimated values for the Shares determined with the EV/EBITDA ratio approach but higher than the range of estimated values for the Shares determined with the P/E ratio and RNAV approach set out in paragraph 5.6 of this IFA Letter; and*
- (g) the Exit Offer Price is higher than the 2024 MGO Offer Price, the valuation ratios represented by the Exit Offer Price are also higher than the valuation ratios*

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represented by the 2024 MGO Offer Price and the Exit Offer Price is also higher than the closing prices of the Shares for the 10 years period prior to and including the Last Undisturbed Trading Day.

6.1.2 Factors against the Selective Capital Reduction as the Exit Offer

The following factors undermine the “fairness” of the Selective Capital Reduction:

None.

6.2 “REASONABLENESS” OF THE SELECTIVE CAPITAL REDUCTION AS THE EXIT OFFER

We set out below a summary of the key factors we have taken into our consideration when assessing the “reasonableness” of the Selective Capital Reduction:

6.2.1 Factors for the Selective Capital Reduction as the Exit Offer

The following factors substantiate the “reasonableness” of the Selective Capital Reduction:

- (a) the Selective Capital Reduction is a special resolution which will require the affirmative vote of at least 75% of the total number of issued shares held by the Eligible Shareholders present and voting, on a poll, either in person or by proxy at the extraordinary general meeting; and*
- (b) trading of the Shares has been suspended for more than 12 months, since 5.30 p.m. on 23 December 2024, being the closing date of the 2024 MGO, the Selective Capital Reduction is presently the only available option to Eligible Shareholders who wish to exit their investment in the Company.*

6.2.2 Factors against the Selective Capital Reduction as the Exit Offer

The following factors undermine the “reasonableness” of the Selective Capital Reduction:

None.

6.3 OUR OPINION

Based on our analysis as set out above and after having considered carefully the information available to us as at the Latest Practicable Date, we are of the opinion that, as of the date hereof, the terms of the Selective Capital Reduction as the Exit Offer, on balance, are fair and reasonable. Accordingly, we advise the Recommending Directors to recommend Shareholders to vote in favour of the Selective Capital Reduction as the Exit Offer.”

SHAREHOLDERS ARE ADVISED TO READ THE FULL TEXT OF THE IFA LETTER SET OUT IN APPENDIX A TO THIS CIRCULAR CAREFULLY.

14. ADMINISTRATIVE PROCEDURES

14.1 Record Date

Subject to the conditions in paragraphs 6.2 and 6.3 above being satisfied, the Eligible Shareholders registered in the Register of Members as at the Record Date will be entitled to receive S\$0.262 for each Share registered in their respective names as at the Record Date.

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14.2 Settlement of the Aggregate Cash Distribution

- 14.2.1 Subject to the conditions in paragraphs 6.2 and 6.3 above being satisfied, on the lodgement of a copy of the Court Order together with the other documents prescribed under the Companies Act with the ACRA, the Selective Capital Reduction shall take effect on such date ("**Effective Date**"), and payment of the Aggregate Cash Distribution pursuant to the Selective Capital Reduction will be made in the manner set out below.
- 14.2.2 Eligible Shareholders whose Shares are registered in the Register of Members as at the Record Date will have the cheques for payment of their respective entitlements to the Aggregate Cash Distribution under the Selective Capital Reduction despatched to them by ordinary post at their own risk at their respective Registered Addresses within seven (7) Business Days of the Effective Date.
- 14.2.3 Eligible Shareholders, who are Depositors and who have Shares standing to the credit of their Securities Accounts as at the Record Date, will have payment of their respective entitlements to the Aggregate Cash Distribution under the Selective Capital Reduction credited directly into their respective designated bank accounts via CDP's direct crediting service. Eligible Shareholders, who are not subscribed to CDP's direct crediting service, will have payment of their respective entitlements to the Aggregate Cash Distribution under the Selective Capital Reduction credited to such Eligible Shareholder's cash ledger with CDP and such Aggregate Cash Distribution shall be subject to the same terms and conditions applicable to "*Cash Distributions*" under "*The Central Depository (Pte) Limited Operation of Securities Account with the Depository Terms and Conditions*" as amended, modified or supplemented from time to time, copies of which are available from CDP.
- 14.2.4 An Eligible Shareholder who wishes to record any change in his Registered Address should notify the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower, #14-07, Singapore 098632 of such change before the Record Date.

15. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages N-1 to N-3 of this Circular, will be convened on 13 February 2026 at 11 a.m., at Holiday Inn Singapore Atrium, 317 Outram Road, Singapore 169075 for the purpose of considering and, if thought fit, passing with or without modifications, the Resolutions set out in the Notice of EGM.

16. ACTIONS TO BE TAKEN BY SHAREHOLDERS

- 16.1 Shareholders who are unable to attend the EGM and who wish to appoint proxy(ies) to attend, speak and vote at the EGM on their behalf will find in this Circular a Proxy Form which they are requested to complete, sign and return in accordance with the instructions printed thereon as soon as possible. There is no option for Shareholders to participate virtually.
- 16.2 The Proxy Form must be submitted to the Company in the following manner:
- 16.2.1 if submitted by post, by lodgement at the Company's registered office at 54 Serangoon North Avenue 4, #05-02, Singapore 555854; or
- 16.2.2 if submitted electronically, by submission via email to ir@bigl.com.sg,
- in either case, by no later than 11 a.m. on 10 February 2026, being not less than 72 hours before the time fixed for the EGM, and failing which, the Proxy Form will not be treated as valid. The completion and return of a Proxy Form by a Shareholder does not preclude him/her from attending, speaking and voting in person at the EGM if he/she is able to do so.
- 16.3 A Depositor shall not be regarded as a Shareholder entitled to attend the EGM and to speak and vote thereat unless he/she is shown to have Shares entered against his/her name in the Depository Register, as certified by CDP as at 72 hours before the EGM.

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Submission of questions in advance

- 16.4 Shareholders may submit questions relating to the Resolutions to be tabled for approval at the EGM. All questions must be submitted to the Company no later than **5.00 p.m. on 2 February 2026** (a) by email to ir@bigl.com.sg, or (b) by post and lodging the same at 54 Serangoon North Avenue 4, #05-02, Singapore 555854, together with the following particulars, for verification purposes:

16.4.1 full name/full company name (as per CDP/CPF/SRS/scrip-based records);

16.4.2 NRIC or Passport Number (for individuals)/Company Registration Number (for corporates);

16.4.3 contact number and email address; and

16.4.4 the manner in which such Shareholder holds Shares in the Company (e.g. via CDP, CPF, SRS and/or scrip).

Please note that the Company will not be able to answer questions from persons who provide insufficient details to enable the Company to verify his/her/its Shareholder status.

- 16.5 Alternatively, Shareholders may also ask questions during the EGM.

17. ELECTRONIC DISSEMINATION OF THIS CIRCULAR

- 17.1 Pursuant to the SIC's Public Statement on the Further Extension of the Temporary Measure to Allow for Electronic Despatch of Take-over Documents under the Code on 29 June 2021, the Company has opted to electronically disseminate this Circular. Accordingly, please note that no printed copies of this Circular will be despatched to Shareholders unless requested by the Shareholders via the submission of the Request Form.

- 17.2 Instead, this Circular has been electronically disseminated to Shareholders through publication on the Company's announcement page on SGXNet at www.sgx.com and the Company's website at <https://bw-grp.com/publications>. In connection with the electronic dissemination of this Circular, the Company has today despatched (a) the Notice of EGM; (b) the Electronic Dissemination Notice; (c) the Proxy Form; and (d) the Request Form.

- 17.3 To receive a printed copy of this Circular, please complete and return the Request Form to the Company by no later than **4 February 2026** in the following manner:

17.3.1 if submitted by post, by lodgement at the Company's registered office at 54 Serangoon North Avenue 4, #05-02, Singapore 555854; or

17.3.2 if submitted electronically, by submission via email to ir@bigl.com.sg.

A printed copy of the Circular will then be sent to the address specified by the Shareholder in the Request Form at his/her/its own risk.

18. OVERSEAS PERSONS AND COPIES OF THE NOTICE OF EGM, THE ELECTRONIC DISSEMINATION NOTICE, THE PROXY FORM AND/OR ANY RELATED DOCUMENTS

- 18.1 The availability of the Exit Offer by way of the Selective Capital Reduction to Shareholders whose mailing addresses are outside of Singapore (as shown on the Register of Members or, as the case may be, in the records of CDP) (each, an **"Overseas Person"**), may be affected by the laws of the relevant overseas jurisdictions. Accordingly, any Overseas Person should inform himself about and observe any applicable legal requirements, and exercise caution in relation to the Exit Offer by way of the Selective Capital Reduction, as this Circular, the Notice of EGM, the Electronic Dissemination Notice, the Proxy Form and/or any related documents have not been reviewed by any regulatory authority in any overseas jurisdiction. **Where there are potential restrictions on sending this Circular (if requested) the Notice of EGM, the Electronic Dissemination**

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Notice, the Proxy Form and/or any related documents to any overseas jurisdictions, the Company reserves the right not to send these documents to Shareholders in such overseas jurisdictions. Any affected Overseas Persons may, nevertheless (subject to compliance with applicable laws), download copies of this Circular, the Notice of EGM, the Electronic Dissemination Notice, the Proxy Form and/or any related documents from the Company's announcement page on SGXNet at www.sgx.com and on the Company's website at <https://bw-grp.com/publications>. By downloading copies of this Circular, the Notice of EGM, the Electronic Dissemination Notice, the Proxy Form and/or any related documents, an Overseas Person represents and warrants to the Company that they are in full observance of the laws of the relevant jurisdiction in that connection, and that they are in full compliance with all necessary formalities or legal requirements.

- 18.2 Copies of this Circular, the Notice of EGM, the Electronic Dissemination Notice, the Proxy Form and/or any other formal documentation relating to the Exit Offer by way of the Selective Capital Reduction are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any jurisdiction where the making of the Exit Offer by way of the Selective Capital Reduction or the voting on the Selective Capital Reduction would violate the laws of that jurisdiction (a "**Restricted Jurisdiction**") and will not be capable of acceptance by any such use, means, instrumentality or facility within any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction. The Exit Offer by way of the Selective Capital Reduction (unless otherwise determined by the Company and permitted by applicable laws and regulations) will not be made, directly or indirectly, in or into, or by the use of mails of, or by any means or instrumentality (including without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, any Restricted Jurisdiction, and the Selective Capital Reduction will not be capable of voting on by any such use, means, instrumentality or facility.
- 18.3 It is the responsibility of any Overseas Person who wishes to (a) request for this Circular, the Notice of EGM, the Electronic Dissemination Notice, the Proxy Form and/or any related documents; or (b) vote on the Selective Capital Reduction, to satisfy himself as to the full observance of the laws of the relevant jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements and the payment of any taxes, imposts, duties or other requisite payments due in such jurisdiction. Such Overseas Person shall be liable for any such taxes, imposts, duties or other requisite payments payable and the Company and any person acting on its behalf shall be fully indemnified and held harmless by such Overseas Person for any such taxes, imposts, duties or other requisite payments as the Company and/or any person acting on its behalf may be required to pay. In (i) requesting for this Circular, the Notice of EGM, the Electronic Dissemination Notice, the Proxy Form and/or any related documents; and/or (ii) voting on the Selective Capital Reduction, the Overseas Person represents and warrants to the Company that he is in full observance of the laws of the relevant jurisdiction in that connection, and that he is in full compliance with all necessary formalities or legal requirements. **Any Overseas Person who is in any doubt about his position should consult his professional adviser in the relevant jurisdiction.**
- 18.4 The Company reserves the right to notify any matter, including the fact that the Exit Offer by way of the Selective Capital Reduction has been made or the Selective Capital Reduction has been approved, to any or all Shareholders (including Overseas Persons) by announcement or notice to the SGX-ST and if necessary by paid advertisement in a newspaper published and circulated in Singapore, in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Shareholder (including an Overseas Person) to receive or see such announcement, notice or advertisement.

19. INFORMATION RELATING TO CPFIS INVESTORS AND SRS INVESTORS

- 19.1 CPFIS Investors who wish to attend and vote at the EGM are advised to consult their respective CPF Agent Banks should they require further information and to submit their votes at least seven (7) Business Days before the EGM i.e. by 11 a.m. on 4 February 2026. If they are in any doubt as to the action they should take, CPFIS Investors should seek independent professional advice.

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- 19.2 SRS Investors who wish to attend and vote at the EGM are advised to consult their respective SRS Operators should they require further information and to submit their votes at least seven (7) Business Days before the EGM i.e. by 11 a.m. on 4 February 2026. If they are in any doubt as to the action they should take, SRS Investors should seek independent professional advice.

20. DEPOSITORS

A Depositor shall not be regarded as a member of the Company unless he is shown to have Shares entered against his name in the Depository Register, as certified by CDP, as at 72 hours before the EGM.

21. DIRECTORS' RECOMMENDATIONS

The Recommending Directors, having considered carefully the terms of the Exit Offer by way of the Selective Capital Reduction and the Delisting and the advice given by the IFA in the IFA Letter, **concur** with the advice given by the IFA in respect of the Exit Offer by way of the Selective Capital Reduction as set out in paragraph 13 above and in **Appendix A** to this Circular. The Recommending Directors are of the opinion that the Exit Offer by way of the Selective Capital Reduction and the Delisting are in the best interests of the Shareholders. Accordingly, they recommend that the Eligible Shareholders **vote in favour** of the Resolutions set out in the Notice of EGM.

The Recommending Directors considered, among other things, the advice given by the IFA, the rationale for the Exit Offer by way of the Selective Capital Reduction and the Delisting, the current financial condition of the Company, the current business and market conditions and near term outlook, and the other options potentially available such as a voluntary general offer and a scheme of arrangement, and are of the view that the Exit Offer by way of the Selective Capital Reduction and the Delisting are in the best interests of the Shareholders as the Exit Offer is an opportunity for Eligible Shareholders to realise their investment in the Shares at a premium to historical traded prices of the Shares. Further, as the economic and market conditions remain highly uncertain amid continuing geopolitical tensions, the Company would be better placed to navigate the increasingly competitive and uncertain business environment as a private company. The Recommending Directors are therefore of the view that undertaking the Exit Offer by way of the Selective Capital Reduction and the Delisting at this time are in the best interests of the Company and the Shareholders.

In making the recommendation, each of the Recommending Directors has not had regard to the general or specific investment objectives, financial situation, tax status, risk profiles or unique needs and constraints of any individual Shareholder. Accordingly, the Recommending Directors recommend that any individual Shareholder who may require advice in the context of his specific investment portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax advisor or other professional adviser immediately.

22. RESPONSIBILITY STATEMENT

22.1 The Company

- 22.1.1 The Directors (including any Directors who may have delegated detailed supervision of the preparation of this Circular) collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular (other than (a) the IFA Letter for which the IFA has taken responsibility; (b) paragraphs 9.2 and 11 and **Appendix B** and **Appendix C** to this Circular for which the Controlling Shareholder has taken responsibility; (c) paragraph 9.3 for which the Financial Adviser has taken responsibility; (d) the Summary Valuation Reports for which the HK Valuer and the Thailand Valuer have respectively taken responsibility; and (e) all other facts relating to, and opinions expressed by the IFA, the Financial Adviser, the HK Valuer, the Thailand Valuer and the Controlling

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Shareholder (such as personal particulars, disclosure of interests and information in relation to their concert parties)) constitutes full and true disclosure of all material facts about the Exit Offer by way of the Selective Capital Reduction, the Delisting and the Group, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading.

22.1.2 Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source (including, without limitation, the Announcement, the Summary Valuation Reports, the IFA Letter and information in relation to the IFA), the sole responsibility of the Board has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

22.1.3 The Board jointly and severally accepts full responsibility accordingly.

22.2 The Controlling Shareholder Group

22.2.1 The Controlling Shareholder Group has taken all reasonable care and made all reasonable inquiries to ensure that the facts stated in paragraphs 9.2 and 11 and **Appendix B** and **Appendix C** to this Circular are fair and accurate, and, to the best of their knowledge, all opinions expressed in paragraphs 9.2 and 11 and **Appendix B** and **Appendix C** to this Circular have been arrived at after due and careful consideration and are fair and accurate (other than all facts relating to, and opinions expressed by, the Company, the IFA, the Financial Adviser, the HK Valuer and the Thailand Valuer), and no material facts have been omitted from this Circular, the omission of which would make any statement in this Circular misleading.

22.2.2 Where any information in paragraphs 9.2 and 11 and **Appendix B** and **Appendix C** to this Circular has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the Controlling Shareholder Group has been to ensure, through reasonable enquiries, that such information has been accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in paragraphs 9.2 and 11 and **Appendix B** and **Appendix C** to this Circular.

22.2.3 The members of the Controlling Shareholder Group jointly and severally accept full responsibility accordingly.

23. DOCUMENTS AVAILABLE FOR INSPECTION

23.1 A copy of the following documents may be inspected by Shareholders at the registered office of the Company at 54 Serangoon North Avenue 4, #05-02, Singapore 555854, during normal business hours from the date of this Circular up to the date of the EGM:

23.1.1 the Constitution;

23.1.2 the Announcement;

23.1.3 the annual report of the Company for FY2024;

23.1.4 the audited consolidated financial statements of the Group for FY2022, FY2023, and FY2024;

23.1.5 the 1H FY2025 Results;

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23.1.6 the IFA letter as set out in **Appendix A** to this Circular;

23.1.7 the Valuation Reports; and

23.1.8 the letters of consent referred to in **Appendix D** to this Circular.

Yours faithfully

For and on behalf of the Board of
Broadway Industrial Group Limited

Mr. Basil Chan
Lead Independent Director

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22 January 2026

BROADWAY INDUSTRIAL GROUP LIMITED

54 Serangoon North Avenue 4
#05-02
Singapore 555854

Attention: The Recommending Directors (as defined herein)

Dear Recommending Directors

LETTER FROM XANDAR CAPITAL PTE LTD TO THE RECOMMENDING DIRECTORS OF BROADWAY INDUSTRIAL GROUP LIMITED (THE "COMPANY") IN RESPECT OF THE SELECTIVE CAPITAL REDUCTION AS AN EXIT OFFER IN CONNECTION WITH THE PROPOSED DELISTING OF THE COMPANY (THE "SELECTIVE CAPITAL REDUCTION")

*Unless otherwise defined or the context otherwise requires, all terms used in this letter (this "**IFA Letter**") shall have the same meaning as defined in the circular to shareholders of the Company ("**Shareholders**") dated 22 January 2026 (the "**Circular**").*

1. INTRODUCTION

On 28 October 2024, Patec Pte. Ltd. (the "**Controlling Shareholder**") made a mandatory conditional cash offer to acquire all the issued and paid-up shares in the capital of the Company ("**Shares**") other than those already owned, controlled or agreed to be acquired by the Controlling Shareholder (the "**2024 MGO**") in accordance with Rule 14 of the Singapore Code on Take-overs and Mergers (the "**Code**") at S\$0.197 in cash for each Share (the "**2024 MGO Offer Price**").

As at the close of the 2024 MGO on 23 December 2024, the Controlling Shareholder had 93.05% interest in the capital of the Company and the percentage of Shares held in public hands had fallen below 10% interest in the capital of the Company. The interest in the capital of the Company held by the Controlling Shareholder was subsequently increased to 96.22% on 10 April 2025 after the completion of the compulsory acquisition process under Section 215(3) of the Companies Act 1967 of Singapore (the "**Companies Act**") which provided the then shareholders of the Company who had not accepted the 2024 MGO the right to require the Controlling Shareholder to acquire their Shares at the 2024 MGO Offer Price.

As the Company had ceased to meet the free float requirements under Rule 723 of the listing manual ("**Listing Manual**") of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") at the close of 2024 MGO, the Company had requested the SGX-ST to suspend the trading of the Shares with effect from 9.00 a.m. (Singapore time) on 24 December 2024.

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The Company had on 19 March 2025 made an application to the SGX-ST for an extension of time of three (3) months commencing from 24 March 2025 to comply with Rule 724(2) of the Listing Manual of the SGX-ST, which the SGX had granted on 11 April 2025 (the **"First Extension Application"**). Further to the First Extension Application, the Company had on 20 June 2025 made a second application to the SGX-ST for a further extension of time of six (6) months commencing from 23 June 2025 (being the date following the last day of the three-month period granted under the First Extension Application) to 22 December 2025 to comply with Rule 724(2) of the Listing Manual of the SGX-ST, which the SGX-ST had granted on 18 September 2025 (the **"Second Extension Application"**). The Company had on 18 December 2025 made a third application to the SGX-ST for a further extension of time of six (6) months commencing from 23 December 2025 (being the date following the last day of the six-month period granted under the Second Extension Application) to comply with Rule 724(2) of the Listing Manual, which the SGX-ST had granted on 12 January 2026, subject to certain conditions as set out in the Company's announcement dated 13 January 2026.

As mentioned in the Controlling Shareholder's offer document in relation to the 2024 MGO dated 11 November 2024 and the announcement dated 20 December 2024, each issued by United Overseas Bank Limited for and on behalf of the Controlling Shareholder, the Controlling Shareholder intends to make the Company its wholly-owned subsidiary and does not intend to preserve the listing status of the Company.

On 5 December 2025 (the **"Announcement Date"**), the Company announced that it intends to undertake a selective capital reduction pursuant to Section 78G of the Companies Act, which will entail the cancellation of all the 17,265,407 Shares held by all the Shareholders other than the Controlling Shareholder (the **"Eligible Shareholders"**) and return to the Eligible Shareholders, S\$0.262 per Share (the **"Exit Offer Price"**) for each Share cancelled (the **"Selective Capital Reduction"**) for an aggregate sum of approximately S\$4,523,537 (the **"Aggregate Cash Distribution"**).

The Selective Capital Reduction shall serve as the exit offer to the Eligible Shareholders (the **"Exit Offer"**) for the purpose of the delisting of the Company (the **"Delisting"**) under Rules 1307 and 1309 of the Listing Manual.

Pursuant to Rule 1309(2) of the Listing Manual of the SGX-ST, the Company must appoint an independent financial adviser to advise on the Exit Offer and the independent financial adviser must opine that the Exit Offer is fair and reasonable.

Pursuant to the exemptions granted by the Securities Industry Council (the **"SIC"**) set out in paragraph 10 of the Circular, the Company must appoint an independent financial adviser to advise the Eligible Shareholders on the Selective Capital Reduction.

Xandar Capital Pte Ltd (**"Xandar Capital"**) has been appointed by the Company to act as the independent financial adviser pursuant to Rule 1309(2) of the Listing Manual and the Code as well as to advise the Directors who are considered independent for the purpose of making recommendations to the Eligible Shareholders, namely Mr. Basil Chan, Dr. Teo Ho

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Pin and Mr. Jen Kwong Hwa (collectively, the “**Recommending Directors**”), for the purpose of making their recommendation to the Eligible Shareholders in respect of the Selective Capital Reduction as the Exit Offer.

This IFA Letter, which is prepared pursuant to Rule 1309(2) of the Listing Manual and the Code, as well as addressed to the Recommending Directors, sets out our evaluation of and our opinion to the Selective Capital Reduction as the Exit Offer, and forms part of the Circular.

2. TERMS OF REFERENCE

Xandar Capital has been appointed by the Company to act as the independent financial adviser pursuant to Rule 1309(2) of the Listing Manual of the SGX-ST as well as to advise the Recommending Directors on the Selective Capital Reduction as the Exit Offer.

Xandar Capital is not and was not involved in any aspect of the deliberations leading up to the decision of the Directors to, *inter alia*, put forth the Selective Capital Reduction as the Exit Offer. Accordingly, we do not, by this IFA Letter, warrant the merits of the Selective Capital Reduction, other than to express an opinion on whether the Selective Capital Reduction as the Exit Offer is fair and reasonable.

Our terms of reference do not require us to evaluate or comment on the legal, strategic or commercial merits and/or risks of the Selective Capital Reduction. We have not conducted any in-depth review of the business, operations or financial condition of the Company and its subsidiaries (the “**Group**”). We have also not relied on any financial projections or forecasts in respect of the Company or the Group nor did we have access to their business plans, financial projections and forecasts. We are not required to express and we do not express any view herein on the growth prospects, financial position and earnings potential of the Company or the Group in the future.

We have not been requested, instructed or authorised to solicit, and we have not solicited, any indications of interest from any third party for the Shares. In this regard, we are not addressing the relative merits of the Selective Capital Reduction as compared to any alternative transaction.

In the course of our evaluation and for the purpose of our opinion in relation to the Selective Capital Reduction, we have had discussions with the management of the Company (the “**Management**”) and the Company’s professional advisers, and have examined and relied on publicly available information collated by us as well as information provided and representations made to us, both written and verbal, by the Directors, the Management and their professional advisers, including information contained in the Circular. We have not independently verified such information or representations, whether written or verbal, and accordingly cannot and do not make any representation or warranty, express or implied, in respect of, and do not accept any responsibility for the accuracy, completeness or adequacy of such information or representations. We have nevertheless made reasonable enquiries

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and exercised our judgment as we deemed necessary or appropriate on the reasonable use of such information and found no reason to doubt the accuracy or reliability of the information.

We have not made any independent evaluation or appraisal of the assets or liabilities of the Group (including without limitation, freehold land, leasehold land, buildings, leasehold improvements as well as plant and machinery of the Group). For the purpose of the Selective Capital Reduction and the Delisting, the Group has commissioned Knight Frank Petty Limited (the “**HK Valuer**”) to determine the market value of the Group’s industrial complex located at No. 5 North Luyin Road, Pingshan District, Shenzhen, Guangdong Province, the People’s Republic of China (the “**Shenzhen Property**”) and CBRE (Thailand) Co., Ltd (the “**Thailand Valuer**”) to determine the market values of the Group’s two land parcels and factory buildings located at No. 135 and 999 in Hi-Tech Industrial Estate, Moo 1, Highway No. 32, Ban Len Sub-district, Bang Pa-in District, Phra Nakhon Si Ayutthaya Province, Thailand (the “**Thailand Properties**”). Copies of the valuation summaries and certificates of the Shenzhen Property and the Thailand Properties are set out as Appendix G to the Circular while copies of the full valuation reports of the Shenzhen Property and the Thailand Properties are available for inspection during normal business hours from the date of the Circular up to the date of the extraordinary general meeting.

We have relied upon the assurance of the Directors that the Directors (including any Directors who may have delegated detailed supervision of the preparation of the Circular) collectively and individually accept full responsibility for the accuracy of the information given in the Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, the Circular (other than (a) this IFA Letter; (b) paragraphs 9.2 and 11 of the Circular as well as Appendix B and Appendix C to the Circular for which the Controlling Shareholder has taken responsibility; (c) paragraph 9.3 of the Circular for which SAC Capital Private Limited has taken responsibility; (d) the Summary Valuation Reports for which the HK Valuer and the Thailand Valuer have respectively taken responsibility; and (e) all other facts relating to, and opinions expressed by Xandar Capital, SAC Capital Private Limited, the HK Valuer, the Thailand Valuer and the Controlling Shareholder (such as personal particulars, disclosure of interests and information in relation to their concert parties)) constitutes full and true disclosure of all material facts about the Exit Offer by way of the Selective Capital Reduction, the Delisting and the Group, and the Directors are not aware of any facts the omission of which would make any statement in the Circular misleading. Where any information has been extracted from published or otherwise publicly available sources or obtained from a named source (including, without limitation, the announcement dated 5 December 2025 in relation to the Company’s intention to undertake the Exit Offer by way of the Selective Capital Reduction, the Summary Valuation Reports, this IFA Letter and information in relation to Xandar Capital), the sole responsibility of the Board has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Circular in its proper form and context. The Board jointly and severally accepts full responsibility accordingly.

Our opinion is based upon prevailing market, economic, industry, monetary and other conditions (where applicable) and the information made available to us as at 14 January 2026 (the “**Latest Practicable Date**”). We assume no responsibility to update, revise or

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reaffirm our opinion in light of any subsequent development after the Latest Practicable Date that may affect our opinion contained herein. Shareholders should further take note of any announcements relevant to their consideration of the Selective Capital Reduction which may be released by the Company after the Latest Practicable Date.

In arriving at our opinion, we did not consider the specific investment objectives, financial situation, tax consequences, risk profile or unique needs and constraints of any Shareholder or any specific group of Shareholders. We recommend that any individual Shareholder or group of Shareholders who may require specific advice in relation to his or their investment objectives or portfolios should consult his or their legal, financial, tax or other professional advisers immediately.

The Company has been separately advised by its own advisors in the preparation of the Circular (other than this IFA Letter). We have no role or involvement and have not provided any advice, financial or otherwise, whatsoever in the preparation, review and verification of the Circular (other than this IFA Letter). Accordingly, we take no responsibility for and express no views, express or implied, on the contents of the Circular (other than this IFA Letter).

Our opinion is for the use and benefit of the Recommending Directors in their consideration of the Selective Capital Reduction and the recommendation made by the Recommending Directors to the Eligible Shareholders shall remain their responsibility.

Our opinion in relation to the Selective Capital Reduction should be considered in the context of the entirety of this IFA Letter and the Circular.

Whilst a copy of this IFA Letter may be reproduced in the Circular, neither the Company, the Directors nor the Shareholders may reproduce, disseminate or quote this IFA Letter (or any part thereof) for any other purposes (except for the Selective Capital Reduction) at any time and in any manner without our prior written consent.

We recommend that the Recommending Directors advise the Eligible Shareholders to read these pages carefully.

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3. THE SELECTIVE CAPITAL REDUCTION

3.1 THE SHARES WHICH ARE THE SUBJECT OF THE SELECTIVE CAPITAL REDUCTION

The subject of the Selective Capital Reduction are the 17,265,407 Shares held by the Eligible Shareholders.

The Selective Capital Reduction shall be effected with the return of capital in the form of the Aggregate Cash Distribution of approximately S\$4,523,537, equivalent to S\$0.262 for each Share held by the Eligible Shareholders and the cancellation of all 17,265,407 Shares held by all the Eligible Shareholders.

We summarise as follows:

Shareholders	As at the Latest Practicable Date		After the Selective Capital Reduction	
	Number of Shares	%	Number of Shares	%
The Controlling Shareholder	439,841,054	96.22	439,841,054	100.00
The Eligible Shareholders	17,265,407	3.78	-	-
	<u>457,106,461</u>	<u>100.00</u>	<u>439,841,054</u>	<u>100.00</u>

Upon completion of the Selective Capital Reduction, if effected, the Controlling Shareholder will remain as the sole Shareholder of the Company and hold the remaining 439,841,054 Shares (excluding treasury shares) that are not cancelled, which shall represent the entire equity share capital of the Company.

3.2 THE EXIT OFFER PRICE

The Exit Offer Price is S\$0.262 in cash.

As set out in paragraph 3.2 of the Circular, in arriving at the Exit Offer Price, the Company had taken into consideration, among others, the historical trading prices of the Shares, the current market conditions in the industries and markets which the Group operates in, the net asset value (“NAV”) per Share, the 2024 MGO Offer Price, and the loss of public float resulting in the suspension of the trading of the Shares on the SGX-ST.

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4. INFORMATION ON THE COMPANY

As set out in paragraph 2.1 of the Circular, the Company was incorporated in the Republic of Singapore on 28 July 1994 and was listed on the Mainboard of the SGX-ST on 30 November 1994. The Company is a manufacturer of precision-machined components offering a mix of cost-efficient manufacturing facilities, state-of-the-art technologies, experienced management teams and innovative solutions to a global customer base.

Further information on the Company and the Group can be found in Appendix D to the Circular.

5. EVALUATION OF THE SELECTIVE CAPITAL REDUCTION

We have considered the following factors which we consider to be pertinent and to have a significant bearing on our assessment of the Selective Capital Reduction:

- (i) rationale for the Selective Capital Reduction;
- (ii) the financial position of the Group;
- (iii) the financial performance of the Group;
- (iv) comparison of the valuation ratios implied by the Exit Offer Price against its comparable companies;
- (v) comparison of the valuation ratios implied by the Exit Offer Price with recently completed successful privatisations;
- (vi) estimated value of the Shares; and
- (vii) other considerations.

These factors are discussed in greater detail in the ensuing paragraphs.

5.1 RATIONALE FOR THE SELECTIVE CAPITAL REDUCTION

The Selective Capital Reduction shall serve as the Exit Offer for the purpose of the Delisting.

As set out in paragraph 5.1.1 of the Circular, the Board has conducted a thorough and independent evaluation of several options for returning capital to the minority Shareholders and providing the minority Shareholders an ability to exit their investment in the Company.

The Recommending Directors ultimately determined that the Selective Capital Reduction is in the best interests of the Company and its minority Shareholders as it would be the most

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time and cost-efficient in facilitating a full exit for all minority Shareholders and delisting the Company as soon as possible.

The Selective Capital Reduction is a special resolution which will require the affirmative vote of at least 75% of the total number of issued shares held by the Eligible Shareholders present and voting, on a poll, either in person or by proxy at the extraordinary general meeting.

Shareholders should note that the Controlling Shareholder and parties acting in concert with it will abstain and will not vote on the special resolution to approve the Selective Capital Reduction at the extraordinary general meeting.

5.2 THE FINANCIAL POSITION OF THE GROUP

5.2.1 Latest publicly available audited and unaudited statements of financial position of the Group

We summarise the financial position of the Group as at 31 December 2024 and 30 June 2025 as follows:

S\$'000	Audited as at 31 December 2024	Unaudited as at 30 June 2025
Current assets	175,002	143,001
Current liabilities	(128,506)	(94,002)
Net current assets	46,496	48,999
Non-current assets	61,292	53,697
Non-current liabilities	(8,381)	(5,722)
NAV	99,407	96,974

The Group's current assets comprised mainly trade and other receivables, cash and cash equivalents and inventories. The decrease in the Group's current assets from approximately S\$175.00 million as at 31 December 2024 to approximately S\$143.00 million as at 30 June 2025 was due mainly to lower trade receivables of approximately S\$81.67 million as at 30 June 2025 as compared to approximately S\$111.09 million as at 31 December 2024.

The Group's current liabilities comprised trade and other payables, loans and borrowings, income tax payable and lease liabilities. The decrease in the Group's current liabilities from S\$128.51 million as at 31 December 2024 to S\$94.00 million as at 30 June 2025 was due mainly to lower trade and other payables of S\$80.99 million as at 30 June 2025 as compared to S\$112.31 million as at 31 December 2024.

The Group's non-current assets comprised property, plant and equipment, right-of-use assets and other assets. The decrease in the Group's non-current assets from S\$61.29

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million as at 31 December 2024 to S\$53.70 million as at 30 June 2025 was due mainly to depreciation on property, plant and equipment as well as disposal of property, plant and equipment offset by capital expenditure on property, plant and equipment.

The Group's non-current liabilities comprised lease liabilities, other liabilities as well as loans and borrowings. The decrease in the Group's non-current liabilities from approximately S\$8.38 million as at 31 December 2024 to approximately S\$5.72 million as at 30 June 2025 was due mainly to lower lease liabilities as well as lower loans and borrowings as at 30 June 2025 as compared to 31 December 2024.

Despite reporting a profit for the period of approximately S\$3.99 million for the six-month financial period ended 30 June 2025 ("1H FY2025"), the Group's net asset value decreased from S\$99.41 million as at 31 December 2024 to S\$96.97 million as at 30 June 2025. We note that this was mainly due to translation reserves which increased from a negative S\$16.65 million as at 31 December 2024 to a negative S\$23.14 million as at 30 June 2025. We have enquired and understand that the increase in translation reserves was due to the weakening of United States dollars against Singapore dollars as at 30 June 2025 as compared to 31 December 2024. As a result, the Group had foreign currency translation losses in respect of the carrying value of its overseas subsidiaries (in particular, the subsidiaries in Thailand and the People's Republic of China) for 1H FY2025.

5.2.2 NAV per Share

The NAV approach provides an estimate of the value of the Group, and consequently the NAV per Share, assuming the hypothetical sale of all their assets (including intangible assets) in an orderly manner over a reasonable period of time, the proceeds of which would be first used to settle all liabilities of the Group, and the balance proceeds, if any, be distributed to all Shareholders.

Notwithstanding the foregoing, Shareholders should note that analyses based on the NAV attributable to Shareholders only provides an estimate of the value of the NAV per Share based on a hypothetical scenario, and such hypothetical scenario is assumed without considering factors such as, *inter alia*, realisable value of intangible assets (in particular, goodwill arising from business combinations which cannot be sold independently), time value of money, market conditions, legal and professional fees, liquidation costs, taxes, contractual obligations, regulatory requirements and availability of potential buyers, all of which would reduce the NAV distributable to Shareholders.

Based on the total number of 457,106,461 Shares as at the Latest Practicable Date and the unaudited NAV attributable to Shareholders of approximately S\$96.97 million as at 30 June 2025, the NAV per Share as at 30 June 2025 was approximately S\$0.212.

The Exit Offer Price of S\$0.262 represents a premium of approximately S\$0.050 or approximately 23.57% to the unaudited NAV per Share of S\$0.212 as at 30 June 2025, or a price-to-NAV ("P/NAV") ratio of approximately 1.23 times.

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5.2.3 Net tangible assets (“NTA”) per Share

The Group had transferrable club memberships of approximately S\$52,000 as at 31 December 2024 and 30 June 2025.

After excluding these transferrable club memberships, the Group had NTA of approximately S\$96.92 million as at 30 June 2025.

Based on the total number of 457,106,461 Shares as at the Latest Practicable Date and the unaudited NTA of the Group of approximately S\$96.62 million as at 30 June 2025, the NTA per Share as at 30 June 2025 was approximately S\$0.212 which is the same as the NAV per Share.

5.2.4 Review of the material assets of the Group

In our evaluation of the Group’s financial position, we have considered the material assets of the Group and whether any of such assets may have a value which is materially different from that which was presented in the statement of financial position of the Group as at 30 June 2025.

We set out in the table below the material assets which accounted for more than 5% of the Group’s NAV as at 30 June 2025:

	Unaudited as at 30 June 2025	
	S\$’000	As a percentage of the Group’s NAV
Current assets – Trade and other receivables	81,669	84.22%
Non-current assets – Property, plant and equipment	50,338	51.91%
Current assets – Cash and cash equivalents	32,133	33.14%
Current assets – Inventories	27,942	28.81%

Current assets – Trade and other receivables

Trade receivables relate to amounts due from outside parties, net of allowance for impairment and trade receivables sold to banks without recourse. The Group impaired trade receivables which were past due over 120 days as at the end of its financial year. There was no allowance for impairment of trade receivables for the financial year ended 31 December (“FY”) 2022, FY2023 and FY2024 and 1H FY2025 but the Group had written off bad debts of S\$111,000 in FY2024. The Group sold trade receivables of approximately S\$10.27 million, S\$41.73 million and S\$11.52 million for FY2022, FY2023 and FY2024.

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We calculate the trade receivables' turnover days ⁽¹⁾ of the Group to be approximately 54 days, 68 days and 94 days for FY2022, FY2023 and FY2024 respectively. We note from the annual reports of the Company that the top two (2) customers of the Group accounted for 99% of the Group's trade receivables and the average credit period generally granted by the Group to its customers with credit terms is about 60 days, 90 days and 90 days for FY2022, FY2023 and FY2024 respectively.

Note:

- (1) Calculated based on the average of the carrying value of trade receivables as at the beginning and the end of the financial year/period divided by revenue for the relevant financial year/period, and multiple by 365 days for FY2022 and FY2023 and 366 days for FY2024.

We have enquired and the Company confirms that no impairment is required to the carrying values of the Group's trade receivables as at 30 June 2025.

Non-current assets – Property, plant and equipment

Property, plant and equipment comprise mainly plant and machinery, leasehold buildings and improvements as well as freehold and leasehold land. Property, plant and equipment are carried at cost on initial recognition and after initial recognition at cost less accumulated depreciation and any accumulated impairment losses. Save for freehold land which is not depreciated, all other property, plant and equipment are depreciated on a straight-line method over their estimated useful lives of between one and 50 years.

We note that the auditors of the Company had highlighted the carrying values of the Group's property, plant and equipment as a key audit matter in the independent auditor's reports included in the annual reports of the Company for FY2022, FY2023 and FY2024. The audit committee of the Company had also reviewed the key audit matters highlighted by the auditors and discussed these matters with the Management.

We have enquired and the Company confirms that no impairment is required to the carrying values of the Group's property, plant and equipment as at 30 June 2025.

The Group has commissioned the HK Valuer and the Thailand Valuer to determine the market value of the Shenzhen Property and the Thailand Properties as at 30 September 2025.

As set out in Appendix G of the Circular, the HK Valuer has determined the market value of the Shenzhen Property to be RMB100 million as at 30 September 2025. We note that the market value of the Shenzhen Property as at 30 September 2025 to be materially different from the market value of the Shenzhen Property of RMB153 million as at 31 October 2024. We have enquired and understand that, given the changes to market comparable information as well as the shorter remaining leasehold term of the Shenzhen Property, the HK Valuer adopted a higher yield for prudence's sake and to reflect market situation. Based on the market value of the Shenzhen Property and the closing exchange rate of S\$1.00 to RMB5.5231 as at 30 September 2025, after taking into account the capital expenditures

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incurred by the Group on the Shenzhen Property for the period between 1 July 2025 and 30 September 2025, the Group will have revaluation surplus of approximately S\$3.30 million on the Shenzhen Property.

In respect of the Thailand Properties, the Thailand Valuer has determined the market value of the Thailand Properties to be THB271.80 million as at 30 September 2025. Based on the market value of the Thailand Properties and the closing exchange rate of S\$1.00 to THB25.1187 as at 30 September 2025, after taking into account the capital expenditures incurred by the Group on the Thailand Properties for the period between 1 July 2025 and 30 September 2025, the Group will have revaluation surplus of approximately S\$3.31 million on the Thailand Properties.

Current assets – Cash and cash equivalents

The Group's cash and cash equivalents amounted to approximately S\$32.13 million as at 30 June 2025.

We set out a summary of the Group's cash flow statements for FY2022, FY2023, FY2024 and 1H FY2025 as follows:

S\$'000	FY2022	FY2023	FY2024	1H FY2025
Net cash flows from operating activities	19,320	18,523	3,304	4,648
Net cash flows used in investing activities	(4,045)	(5,858)	(2,100)	(894)
Net cash flows used in financing activities	(13,363)	(7,722)	(3,285)	(4,104)
Net increase/(decrease) in cash and cash equivalents	1,912	4,943	(2,081)	(350)

As set out above, the Group generated positive net cash flows from operating activities for the financial years/period set out in the above table and had utilised the funds for its investment activities and financing activities.

In respect of investing activities, we note that the Company announced the completion of the acquisition of 51% of the total equity interests in the capital of Shenzhen Zhuoluoyu Precision Tool Co., Ltd. ("ZSZ") and the acquisition of 51% of the total equity interests in the capital of ZLY Precision Tool (Thailand) Co., Ltd. ("ZTH") (and both acquisitions be referred hereinafter as the "ZLY Acquisitions") on 25 September 2025. On 31 October 2025, the Company announced that it had entered into a supplemental agreement for the acquisition of ZTH. Pursuant to the terms and conditions of the sale and purchase agreements dated 5 August 2025 as supplemented by the supplement agreement dated 31 October 2025, the total consideration for the ZLY Acquisitions amounted to approximately RMB42.84 million (including a deferred consideration of RMB7.54 million and an earn-out consideration of

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RMB10 million), of which the Group has paid in aggregate, RMB25.3 million as at the Latest Practicable Date. Accordingly, we have deducted the cash utilised by the Group in the ZLY Acquisitions in our calculations of the enterprise value ("EV") of the Company.

Current assets – Inventories

The Group's inventories comprise finished goods, raw materials, work-in-progress and spare parts and others which are stated at the lower of cost and selling price less costs to complete and sell, and after allowance for obsolescence.

We calculate the Group's inventories' turnover days ⁽¹⁾ to be 46 days, 46 days and 36 days for FY2022, FY2023 and FY2024 respectively.

Note:

- (1) Calculated based on the average of the carrying value of inventories as at the beginning and the end of the financial year/period divided by inventories recognised as an expense in cost of sales for the relevant financial year/period, and multiple by 365 days for FY2022 and FY2023, and 366 days for FY2024.

Confirmation of no other adjustments

We have enquired and the Board of Directors of the Company has confirmed that, as at the Latest Practicable Date, to the best of their knowledge and belief:

- (a) there is no material development or event or change in accounting policy that could materially affect the carrying value of the Group's material assets as at 30 June 2025;
- (b) other than those already provided for or disclosed in the Group's financial statements as at 30 June 2025 and the earn-out consideration for the ZLY Acquisitions which is payable upon the meeting of certain conditions, there are no other contingent liabilities, bad or doubtful debts or material events which are likely to have a material impact on the NAV of the Group as at the Latest Practicable Date;
- (c) there is no litigation, claim or proceeding pending or threatened against the Company or any of its subsidiaries or of any fact likely to give rise to any proceedings which might materially and adversely affect the financial position of the Group;
- (d) there are no other intangible assets which ought to be disclosed in the statement of financial position of the Group in accordance with the Singapore Financial Reporting Standards and which have not been so disclosed and where such intangible assets would have had a material impact on the overall financial position of the Group; and
- (e) save for the ZLY Acquisitions, there are no material acquisitions or disposal of assets by the Group between 30 June 2025 and the Latest Practicable Date, and the Group does not have any plans for any such impending material acquisition or disposal of assets, conversion of the use of its material assets or any material change in the nature of the Group's business.

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5.2.5 Revalued NAV (“RNAV”) per Share

Based on paragraph 5.2.4 above, we compute the Group’s RNAV as follows:

	S\$'000
Unaudited NAV attributable to Shareholders as 30 June 2025	96,974
Add: Revaluation surplus on the Shenzhen Property and the Thailand Properties	6,613
Less: Potential tax liabilities and expenses to be incurred by the Group upon the sale of the Shenzhen Property and the Thailand Properties at the market values	(6,294)
RNAV	97,292

Based on the total number of 457,106,461 Shares as at the Latest Practicable Date and the RNAV attributable to Shareholders of approximately S\$97.29 million as at 30 June 2025, the RNAV per Share as at 30 June 2025 was approximately S\$0.213.

The Exit Offer Price of S\$0.262 represents a premium of approximately S\$0.049 or approximately 23.09% to the RNAV per Share of S\$0.213 as at 30 June 2025, or a price-to-RNAV (“**P/RNAV**”) ratio of approximately 1.23 times.

5.3 THE FINANCIAL PERFORMANCE OF THE GROUP

We summarise the financial performance of the Group for FY2022, FY2023, FY2024, the six-month financial period ended 30 June 2024 (“**1H FY2024**”) and 1H FY2025 (the “**Period under Review**”) as follows:

S\$'000	Audited			Unaudited	
	FY2022 ⁽¹⁾	FY2023	FY2024	1H FY2024	1H FY2025
Revenue	352,310	258,673	352,230	165,271	154,680
Gross profit	21,121	14,022	31,808	15,701	11,976
Profit before income tax	8,464	2,585	16,274	10,606	5,328
Profit for the financial year/period	5,702	2,375	11,821	8,412	3,990
Profit for the financial year/period attributable to Shareholders	6,278	3,085	12,151	8,745	3,990

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S\$'000	Audited			Unaudited	
	FY2022 ⁽¹⁾	FY2023	FY2024	1H FY2024	1H FY2025
EBITDA ⁽²⁾	23,295	16,177	28,149	16,098	10,193
Adjusted EBITDA ⁽³⁾	22,739	16,090	28,090	16,273	10,149

Notes:

- (1) FY2022's financials are re-presented to take out discontinued operations.
- (2) "EBITDA" refers to "earnings before interest, tax, depreciation and amortisation".
- (3) Please see following paragraphs for determination of adjusted EBITDA.

5.3.1 Review of financial performance

We review the financial performance of the Group in the ensuing paragraphs.

Revenue – The Group derived its revenue principal from the manufacturing of actuator arms, assemblies and other related parts mainly for the global hard disk drive ("HDD") industry. We set out the segmental revenue of the Group for the Period under Review as follows:

S\$'000	FY2022	FY2023	FY2024	1H FY2024	1H FY2025
Revenue from HDD industry	352,310	256,875	348,746	164,573	151,684
Revenue from precision engineering ⁽¹⁾	-	1,798	3,484	698	2,996

Note:

- (1) Manufacture and distribution of precision diecasting and machining parts primarily for the telecommunications equipment, industrial applications, automotive industries, and precision process toolings.

The Company attributed the decrease in the Group's revenue from FY2022 to FY2023 to inventory correction at the HDD end markets in FY2023. The Group's revenue for FY2024 reverted to FY2022's level as the HDD end markets recovered, driven by demand rebound from deferred HDD storage investments by cloud providers and expansion of the storage infrastructure to support future generative artificial intelligent ("AI") content. The Company attributed the decrease in the Group's revenue from 1H FY2024 to 1H FY2025 to the tapering off of the robust HDD demand recovery in 1H FY2024 as demand gradually normalised in 1H FY2025.

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Gross profit – The Group's gross profit largely followed the trend of the revenue. We calculate the Group's gross profit margin to be 6.00%, 5.42%, 9.03%, 9.50% and 7.74% for FY2022, FY2023, FY2024, 1H FY2024 and 1H FY2025 respectively. The Group's gross profit margin improved significantly for FY2024 and 1H FY2024 due mainly to the rebound of the HDD market demand in FY2024.

Profit before income tax – We set out the material expenses of the Group for the Period under Review as follows:

S\$'000	FY2022	FY2023	FY2024	1H FY2024	1H FY2025
Administrative expenses	9,072	7,901	14,239	5,297	5,144
Other expenses	3,506	1,254	648	345	1,629

Administrative expenses comprise mainly employee benefits expenses, depreciation expenses and lease liabilities expenses. The fluctuation in the Group's administrative expenses were generally in line with its revenue fluctuation.

Other expenses comprised mainly foreign currency exchange losses (net), loss on disposal of property, plant and equipment, and redundancy costs. Foreign currency exchange losses (net) amounted to S\$672,000, S\$205,000 and S\$1.33 million for FY2022, FY2023 and 1H FY2025 respectively. The Group had foreign currency exchange gains (net) of S\$278,000 and S\$1.09 million for FY2024 and 1H FY2024 respectively. The Group's main currency exposures are in United States Dollar, Thai Baht, Chinese Renminbi ("**RMB**") and Vietnamese Dong. The Group uses natural hedges of matching assets and liabilities as a hedging tool to manage its exposure to fluctuating foreign currency exchange rates. Redundancy costs amounted S\$2.47 million, S\$914,000, S\$125,000, S\$114,000 and S\$141,000 for FY2022, FY2023, FY2024, 1H FY2024 and 1H FY2025 respectively. These were headcount redundancy costs from the continuing rationalisation in the HDD manufacturing operation.

Profit for the financial year/period – The Group's profit for the financial year/period was dependent on the income tax expenses for the relevant financial year/period. The Group had income tax credit instead of expenses in FY2023 due to overprovision of income tax in prior year.

We set out the income tax (expenses) / credit of the Group for the Period under Review as follows:

S\$'000	FY2022	FY2023	FY2024	1H FY2024	1H FY2025
Income tax (expenses) / credit	(1,053)	354	(4,453)	(2,194)	(1,338)

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Profit for the financial year/period attributable to Shareholders – Profit for the financial year/period attributable to Shareholders was determined based on profit for the financial period/year and after proportioning profit attributable to non-controlling interest. The Group acquired the non-controlling interest in FY2024.

Adjusted EBITDA – The following adjustments were made to the Group's EBITDA to obtain the adjusted EBITDA:

S\$'000	Audited			Unaudited	
	FY2022	FY2023	FY2024	1H FY2024	1H FY2025
EBITDA	23,295	16,177	28,149	16,098	10,193
Loss on disposal of property, plant and equipment	54	164	93	231	71
Loss on disposal of subsidiary	-	45	-	-	-
Government grants	(463)	(296)	(126)	(56)	(115)
Insurance compensation	(147)	-	(26)	-	-
Adjusted EBITDA	22,739	16,090	28,090	16,273	10,149

5.3.2 Price-to-earnings (“P/E”) ratio implied by the Exit Offer Price

Based on the profit attributable to Shareholders for FY2024, 1H FY2024 and 1H FY2025, we calculate the profit attributable to Shareholders for the trailing twelve (12) months ended 30 June 2025 (“**TTM2025**”) to be S\$7,396,000. Based on the Company's market capitalisation of S\$119.76 million as implied by the Exit Offer Price and the total number of 457,106,461 Shares as at the Latest Practicable Date, the price-earnings (“**P/E**”) ratio represented by the Exit Offer Price is 16.19 times.

5.3.3 Enterprise value to EBITDA (“EV/EBITDA”) ratio implied by the Exit Offer Price

We calculate the EV of the Group as implied by the Exit Offer Price as follows:

	S\$'000
Value of the Company as implied by the Exit Offer Price	119,762 ⁽¹⁾
Add: Total borrowings (comprising current and non-current lease liabilities as well as loans and borrowings)	13,273 ⁽²⁾

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S\$'000

Less: Cash and cash equivalents	(27,579) ⁽³⁾
EV	105,456

Notes:

- (1) Based on the Exit Offer Price and the total number of 457,106,461 Shares as at the Latest Practicable Date.
- (2) As at 30 June 2025.
- (3) Being the Group's cash and cash equivalents of S\$32,133,000 as at 30 June 2025, less RMB25.30 million (equivalent to S\$4.55 million) paid by the Group for the ZLY Acquisitions as at the Latest Practicable Date.

EV/EBITDA ratio

Based on the adjusted EBITDA for FY2024, 1H FY2024 and 1H FY2025, we calculate the adjusted EBITDA of the Group for TTM2025 to be S\$21,996,000.

Based on the EV calculations and the Group's adjusted EBITDA of S\$21,996,000 for TTM2025, the EV/EBITDA ratio of the Group implied by the Exit Offer Price is approximately 4.80 times.

5.3.4 Outlook of the Group

We extract the following statements from the Company's results announcement for 1H FY2025 dated 8 August 2025:

"The Group expects HDD market demand to soften slightly heading into the second half of 2025, due to ongoing geopolitical uncertainties, persistent global tariff issues and the continuing US-China trade tensions. These factors have disrupted global supply chains, increased operational costs, and dampened business sentiment, leading to more cautious enterprise spending.

Despite these head winds, the Group remains cautiously optimistic about the longer-term outlook for the HDD industry, supported by continued demand for mass capacity and nearline HDDs driven by cloud infrastructure and generative AI applications.

The Group will continue to align its manufacturing capacity with demand dynamics and maintain cost discipline. In view of the continued low utilisation of the Shenzhen factory, the Group is reviewing options to maximise its use, including leasing and potential monetisation to unlock value for shareholders."

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“The Vietnam factory has commenced product shipments to several customers and is making a modest contribution to Group revenue, with further customer qualifications underway.”

We note that the ZLY Acquisitions is expected to enable the Group’s ability to deliver end-to-end manufacturing solutions, improve responsiveness to design changes, and accelerate time-to-market for complex components.

5.4 COMPARISON OF THE VALUATION RATIOS OF THE COMPANY IMPLIED BY THE EXIT OFFER PRICE AGAINST ITS COMPARABLE COMPANIES

The Group is a manufacturer of precision machined components with a global customer base. As set out in paragraph 5.3.1 of this IFA Letter, the Group generates its revenue mainly from the manufacture and distribution of precision diecasting and machining parts primarily for the telecommunications equipment, industrial applications, automotive industries, and precision process toolings.

For the purposes of assessing the valuation of the Group as implied by the Selective Capital Reduction, we have considered companies whose business are broadly comparable with the Group (the “**Comparable Companies**”), reported profit for its latest trailing twelve (12) months financial period and listed on the regional stock exchanges. Given the short list of Comparable Companies, we have included all potential comparable companies, regardless of size of operations or market capitalisation.

We had discussions with Management about the suitability and reasonableness of the Comparable Companies. It should be noted that none of the Comparable Companies is directly comparable to the Group in terms of listing location, business operations, customer base, asset base, geographical presence, track record, financial performance, financial position, future prospects, liquidity, quality of earnings, accounting policies, risk profile and other relevant criteria. As such, any comparison made here is necessarily limited and serves only as an illustrative guide.

Comparable Companies	Listing location	Brief business description	Market capitalisation as at the Latest Practicable Date ⁽¹⁾ (\$ million)
InnoTek Ltd.	SGX-ST	InnoTek Ltd., through its subsidiaries, manufactures metal components. The group offers metal stamping, commercial tool and die fabrications, sub-assembly work and frame manufacturing. The group primarily serves customers in Japan and Europe.	149.30

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Comparable Companies	Listing location	Brief business description	Market capitalisation as at the Latest Practicable Date ⁽¹⁾ (\$ million)
KFM Kingdom Holdings Limited	Hong Kong	KFM Kingdom Holdings Limited is an advanced precision metal engineering solution provider in Hong Kong and the People's Republic of China. The company engages in the provision of innovative design engineering solutions and manufacturing services in relation to precision metal stamping tools and metal parts and components.	47.56
Metasurface Technologies Holdings Limited	Hong Kong	Metasurface Technologies Holdings Limited offers one stop build to print precision engineering services. The company provides precision machining services, precision welding services, and other services. Metasurface Technologies Holdings Limited provides its services throughout Hong Kong.	44.58
Notion VTEC Bhd	Bursa Malaysia	Notion VTEC Bhd is the investment holding company of the NVB Group. The Group is a metal processing company that provides products and services that include designing and developing high precision cutting tools, provides machining services, and designs air chuck assemblies.	98.66
Spindex Industries Limited	SGX-ST	Spindex Industries Limited manufactures, imports, exports, and deals mechanical, electrical, and electronic parts. The company also manufactures and trades precision machine parts, plastic molds and injections, and other related plastic and engineering materials.	164.97

Source: Bloomberg Finance L.P., annual reports, announcements and websites of respective companies

Note:

- (1) Market capitalisation of the Comparable Companies are calculated based on their respective closing prices and the closing exchange rates as at the Latest Practicable Date.

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For the comparison with the Comparable Companies, we have referred to the following valuation ratios:

Valuation ratio	General description
EV/EBITDA ratio	<p>“EV” or “Enterprise Value” is defined as the sum of a company’s market capitalisation, preferred equity, minority interests, short term and long term debts less its cash and cash equivalents while “EBITDA” stands for earnings before interest, tax, depreciation and amortisation.</p> <p>The “EV/EBITDA” multiple is an earnings-based valuation methodology that does not take into account the capital structure of a company as well as its interest, taxation, depreciation and amortisation charges. Therefore, it serves as an illustrative indicator of the current market valuation of the business of a company relative to its pretax operating cash flow and performance.</p>
P/E ratio	<p>The P/E ratio illustrates the ratio of the market price of a company’s share relative to its historical consolidated earnings per share. The P/E ratio is affected by, inter alia, the capital structure of a company, its tax position as well as its accounting policies relating to among others, depreciation and amortisation.</p>
P/NAV ratio	<p>P/NAV ratio illustrates the ratio of the market price of a company’s share relative to its asset backing as measured in terms of its historical consolidated NAV per share as stated in its financial statements. The NAV figure provides an estimate of the value of a company assuming the sale of all its tangible and intangible assets, the proceeds which are first used to settle its liabilities and obligations with the balance available for distribution to its shareholders. Comparisons of companies using their book NAVs are affected by differences in their respective accounting policies, in particular their depreciation and asset valuation policies.</p>

We set out in the table below the valuation ratios of the Comparable Companies as at the Latest Practicable Date:

Comparable Companies	Net profit (S\$ million)	EV / EBITDA ratio ⁽¹⁾⁽²⁾ (times)	P/E ratio ⁽¹⁾ (times)	P/NAV ratio ⁽¹⁾ (times)
InnoTek Ltd.	3.05	6.9	49.0 ⁽³⁾	0.91
KFM Kingdom Holdings Limited	7.51	2.7	6.5	0.49
Metasurface Technologies Holdings Limited	4.23	4.9	10.5	1.02

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Comparable Companies	Net profit (S\$ million)	EV / EBITDA ratio ⁽¹⁾⁽²⁾ (times)	P/E ratio ⁽¹⁾ (times)	P/NAV ratio ⁽¹⁾ (times)
Notion VTEC Bhd	5.22	6.0	18.0	0.72
Spindex Industries Limited	6.63	4.3	24.8	0.99 ⁽⁴⁾
Maximum		6.9	49.0	1.02
Minimum		2.7	6.5	0.49
Mean		5.0	15.0 ⁽³⁾	0.83
Median		5.0	14.3 ⁽³⁾	0.91
The Company ⁽⁵⁾ (Based on the Exit Offer Price)	7.40	4.8	16.2	1.23

Source: Bloomberg Finance L.P., annual reports and/or announcements of the respective companies, and other publicly available information.

Notes:

- (1) The ratios are calculated based on the latest available last 12 months ("LTM") results of the Comparable Companies as announced by the respective companies on or prior to the Latest Practicable Date. Profit and loss numbers are translated based upon the average exchange rates prevailing during the corresponding LTM periods while balance sheet numbers are translated based upon the closing exchange rates as at the end of the financial periods for each respective company.
- (2) For comparison purposes, we have also adjusted the EBITDA of the Comparable Companies on the same approach we have adopted to calculate the adjusted EBITDA of the Group. That is, we have added back any loss on disposal of property, plant and equipment, subsidiary and have deducted any gains on disposal of property, plant and equipment, subsidiary, government grants and Insurance compensation from the EBITDA of these Comparable Companies.
- (3) Excluded the P/E ratio of InnoTek Ltd. as outlier.
- (4) Based on the P/NAV ratio determined by the independent financial adviser of Spindex Industries Limited in its scheme document dated 3 December 2025.
- (5) Please refer to paragraphs 5.3.3, 5.3.2 and 5.2.2 of this IFA Letter for our calculations of the EV/EBITDA ratio, P/E ratio and P/NAV ratio implied by the Exit Offer Price.

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We note from the table above that:

- (a) while the EV/EBITDA ratio represented by the Exit Offer Price is moderately below the mean and median corresponding ratios, the P/E ratio and the P/NAV ratio represented by the Exit Offer Price are higher than the mean and median corresponding ratios of the Comparable Companies; and
- (b) the P/NAV ratio represented by the Exit Offer Price is also higher than the range of the P/NAV ratios of the Comparable Companies.

5.5 COMPARISON OF THE VALUATION RATIOS OF THE COMPANY IMPLIED BY THE EXIT OFFER PRICE WITH RECENTLY COMPLETED SUCCESSFUL PRIVATISATION

In our assessment on the fairness and reasonableness of the Exit Offer Price, we have also compared the valuation statistics implied by the Exit Offer Price with offers for privatisation of companies listed on the SGX-ST, which were announced since 1 January 2023 and completed as at the Latest Practicable Date (“Recent Successful Privatisation”).

We wish to highlight that such valuation statistics are dependent on various factors including listing status of such companies, prevailing market conditions, the financial performance, financial position including the assets compositions, and others. Further, the list of companies under the Recent Successful Privatisation are not directly comparable with the Group in terms of business activities, financial performance, market capitalisation, geographical markets, accounting policy and other relevant criterias. Hence, the comparison with the Recent Successful Privatisation set out below is for illustration purposes only. Conclusions drawn from the comparisons made may not reflect any perceived market valuation of the Group.

We compare the statistics as follows:

Name of company	Date of announce-ment ⁽¹⁾	Type ⁽²⁾	Premium / (Discount) of offer price over ⁽³⁾				Offer price-to-NAV / RNAV ⁽³⁾ (times)
			Last transacted price (%)	1-month VWAP ⁽⁴⁾ (%)	3-month VWAP (%)	6-month VWAP (%)	
Alpina Holdings Limited ⁽⁵⁾	3-Jun-25	SOA	24.0	24.0	44.9	48.3	2.35
Grand Venture Technology Limited	1-Jun-25	SOA	11.9	17.4	25.5	20.7	2.04

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Name of company	Date of announ- -ment ⁽¹⁾	Type ⁽²⁾	Premium / (Discount) of offer price over ⁽³⁾				Offer price-to- NAV / RNAV ⁽³⁾ (times)
			Last transacted price (%)	1-month VWAP ⁽⁴⁾ (%)	3-month VWAP (%)	6-month VWAP (%)	
Cosmosteel Holdings Limited	15-May-25	VGO	85.2	96.9	101.6	113.7	0.66
Ban Leong Technologies Limited	30-Apr-25	VGO	60.8	63.9	69.3	73.4	1.37
Amara Holdings Limited	28-Apr-25	VGO	27.0	42.1	44.8	46.7	0.63
Procurri Corporation Limited	28-Apr-25	SOA	77.8	77.8	74.4	75.8	2.12
ICP Ltd	19-Apr-25	VD	28.6	16.9	20.0	23.3	1.18
Sinarmas Land Limited	27-Mar-25	VGO	36.4	41.6	27.7	21.6	0.44
PEC Ltd ⁽⁵⁾	17-Feb-25	SOA	(14.1)	(5.9)	(2.0)	(0.5)	0.86
Econ Healthcare (Asia) Limited ⁽⁵⁾	14-Feb-25	SOA	20.0	33.6	42.9	48.7	2.27
SLB Development Ltd	24-Jan-25	SOA	36.1	54.4	62.0	69.1	1.13
Japfa Ltd	24-Jan-25	SOA	34.8	39.0	51.2	70.3	1.10
Hai Leck Holdings Limited	9-Dec-24	SOA	34.2	41.8	46.7	44.7	0.98
5E Resources Limited	25-Oct-24	SOA	22.6	22.2	21.8	26.6	1.61
Dyna-Mac Holdings Ltd	11-Sep-24	VGO	35.4	18.6	27.4	44.4	5.88
Silverlake Axis Ltd	26-Aug-24	VGO	20.0	27.7	25.0	31.9	2.77
Second Chance Properties Ltd	10-Jul-24	VGO	39.5	40.9	37.0	33.3	1.01
RE&S Holdings Limited	19-May-24	SOA	56.5	65.1	50.0	45.2	1.93
TalkMed Group Limited	5-Apr-24	SOA	20.0	22.6	22.9	21.6	7.30

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Xandar Capital Pte. Ltd. 威豪金融 (私人) 有限公司 (Registration No. 200002789M)
Address 地址 3 Shenton Way #24-02 Shenton House Singapore 068805 珊顿道 3 号, 珊顿大厦 24-02, 新加坡邮区 068805
Tel 电话 (65) 6319 4950 Fax 传真 (65) 6227 3936 Website 网址 <http://www.xandarcapital.com>

APPENDIX A LETTER FROM THE IFA



Name of company	Date of announ- -ment ⁽¹⁾	Type ⁽²⁾	Premium / (Discount) of offer price over ⁽³⁾				Offer price-to- NAV / RNAV ⁽³⁾ (times)
			Last transacted price (%)	1-month VWAP ⁽⁴⁾ (%)	3-month VWAP (%)	6-month VWAP (%)	
Isetan (Singapore) Limited	1-Apr-24	SOA	153.5	173.5	171.1	168.9	0.70
Best World International Limited	22-Mar-24	VD via SCR	46.3	47.1	46.3	48.8	1.88
Boustead Projects Limited	14-Nov-23	DD	23.6	51.1	50.1	45.9	0.63
Healthway Medical Corporation Limited	3-Jul-23	VD	45.5	45.0	44.1	39.9	1.07
LHN Logistics Limited	4-Jun-23	VGO	34.9	35.7	39.0	44.3	2.01
Sysma Holdings Limited	1-Jun-23	VGO	34.4	39.8	34.2	30.5	0.72
Challenger Technologies Limited	30-May-23	VGO	9.1	10.5	11.9	14.3	1.46
Lian Beng Group Ltd	11-Apr-23	VGO	19.3	27.0	28.5	29.9	0.43
Global Palm Resources Holdings Limited	29-Mar-23	VGO	93.8	86.6	70.1	70.1	0.78
G. K. Goh Holdings Limited	28-Feb-23	VGO	38.5	38.8	39.2	37.6	0.97
Global Dragon Limited	10-Feb-23	VGO	14.3	15.4	22.4	17.6	0.73
Maximum			153.5	173.5	171.1	168.9	7.30
Minimum			(14.1)	(5.9)	(2.0)	(0.5)	0.43
Mean			39.0	43.7	45.0	46.9	1.63
Median			34.6	39.4	41.0	44.4	1.12

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Name of company	Date of announcement ⁽¹⁾	Type ⁽²⁾	Premium / (Discount) of offer price over ⁽³⁾				Offer price-to-NAV / RNAV ⁽³⁾ (times)
			Last transacted price (%)	1-month VWAP ⁽⁴⁾ (%)	3-month VWAP (%)	6-month VWAP (%)	
The Company	5-Dec-25	SCR	42.4	37.9	37.2	42.4	1.23

Notes:

- (1) Refers to the first announcement, including holding announcement, which may be made by the respective offeree companies in relation to the potential privatisation exercises.
- (2) VGO – Voluntary General Offer, VD – Voluntary Delisting, MGO – Mandatory General Offer, SOA – Scheme of Arrangement, SCR – Selective Capital Reduction.
- (3) Based on the ratios from the independent financial adviser's letter set out in respective circular or scheme document of the offeree companies, except for Alpina Holdings Limited, PEC Ltd. and Econ Healthcare (Asia) Limited.
- (4) "VWAP" means volume weighted average price.
- (5) Alpina Holdings Limited, PEC Ltd. and Econ Healthcare (Asia) Limited included declaration of special dividend under their schemes of arrangement. The statistics in the above table are based on ratios excluding their special dividends. The ratios of Alpina Holdings Limited, PEC Ltd. and Econ Healthcare (Asia) Limited based on the total consideration (being the special dividend paid by the target company as well as the cash consideration paid by the offeror) are as follows:

Name of company	Date of announcement	Type	Premium / (Discount) of offer price over				Offer price-to-NAV / RNAV (times)
			Last transacted price (%)	1-month VWAP (%)	3-month VWAP (%)	6-month VWAP (%)	
Alpina Holdings Limited	3-Jun-25	SOA	48.0	48.0	72.9	77.0	1.93
PEC Ltd	17-Feb-25	SOA	12.8	23.5	28.6	30.6	0.89
Econ Healthcare (Asia) Limited	14-Feb-25	SOA	29.1	43.7	53.7	59.9	2.09

With the above ratios, the mean and median ratios of the Recent Successful Privatisations are as follows:

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Name of company	Date of announcement	Type	Premium / (Discount) of offer price over				Offer price-to-NAV / RNAV (times)
			Last transacted price (%)	1-month VWAP (%)	3-month VWAP (%)	6-month VWAP (%)	
Mean			41.0	45.8	47.3	49.2	1.61
Median			34.8	41.2	41.7	44.4	1.12
The Company	5-Dec-25	SCR	42.4	37.9	37.2	42.4	1.23

As set out in the tables above:

- (a) the premium of the Exit Offer Price over the last transacted price of the Shares on 25 October 2024 (the “**Last Undisturbed Trading Day**”), being the last full day of trading of the Shares prior to the announcement of the 2024 MGO on 28 October 2024 is within the range and higher than the mean and median corresponding ratios of the Recent Successful Privatisations;
- (b) the premia of the Exit Offer Price for the one (1)-month, three (3)-month and six (6)-month periods prior to and including the Last Undisturbed Trading Day are all within the range but moderately lower than the mean and median corresponding ratios of the Recent Successful Privatisations; and
- (c) the P/RNAV ratio implied by the Exit Offer Price is within the range of the P/NAV ratio or P/RNAV ratio of the Recent Successful Privatisations, lower than the mean but higher than the median corresponding ratios of the Recent Successful Privatisations.

5.6 ESTIMATED VALUE OF THE SHARES

In accordance with the Practice Statement on the Opinion Issued by an Independent Financial Adviser in relation to Offers, Whitewash Waivers and Disposal of Assets under the Code issued by the SIC on 25 June 2014 and amended on 28 February 2017 and 13 July 2020 (the “**Practice Statement**”), an IFA is required to provide a range of values of the shares derived from the various valuation methodologies used in its analysis of an offer and the range should be as narrow as possible, in any case not more than 15%.

Given that the Shares have been suspended for more than 12 months as at the date of the Circular, there is no recent market price for evaluation.

In our evaluation of the terms of the Selective Capital Reduction, we have considered the valuation ratios of the Shares implied by the Exit Offer Price against those of its Comparable

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Companies, the RNAV per Share and the P/RNAV ratio of the Recent Successful Privatisations.

We derive the following estimated values for the Shares as follows:

Basis	Range
Based on the mean and median EV/EBITDA ratios of the Comparable Companies	Between S\$0.269 and S\$0.270
Based on the mean and median P/E ratios of the Comparable Companies	Between S\$0.231 and S\$0.242
Based on the RNAV per Share	S\$0.213

The Exit Offer Price is slightly lower than the range of estimated values for the Shares determined with the EV/EBITDA ratio approach but higher than the range of estimated values for the Shares determined with the P/E ratio and RNAV approach.

5.7 OTHER CONSIDERATIONS

5.7.1 No intention to preserve the listing status of the Company

As set out in Controlling Shareholder's offer document in relation to the 2024 MGO dated 11 November 2024, the Controlling Shareholder (which holds 96.22% interest in the capital of the Company) intends to make the Company its wholly-owned subsidiary and does not intend to preserve the listing status of the Company. The Controlling Shareholder also does not intend to support or take any step to restore the public float.

Accordingly, in the event that the Selective Capital Reduction is not approved by Shareholders, the Shares will remain suspended.

5.7.2 No market or alternative offer for the Shares

As the trading of the Shares has been suspended, Eligible Shareholders should note that pursuant to Rule 729 of the Listing Manual of the SGX-ST, there must not be any transfer of the Shares unless approved by the SGX-ST. Accordingly, the Selective Capital Reduction is presently the only available option to Eligible Shareholders who wish to exit their investment in the Company.

The Directors have confirmed that, as at the Latest Practicable Date, no alternative offer or proposal from any third party for the Shares has been received.

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5.7.3 Comparison of the valuation ratios represented by the Exit Offer Price with the valuation ratios represented by the 2024 MGO Offer Price

We compare the valuation statistics as follows:

	Net profit ⁽¹⁾ (S\$ million)	EV/EBITDA ratio (times)	P/E ratio (times)	P/NAV ratio (times)	P/RNAV ratio (times)
Based on the Exit Offer Price of S\$0.262 ⁽²⁾	7.40	4.8	16.2	1.23	1.23
Based on the 2024 MGO Offer Price of S\$0.197 ⁽³⁾	13.04	2.9	6.9	0.92	0.84

Notes:

- (1) Being net profit for the last 12 months attributable to Shareholders ended 30 June 2025 for the Selective Capital Reduction and the net profit for the last 12 months attributable to Shareholders for 30 June 2024 for the 2024 MGO.
- (2) Please refer to paragraphs 5.3.3, 5.3.2, 5.2.2 and 5.2.5 of this IFA Letter for our calculations of the EV/EBITDA ratio, P/E ratio, P/NAV ratio and P/RNAV ratio implied by the Exit Offer Price.
- (3) The EV/EBITDA ratio, P/E ratio, P/NAV ratio and P/RNAV ratio are extracted from the letter from the independent financial adviser dated 22 November 2024 appended in the Company's circular dated 22 November 2024.

The valuation ratios represented by the Exit Offer Price are higher than the valuation ratios represented by the 2024 MGO Offer Price.

5.7.4 Historical market prices of the Shares

Trading of the Shares has been suspended for more than 12 months, since 5.30 p.m. on 23 December 2024, being the closing date of the 2024 MGO.

The Company has since announced its full year results for FY2024 and six months results for 1H FY2025. Accordingly, the historical market prices of the Shares prior to the close of the 2024 MGO are no longer relevant in our evaluation of the fairness and reasonableness of the Exit Offer Price.

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Nevertheless, we compare the Exit Offer Price with the historical market prices of the Shares for Shareholders' reference as follows:

	VWAP ⁽¹⁾ (S\$)	Premium of Exit Offer Price to VWAP (%)	Highest trading price (S\$)	Lowest trading price (S\$)	Average daily traded volume ⁽²⁾
<u>Periods prior to and including 25 October 2024 (the "Last Undisturbed Trading Day") ⁽³⁾</u>					
Last 24 months	0.150	74.67	0.205	0.070	492,841
Last 12 months	0.155	69.03	0.205	0.070	756,326
Last six (6) months	0.184	42.39	0.205	0.126	878,524
Last three (3) months	0.191	37.17	0.205	0.173	641,927
Last one (1) month	0.190	37.89	0.194	0.184	574,933
The Last Trading Day	0.184	42.39	0.186	0.184	196,400
<u>Period after the Last Undisturbed Trading Day to 23 December 2024 (the "MGO Period")</u>					
29 October 2024 to 23 December 2024, both dates inclusive	0.194	35.05	0.200	0.193	1,539,026

Notes:

- (1) VWAP is rounded to three (3) decimal places in the above table.
- (2) The average daily traded volumes of the Shares are calculated based on the total number of Shares traded (excluding Shares transacted under married deals) and the total days where the Shares were traded during those periods.
- (3) The 2024 MGO was announced on 28 October 2024.

The Exit Offer Price is higher than the VWAP and highest trading prices of the Shares for the various periods set out in the above table.

As set out in previous paragraphs, the Selective Capital Reduction is for all 17,265,407 Shares held by the Eligible Shareholders. The average daily traded volume of the Shares for the 12 months period prior to and including the Last Undisturbed Trading Day was only 756,326 Shares, or 4.38% of the Shares which are the subject of the Selective Capital Reduction.

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**XANDAR
CAPITAL**

In our evaluation of the historical market price of the Shares, we note that the closing prices of the Shares were below the Exit Offer Price for the 10 years period prior to and including the Last Undisturbed Trading Day as follows:



5.7.5 Abstention from recommendation and voting

We note that:

- (a) Mr. Wee Liang Kiang (the non-independent and non-executive chairman of the Company appointed by the Controlling Shareholder) and Mr. Tan Ping Hao (non-independent and non-executive director of the Company appointed by the Controlling Shareholder) have abstained from making a recommendation on the Selective Capital Reduction to the Eligible Shareholders; and
- (b) the Controlling Shareholder and parties acting in concert with it will abstain from voting on the special resolutions relating to the Selective Capital Reduction and the Delisting at the extraordinary general meeting.

5.7.6 Special resolutions required for the Selective Capital Reduction and Delisting

As mentioned in the Circular, both the Selective Capital Reduction and the Delisting requires approval by a majority of at least 75 per cent of all Shares held by the Eligible Shareholders present and voting at the extraordinary general meeting.

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In addition, the special resolution on the Selective Capital Reduction and the special resolution on the Delisting are inter-conditional upon one another. This means that if any of the resolutions is not approved, the other resolution will not be passed. Shareholders should further note that the implementation of the resolutions is contingent upon the approval and confirmation of the Selective Capital Reduction by the High Court of the Republic of Singapore.

As the Selective Capital Reduction is to be voted on by a high percentage (75%) of the minority Shareholders, and the Controlling Shareholders and parties acting in concert with them cannot vote, the Selective Capital Reduction is not prejudicial to the interest of the minority Shareholders.

Shareholders should also note that, if the Company receives the relevant approvals for the Selective Capital Reduction, the Selective Capital Reduction will be binding on all Eligible Shareholders when effected, regardless of whether the Eligible Shareholder has attended and/or voted at the extraordinary general meeting, or whether they have voted in favour or against the Selective Capital Reduction.

6. OUR ADVICE

Under the Practice Statement, the independent financial adviser ("IFA") should conclude clearly and unequivocally in its advice whether an offer is "fair and reasonable" and the term "fair and reasonable" should be regarded as comprising two different concepts as follows:

- (a) *"The term 'fair' relates to an opinion on the value of the offer price or consideration compared against the value of the securities subject to the offer (the 'Offeree Securities'). An offer is 'fair' if the price offered is equal to or greater than the value of the Offeree Securities."*
- (b) *"In considering whether an offer is 'reasonable', the IFA should consider other matters as well as the value of the Offeree Securities. Such matters include, but are not limited to, the existing voting rights in the offeree company held by the offeror and its concert parties and the market liquidity of the Offeree Securities."*

Having regard to our terms of reference, in arriving at our opinion, we have taken into account a range of factors which we consider to be pertinent and have a significant bearing on our assessment of the Selective Capital Reduction. We have carefully considered as many factors as we deemed essential and balanced them before arriving at our opinion.

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Accordingly, it is important that our IFA Letter, in particular, all the considerations and information we have taken into account, be read in its entirety.

6.1 “FAIRNESS” OF THE SELECTIVE CAPITAL REDUCTION AS THE EXIT OFFER

We set out below a summary of the key factors we have taken into our consideration when assessing the “fairness” of the Selective Capital Reduction:

6.1.1 Factors for the Selective Capital Reduction as the Exit Offer

The following factors substantiate the “fairness” of the Selective Capital Reduction:

- (a) the Exit Offer Price represents a P/NAV ratio of approximately 1.23 times;
- (b) the Exit Offer Price represents a P/RNAV ratio of approximately 1.23 times;
- (c) while the EV/EBITDA ratio represented by the Exit Offer Price is moderately below the mean and median corresponding ratios, the P/E ratio and the P/NAV ratio represented by the Exit Offer Price are higher than the mean and median corresponding ratios of the Comparable Companies;
- (d) the P/NAV ratio represented by the Exit Offer Price is also higher than the range of the P/NAV ratios of the Comparable Companies;
- (e) while the premia of the Exit Offer Price for the one (1)-month, three (3)-month and six (6)-month periods prior to and including the Last Undisturbed Trading Day are all within the range but slightly lower than the mean corresponding ratios of the Recent Successful Privatisations, Shareholders should note that such valuation statistics are dependent on various factors and the comparison is for illustration purposes only;
- (f) the Exit Offer Price is slightly lower than the range of estimated values for the Shares determined with the EV/EBITDA ratio approach but higher than the range of estimated values for the Shares determined with the P/E ratio and RNNAV approach set out in paragraph 5.6 of this IFA Letter; and
- (g) the Exit Offer Price is higher than the 2024 MGO Offer Price, the valuation ratios represented by the Exit Offer Price are also higher than the valuation ratios represented by the 2024 MGO Offer Price and the Exit Offer Price is also higher than the closing prices of the Shares for the 10 years period prior to and including the Last Undisturbed Trading Day.

6.1.2 Factors against the Selective Capital Reduction as the Exit Offer

The following factors undermine the “fairness” of the Selective Capital Reduction:

None.

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6.2 “REASONABLENESS” OF THE SELECTIVE CAPITAL REDUCTION AS THE EXIT OFFER

We set out below a summary of the key factors we have taken into our consideration when assessing the “reasonableness” of the Selective Capital Reduction:

6.2.1 Factors for the Selective Capital Reduction as the Exit Offer

The following factors substantiate the “reasonableness” of the Selective Capital Reduction:

- (a) the Selective Capital Reduction is a special resolution which will require the affirmative vote of at least 75% of the total number of issued shares held by the Eligible Shareholders present and voting, on a poll, either in person or by proxy at the extraordinary general meeting; and
- (b) trading of the Shares has been suspended for more than 12 months, since 5.30 p.m. on 23 December 2024, being the closing date of the 2024 MGO, the Selective Capital Reduction is presently the only available option to Eligible Shareholders who wish to exit their investment in the Company.

6.2.2 Factors against the Selective Capital Reduction as the Exit Offer

The following factors undermine the “reasonableness” of the Selective Capital Reduction:

None.

6.3 OUR OPINION

Based on our analysis as set out above and after having considered carefully the information available to us as at the Latest Practicable Date, we are of the opinion that, as of the date hereof, the terms of the Selective Capital Reduction as the Exit Offer, on balance, are fair and reasonable. Accordingly, we advise the Recommending Directors to recommend Shareholders to vote in favour of the Selective Capital Reduction as the Exit Offer.

This IFA Letter is addressed to the Recommending Directors for their benefit, in connection with and for the purpose of their consideration of the terms of the Selective Capital Reduction, and the recommendation made by them to the Eligible Shareholders shall remain their responsibility. Whilst a copy of this IFA Letter may be reproduced in the Circular, neither the Company, the Directors or the Shareholders may reproduce, disseminate or quote this IFA Letter (or any part thereof) for any other purpose, except for the Selective Capital Reduction, at any time and in any manner without the prior written consent of Xandar Capital in each specific case.

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This opinion is governed by, and construed in accordance with, the laws of Singapore, and is strictly limited to the matters stated herein and does not apply by implication to any other matter.

Yours faithfully
For and on behalf of
XANDAR CAPITAL PTE LTD

LOO CHIN KEONG
EXECUTIVE DIRECTOR

PAULINE SIM POI LIN
HEAD OF CORPORATE FINANCE

APPENDIX B

DISCLOSURES OF SHAREHOLDINGS AND DEALINGS IN RELEVANT SECURITIES

1. HOLDINGS OF RELEVANT SECURITIES

As at the Latest Practicable Date, the interests in Shares held by the Controlling Shareholder and its concert parties are set out below:

Name	Direct Interest (Number of Shares)	% ⁽⁴⁾	Deemed Interest (Number of Shares)	% ⁽⁴⁾	Total Interest (%) ⁽⁴⁾
Patec Pte. Ltd.	439,841,054	96.22	–	–	96.22
Patec Precision Industry Co., Ltd. ⁽¹⁾	–	–	439,841,054	96.22	96.22
Yida Investments Pte. Ltd. ⁽²⁾	–	–	439,841,054	96.22	96.22
Wee Hong Jie ⁽³⁾	–	–	439,841,054	96.22	96.22

Save as disclosed above, neither the Controlling Shareholder nor its concert parties hold any other Relevant Securities.

Notes:

- (1) Patec Precision Industry Co., Ltd., the sole member of Patec Pte. Ltd., is deemed interested in the 439,841,054 Shares owned by Patec Pte. Ltd..
- (2) Yida Investments Pte. Ltd., the holder of 28.87% of the shares of Patec Precision Industry Co., Ltd. which is in turn the sole member of Patec Pte. Ltd., is deemed interested in the 439,841,054 Shares owned by Patec Pte. Ltd..
- (3) Wee Hong Jie, the sole shareholder of Yida Investments Pte. Ltd. and the holder of 12.87% of the shares of Patec Precision Industry Co., Ltd. (held on trust by Shin Kong Commercial Bank), is deemed interested in the 439,841,054 Shares owned by Patec Pte. Ltd..
- (4) Based on 457,106,461 Shares, being the total number of issued Shares as at the Latest Practicable Date. The percentages have been rounded to 2 decimal places.

2. DEALINGS IN THE RELEVANT SECURITIES

During the period commencing three (3) months prior to the Announcement Date and ending on the Latest Practicable Date, based on (a) the latest information available to the Controlling Shareholder; and (b) responses received pursuant to enquiries made by the Controlling Shareholders, none of the members of the Controlling Shareholder Group has dealt for value in the Relevant Securities.

APPENDIX C

GENERAL INFORMATION ON THE CONTROLLING SHAREHOLDER

1. DISCLOSURE OF INTERESTS

1.1 No Agreement having any Connection with or Dependence upon the Exit Offer

As at the Latest Practicable Date, there is no agreement, arrangement or understanding between (a) the members of the Controlling Shareholder Group; and (b) any of the current or recent Directors or any of the current or recent Shareholders, having any connection with or dependence upon the Exit Offer.

1.2 Transfer of Shares

The Shares held by the Eligible Shareholders will be cancelled pursuant to the Selective Capital Reduction. The Controlling Shareholder reserves the right to transfer any Shares to any of their related corporations (within the meaning of Section 6 of the Companies Act) or for the purpose of granting security in favour of financial institutions which have extended or shall extend credit facilities to them following the Delisting.

1.3 No Payment of Benefit to Directors of the Company

As at the Latest Practicable Date, there is no agreement, arrangement or understanding for any payment or other benefit to be made or given to any Director or a director of a related corporation (within the meaning of Section 6 of the Companies Act) of the Company as compensation for loss of office or otherwise in connection with the Exit Offer.

1.4 No Agreement Conditional Upon Outcome of the Exit Offer

As at the Latest Practicable Date, there is no agreement, arrangement or understanding between (a) the Controlling Shareholder; and (b) any of the Directors or any other person, in connection with or conditional upon the outcome of the Exit Offer or otherwise in connection with the Exit Offer.

APPENDIX D

ADDITIONAL INFORMATION ON THE COMPANY

1. DIRECTORS

The names, addresses and descriptions of the Directors as at the Latest Practicable Date are as follows:

Name	Address	Description
Mr. Wee Liang Kiang	c/o 54 Serangoon North Avenue 4, #05-02, Singapore 555854	Non-Independent Non-Executive Chairman
Mr. Basil Chan	c/o 54 Serangoon North Avenue 4, #05-02, Singapore 555854	Lead Independent Director
Dr. Teo Ho Pin	c/o 54 Serangoon North Avenue 4, #05-02, Singapore 555854	Independent Director
Mr. Jen Kwong Hwa	c/o 54 Serangoon North Avenue 4, #05-02, Singapore 555854	Independent Director
Mr. Tan Ping Hao	c/o 54 Serangoon North Avenue 4, #05-02, Singapore 555854	Non-Independent Non-Executive Director

2. PRINCIPAL ACTIVITIES

The Company is a manufacturer of precision-machined components offering an excellent mix of cost-efficient manufacturing facilities, state-of-the-art technologies, experienced management teams and innovative solutions to a global customer base. Headquartered in Singapore, the Company has five manufacturing facilities in China, Thailand and Vietnam with a total built-up area of 83,000 square metres.

3. REGISTERED OFFICE

The registered office of the Company is at 54 Serangoon North Avenue 4, #05-02, Singapore 555854.

4. SHARE CAPITAL

4.1 Issued Shares

The Company has only one (1) class of Shares in issue. As at the Latest Practicable Date, the Company has a total of 457,106,461 Shares (excluding 14,808,150 treasury shares).

As at the Latest Practicable Date, there has been no issue of new Shares by the Company since 31 December 2025, such date being the end of the previous financial year of the Company. The Shares carry equal ranking rights to dividends, voting at general meetings and return of capital.

The Shares are quoted and listed on the Mainboard of the SGX-ST. The trading of the Shares has been and remains suspended since 24 December 2024.

4.2 Convertible Securities

The Company has no outstanding convertible securities, warrants, options, and derivatives in respect of the Shares or securities carrying voting rights in the Company as at the Latest Practicable Date.

APPENDIX D

ADDITIONAL INFORMATION ON THE COMPANY

4.3 Rights of Shareholders in respect of capital, dividends and voting rights

The rights of Shareholders in respect of capital, dividends and voting rights are contained in the Constitution. For ease of reference, selected texts of the Constitution relating to the rights of Shareholders in respect of capital, dividends and voting rights have been reproduced in **Appendix E** to this Circular.

4.4 Transfer Restrictions

The Constitution does not contain any restrictions on the right to transfer Shares, which has the effect of requiring holders of such Shares, before transferring them, to offer them for purchase to members of the Company or to any person.

4.5 Sale of Shares

Rule 24.5 of the Code requires that if the Shares are not quoted or dealt in on a securities exchange, the Company should disclose all information which the Company may have as to the number, amount and price at which Shares have been sold during the period commencing on the date six (6) months prior to the Announcement Date and ending on the Latest Practicable Date. Although the Shares are still quoted on the SGX-ST, trading in the Shares on the SGX-ST has been suspended since 9.00 a.m. (Singapore time) on 24 December 2024. During the period commencing on the date six (6) months prior to the Announcement Date and ending on the Latest Practicable Date, based on the register of transfers of the Company, there was no sale of Shares by the Shareholders.

5. DISCLOSURE OF INTERESTS AND DEALINGS

5.1 Interests of the Company in Shares of the Controlling Shareholder

As at the Latest Practicable Date, neither the Company nor its subsidiaries has any direct or indirect interests in the shares of the Controlling Shareholder.

5.2 Dealings in Shares of the Controlling Shareholder by the Company

Neither the Company nor its subsidiaries has dealt in the shares of the Controlling Shareholder during the period commencing three (3) months prior to the Announcement Date and ending on the Latest Practicable Date.

5.3 Interests of Directors in Shares of the Controlling Shareholder

As at the Latest Practicable Date, based on the information available to the Company, none of the Directors has any direct or deemed interests in any of the shares of the Controlling Shareholder.

5.4 Dealings in Shares of the Controlling Shareholder by the Directors

None of the Directors has dealt for value in the shares of the Controlling Shareholder during the period commencing three (3) months prior to the Announcement Date and ending on the Latest Practicable Date.

5.5 Interests of Directors in Relevant Securities

None of the Directors has any direct or deemed interests in the Relevant Securities.

5.6 Dealings in Relevant Securities by the Directors

None of the Directors has dealt in any Relevant Securities during the period commencing three (3) months prior to the Announcement Date and ending on the Latest Practicable Date.

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5.7 Interests of the Financial Adviser in Relevant Securities

As at the Latest Practicable Date, none of the Financial Adviser or its related corporations owns or controls any Relevant Securities.

5.8 Dealings in Relevant Securities by the Financial Adviser

None of the Financial Adviser or its related corporations has dealt for value in any Relevant Securities during the period commencing three (3) months prior to the Announcement Date and ending on the Latest Practicable Date.

5.9 Interests of the IFA in Relevant Securities

As at the Latest Practicable Date, none of the IFA or its related corporations owns or controls any Relevant Securities.

5.10 Dealings in Relevant Securities by the IFA

None of the IFA or its related corporations has dealt for value in any Relevant Securities during the period commencing three (3) months prior to the Announcement Date and ending on the Latest Practicable Date.

5.11 Intentions of the Directors in respect of their Shares

As at the Latest Practicable Date, none of the Directors holds any Shares.

6. ARRANGEMENTS WITH DIRECTORS

6.1 Service Contracts

As at the Latest Practicable Date, there are no service contracts between any Director or proposed director with the Company or any of its subsidiaries which have more than 12 months to run and which cannot be terminated by the employing company within the next 12 months without paying any compensation. In addition, there are no such service contracts entered into or amended between any Director or proposed director with the Company or any of its subsidiaries during the period commencing six (6) months prior to the Announcement Date and ending on the Latest Practicable Date.

6.2 Arrangements affecting Directors

As at the Latest Practicable Date:

- (a) there are no payments or other benefits to be made or given to any Director or to any director of any other corporation which is, by virtue of Section 6 of the Companies Act, deemed to be related to the Company, as compensation for loss of office or otherwise in connection with the Exit Offer;
- (b) there are no agreements or arrangements made between any Director and any other person in connection with or conditional upon the Exit Offer; and
- (c) there are no material contracts entered into by the Controlling Shareholder in which any of the Directors has a material personal interest, whether direct or indirect.

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7. MATERIAL CONTRACTS

Neither the Company nor any of its subsidiaries has entered into any material contracts with interested persons² (other than those entered into in the ordinary course of business) during the period commencing three (3) years before the Announcement Date and ending on the Latest Practicable Date.

8. FINANCIAL INFORMATION

Set out below are certain financial information extracted from the annual reports of the Company for FY2022, FY2023 and FY2024, and the 1H FY2025 Results. The financial information for FY2022, FY2023 and FY2024 should be read in conjunction with the audited consolidated financial statements of the Group and the accompanying notes as set out in the annual reports for FY2022, FY2023 and FY2024 respectively. The financial information for 1H FY2025 should be read in conjunction with the 1H FY2025 Results and the accompanying notes as set out therein.

Copies of the annual reports of the Company for FY2022, FY2023 and FY2024 and the 1H FY2025 Results are available for inspection as set out in paragraph 23 of this Circular.

8.1 Consolidated statement of comprehensive income

	FY2022	FY2023	FY2024	1H2025
	S\$'000	S\$'000	S\$'000	S\$'000
Turnover	352,310	258,673	352,230	154,680
Exceptional item	–	–	–	–
Net profit before tax and non-controlling interests	8,464	2,585	16,274	5,328
Net profit after tax and non-controlling interest	6,278	3,085	12,151	3,990
Net earnings per share (cents)	1.38	0.68	2.67	0.87
Net dividend declared per share (cents)	–	0.50	0.50	–

8.2 Consolidated balance sheet

	FY2024	1H2025
	S\$'000	S\$'000
Current assets	175,002	143,001
Current liabilities	(128,506)	(94,002)
Non-current assets	61,292	53,697
Non-current liabilities	(8,381)	(5,722)

² As defined in the Note on Rule 24.6 read with the Note on Rule 23.12 of the Code, an interested person is: (a) a director, chief executive officer, or substantial shareholder of the company; (b) the immediate family of a director, the chief executive officer, or a substantial shareholder (being an individual) of the company; (c) the trustees, acting in their capacity as such trustees, of any trust of which a director, the chief executive officer or a substantial shareholder (being an individual) and his immediate family is a beneficiary; (d) any company in which a director, the chief executive officer or a substantial shareholder (being an individual) together and his immediate family together (directly or indirectly) have an interest of 30% or more; (e) any company that is the subsidiary, holding company or fellow subsidiary of the substantial shareholder (being a company); or (f) any company in which a substantial shareholder (being a company) and any of the companies listed in (e) above together (directly or indirectly) have an interest of 30% or more.

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8.3 Material changes in financial position

As at the Latest Practicable Date, save as publicly disclosed, there have been no material changes to the financial position of the Group since 31 December 2024, being the date of the last audited accounts of the Group laid before Shareholders in general meeting. Shareholders should note that the audited financial results for FY2024 are set out in **Appendix F** to this Circular.

8.4 Significant accounting policies

The significant accounting policies of the Group are set out in **Appendix F** to this Circular.

Save as disclosed in this Circular and publicly available information on the Group, as at the Latest Practicable Date, there are no significant accounting policies or any points from the notes to the financial statements which are of major relevance for the interpretation of the financial statements of the Group.

8.5 Changes in significant accounting policies

As at the Latest Practicable Date, save as publicly disclosed, there has been no change in the accounting policies of the Group which will cause the figures disclosed in this Circular to not be comparable to a material extent.

9. MATERIAL CHANGE IN INFORMATION

Save as disclosed in this Circular and save for information relating to the Group and the Exit Offer that is publicly available, there has been no material change in any information previously published by or on behalf of the Company during the period commencing from the Announcement Date and ending on the Latest Practicable Date.

10. MATERIAL LITIGATION

As at the Latest Practicable Date, save as publicly disclosed:

- (a) neither the Company nor any of its subsidiaries is engaged in any material litigation or arbitration proceedings, as plaintiff or defendant, which might materially affect the financial position of the Group taken as a whole; and
- (b) the Directors are not aware of any proceedings pending or threatened against the Company or any of its subsidiaries or of any facts likely to give rise to any proceedings which might materially affect the financial position of the Group taken as a whole.

11. VALUATION OF ASSETS

11.1 Bases of Valuation

The Company had commissioned an independent valuation by the HK Valuer of the Shenzhen Property and an independent valuation by the Thailand Valuer of the Thailand Properties. The Company notes that the valuation of the Shenzhen Property has been carried out on a market value basis using the market approach and income approach (term and reversion) method, and the valuation of the Thailand Properties has been carried out on a market value basis using the cost approach and the market approach.

Copies of the valuation summaries and certificates prepared by the HK Valuer in respect of the Shenzhen Property and prepared by the Thailand Valuer in respect of the Thailand Properties (the “**Summary Valuation Reports**”) are set out in **Appendix G** to this Circular while copies of the full valuation reports of the Shenzhen Property and the Thailand Properties (the “**Valuation Reports**”) are available for inspection as set out in paragraph 23 of this Circular.

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11.2 Potential Tax Liability

Under Rule 26.3 of the Code, the Company is required, *inter alia*, to make an assessment of any potential tax liability which would arise if the assets, which are the subject of a valuation given in connection with an offer, were to be sold at the amount of the valuation.

The marketing costs and agency fee, value-added tax and surcharges, stamp duty, land appreciation tax and income tax which may be incurred by the Group on such hypothetical disposal of the Shenzhen Property based on the valuations carried out by the HK Valuer are approximately RMB22,000,000. While the aforesaid liabilities could potentially crystallise as the Group remains open to a potential disposal of the Shenzhen Property, there is no identified purchaser for the Shenzhen Property as at the Latest Practicable Date.

The marketing costs and agency fee, value-added tax and surcharges, stamp duty, land appreciation tax and income tax which may be incurred by the Group on such hypothetical disposals of the Thailand Properties based on the valuations carried out by the Thailand Valuer are approximately THB58,060,352. The aforesaid liabilities are not likely to crystallise as the Group has no intention to sell the Thailand Properties as at the Latest Practicable Date.

12. GENERAL

12.1 Costs and Expenses

All expenses and costs incurred by the Company in relation to the Selective Capital Reduction and the Delisting will be borne by the Company.

12.2 Consent of the Financial Adviser

SAC Capital Private Limited has given and has not withdrawn its written consent to the issue of this Circular with the inclusion herein of its name and all the references to its name, in the form and context in which they appear in this Circular.

12.3 Consent of the IFA

Xandar Capital Pte. Ltd. has given and has not withdrawn its written consent to the issue of this Circular with the inclusion herein of its name and all the references to its name, its advice to the Recommending Directors set out in paragraph 13 of the Letter to Shareholders in this Circular and the IFA Letter set out in **Appendix A** to this Circular and all references thereto, in the form and context in which they appear in this Circular.

12.4 Consent of the HK Valuer

Knight Frank Petty Limited has given and has not withdrawn its written consent to the issue of this Circular with the inclusion herein of its name and all the references to its name, the Summary Valuation Reports set out in **Appendix G** to this Circular and all references thereto, in the form and context in which they appear in this Circular.

12.5 Consent of the Thailand Valuer

CBRE (Thailand) Co., Ltd has given and has not withdrawn its written consent to the issue of this Circular with the inclusion herein of its name and all the references to its name, the Summary Valuation Reports set out in **Appendix G** to this Circular and all references thereto, in the form and context in which they appear in this Circular.

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12.6 Consent of the Independent Auditor

RSM SG Assurance LLP has given and has not withdrawn its written consent to the issue of this Circular with the inclusion herein of its name and all the references to its name, the independent auditor's report in relation to the audited financial results for FY2024 (as set out in the Company's annual report for FY2024 and as reproduced in **Appendix F** to this Circular) and all references thereto, in the form and context in which they appear in this Circular.

12.7 Consent of the Legal Adviser

Drew & Napier LLC has given and has not withdrawn its written consent to the issue of this Circular with the inclusion herein of its name and all the references to its name, in the form and context in which they appear in this Circular.

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The rights of Shareholders in respect of capital, dividends and voting rights are contained in the Constitution, the relevant regulations of which are set out below:

Please see the definitions in the Constitution for terms used in the reproduced extracts below.

1. The rights of Shareholders in respect of capital

"ISSUE OF SHARES

6. (A) *The rights attaching to shares of a class other than ordinary shares shall be expressed in this Constitution.*

(B) *The Company may issue shares for which no consideration is payable to the Company.*
7. *Subject to the Statutes and this Constitution, no shares may be issued by the Directors without the prior approval of the Company in General Meeting but subject thereto and to Regulation 11, and to any special rights attached to any shares for the time being issued, the Directors may allot and issue shares or grant options over or otherwise dispose of the same to such persons on such terms and conditions and for such consideration (if any) and at such time and subject or not to the payment of any part of the amount (if any) thereof in cash as the Directors may think fit, and any shares may be issued with such preferential, deferred, qualified or special rights, privileges or conditions as the Directors may think fit, and preference shares may be issued which are or at the option of the Company are liable to be redeemed, the terms and manner of redemption being determined by the Directors, Provided always that:*
 - (a) *(subject to any direction to the contrary that may be given by the Company in General Meeting) any issue of shares for cash to members holding shares of any class shall be offered to such members in proportion as nearly as may be to the number of shares of such class then held by them and the provisions of Regulation 11(A) with such adaptations as are necessary shall apply; and*
 - (b) *any other issue of shares, the aggregate of which would exceed the limits referred to in Regulation 11(B), shall be subject to the approval of the Company in General Meeting.*
8. (A) *Preference shares may be issued subject to such limitation thereof as may be prescribed by the Stock Exchange. Preference shareholders shall have the same rights as ordinary shareholders as regards receiving of notices, reports and balance sheets and attending General Meetings of the Company, and preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital or winding up or sanctioning a sale of the undertaking of the Company or where the proposal to be submitted to the meeting directly affects their rights and privileges or when the dividend on the preference shares is more than six months in arrears.*

(B) *The Company has power to issue further preference capital ranking equally with, or in priority to, preference shares already issued.*

(C) *The total number of preference shares issued shall not exceed the total number of the issued ordinary shares at any time.*

VARIATION OF RIGHTS

9. *Whenever the share capital of the Company is divided into different classes of shares, subject to the provisions of the Statutes, preference capital, other than redeemable preference capital, may be repaid and the special rights attached to any class may be*

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varied or abrogated either with the consent in writing of the holders of three-quarters of the issued shares of the class or with the sanction of a special resolution passed at a separate General Meeting of the holders of the shares of the class (but not otherwise) and may be so repaid, varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up. To every such separate General Meeting all the provisions of this Constitution relating to General Meetings of the Company and to the proceedings thereat shall mutatis mutandis apply, except that the necessary quorum shall be two persons at least holding or representing by proxy at least one-third of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll and that every such holder shall on a poll have one vote for every share of the class held by him, Provided always that where the necessary majority for such a special resolution is not obtained at such General Meeting, consent in writing if obtained from the holders of three-quarters of the issued shares of the class concerned within two months of such General Meeting shall be as valid and effectual as a special resolution carried at such General Meeting. The foregoing provisions of this Regulation 9 shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the special rights whereof are to be varied.

10. *The special rights attached to any class of shares having preferential rights shall not unless otherwise expressly provided by the terms of issue thereof be deemed to be varied by the issue of further shares ranking as regards participation in the profits or assets of the Company in some or all respects pari passu therewith but in no respect in priority thereto.*

ALTERATION OF SHARE CAPITAL

11. (A) *Subject to any direction to the contrary that may be given by the Company in General Meeting or except as permitted under the listing rules of the Stock Exchange, all new shares shall, before issue, be offered to such persons who as at the date of the offer are entitled to receive notices from the Company of General Meetings in proportion, as far as the circumstances admit, to the number of the existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may dispose of those shares in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot, in the opinion of the Directors, be conveniently offered under this Regulation 11(A).*
- (B) *Notwithstanding Regulation 11(A), the Company may by ordinary resolution in General Meeting give to the Directors a general authority, either unconditionally or subject to such conditions as may be specified in the ordinary resolution, to:*
- (a) (i) *issue shares of the Company ("shares") whether by way of rights, bonus or otherwise; and/or*
 - (ii) *make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares; and*
 - (b) *(notwithstanding the authority conferred by the ordinary resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the ordinary resolution was in force,*

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Provided always that:

- (1) *the aggregate number of shares to be issued pursuant to the ordinary resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to the ordinary resolution) shall be subject to such limits and manner of calculation as may be prescribed by the Stock Exchange;*
 - (2) *in exercising the authority conferred by the ordinary resolution, the Company shall comply with the listing rules of the Stock Exchange for the time being in force (unless such compliance is waived by the Stock Exchange) and this Constitution; and*
 - (3) *(unless revoked or varied by the Company in General Meeting) the authority conferred by the ordinary resolution shall not continue in force beyond the conclusion of the Annual General Meeting of the Company next following the passing of the ordinary resolution, or the date by which such Annual General Meeting of the Company is required by law to be held, or the expiration of such other period as may be prescribed by the Statutes (whichever is the earliest).*
 - (C) *Except so far as otherwise provided by the conditions of issue or by this Constitution, all new shares shall be subject to the provisions of the Statutes and of this Constitution with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture and otherwise.*
12. (A) *The Company may by ordinary resolution:*
- (a) *consolidate and divide all or any of its shares;*
 - (b) *subdivide its shares, or any of them (subject, nevertheless, to the provisions of the Statutes and this Constitution), and so that the resolution whereby any share is subdivided may determine that, as between the holders of the shares resulting from such subdivision, one or more of the shares may, as compared with the others, have any such preferred, deferred or other special rights, or be subject to any such restrictions, as the Company has power to attach to new shares; and*
 - (c) *subject to the provisions of the Statutes, convert its share capital or any class of shares from one currency to another currency.*
- (B) *The Company may by special resolution, subject to and in accordance with the Statutes, convert one class of shares into another class of shares.*
13. (A) *The Company may reduce its share capital or any undistributable reserve in any manner and with and subject to any incident authorised and consent required by law.*
- (B) *The Company may, subject to and in accordance with the Act, purchase or otherwise acquire its issued shares on such terms and in such manner as the Company may from time to time think fit. If required by the Act, any share which is so purchased or acquired by the Company shall, unless held in treasury in accordance with the Act, be deemed to be cancelled immediately on purchase or acquisition by the Company. On the cancellation of any share as aforesaid, the rights and privileges attached to that share shall expire. In any other instance, the Company may hold or deal with any such share which is so purchased or acquired by it in such manner as may be permitted by, and in accordance with, the Act. Without prejudice to the generality of the foregoing, upon cancellation of any share purchased or otherwise acquired by the Company pursuant to this Constitution, the number of issued shares of the Company shall be*

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diminished by the number of the shares so cancelled, and, where any such cancelled share was purchased or acquired out of the capital of the Company, the amount of share capital of the Company shall be reduced accordingly.

- (C) *The Company shall not exercise any right in respect of treasury shares other than as provided by the Act. Subject thereto, the Company may hold or deal with its treasury shares in the manner authorised by, or prescribed pursuant to, the Act.*

SHARES

14. *Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or compelled in any way to recognise any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by this Constitution or by law otherwise provided) any other right in respect of any share, except an absolute right to the entirety thereof in the person (other than the Depository or its nominee (as the case may be)) entered in the Register of Members as the registered holder thereof or (as the case may be) the person whose name is entered in the Depository Register in respect of that share.*
15. *Without prejudice to any special rights previously conferred on the holders of any shares or class of shares for the time being issued, any share in the Company may be issued with such preferred, deferred or other special rights, or subject to such restrictions, whether as regards dividend, return of capital, voting or otherwise, as the Company may from time to time by ordinary resolution or, if required by the Statutes, by special resolution determine (or, in the absence of any such determination, but subject to the Statutes, as the Directors may determine) and subject to the provisions of the Statutes, the Company may issue preference shares which are, or at the option of the Company are, liable to be redeemed.*
16. *Subject to the provisions of this Constitution and of the Statutes relating to authority, pre-emption rights and otherwise and of any resolution of the Company in General Meeting passed pursuant thereto, all new shares shall be at the disposal of the Directors and they may allot (with or without conferring a right of renunciation), grant options over or otherwise dispose of them to such persons, at such times and on such terms as they think proper.*
17. *The Company may pay commissions or brokerage on any issue of shares at such rate or amount and in such manner as the Directors may deem fit. Such commissions or brokerage may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other.*
18. *Subject to the terms and conditions of any application for shares, the Directors shall allot shares applied for within ten Market Days of the closing date (or such other period as may be approved by the Stock Exchange) of any such application. The Directors may, at any time after the allotment of any share but before any person has been entered in the Register of Members as the holder or (as the case may be) before that share is entered against the name of a Depositor in the Depository Register, recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose.*

SHARE CERTIFICATES

19. *Every share certificate shall be issued in accordance with the requirements of the Act and be under the Seal or signed in the manner set out in the Act. No certificate shall be issued representing shares of more than one class.*
20. (A) *The Company shall not be bound to register more than three persons as the registered holders of a share except in the case of executors or administrators (or trustees) of the estate of a deceased member.*

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- (B) *In the case of a share registered jointly in the names of several persons, the Company shall not be bound to issue more than one certificate therefor and delivery of a certificate to any one of the registered joint holders shall be sufficient delivery to all.*
21. *Every person whose name is entered as a member in the Register of Members shall be entitled to receive, within ten Market Days (or such other period as may be approved by the Stock Exchange) of the closing date of any application for shares or, as the case may be, the date of lodgement of a registrable transfer, one certificate for all his shares of any one class or several certificates in reasonable denominations each for a part of the shares so allotted or transferred. Where such a member transfers part only of the shares comprised in a certificate, the old certificate shall be cancelled and a new certificate or certificates for the balance of such shares issued in lieu thereof and such member shall pay a maximum fee of S\$2 for each new certificate or such other fee as the Directors may from time to time determine having regard to any limitation thereof as may be prescribed by the Stock Exchange.*
22. (A) *Any two or more certificates representing shares of any one class held by any person whose name is entered in the Register of Members may at his request be cancelled and a single new certificate for such shares issued in lieu without charge.*
- (B) *If any person whose name is entered in the Register of Members shall surrender for cancellation a share certificate representing shares held by him and request the Company to issue in lieu two or more share certificates representing such shares in such proportions as he may specify, the Directors may, if they think fit, comply with such request. Such person shall (unless such fee is waived by the Directors) pay a maximum fee of S\$2 for each share certificate issued in lieu of a share certificate surrendered for cancellation or such other fee as the Directors may from time to time determine having regard to any limitation thereof as may be prescribed by the Stock Exchange,*
- (C) *In the case of shares registered jointly in the names of several persons any such request may be made by any one of the registered joint holders.*
23. *Subject to the provisions of the Statutes, if any share certificate shall be defaced, worn out, destroyed, lost or stolen, it may be renewed on such evidence being produced and a letter of indemnity (if required) being given by the shareholder, transferee, person entitled, purchaser, member firm or member company of the Stock Exchange or on behalf of its or their client or clients as the Directors shall require, and (in case of defacement or wearing out) on delivery up of the old certificate and in any case on payment of such sum not exceeding S\$2 as the Directors may from time to time require. In the case of destruction, loss or theft, a shareholder or person entitled to whom such renewed certificate is given shall also bear the loss and pay to the Company all expenses incidental to the investigations by the Company of the evidence of such destruction or loss.*

CALLS ON SHARES

24. *The Directors may from time to time make calls upon the members in respect of any moneys unpaid on their shares but subject always to the terms of issue of such shares. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed and may be made payable by instalments.*
25. *Each member shall (subject to receiving at least fourteen days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof. A call may be revoked or postponed as the Directors may determine.*

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26. *If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate (not exceeding ten per cent. per annum) as the Directors may determine but the Directors shall be at liberty in any case or cases to waive payment of such interest wholly or in part.*
27. *Any sum which by the terms of issue of a share becomes payable upon allotment or at any fixed date shall for all the purposes of this Constitution be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable. In case of non-payment all the relevant provisions of this Constitution as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.*
28. *The Directors may on the issue of shares differentiate between the holders as to the amount of calls to be paid and the times of payment.*
29. *The Directors may if they think fit receive from any member willing to advance the same, all or any part of the moneys uncalled and unpaid upon the shares held by him and such payment in advance of calls shall extinguish pro tanto the liability upon the shares in respect of which it is made and upon the money so received (until and to the extent that the same would but for such advance become payable) the Company may pay interest at such rate (not exceeding eight per cent. per annum) as the member paying such sum and the Directors may agree. Capital paid on shares in advance of calls shall not, while carrying interest, confer a right to participate in profits.*

FORFEITURE AND LIEN

30. *If a member fails to pay in full any call or instalment of a call on the due date for payment thereof, the Directors may at any time thereafter serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued thereon and any expenses incurred by the Company by reason of such non-payment.*
31. *The notice shall name a further day (not being less than fourteen days from the date of service of the notice) on or before which and the place where the payment required by the notice is to be made, and shall state that in the event of non-payment in accordance therewith the shares on which the call has been made will be liable to be forfeited.*
32. *If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest and expenses due in respect thereof has been made, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before forfeiture. The Directors may accept a surrender of any share liable to be forfeited hereunder.*
33. *A share so forfeited or surrendered shall become the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto or to any other person upon such terms and in such manner as the Directors shall think fit and at any time before a sale, re-allotment or disposition the forfeiture or surrender may be cancelled on such terms as the Directors think fit. The Directors may, if necessary, authorise some person to transfer or effect the transfer of a forfeited or surrendered share to any such other person as aforesaid.*
34. *A member whose shares have been forfeited or surrendered shall cease to be a member in respect of the shares but shall notwithstanding the forfeiture or surrender remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were presently payable by him to the Company in respect of the shares with interest thereon at eight*

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per cent. per annum (or such lower rate as the Directors may determine) from the date of forfeiture or surrender until payment and the Directors may at their absolute discretion enforce payment without any allowance for the value of the shares at the time of forfeiture or surrender or waive payment in whole or in part.

35. *The Company shall have a first and paramount lien on every share (not being a fully paid share) and dividends from time to time declared in respect of such shares. Such lien shall be restricted to unpaid calls and instalments upon the specific shares in respect of which such moneys are due and unpaid, and to such amounts as the Company may be called upon by law to pay in respect of the shares of the member or deceased member. The Directors may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this Regulation 35.*
36. *The Company may sell in such manner as the Directors think fit any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of fourteen days after a notice in writing stating and demanding payment of the sum presently payable and giving notice of intention to sell in default shall have been given to the holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy.*
37. *The net proceeds of such sale after payment of the costs of such sale shall be applied in or towards payment or satisfaction of the debts or liabilities and any residue shall be paid to the person entitled to the shares at the time of the sale or to his executors, administrators or assigns, or as he may direct. For the purpose of giving effect to any such sale the Directors may authorise some person to transfer or effect the transfer of the shares sold to the purchaser.*
38. *A statutory declaration in writing that the declarant is a Director or the Secretary of the Company and that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. Such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal thereof together (where the same be required) with the share certificate delivered to a purchaser (or where the purchaser is a Depositor, to the Depository or its nominee (as the case may be)) or allottee thereof shall (subject to the execution of a transfer if the same be required) constitute good title to the share and the share shall be registered in the name of the person to whom the share is sold, re-allotted or disposed of or, where such person is a Depositor, the Company shall procure that his name be entered in the Depository Register in respect of the share so sold, re-allotted or disposed of. Such person shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, surrender, sale, re-allotment or disposal of the share.*

TRANSFER OF SHARES

39. *All transfers of the legal title in shares may be effected by the registered holders thereof by transfer in writing in the form for the time being approved by the Stock Exchange and in such form acceptable to the Directors. The instrument of transfer of any share shall be signed by or on behalf of both the transferor and the transferee and be witnessed, Provided always that an instrument of transfer in respect of which the transferee is the Depository or its nominee (as the case may be) shall be effective although not signed or witnessed by or on behalf of the Depository or its nominee (as the case may be). The transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the Register of Members in respect thereof.*

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40. *The Register of Members may be closed at such times and for such period as the Directors may from time to time determine, Provided always that such Register shall not be closed for more than thirty days in any calendar year, Provided always that the Company shall give prior notice of such closure as may be required to the Stock Exchange, stating the period and purpose or purposes for which the closure is made.*
41. (A) *There shall be no restriction on the transfer of fully paid-up shares (except where required by law or the listing rules of, or bye-laws and rules governing, the Stock Exchange) but the Directors may, in their sole discretion, decline to register any transfer of shares upon which the Company has a lien and in the case of shares not fully paid-up may refuse to register a transfer to a transferee of whom they do not approve, Provided always that in the event of the Directors refusing to register a transfer of shares, they shall within ten Market Days beginning with the date on which the application for a transfer of shares was made, serve a notice in writing to the applicant stating the facts which are considered to justify the refusal as required by the Statutes.*
- (B) *The Directors may in their sole discretion refuse to register any instrument of transfer of shares unless:*
- (a) *such fee not exceeding S\$2 as the Directors may from time to time require, is paid to the Company in respect thereof;*
- (b) *the amount of proper duty (if any) with which each instrument of transfer is chargeable under any law for the time being in force relating to stamps is paid;*
- (c) *the instrument of transfer is deposited at the Office or at such other place (if any) as the Directors may appoint accompanied by a certificate of payment of stamp duty (if any), the certificates of the shares to which the transfer relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer and, if the instrument of transfer is executed by some other person on his behalf, the authority of the person to do so; and*
- (d) *the instrument of transfer is in respect of only one class of shares.*
42. *If the Directors refuse to register a transfer of any shares, they shall within ten Market Days after the date on which the transfer was lodged with the Company send to the transferor and the transferee notice of the refusal as required by the Statutes.*
43. *All instruments of transfer which are registered may be retained by the Company.*
44. *There shall be paid to the Company in respect of the registration of any instrument of transfer or probate or letters of administration or certificate of marriage or death or stop notice or power of attorney or other document relating to or affecting the title to any shares or otherwise for making any entry in the Register of Members affecting the title to any shares such fee not exceeding S\$2 as the Directors may from time to time require or prescribe.*
45. *The Company shall be entitled to destroy all instruments of transfer which have been registered at any time after the expiration of six years from the date of registration thereof and all dividend mandates and notifications of change of address at any time after the expiration of six years from the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of six years from the date of the cancellation thereof and it shall conclusively be presumed in favour of the Company that every entry in the Register of Members purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and every share certificate so destroyed was a valid and effective*

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certificate duly and properly cancelled and every other document hereinbefore mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company; Provided always that:

- (a) the provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;*
- (b) nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any other circumstances which would not attach to the Company in the absence of this Regulation 45; and*
- (c) references herein to the destruction of any document include references to the disposal thereof in any manner.*

TRANSMISSION OF SHARES

- 46. (A) *In the case of the death of a member whose name is entered in the Register of Members, the survivors or survivor where the deceased was a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder, shall be the only person(s) recognised by the Company as having any title to his interest in the shares.*
- (B) *In the case of the death of a member who is a Depositor, the survivors or survivor where the deceased is a joint holder, and the executors or administrators of the deceased where he was a sole or only surviving holder and where such executors or administrators are entered in the Depository Register in respect of any shares of the deceased member, shall be the only person(s) recognised by the Company as having any title to his interest in the shares.*
- (C) *Nothing in Regulation 46(A) or (B) shall release the estate of a deceased holder (whether sole or joint) from any liability in respect of any share held by him.*
- 47. *Any person becoming entitled to the legal title in a share in consequence of the death or bankruptcy of a person whose name is entered in the Register of Members may (subject as hereinafter provided) upon supplying to the Company such evidence as the Directors may reasonably require to show his legal title to the share either be registered himself as holder of the share upon giving to the Company notice in writing of such desire or transfer such share to some other person. All the limitations, restrictions and provisions of this Constitution relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the person whose name is entered in the Register of Members had not occurred and the notice or transfer were a transfer executed by such person.*
- 48. *Save as otherwise provided by or in accordance with this Constitution, a person becoming entitled to a share pursuant to Regulation 46(A) or (B) or Regulation 47 (upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share) shall be entitled to the same dividends and other advantages as those to which he would be entitled if he were the member in respect of the share except that he shall not be entitled in respect thereof (except with the authority of the Directors) to exercise any right conferred by membership in relation to meetings of the Company until he shall have been registered as a member in the Register of Members or his name shall have been entered in the Depository Register in respect of the share.*

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STOCK

49. *The Company may from time to time by ordinary resolution convert any paid-up shares into stock and may from time to time by like resolution reconvert any stock into paid-up shares.*
50. *The holders of stock may transfer the same or any part thereof in the same manner and subject to the same Regulations as and subject to which the shares from which the stock arose might previously to conversion have been transferred (or as near thereto as circumstances admit) but no stock shall be transferable except in such units as the Directors may from time to time determine.*
51. *The holders of stock shall, according to the number of stock units held by them, have the same rights, privileges and advantages as regards dividend, return of capital, voting and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except as regards participation in the profits or assets of the Company) shall be conferred by the number of stock units which would not, if existing in shares, have conferred such privilege or advantage; and no such conversion shall affect or prejudice any preference or other special privileges attached to the shares so converted.*

2. The rights of Shareholders in respect of voting

GENERAL MEETINGS

52. (A) *Save as otherwise permitted under the Act, an Annual General Meeting shall be held in accordance with the provisions of the Act. The interval between the close of a financial year of the Company and the date of the Company's Annual General Meeting shall not exceed four months (or such other period as may be permitted by the Act and/or the listing rules of the Stock Exchange). All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings.*
- (B) *The time and place of any General Meeting shall be determined by the Directors, provided that General Meetings shall, for so long as the shares of the Company have a primary listing on the Singapore Exchange Securities Trading Limited, be held in Singapore.*
53. *The Directors may whenever they think fit, and shall on requisition in accordance with the Statutes, proceed with proper expedition to convene an Extraordinary General Meeting.*

NOTICE OF GENERAL MEETINGS

54. *Any General Meeting at which it is proposed to pass a special resolution or (save as provided by the Statutes) a resolution of which special notice has been given to the Company, shall be called by twenty-one days' notice in writing at the least and an Annual General Meeting and any other Extraordinary General Meeting by fourteen days' notice in writing at the least. The period of notice shall in each case be exclusive of the day on which it is served or deemed to be served and of the day on which the meeting is to be held and shall be given in the manner hereinafter mentioned to all members other than such as are not under the provisions of this Constitution and the Act entitled to receive such notices from the Company; Provided always that a General Meeting notwithstanding that it has been called by a shorter notice than that specified above shall be deemed to have been duly called if it is so agreed:*
 - (a) *in the case of an Annual General Meeting by all the members entitled to attend and vote thereat; and*
 - (b) *in the case of an Extraordinary General Meeting by a majority in number of the members having a right to attend and vote thereat, being a majority together holding*

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not less than ninety-five per cent. of the total voting rights of all the members having a right to vote at that meeting,

Provided also that the accidental omission to give notice to or the non-receipt of notice by any person entitled thereto shall not invalidate the proceedings at any General Meeting. So long as the shares in the Company are listed on the Stock Exchange, at least fourteen days' notice of any General Meeting shall be given by advertisement in the daily press and in writing to the Stock Exchange.

55. (A) *Every notice calling a General Meeting shall specify the place and the day and hour of the meeting, and there shall appear with reasonable prominence in every such notice a statement that a member entitled to attend and vote is entitled to appoint a proxy or proxies to attend and vote instead of him and that a proxy need not be a member of the Company.*
- (B) *In the case of an Annual General Meeting, the notice shall also specify the meeting as such.*
- (C) *In the case of any General Meeting at which business other than routine business is to be transacted, the notice shall specify the general nature of such business; and if any resolution is to be proposed as a special resolution, the notice shall contain a statement to that effect.*
56. *Routine business shall mean and include only business transacted at an Annual General Meeting of the following classes, that is to say:*
- (a) *declaring dividends;*
- (b) *receiving and adopting the financial statements, the Directors' statement and the as' report and other documents required to be attached to the financial statements;*
- (c) *appointing or re-appointing Directors to fill vacancies arising at the meeting on retirement whether by rotation or otherwise;*
- (d) *appointing or re-appointing the auditors;*
- (e) *fixing the remuneration of the auditors or determining the manner in which such remuneration is to be fixed; and*
- (f) *fixing the remuneration of the Directors proposed to be paid in respect of their office as such under Regulation 82 and/or Regulation 83(A).*

All other business to be transacted at any General Meeting of the Company shall be deemed to be special business.

57. *Any notice of a General Meeting to consider special business shall be accompanied by a statement regarding the effect of any proposed resolution on the Company in respect of such special business.*

PROCEEDINGS AT GENERAL MEETINGS

58. *The Chairman of the Board, failing whom the deputy chairman (if any), shall preside as chairman at every General Meeting. If there is no such Chairman or deputy chairman or if at any General Meeting neither is present within fifteen minutes after the time appointed for holding the General Meeting or is unwilling to act, the Directors present shall choose one of their number (or, if no Director is present or if all the Directors present decline to take the chair, the members present shall choose one of their number) to be chairman of the meeting.*

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59. *No business other than the appointment of a chairman of the meeting shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business. Save as herein otherwise provided, the quorum at any General Meeting shall be two or more members present in person or by proxy. Provided always that (i) a proxy representing more than one member shall only count as one member for the purpose of determining the quorum; (ii) where a member is represented by more than one proxy such proxies shall count as only one member for the purpose of determining the quorum; and (iii) joint holders of any share shall be treated as one member for the purpose of determining the quorum.*
60. *If within thirty minutes from the time appointed for a General Meeting (or such longer interval as the chairman of the meeting may think fit to allow) a quorum is not present, the meeting, if convened on the requisition of members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week (or if that day is a public holiday then to the next business day following that public holiday) at the same time and place or such other day, time or place as the Directors may by not less than ten days' notice appoint. At the adjourned meeting any one or more members present in person or by proxy shall be a quorum.*
61. *The chairman of any General Meeting at which a quorum is present may with the consent of the meeting (and shall if so directed by the meeting) adjourn the meeting from time to time (or sine die) and from place to place, but no business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. Where a meeting is adjourned sine die, the time and place for the adjourned meeting shall be fixed by the Directors. When a meeting is adjourned for thirty days or more or sine die, not less than seven days' notice of the adjourned meeting shall be given in like manner as in the case of the original meeting.*
62. *Save as hereinbefore expressly provided, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.*
63. *If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling. In the case of a resolution duly proposed as a special resolution, no amendment thereto (other than a mere clerical amendment to correct a patent error) may in any event be considered or voted upon.*
64. (A) *If required by the listing rules of the Stock Exchange, all resolutions at General Meetings shall be voted by poll (unless such requirement is waived by the Stock Exchange).*
- (B) *Subject to Regulation 64(A), at any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by:*
- (a) *the chairman of the meeting; or*
 - (b) *not less than two members present in person or by proxy (where a member has appointed more than one proxy, any one of such proxies may present that member) or attorney or in the case of a corporation by a representative and entitled to vote at the meeting; or*
 - (c) *a member present in person or by proxy (where a member has appointed more than one proxy, any one of such proxies may present that member) or attorney or in the case of a corporation by a representative and representing not less than five per cent. of the total voting rights of all the members having the right to vote at the meeting; or*

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- (d) *a member present in person or by proxy (where a member has appointed more than one proxy, any one of such proxies may present that member) or attorney or in the case of a corporation by a representative and holding shares conferring a right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than five per cent. of the total sum paid up on all the shares conferring that right.*

A demand for a poll made pursuant to this Regulation 64(B) may be withdrawn only with the approval of the chairman of the meeting, and any such demand shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded. Unless a poll is demanded, a declaration by the chairman of the meeting that a resolution has been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the minute book, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded for or against such resolution

65. *Where a poll is taken, it shall be taken in such manner (including the use of ballot or voting papers or electronic means) as the chairman of the meeting may direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was taken. The chairman of the meeting may (and, if required by the listing rules of the Stock Exchange or if so directed by the meeting, shall) appoint at least one scrutineer who shall be independent of the persons undertaking the polling process, and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.*
66. *A poll on the choice of a chairman or on a question of adjournment shall be taken immediately. A poll on any other question shall be taken either immediately or at such subsequent time (not being more than thirty days from the date of the meeting) and place as the chairman may direct. No notice need be given of a poll not taken immediately.*
67. *In the case of an equality of votes, whether on a poll or on a show of hands, the chairman of the meeting at which the poll or show of hands takes place shall be entitled to a casting vote.*

VOTES OF MEMBERS

68. *Subject and without prejudice to any special privileges or restrictions as to voting for the time being attached to any special class of shares for the time being forming part of the capital of the Company and to Regulation 13(C), each member entitled to vote may vote in person or by proxy or attorney, and (in the case of a corporation) by a representative. Every member who is present in person or by proxy, attorney or representative shall:*
- (a) *on a poll, have one vote for every share which he holds or represents; and*
- (b) *on a show of hands, have one vote, Provided always that:*
- (i) *in the case of a member who is not a relevant intermediary and who is represented by two proxies, only one of the two proxies as determined by that member or, failing such determination, by the chairman of the meeting (or by a person authorised by him) in his sole discretion shall be entitled to vote on a show of hands; and*
- (ii) *in the case of a member who is a relevant intermediary and who is represented by two or more proxies, each proxy shall be entitled to vote on a show of hands.*

For the purpose of determining the number of votes which a member, being a Depositor, or his proxy may cast at any General Meeting on a poll, the reference to shares held or represented shall, in relation to shares of that Depositor, be the number of shares entered against his name in the Depository Register as at seventy-two hours before the time of the relevant General Meeting as certified by the Depository to the Company.

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69. *In the case of joint holders of a share the vote of the senior who tenders a vote, whether in person or by proxy or by attorney or in the case of a corporation by a representative, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members or (as the case may be) the Depository Register in respect of the share.*
70. *Where in Singapore or elsewhere a receiver or other person (by whatever name called) has been appointed by any court claiming jurisdiction in that behalf to exercise powers with respect to the property or affairs of any member on the ground (however formulated) of mental disorder, the Directors may in their absolute discretion, upon or subject to production of such evidence of the appointment as the Directors may require, permit such receiver or other person on behalf of such member to vote in person or by proxy at any General Meeting or to exercise any other right conferred by membership in relation to meetings of the Company.*
71. *No member shall, unless the Directors otherwise determine, be entitled in respect of shares held by him to vote at a General Meeting either personally or by proxy or to exercise any other right conferred by membership in relation to meetings of the Company if any call or other sum presently payable by him to the Company in respect of such shares remains unpaid.*
72. *No objection shall be raised as to the admissibility of any vote except at the meeting or adjourned meeting at which the vote objected to is or may be given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection shall be referred to the chairman of the meeting whose decision shall be final and conclusive.*
73. *On a poll, votes may be given either personally or by proxy, attorney or representative and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.*
74. (A) *Save as otherwise provided in the Act:*
- (a) *a member who is not a relevant intermediary may appoint not more than two proxies to attend, speak and vote at the same General Meeting. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy; and*
 - (b) *a member who is a relevant intermediary may appoint more than two proxies to attend, speak and vote at the same General Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.*
- (B) *In any case where a member is a Depositor, the Company shall be entitled and bound:*
- (a) *to reject any instrument of proxy lodged by that Depositor if he is not shown to have any shares entered against his name in the Depository Register as at seventy-two hours before the time of the relevant General Meeting as certified by the Depository to the Company; and*
 - (b) *to accept as the maximum number of votes which in aggregate the proxy or proxies appointed by that Depositor is or are able to cast on a poll a number which is the number of shares entered against the name of that Depositor in the Depository Register as at seventy-two hours before the time of the relevant*

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General Meeting as certified by the Depository to the Company, whether that number is greater or smaller than the number specified in any instrument of proxy executed by or on behalf of that Depositor.

- (C) *The Company shall be entitled and bound, in determining rights to vote and other matters in respect of a completed instrument of proxy submitted to it, to have regard to the instructions (if any) given by and the notes (if any) set out in the instrument of proxy.*
 - (D) *A proxy need not be a member of the Company.*
75. (A) *An instrument appointing a proxy shall be in writing in any usual or common form or in any other form which the Directors may approve and:*
- (a) *in the case of an individual, shall be:*
 - (i) *signed by the appointor or his attorney if the instrument is delivered personally or sent by post; or*
 - (ii) *authorised by that individual through such method and in such manner as may be approved by the Directors, if the instrument is submitted by electronic communication; and*
 - (b) *in the case of a corporation, shall be:*
 - (i) *either given under its common seal or such alternative to sealing or signed on its behalf by an attorney or a duly authorised officer of the corporation if the instrument is delivered personally or sent by post; or*
 - (ii) *authorised by that corporation through such method and in such manner as may be approved by the Directors, if the instrument is submitted by electronic communication.*

The Directors may, for the purposes of Regulation 75(A)(a)(ii) and 75(A)(b)(ii), designate procedures for authenticating any such instrument, and any such instrument not so authenticated by use of such procedures shall be deemed not to have been received by the Company.

- (B) *The signature on, or authorisation of, such instrument need not be witnessed. Where an instrument appointing a proxy is signed or authorised on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy pursuant to Regulation 76(A), failing which the instrument may be treated as invalid.*
- (C) *The Directors may, in their absolute discretion:*
 - (a) *approve the method and manner for an instrument appointing a proxy to be authorised; and*
 - (b) *designate the procedure for authenticating an instrument appointing a proxy,*

as contemplated in Regulation 75(A)(a)(ii) and 75(A)(b)(ii) for application to such members or class of members as they may determine. Where the Directors do not so approve and designate in relation to a member (whether of a class or otherwise), Regulation 75(A)(a)(i) and/or (as the case may be) Regulation 75(A)(b)(i) shall apply.

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76. (A) *An instrument appointing a proxy:*

- (a) *if sent personally or by post, must be left at such place or one of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified, at the Office); or*
- (b) *if submitted by electronic communication, must be received through such means as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting,*

and in either case, not less than seventy-two hours before the time appointed for the holding of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used, and in default shall not be treated as valid. The instrument shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates; Provided always that an instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered in accordance with this Regulation 76(A) for the purposes of any meeting shall not be required again to be delivered for the purposes of any subsequent meeting to which it relates.

- (B) *The Directors may, in their absolute discretion, and in relation to such members or class of members as they may determine, specify the means through which instruments appointing a proxy may be submitted by electronic communications, as contemplated in Regulation 76(A)(b). Where the Directors do not so specify in relation to a member (whether of a class or otherwise), Regulation 76(A)(a) shall apply.*

77. *An instrument appointing a proxy shall be deemed to include the right to demand or join in demanding a poll, to move any resolution or amendment thereto and to speak at the meeting.*

78. *A vote cast by proxy shall not be invalidated by the previous death or mental disorder of the principal or by the revocation of the appointment of the proxy or of the authority under which the appointment was made, Provided always that no intimation in writing of such death, mental disorder or revocation shall have been received by the Company at the Office at least one hour before the commencement of the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) the time appointed for the taking of the poll at which the vote is cast.*

CORPORATIONS ACTING BY REPRESENTATIVES

79. *Any corporation which is a member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual member of the Company and such corporation shall for the purposes of this Constitution (but subject to the Act) be deemed to be present in person at any such meeting if a person so authorised is present thereat.*

3. The rights of Shareholders in respect of dividends

RESERVES

123. *The Directors may from time to time set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Directors, shall be applicable for any purpose to which the profits of the Company may properly be applied and*

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pending such application may either be employed in the business of the Company or be invested. The Directors may divide the reserve into such special funds as they think fit and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided. The Directors may also, without placing the same to reserve, carry forward any profits. In carrying sums to reserve and in applying the same the Directors shall comply with the provisions (if any) of the Statutes.

DIVIDENDS

124. *The Company may by ordinary resolution declare dividends but no such dividend shall exceed the amount recommended by the Directors.*
125. *If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may declare and pay the fixed dividends on any class of shares carrying a fixed dividend expressed to be payable on fixed dates on the half-yearly or other dates prescribed for the payment thereof and may also from time to time declare and pay interim dividends on shares of any class of such amounts and on such dates and in respect of such periods as they think fit.*
126. *Subject to any rights or restrictions attached to any shares or class of shares and except as otherwise permitted under the Act:*
- (a) all dividends in respect of shares must be paid in proportion to the number of shares held by a member but where shares are partly paid all dividends must be apportioned and paid proportionately to the amounts paid or credited as paid on the partly paid shares; and*
 - (b) all dividends must be apportioned and paid proportionately to the amounts so paid or credited as paid during any portion or portions of the period in respect of which the dividend is paid.*
- For the purposes of this Regulation 126, an amount paid or credited as paid on a share in advance of a call is to be ignored.*
127. *No dividend shall be paid otherwise than out of profits available for distribution under the provisions of the Statutes.*
128. *No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company.*
129. (A) *The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.*
- (B) *The Directors may retain the dividends payable upon shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a member, or which any person is under those provisions entitled to transfer, until such person shall become a member in respect of such shares or shall transfer the same.*
130. *The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the shareholder (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Company.*

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131. *The payment by the Directors of any unclaimed dividends or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof. All dividends and other moneys payable on or in respect of a share that are unclaimed after first becoming payable may be invested or otherwise made use of by the Directors for the benefit of the Company and any dividend or any such moneys unclaimed after a period of six years from the date they are first payable shall be forfeited and shall revert to the Company but the Directors may at any time thereafter at their absolute discretion annul any such forfeiture and pay the moneys so forfeited to the person entitled thereto prior to the forfeiture. If the Depository returns any such dividend or moneys to the Company, the relevant Depositor shall not have any right or claim in respect of such dividend or moneys against the Company if a period of six years has elapsed from the date such dividend or other moneys are first payable.*
132. *The Company may upon the recommendation of the Directors by ordinary resolution direct payment of a dividend in whole or in part by the distribution of specific assets (and in particular of paid-up shares or debentures of any other company) and the Directors shall give effect to such resolution. Where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may issue fractional certificates, may fix the value for distribution of such specific assets or any part thereof, may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors.*
133. (A) *Whenever the Directors or the Company in General Meeting have resolved or proposed that a dividend (including an interim, final, special or other dividend) be paid or declared on shares of a particular class in the capital of the Company, the Directors may further resolve that members entitled to such dividend be entitled to elect to receive an allotment of shares of that class credited as fully paid in lieu of cash in respect of the whole or such part of the dividend as the Directors may think fit. In such case, the following provisions shall apply:*
- (a) *the basis of any such allotment shall be determined by the Directors;*
 - (b) *the Directors shall determine the manner in which members shall be entitled to elect to receive an allotment of shares of the relevant class credited as fully paid in lieu of cash in respect of the whole or such part of any dividend in respect of which the Directors shall have passed such a resolution as aforesaid, and the Directors may make such arrangements as to the giving of notice to members, providing for forms of election for completion by members (whether in respect of a particular dividend or dividends or generally), determining the procedure for making such elections or revoking the same and the place at which and the latest date and time by which any forms of election or other documents by which elections are made or revoked must be lodged, and otherwise make all such arrangements and do all such things, as the Directors consider necessary or expedient in connection with the provisions of this Regulation 133;*
 - (c) *the right of election may be exercised in respect of the whole of that portion of the dividend in respect of which the right of election has been accorded, Provided always that the Directors may determine, either generally or in any specific case, that such right shall be exercisable in respect of the whole or any part of that portion; and*
 - (d) *the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on the shares of the relevant class in respect whereof the share election has been duly exercised (the "elected shares") and, in lieu and in satisfaction thereof, shares of the relevant class shall be allotted and credited as fully paid to the holders of the elected*

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shares on the basis of allotment determined as aforesaid. For such purpose and notwithstanding the provisions of Regulation 138, the Directors shall (i) capitalise and apply out of the amount standing to the credit of any of the Company's reserve accounts or any amount standing to the credit of the profit and loss account or otherwise available for distribution as the Directors may determine, such sum as may be required to pay up in full the appropriate number of shares for allotment and distribution to and among the holders of the elected shares on such basis, or (ii) apply the sum which would otherwise have been payable in cash to the holders of the elected shares towards payment of the appropriate number of shares of the relevant class for allotment and distribution to and among the holders of the elected shares on such basis.

- (B) *The shares of the relevant class allotted pursuant to the provisions of Regulation 133(A) shall rank pari passu in all respects with the shares of that class then in issue save only as regards participation in the dividend which is the subject of the election referred to above (including the right to make the election referred to above) or any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneous with the payment or declaration of the dividend which is the subject of the election referred to above, unless the Directors shall otherwise specify.*
 - (C) *The Directors may, on any occasion when they resolve as provided in Regulation 133(A), determine that rights of election under that Regulation shall not be made available to the persons who are registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register, or in respect of shares, the transfer of which is registered, after such date as the Directors may fix subject to such exceptions as the Directors think fit, and in such event the provisions of this Regulation 133 shall be read and construed subject to such determination.*
 - (D) *The Directors may, on any occasion when they resolve as provided in Regulation 133(A), further determine that no allotment of shares or rights of election for shares under Regulation 133(A) shall be made available or made to members whose registered addresses entered in the Register of Members or (as the case may be) the Depository Register is outside Singapore or to such other members or class of members as the Directors may in their sole discretion decide and in such event the only entitlement of the members aforesaid shall be to receive in cash the relevant dividend resolved or proposed to be paid or declared.*
 - (E) *Notwithstanding the foregoing provisions of this Regulation 133, if at any time after the Directors' resolution to apply the provisions of Regulation 133(A) in relation to any dividend but prior to the allotment of shares pursuant thereto, the Directors shall consider that by reason of any event or circumstance (whether arising before or after such resolution) or by reason of any matter whatsoever it is no longer expedient or appropriate to implement that proposal, the Directors may at their discretion and as they deem fit in the interest of the Company and without assigning any reason therefor, cancel the proposed application of Regulation 133(A).*
 - (F) *The Directors may do all acts and things considered necessary or expedient to give effect to the provisions of Regulation 133(A), with full power to make such provisions as they think fit in the case of shares of the relevant class becoming distributable in fractions (including, notwithstanding any provision to the contrary in this Constitution, provisions whereby, in whole or in part, fractional entitlements are disregarded or rounded up or down).*
134. *Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address appearing in the Register of Members or (as the case may be) the Depository Register of a member or person entitled thereto (or, if two or more persons are registered in the Register of Members or*

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(as the case may be) entered in the Depository Register as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder, to any one of such persons) or to such person at such address as such member or person or persons may by writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the share in consequence of the death or bankruptcy of the holder may direct and payment of the cheque or warrant by the banker upon whom it is drawn shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby.

135. *Notwithstanding the provisions of Regulations 134 and 137, the payment by the Company to the Depository of any dividend payable to a Depositor shall, to the extent of the payment made to the Depository, discharge the Company from any liability to the Depositor in respect of that payment.*
136. *If two or more persons are registered in the Register of Members or (as the case may be) the Depository Register as joint holders of any share, or are entitled jointly to a share in consequence of the death or bankruptcy of the holder, any one of them may give effectual receipts for any dividend or other moneys payable or property distributable on or in respect of the share.*
137. *Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in General Meeting or a resolution of the Directors, may specify that the same shall be payable to the persons registered as the holders of such shares in the Register of Members or (as the case may be) the Depository Register at the close of business on a particular date and thereupon the dividend shall be payable to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend of transferors and transferees of any such shares.*

BONUS ISSUES AND CAPITALISATION OF PROFITS AND RESERVES

138. (A) *The Directors may, with the sanction of an ordinary resolution of the Company, including any ordinary resolution passed pursuant to Regulation 11(B):*
- (a) *issue bonus shares for which no consideration is payable to the Company to the persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on:*
- (i) *the date of the ordinary resolution (or such other date as may be specified therein or determined as therein provided); or*
- (ii) *(in the case of an ordinary resolution passed pursuant to Regulation 11(B)) such other date as may be determined by the Directors,*
- in proportion to their then holdings of shares; and/or*
- (b) *capitalise any sum standing to the credit of any of the Company's reserve accounts or other undistributable reserve or any sum standing to the credit of the profit and loss account by appropriating such sum to the persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on:*
- (i) *the date of the ordinary resolution (or such other date as may be specified therein or determined as therein provided); or*
- (ii) *(in the case of an ordinary resolution passed pursuant to Regulation 11(B)) such other date as may be determined by the Directors,*

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in proportion to their then holdings of shares and applying such sum on their behalf in paying up in full new shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being issued, new shares of any other class not being redeemable shares) for allotment and distribution credited as fully paid up to and amongst them as bonus shares in the proportion aforesaid.

- (B) *The Directors may do all acts and things considered necessary or expedient to give effect to any such bonus issue and/or capitalisation under Regulation 138(A), with full power to the Directors to make such provisions as they think fit for any fractional entitlements which would arise on the basis aforesaid (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the members concerned). The Directors may authorise any person to enter on behalf of all the members interested into an agreement with the Company providing for any such bonus issue or capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.*

139. *In addition and without prejudice to the powers provided for by Regulation 138, the Directors shall have power to issue shares for which no consideration is payable and/or to capitalise any undivided profits or other moneys of the Company not required for the payment or provision of any dividend on any shares entitled to cumulative or non-cumulative preferential dividends (including profits or other moneys carried and standing to any reserve or reserves) and to apply such profits or other moneys in paying up in full new shares, in each case on terms that such shares shall, upon issue:*

- (a) *be held by or for the benefit of participants of any share incentive or option scheme or plan implemented by the Company and approved by shareholders in General Meeting and on such terms as the Directors shall think fit; or*
- (b) *be held by or for the benefit of non-executive Directors as part of their remuneration under Regulation 82 and/or Regulation 83(A) approved by shareholders in General Meeting in such manner and on such terms as the Directors shall think fit.*

The Directors may do all such acts and things considered necessary or expedient to give effect to any of the foregoing."

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AUDITED FINANCIAL RESULTS FOR FY2024

STATEMENT BY DIRECTORS

The directors are pleased to present the accompanying consolidated financial statements of Broadway Industrial Group Limited (the “company”) and its subsidiaries (collectively the “group”) and the statement of financial position and statement of changes in equity of the company for the reporting year ended 31 December 2024.

1. Opinion of the directors

In the opinion of the directors,

- (a) the accompanying financial statements and the consolidated financial statements are drawn up so as to give a true and fair view of the financial position and performance of the company and, of the financial position and performance of the group for the reporting year covered by the financial statements or consolidated financial statements; and
- (b) at the date of this statement, there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

The board of directors approved and authorised these financial statements for issue.

2. Directors

The directors of the company in office at the date of this statement are:

Wee Liang Kiang (Appointed on 27 December 2024)
Basil Chan
Teo Ho Pin
Jen Kwong Hwa
Tan Ping Hao (Appointed on 27 December 2024)

3. Directors’ interests in shares and debentures

The directors of the company holding office at the end of the reporting year had no interests in shares in or debentures of the company or other related body corporate as recorded in the register of directors’ interests in shares in or debentures kept by the company under section 164 of the Companies Act 1967 (the “Act”) except as follows:

Name of directors and companies in which interests are held	Direct interests	
	At beginning of the reporting year	At end of the reporting year
<u>The company</u>	<u>Number of ordinary shares of no par value</u>	
Basil Chan	150,000	–
Teo Ho Pin	265,100	–

The directors’ interests as at 21 January 2025 were the same as those at the end of the reporting year.

4. Arrangements to enable directors to acquire benefits by means of the acquisition of shares and debentures

Neither at the end of the reporting year nor at any time during the reporting year did there subsist arrangements to which the company is a party, being arrangements whose objects are, or one of whose objects is, to enable directors of the company to acquire benefits by means of the acquisition of shares in or debentures of the company or any other body corporate except as disclosed under the “Share Plan” and “Share Option Scheme” in this statement below.

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AUDITED FINANCIAL RESULTS FOR FY2024

STATEMENT BY DIRECTORS

5. BIGL Share Plan and BIGL Share Option Scheme 2022

The BIGL Share Plan 2022 (the “2022 Plan”) and the BIGL Share Option Scheme 2022 (the “2022 Scheme”) of the company were approved and adopted by its shareholders at an Extraordinary General Meeting (“EGM”) held on 28 February 2022. The 2022 Plan and the 2022 Scheme are administered by the Remuneration Committee of the company and shall continue to be in force at the discretion of the Remuneration Committee, subject to a maximum period of 10 years commencing on the date of the 2022 EGM.

BIGL Share Plan 2022

The Plan is intended to reward, retain and motivate participants whose contributions are essential to the long-term success and development of the group and who excelled in their performance and encourages greater, dedication, loyalty and higher standards of performance.

Employees of the group including non-executive directors of the company are eligible to participate in the Plan subject to the absolute discretion of the Remuneration Committee. Controlling shareholders and their associates are not eligible to participate in the Plan.

Awards are released to participants as fully paid shares upon expiry of the prescribed vesting periods or retention periods and subject to conditions prescribed in the Plan.

During the year, a first issuance of 2,600,000 (2023: Nil) share awards were granted under the 2022 Plan. In conjunction with the mandatory conditional cash offer by Patec Pte. Ltd. to acquire all the issued and paid-up ordinary shares in the capital of the company and pursuant to the rules of the 2022 Plan, all 2,600,000 share awards had lapsed. As at 31 December 2024, there was no outstanding shares (2023: Nil) in respect of the unissued share awards under the 2022 Plan.

BIGL Share Option Scheme 2022

Under the Scheme, participants are required to pay a subscription price for the exercise of the options. The group’s employees including non-executive directors of the company are eligible to participate in the 2022 Scheme at the absolute discretion of the Remuneration Committee. Controlling shareholders and their associates are not eligible to participate in the 2022 Scheme.

The eligible participants may be granted either a market price option or an incentive option. A market price option shall be at a price (the “Market Price”) equal to the average of the last dealt prices for a share, as determined by reference to the daily official list made available by the SGX-ST, for the 5 market days immediately preceding the offer date of that option, rounded up to the nearest whole cent. A market price option is exercisable during a period commencing after the first anniversary of the offer date and expiring on the 5th or 10th anniversary of such offer date. An incentive option shall be determined by the Remuneration Committee at its absolute discretion, and fixed by the Remuneration Committee at a price which is set at a discount to the market price, provided that, the maximum discount shall not exceed 20% of the Market Price. An incentive option is exercisable during a period commencing after the second anniversary of the offer date and expiring on the 5th or 10th anniversary of such offer date.

The aggregate number of shares available under the 2022 Plan and the 2022 Scheme shall not exceed 15% of the company’s total issued shares (excluding treasury shares).

During the year, a second issuance of 7,450,000 (2023: 2,850,000) share options were granted under the 2022 Scheme. From the total 10,300,000 share options granted under the 2022 Scheme, 2,450,000 options were exercised in FY2024 in accordance with the rules of the 2022 Scheme. As at 31 December 2024, there were 7,850,000 (2023: 2,850,000) outstanding shares in respect of the unissued share options under the 2022 Scheme.

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AUDITED FINANCIAL RESULTS FOR FY2024

STATEMENT BY DIRECTORS

5. BIGL Share Plan and BIGL Share Option Scheme 2022 (Continued)

At the end of the reporting year, details of the options granted under the Scheme on the unissued ordinary shares of the company are as follows:

Date of grant	Exercise price per share	Options outstanding as at 1 January 2024	Options granted in 2024	Options outstanding as at 31 December 2024	Number of option holders as at 31 December 2024	Exercise period
	\$					
5 May 2023	0.09	600,000	–	–	–	05/05/2024 to 04/05/2028
5 May 2023	0.09	2,250,000	–	1,200,000	3	05/05/2024 to 04/05/2033
24 May 2024	0.15	–	600,000	–	–	24/05/2025 to 23/05/2029
24 May 2024	0.15	–	6,850,000	6,650,000	26	24/05/2025 to 23/05/2034
		<u>2,850,000</u>	<u>7,450,000</u>	<u>7,850,000</u>		

Details of options granted to certain directors and chief executive officer under the Scheme are as follows:

	Aggregate options granted since commencement of Scheme to 31 December 2024	Aggregate options exercised since commencement of Scheme to 31 December 2024	Aggregate options forfeited since commencement of Scheme to 31 December 2024	Aggregate options outstanding as at 31 December 2024
<u>Name of directors</u>				
Basil Chan	400,000	(400,000)	–	–
Teo Ho Pin	400,000	(400,000)	–	–
Jen Kwong Hwa	400,000	(400,000)	–	–
	<u>1,200,000</u>	<u>(1,200,000)</u>	<u>–</u>	<u>–</u>
<u>Name of chief executive officer</u>				
Tan Choon Hoong	<u>2,000,000</u>	<u>(400,000)</u>	<u>–</u>	<u>1,600,000</u>

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AUDITED FINANCIAL RESULTS FOR FY2024

STATEMENT BY DIRECTORS

6. Audit committee

Basil Chan (Chairman)	Lead independent director
Teo Ho Pin	Independent and non-executive director
Jen Kwong Hwa	Independent and non-executive director
Tan Ping Hao	Non-executive director (Appointed on 27 December 2024)

The Audit Committee performs its functions specified in Section 201B(5) of the Act, the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST") and the Code of Corporate Governance. Among other functions, the Audit Committee performed the following functions:

- Reviewed with the company's internal auditor, the scope of the internal audit plan, the internal audit report and the results of the internal audit procedures, including those relating to financial, operational, compliance and information technology controls and risk management;
- Reviewed with the company's external auditor, the scope of the external audit plan, the external audit report, the results of the external audit procedures, and the evaluation of the internal accounting control that are relevant to the statutory audit;
- Reviewed the assistance provided by the company's officers to the internal and external auditors;
- Reviewed the financial information and the annual financial statements of the group and of the company prior to their submission to the Board of Directors of the company for adoption; and
- Reviewed interested person transactions (as defined in Chapter 9 of the SGX-ST's Listing Manual).

The Audit Committee has full access to the management of the company and is given the resources required for it to discharge its functions. It has full authority and discretion to invite any director or executive officer to attend its meetings. The Audit Committee also recommends the appointment of the external auditors and reviews the level of audit and non-audit fees. Other functions performed by the Audit Committee are described in the Corporate Governance Report included in the Annual Report of the company. It also includes an explanation of how the external auditor's objectivity and independence is safeguarded where the independent auditor provides non-audit services.

The Audit Committee is satisfied with the independence and objectivity of the external auditor and has recommended to the Board of Directors that RSM SG Assurance LLP be nominated for re-appointment as external auditor of the company at the forthcoming Annual General Meeting of the company.

In relation to the appointment of the external auditor, the Audit Committee is satisfied that the company is in compliance with Rules 712, 715 and 716 of the SGX-ST's Listing Manual.

7. Independent auditor

RSM SG Assurance LLP has expressed willingness to accept re-appointment.

8. Directors' opinion on the adequacy of internal controls

Based on the internal controls established and maintained by the company, work performed by the internal auditor and independent external auditor, and reviews performed by management, other committees of the board and the board, the board, with the concurrence of the audit committee, is of the opinion that the company's internal controls (including financial, operational, compliance and information technology controls), and risk management systems were adequate and effective as at 31 December 2024 to address the risks that the company considers relevant and material to its operations.

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AUDITED FINANCIAL RESULTS FOR FY2024

**STATEMENT BY
DIRECTORS**

9. Subsequent developments

There are no significant developments subsequent to the release of the group's and the company's preliminary financial statements, as announced on 21 February 2025, which would materially affect the group's and the company's operating and financial performance as of the date of this statement.

On behalf of the directors

Wee Liang Kiang
Director

1 April 2025

Basil Chan
Director

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AUDITED FINANCIAL RESULTS FOR FY2024

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BROADWAY INDUSTRIAL GROUP LIMITED

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of Broadway Industrial Group Limited (the "company") and its subsidiaries (collectively, the "group"), which comprise the consolidated statement of financial position of the group and the statement of financial position of the company as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the group, and statement of changes in equity of the company for the reporting year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the group and the statement of financial position and statement of changes in equity of the company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)") so as to give a true and fair view of the consolidated financial position of the group and the financial position of the company as at 31 December 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the group and the changes in equity of the company for the reporting year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current reporting year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

(1) Carrying values of property, plant and equipment and right-of-use assets

Please refer to Notes 15 and 16 to the financial statements for details.

As at 31 December 2024, the carrying values of the group's property, plant and equipment and right-of-use assets amounted to \$57,016,000 (2023: \$61,753,000) and \$4,224,000 (2023: \$5,789,000) respectively.

Management assessed and determined that there were indicators of impairment in relation to the group's property, plant and equipment and right-of-use assets used in the group's HDD Business due to the current economic environment and geopolitical uncertainties.

Management applied the value-in-use method (i.e. management's discounted cash flows of the HDD Business) to determine the recoverable amounts of the group's property, plant and equipment and right-of-use assets. Based on management's assessment, the recoverable amount of the group's property, plant and equipment and right-of-use assets was higher than their carrying values.

In estimating the value-in-use, management exercised significant judgement in projecting the HDD Business's revenue growth rate, gross profit margin, EBITDA margin, future capital expenditure, discount rate and terminal value rate. There are also estimation uncertainties. Management's judgement and the key assumptions and significant unobservable inputs used in the value-in-use calculation are disclosed in Notes 15 and 16 to the financial statements.

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AUDITED FINANCIAL RESULTS FOR FY2024

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BROADWAY INDUSTRIAL GROUP LIMITED

Key audit matters (Continued)

(1) Carrying values of property, plant and equipment and right-of-use assets (Continued)

With the assistance of our in-house valuation specialists and using our knowledge of the industry, the group's past historical performance and future plans, we assessed the appropriateness of the valuation methodology adopted and evaluated the reasonableness of the HDD Business's revenue growth rate, gross profit margin, EBITDA margin, terminal value rate and other estimates used by management in preparing the discounted cash flow forecast. We also independently recomputed the discount rate applied, using available industry data and performed sensitivity analysis on the outcome of the value-in-use calculation.

We reviewed the adequacy of the disclosures in the financial statements.

(2) Carrying value of investment in BIGL Asia Pte. Ltd.

Please refer to Note 17B to the financial statements for details.

As at 31 December 2024, the carrying amount of the company's investment in a subsidiary, BIGL Asia Pte. Ltd. ("BIGL Asia") amounted to \$104,000,000.

Management applied the value-in-use method (i.e. management's discounted cash flows of the HDD Business) to determine the recoverable amount of the company's investment in BIGL Asia.

Based on management's assessment, the recoverable amount of the company's investment in BIGL Asia was higher than its carrying amount.

In estimating the value-in-use, management exercised significant judgement in projecting the HDD Business's revenue growth rate, gross profit margin, EBITDA margin, future capital expenditure, discount rate and terminal value. There are also estimation uncertainties. Management's judgement and the key assumptions and significant unobservable inputs used in the value-in-use calculation are disclosed in Note 17B to the financial statements.

With the assistance of our in-house valuation specialists and using our knowledge of the industry, the group's past historical performance and future plans, we assessed the appropriateness of the valuation methodology adopted and evaluated the reasonableness of the HDD Business's revenue growth rate, gross profit margin, EBITDA margin, terminal value rate and other estimates used in preparing the discounted cash flow forecast. We also independently recomputed the discount rate applied, using available industry data and performed sensitivity analysis on the outcome of the value-in-use calculation.

We evaluated the adequacy of the disclosures included in the financial statements.

Other information

Management is responsible for the other information. The other information comprises the statement by directors but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

APPENDIX F

AUDITED FINANCIAL RESULTS FOR FY2024

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BROADWAY INDUSTRIAL GROUP LIMITED

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and the financial reporting standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the group's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

APPENDIX F

AUDITED FINANCIAL RESULTS FOR FY2024

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BROADWAY INDUSTRIAL GROUP LIMITED

Auditor's responsibilities for the audit of the financial statements (Continued)

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Chua Ling Ling.

RSM SG Assurance LLP
Public Accountants and
Chartered Accountants
Singapore

1 April 2025

Engagement partner – effective from the reporting year ended 31 December 2023

APPENDIX F
AUDITED FINANCIAL RESULTS FOR FY2024

**CONSOLIDATED STATEMENT OF
PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

YEAR ENDED 31 DECEMBER 2024

	Note	2024 \$'000	2023 \$'000
Revenue	5	352,230	258,673
Cost of sales		(320,422)	(244,651)
Gross profit		31,808	14,022
Other income	6	2,153	1,501
Distribution expenses		(1,186)	(798)
Administrative expenses		(14,239)	(7,901)
Sales and marketing expenses		(599)	(963)
Other expenses	6	(648)	(1,254)
Finance income	7	984	543
Finance costs	8	(1,999)	(2,565)
Profit before income tax	9	16,274	2,585
Income tax (expense) / income	11	(4,453)	354
Profit from continuing operations for the year, net of tax		11,821	2,939
Loss from discontinued operations, net of tax	12	–	(564)
Profit for the year		11,821	2,375
Other comprehensive income / (loss):			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translating foreign operations, net of tax		2,821	(1,509)
Total comprehensive income		14,642	866
Profit for the year attributable to:			
- Owners of the company		12,151	3,085
- Non-controlling interests		(330)	(710)
		11,821	2,375
Total comprehensive income attributable to:			
- Owners of the company		14,972	1,585
- Non-controlling interests		(330)	(719)
		14,642	866
Earnings per share	13	Cents	Cents
Basic			
- Continuing operations		2.67	0.77
- Discontinued operations		–	(0.09)
Total		2.67	0.68
Diluted			
- Continuing operations		2.67	0.77
- Discontinued operations		–	(0.09)
Total		2.67	0.68

The accompanying notes form an integral part of these financial statements.

APPENDIX F

AUDITED FINANCIAL RESULTS FOR FY2024

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

		Group		Company	
	Note	2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000
ASSETS					
<u>Non-current assets</u>					
Property, plant and equipment	15	57,016	61,753	60	147
Right-of-use assets	16	4,224	5,789	102	307
Investments in subsidiaries	17	–	–	104,000	104,000
Other assets	18	52	52	52	52
Total non-current assets		61,292	67,594	104,214	104,506
<u>Current assets</u>					
Inventories	20	28,647	21,035	–	–
Trade and other receivables	19	111,088	73,442	9,533	10,644
Other assets	21	995	1,251	2	10
Cash and cash equivalents	22	34,272	33,901	556	302
Total current assets		175,002	129,629	10,091	10,956
Total assets		236,294	197,223	114,305	115,462
EQUITY AND LIABILITIES					
<u>Equity attributable to owners of the company</u>					
Share capital	23	113,163	113,163	113,163	113,163
Retained earnings / (Accumulated losses)	24	2,201	(4,831)	1,471	4,546
Other reserves	25	(15,957)	(19,572)	(2,229)	(3,023)
Equity attributable to owners of the company		99,407	88,760	112,405	114,686
Non-controlling interests		–	102	–	–
Total equity		99,407	88,862	112,405	114,686
<u>Non-current liabilities</u>					
Other liabilities	27	1,997	1,648	–	–
Lease liabilities	28	3,665	5,670	–	93
Loans and borrowings	29	2,719	–	–	–
Total non-current liabilities		8,381	7,318	–	93
<u>Current liabilities</u>					
Income tax payable		6,177	3,044	5	5
Trade and other payables	30	112,313	91,498	1,802	495
Loans and borrowings	29	7,808	3,849	–	–
Lease liabilities	28	2,208	2,652	93	183
Total current liabilities		128,506	101,043	1,900	683
Total liabilities		136,887	108,361	1,900	776
Total equity and liabilities		236,294	197,223	114,305	115,462

The accompanying notes form an integral part of these financial statements.

APPENDIX F
AUDITED FINANCIAL RESULTS FOR FY2024

**STATEMENT OF
CHANGES IN EQUITY**

YEAR ENDED 31 DECEMBER 2024

Group:	Share capital \$'000	Retained earnings / (Accumulated losses) \$'000	Other reserves \$'000	Attributable to owners of the company sub-total \$'000	Non-controlling interest \$'000	Total equity \$'000
Current year:						
Opening balance at 1 January 2024	113,163	(4,831)	(19,572)	88,760	102	88,862
Total comprehensive income for the year	–	12,151	2,821	14,972	(330)	14,642
Acquisition of a non-controlling interest without a change in control	–	(573)	–	(573)	228	(345)
Share-based payment (Note 25A and 25C)	–	–	794	794	–	794
Dividend paid (Note 14)	–	(4,546)	–	(4,546)	–	(4,546)
Closing balance at 31 December 2024	113,163	2,201	(15,957)	99,407	–	99,407
Previous year:						
Opening balance at 1 January 2023	113,163	(8,316)	(17,672)	87,175	801	87,976
Total comprehensive income for the year	–	3,085	(1,500)	1,585	(719)	866
Capital contribution by non-controlling interest	–	–	–	–	132	132
Share-based payment (Note 25)	–	400	(400)	–	–	–
Disposal of subsidiaries - discontinued operations	–	–	–	–	(112)	(112)
Closing balance at 31 December 2023	113,163	(4,831)	(19,572)	88,760	102	88,862

Company:	Share capital \$'000	Retained earnings \$'000	Other reserves \$'000	Total equity \$'000
Current year:				
Opening balance at 1 January 2024	113,163	4,546	(3,023)	114,686
Total comprehensive income for the year	–	1,471	–	1,471
Share-based payment (Note 25A and 25C)	–	–	794	794
Dividend paid (Note 14)	–	(4,546)	–	(4,546)
Closing balance at 31 December 2024	113,163	1,471	(2,229)	112,405
Previous year:				
Opening balance at 1 January 2023	113,163	4,296	(2,643)	114,816
Total comprehensive loss for the year	–	(150)	20	(130)
Share-based payment (Note 25)	–	400	(400)	–
Closing balance at 31 December 2023	113,163	4,546	(3,023)	114,686

The accompanying notes form an integral part of these financial statements.

APPENDIX F
AUDITED FINANCIAL RESULTS FOR FY2024

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 31 DECEMBER 2024

	2024 \$'000	2023 \$'000
<u>Cash flows from operating activities</u>		
Profit before tax from continuing operations	16,274	2,585
Loss before tax from discontinued operations	–	(564)
Allowance for inventory obsolescence – (reversal)	27	(109)
Depreciation of property, plant and equipment	8,342	9,599
Depreciation of right-of-use assets	2,518	1,971
Equity-settled share-based payment transactions	526	–
Loss on disposal of investment in subsidiaries	–	45
Loss on disposal of property, plant and equipment	93	164
Interest expense	1,999	2,565
Interest income	(984)	(543)
Operating cash flows before changes in working capital	28,795	15,713
Inventories	(8,414)	6,349
Trade and other receivables	(40,353)	(49,078)
Other assets	210	(147)
Trade and other payables	24,183	46,296
Other liabilities	410	(228)
Net cash flows from operating activities	4,831	18,905
Income taxes paid	(1,527)	(382)
Net cash flows from operating activities	3,304	18,523
<u>Cash flows from investing activities</u>		
Capital contribution by non-controlling interests	–	132
Transaction with a non-controlling interest of a subsidiary	(337)	–
Purchase of property, plant and equipment	(2,898)	(7,001)
Proceeds from disposal of property, plant and equipment	151	468
Interest received	984	543
Net cash flows used in investing activities	(2,100)	(5,858)
<u>Cash flows from financing activities</u>		
Cash pledged as security	–	(10)
Proceeds from bank borrowings	9,676	7,661
Repayment of bank borrowings	(3,140)	(10,576)
Dividends paid to shareholders of the company	(4,546)	–
Payment for principal portion of lease liabilities	(3,545)	(2,232)
Proceeds from exercise of share options	269	–
Interest expense paid	(1,999)	(2,565)
Net cash flows used in financing activities	(3,285)	(7,722)
Net (decrease) / increase in cash and cash equivalents	(2,081)	4,943
Cash and cash equivalents, consolidated statement of cash flows, beginning balance	33,715	29,184
Effect of exchange rate fluctuations on cash held	2,446	(412)
Cash and cash equivalents, consolidated statement of cash flows, ending balance (Note 22A)	34,080	33,715

The accompanying notes form an integral part of these financial statements.

APPENDIX F

AUDITED FINANCIAL RESULTS FOR FY2024

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

1. General information

Broadway Industrial Group Limited (the “company”) (Registration No. 199405266K) is incorporated in Singapore with limited liability. The financial statements are presented in Singapore dollars and they cover the company and the subsidiaries (collectively, the “group”). All financial information in these financial statements are rounded to the nearest thousand (“\$’000”) except when otherwise indicated.

The board of directors approved and authorised these financial statements for issue on the date of the statement by directors. The directors have the power to amend and reissue the financial statements.

The company is an investment holding company.

The company is listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”).

The principal activities of the subsidiaries are disclosed in Note 17 below.

The registered office and principal place of business of the company is located at 202 Kallang Bahru #07-01 Work Plus Store Spaze, Singapore 339339.

Statement of compliance with financial reporting standards

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) (“SFRS(I)s”) and the related Interpretations to SFRS(I) (“SFRS(I) INT”) as issued by the Accounting Standards Committee under ACRA (“ASC”). They comply with the provisions of the Companies Act 1967 and with the International Financial Reporting Standards issued by the International Accounting Standards Board (“IASB”).

Basis of preparation of the financial statements

The financial statements are prepared on a going concern basis under the historical cost convention except where a financial reporting standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in the financial reporting standards may not be applied when the effect of applying them is not material.

Basis of presentation and principles of consolidation

The consolidated financial statements of the group include the financial statements made up to the end of the reporting year of the company and all of its subsidiaries, presented as those of a single economic entity and are prepared using uniform accounting policies for like transactions and other events in similar circumstances. All significant intragroup balances and transactions are eliminated on consolidation. Subsidiaries are consolidated from the date the reporting entity obtains control of the investee. They are de-consolidated from the date that control ceases.

Basis of presentation and principles of consolidation

Changes in the group’s ownership interest in a subsidiary that do not result in the loss of control are accounted for within equity as transactions with owners in their capacity as owners. The carrying amounts of the group’s and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. When the group loses control of a subsidiary it derecognises the assets and liabilities and related equity components of the former subsidiary. Any gain or loss is recognised in profit or loss. Any investment retained in the former subsidiary is measured at fair value at the date when control is lost and is subsequently accounted as equity investments financial assets in accordance with the financial reporting standard on financial instruments.

The company’s separate financial statements have been prepared on the same basis, and as permitted by the Companies Act 1967, the company’s separate statement of profit or loss and other comprehensive income is not presented.

APPENDIX F

AUDITED FINANCIAL RESULTS FOR FY2024

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

2. Material accounting policy information and other explanatory information

2A. Material accounting policy information – general

Foreign currency transactions

The functional currency is the Singapore dollar as it reflects the primary economic environment in which the entity operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At each end of the reporting year, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the end of the reporting year and fair value measurement dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss except when a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. The presentation is in the functional currency.

Translation of financial statements of other entities

Each component in the group determines the appropriate functional currency as it reflects the primary economic environment in which the relevant reporting entity operates. In translating the financial statements of such an entity for incorporation in the consolidated financial statements in the presentation currency the assets and liabilities denominated in other currencies are translated at end of the reporting year rates of exchange and the income and expense items for each statement presenting profit or loss and other comprehensive income are translated at average rates of exchange for the reporting year. The resulting translation adjustments (if any) are recognised in other comprehensive income and accumulated in a separate component of equity until the disposal of that relevant reporting entity.

Fair value measurement

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or a liability, market observable data to the extent possible is used. If the fair value of an asset or a liability is not directly observable, an estimate is made using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (e.g. by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis, or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset or liability that market participants would take into account. The entity's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value.

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety: Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). Transfers between levels of the fair value hierarchy are recognised at the end of the reporting period during which the change occurred.

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are material differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements. The recurring measurements are made at each reporting year end date.

APPENDIX F

AUDITED FINANCIAL RESULTS FOR FY2024

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

2. Material accounting policy information and other explanatory information (Continued)

2A. Material accounting policy information – general (Continued)

Carrying amounts of non-financial assets

The amounts of the non-current non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised in the statement of profit or loss whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

Other specific material accounting policy information and other explanatory information

These are disclosed at the relevant notes to the financial statements.

2B. Judgements and sources of estimation uncertainties

Disclosures on material information about the assumptions management made about the future, and other major sources of estimation uncertainty at the end of the reporting year, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed in the corresponding Notes to these financial statements. These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

- i) Estimating tax provision amounts. See Note 11.
- ii) Estimating of useful lives of property, plant and equipment. See Note 15.
- iii) Recoverable amount of the group's property, plant and equipment and right-of-use assets. See Notes 15 and 16.
- iv) Recoverable amount of the company's investment in BIGL Asia Pte. Ltd. ("BIGL Asia"). See Note 17.

3. Related party relationships and transactions

The financial reporting standard on related party disclosures requires the group to disclose: (a) related party relationships, transactions and outstanding balances, including commitments, including (b) relationships between parents and subsidiaries irrespective of whether there have been transactions between those related parties. A party is related to a party if the party controls, or is controlled by, or can significantly influence or is significantly influenced by the other party.

3A. Members of a group

On 28 October 2024, Pactec Pte. Ltd. acquired shares in Broadway Industrial Group Limited. Accordingly, Broadway Industrial Group Limited is now a subsidiary of Pactec Pte. Ltd.

Name	Relationship	Country of incorporation
Patec Pte. Ltd.	Parent company	Singapore
Patec Precision Industry Co. Ltd.	Ultimate parent company	Cayman Islands

Related companies in these financial statements include the members of the above group of companies.

The ultimate controlling party is Mr Wee Hong Jie, the son of Wee Liang Kiang, who is a director of the company.

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AUDITED FINANCIAL RESULTS FOR FY2024

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

3. Related party relationships and transactions (Continued)

3B. Related party transactions and balances

There are transactions and arrangements between the group and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The related party balances and transfer of resources, services or obligations if any are unsecured, without fixed repayment terms and interest or charge unless stated otherwise.

Intragroup transactions and balances that have been eliminated in these consolidated financial statements are not disclosed as related party transactions and balances.

3C. Key management compensation

	Group	
	2024	2023
	\$'000	\$'000
Fees to directors of the company	465	465
Salaries and other short-term employee benefits	4,060	2,736
Post-employment benefits	72	92
	4,597	3,293

The above amounts are included under employee benefits expense. Key management personnel include the directors and those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly.

Directors and the key management personnel also participate in the BIGL Share Plan and Share Option Scheme 2022. During the reporting year, 600,000 and 3,050,000 (2023: 600,000 and 2,250,000) market price options were granted to the directors and the key management personnel of the company respectively. The share options were granted on the terms and conditions as described in Note 26. As at the end of the reporting year, 7,850,000 (2023: 2,850,000) of those share options were outstanding.

Further information about the remuneration of individual director is provided in the report on corporate governance in the Annual Report.

3D. Balances with subsidiaries

	Company	
	2024	2023
	\$'000	\$'000
<u>Other receivables</u>		
Balance at beginning of the year	10,601	10,711
Accrued interest income	–	12
Amounts paid in and settlement of liabilities on behalf of the company	(1,111)	(117)
Allowance for impairment	–	(5)
Balance at end of the year	9,490	10,601
Presented as follows:		
Other receivables (Note 19)	9,490	16,268
Less: Allowance for impairment (Note 19)	–	(5,667)
	9,490	10,601

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AUDITED FINANCIAL RESULTS FOR FY2024

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

4. Financial information by operating segments

Material accounting policy information and other explanatory information – Segment reporting

The group discloses financial and descriptive information about its consolidated reportable segments. Reportable segments are operating segments or aggregations of operating segments that meet specified criteria. Operating segments are components about which separate financial information is available that is evaluated regularly by the chief operating decision maker to allocate resources and in assessing performance. Generally, financial information on segments is reported on the same basis as is used internally for evaluating operating segment performance and deciding how to allocate resources to operating segments. Disclosure of information about operating segments, products and services, the geographical areas, and the major customers are made as required by the financial reporting standard on operating segments. This disclosure standard has no impact on the reported financial performance or financial position of the group.

4A. Information about reportable segment profit or loss, assets and liabilities

For management purposes, the group is organised into the following major strategic operating segments that offer different products and services as follows:

- (1) HDD segment – This segment comprises the manufacturing and distribution of actuator arms and related assembly for the hard disk industry.
- (2) PE segment – This segment comprises the manufacture and distribution of precision diecasting and machining parts primarily for the telecommunications equipment, industrial applications, automotive industries, and precision process toolings.
- (3) Others segment – This segment comprises mainly investment holdings and discontinued operations.

Such a structural organisation is determined by the nature of risks and returns associated with each business segment and it defines the management structure as well as the internal reporting system. It represents the basis on which the management reports the primary segment information that is available and that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing the performance.

Inter-segment sales are measured on the basis that the group actually used to price the transfers. Internal transfer pricing policies of the group are as far as practicable based on market prices. The accounting policies of the operating segments are the same as those described in these financial statements.

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AUDITED FINANCIAL RESULTS FOR FY2024

**NOTES TO THE
FINANCIAL STATEMENTS**

31 DECEMBER 2024

4. Financial information by operating segments (Continued)

4B. Profit or loss from continuing operations and reconciliations

Group	HDD \$'000	PE \$'000	Others \$'000	Total \$'000
<u>2024</u>				
Revenue from external customers	348,746	3,484	–	352,230
EBITDA	30,171	(2,488)	466	28,149
Net finance costs	(795)	(291)	71	(1,015)
Depreciation expense	(8,379)	(2,182)	(299)	(10,860)
Profit before income tax	20,997	(4,961)	238	16,274
Income tax expense	(4,255)	–	(198)	(4,453)
Profit from continuing operations, net of tax	16,742	(4,961)	40	11,821
<u>2023</u>				
Revenue from external customers	256,875	1,798	–	258,673
EBITDA	19,423	(3,147)	(183)	16,093
Net finance costs	(1,849)	(306)	133	(2,022)
Depreciation expense	(10,384)	(1,063)	(39)	(11,486)
Profit before income tax	7,190	(4,516)	(89)	2,585
Income tax credit	354	–	–	354
Profit from continuing operations, net of tax	7,544	(4,516)	(89)	2,939
Loss from discontinued operations, net of tax	–	–	(564)	(564)

4C. Assets, liabilities, other material items and reconciliations

	HDD \$'000	PE \$'000	Others \$'000	Total \$'000
Continuing operations				
<u>2024</u>				
Total assets	218,000	17,462	831	236,294
Total liabilities	123,907	6,475	6,505	136,887
Capital expenditure	1,611	1,271	16	2,898
<u>2023</u>				
Total assets	184,573	11,790	860	197,223
Total liabilities	101,220	6,366	775	108,361
Capital expenditure	1,545	7,809	–	9,354

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4. Financial information by operating segments (Continued)

4D. Geographical information

The company is domiciled in Singapore and its principal activity is investment holding.

The company's subsidiaries in the reportable segments are mainly located in Thailand, the People's Republic of China ("PRC"), Vietnam, South Korea and Singapore.

In presenting information on the basis of geographical segments, revenue is attributable to countries on the geographical location of customers as follows:

	Group	
	2024	2023
	\$'000	\$'000
<u>Revenue</u>		
Thailand	245,855	171,975
People's Republic of China	102,959	84,848
Vietnam	3,115	694
South Korea	114	457
Other countries	187	699
	352,230	258,673

The non-current assets are analysed by the geographical area in which the assets are located:

	Group	
	2024	2023
	\$'000	\$'000
<u>Non-current assets</u>		
Thailand	30,428	36,685
People's Republic of China	20,316	19,612
Vietnam	10,310	10,767
Singapore	225	509
Other countries	13	21
	61,292	67,594

5. Revenue

	Group	
	2024	2023
	\$'000	\$'000
Sale of goods	352,230	258,673

All contracts for sale of goods are less than 12 months. The customers are mainly manufacturers in the hard disk drive industry.

The top 1 customer of the group from the hard disk drive segment represented 93% (2023: 92%) of the group's total revenue.

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5. Revenue (Continued)

Material accounting policy information and other explanatory information – Revenue

Revenue is recognised at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer (which excludes estimates of variable consideration that are subject to constraints), net of any related taxes and excluding any amounts collected on behalf of third parties. An asset (goods or services) is transferred when or as the customer obtains control of that asset. As a practical expedient the effects of any significant financing component is not adjusted if the payment for the good or service will be within one year.

Revenue from sale of goods is recognised at a point in time when the performance obligation is satisfied by transferring a promised good to the customer. Control of the goods is transferred to the customer, generally on delivery of the goods (in this respect, incoterms are considered).

6. Other income and (other expenses)

	Group	
	2024	2023
	\$'000	\$'000
Bad debts written off trade receivables	(111)	–
Scrap income	1,490	1,095
Government grant income	126	296
Foreign currency exchange gains / (losses), net	278	(205)
Loss on disposal of property, plant and equipment	(93)	(164)
Provision for costs associated with product quality – reversal / (loss)	88	(8)
Redundancy costs	(125)	(914)
Insurance compensation	26	–
Others	(174)	147
Net	<u>1,505</u>	<u>247</u>
Presented in profit or loss as follows:		
Other income	2,153	1,501
Other expenses	(648)	(1,254)
Net	<u>1,505</u>	<u>247</u>

7. Finance income

	Group	
	2024	2023
	\$'000	\$'000
Interest income on fixed deposits	<u>984</u>	<u>543</u>

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8. Finance costs

	Group	
	2024	2023
	\$'000	\$'000
Factoring charges	1,110	1,895
Interest expense on bank loans	211	234
Interest expense on lease liabilities	678	436
Total finance costs	1,999	2,565

Material accounting policy information and other explanatory information – Finance costs

Borrowing costs are interest and other costs incurred in connection with the borrowings and are recognised as an expenses in the period in which they are incurred. Interest expenses is calculated using the effective interest method.

9. Items in profit or loss

In addition to the profit and loss line items disclosed elsewhere in the notes to the financial statements, this item includes the following:

	Group	
	2024	2023
	\$'000	\$'000
Audit fees to:		
- independent auditor of the company	143	123
- other auditors *	180	170
Non-audit related service fees to:		
- other auditors *	–	8
Energy costs	6,514	6,393
Professional fees	1,187	661
Repair and maintenance charges	3,685	2,532

* Include member firms of RSM International and an alliance firm of RSM SG Assurance LLP.

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10. Employee benefits expense

	Group	
	2024	2023
	\$'000	\$'000
Salaries, bonuses and other costs	32,193	25,627
Contributions to		
- defined benefit plans (Note 27)	381	315
- defined contribution plans	2,080	2,076
- share-based payments expenses (Note 25C)	526	20
Total employee benefits expense	35,180	28,038
Included in profit or loss as follows:		
Cost of sales	26,267	23,334
Administrative expenses	8,379	3,844
Sales and marketing expenses	534	860
	35,180	28,038

Material accounting policy information and other explanatory information – Employee benefit expenses

Contributions to a defined contribution retirement benefit plan are recorded as an expense as they fall due. The group's legal or constructive obligation is limited to the amount that it is obligated to contribute for the Singapore employees to an independently administered fund (such as the Central Provident Fund in Singapore, a government managed defined contribution retirement benefit plan). Certain subsidiaries overseas have defined contributions retirement benefit plan in which employees are entitled to join upon fulfilling certain conditions.

Pursuant to relevant regulations of the People's Republic of China ("PRC") government, the subsidiaries in the PRC have participated in a local municipal government retirement benefits scheme (the "Scheme"), whereby the subsidiaries in the PRC are required to contribute to a certain percentage to the basic salaries of its employees to the Scheme to fund their retirement benefits. The local municipal government undertakes to assume the retirement benefits obligations of those employees of the group. Contribution to the Scheme are recorded as an expense as they fall due.

The group has obligations in respect of severance payments that it must make to its employees of its subsidiary in Thailand, upon their retirement under the Thailand Labour Law. The group treats these severance payment obligations as a defined benefit plan. Under the defined benefit plan contributions are set at a level that is expected to be sufficient to pay the benefits falling due in the same period, and future benefits earned during the current period will be paid out of future contributions and the employees' benefits are determined by their length of their service. Such a plan creates actuarial risk for the group: if the ultimate cost of benefits already earned at the end of the reporting year is more than expected, the group would have to either increase its contributions or to persuade employees to accept a reduction in benefits.

For employee leave entitlement, the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the group is contractually obliged or where there is constructive obligation based on past practice.

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11. Income tax

11A. Components of tax expense recognised in profit or loss

	Group	
	2024	2023
	\$'000	\$'000
<u>Current income tax expense:</u>		
Current income tax expense	4,480	577
Over provision in prior years	(27)	(931)
Total income tax expense / (income)	<u>4,453</u>	<u>(354)</u>

The reconciliation of income taxes below is determined by applying the Singapore corporate tax rate. The income tax in profit or loss varied from the amount of income tax amount determined by applying the Singapore income tax rate of 17.0% (2023: 17.0%) to profit before income tax as a result of the following differences:

	Group	
	2024	2023
	\$'000	\$'000
Profit before income tax	<u>16,274</u>	<u>2,585</u>
Income tax expense at the above rate	2,767	439
Effect of different tax rates in different countries	1,017	377
Income taxed at preferential tax rates outside Singapore	(495)	(494)
Expenses not deductible for tax purposes	2,285	1,453
Income not subject to tax	(1,031)	(1,137)
Deferred tax assets not recognised	(63)	(61)
Over provision in prior year	(27)	(931)
Total income tax expense / (income)	<u>4,453</u>	<u>(354)</u>

There are no income tax consequences of dividends to shareholders of the company.

Material accounting policy information and other explanatory information – Income tax

Tax expense (tax income) is the aggregate amount included in the determination of profit or loss for the reporting year in respect of current tax and deferred tax. Current income tax is the expected tax payable on the taxable income for the reporting year; calculated using rates enacted or substantively enacted at the statements of financial position date; and inclusive of any adjustment to income tax payable or recoverable in respect of previous reporting years. Deferred tax is recognised using the liability method; based on temporary differences between the carrying amounts of assets and liabilities in the financial statements and their respective income tax bases; and determined using tax rates that have been enacted or substantively enacted by the reporting year end date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. A deferred tax amount is recognised for all temporary differences, unless the deferred tax amount arises from the initial recognition of an asset or liability in a transaction which (i) is not a business combination; and (ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax liability or asset is recognised for all taxable temporary differences associated with investments in subsidiaries except where the reporting entity is able to control the timing of the reversal of the taxable temporary difference and it is probable that the taxable temporary difference will not reverse in the foreseeable future or for deductible temporary differences, they will not reverse in the foreseeable future and they cannot be utilised against taxable profits.

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11. Income tax (Continued)

Material accounting policy information and other explanatory information – Income tax (Continued)

Tax sparing credits are available to a subsidiary incorporated in the Republic of Mauritius, BIGL Asia Pacific Ltd., whereby the subsidiary is entitled to a tax credit equivalent to the higher of the actual foreign tax paid and a deemed credit of 80% of the tax on its foreign source income, thus reducing its effective tax rate to 3% (2023: 3%).

BIGL Technologies (Thailand) Co., Ltd., a subsidiary incorporated in Thailand, is under tax holiday in accordance with the provisions of the Thailand's Industrial Investment Promotion Act of B.E. 2520 that grants exemption from payment of corporate income tax for a period of eight years from the date on which the income is first derived from the promoted business. The exemption had been renewed in 2017 and the tax holiday expires in 2025.

Estimating tax provision amounts

The group derives a substantial amount of its profit from manufacturing and trading activities across several countries before the sale of final products to ultimate customers and is therefore subject to income taxes in several jurisdictions. Significant judgement is required in determining the taxable profit in each of the tax jurisdictions during the estimation of the provision for taxes. If the tax authorities disagree with the tax treatment and position adopted by the group on intra-group transactions, the group may be imposed with tax adjustments of up to 10 years of the operations under review. The group has recognised tax liabilities based on its assessment and interpretations of existing tax laws and applies judgement whether it is probable that additional taxes and interests will be due. The eventual tax liabilities may vary, for which the differences will be charged to profit or loss in the period when determination is made.

11B. Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following tax losses of certain subsidiaries:

	Group	
	2024 \$'000	2023 \$'000
Expiring within:		
Within one year	–	4,353
Between two to three years	–	4,926
Between four to five years	13,556	11,142
More than five years	6,932	11,446
	20,488	31,867

These tax losses are subject to agreement by tax authorities and compliance with tax regulations in the respective countries in which certain subsidiaries operate. Deferred tax assets have not been recognised in respect of the tax losses because it is not probable that future taxable profit will be available in the relevant entities against which the group can utilise the benefits therefrom.

11C. Unrecognised deferred tax liabilities

A deferred tax liability of approximately \$400,000 (2023: \$518,000) has not been recognised for taxes that would be payable on the undistributed earnings of the group's foreign subsidiaries as the group is able to control the timing of the reversal of the taxable temporary difference and has determined that these undistributed earnings will not be distributed in the foreseeable future.

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12. Loss from discontinued operations, net of tax

In 2023, the group had decided to exit from its robotics business. Following the decision made, the group ceased its robotics business in Singapore and in December 2023, the group disposed its entire 100% equity interest in BIGL Enterprise Management (Beijing) Co., Ltd. ("BEBJ") and its subsidiary, Beijing Ant Brothers Technology Co., Ltd. ("BAB").

The results for the reporting year from the discontinued operations and the comparative figures, which have been included in the consolidated financial statements, were as follows:

	2023 \$'000
Revenue	98
Cost of sales	(127)
Gross loss	(29)
Other income	87
Distribution expenses	(11)
Sales and marketing expenses	(152)
Administrative expenses	(261)
Research and development expenses	(153)
Loss before income tax	(519)
Income tax expense	–
Loss, net of tax before disposal loss for the year	(519)
Loss on disposal of subsidiaries ^(a)	(45)
Total loss on discontinued operations	(564)

^(a) The loss arose on the disposal of the subsidiaries, BEBJ and BAB, being the consideration receivable on disposal less the carrying amount of the subsidiaries' net assets.

The following table is a summary of the carrying amounts of the assets and liabilities of the discontinued operations of 31 December 2023:

	\$'000
Property, plant and equipment	55
Inventories	335
Trade and other receivables	112
Trade and other payables	(245)
Net assets of disposal group	257
Less: Non-controlling interest	(112)
Net assets disposed	145
Loss on disposal of subsidiaries	(45)
Total consideration receivable	100

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13. Earnings per share

The following table illustrates the numerators and denominators used to calculate basic and diluted earnings per share of no par value:

	Group	
	2024	2023
	\$'000	\$'000
Numerators:		
Profit attributable to owners of the company		
- Continuing operations	12,151	3,500
- Discontinued operations	–	(415)
	12,151	3,085
Denominators:		
Weighted average number of equity shares (basic)	454,891	454,656
Dilutive share options effect	786	–
Weighted average number of equity shares (diluted)	455,677	454,656

The weighted average number of ordinary shares refers to shares in issue outstanding during the reporting year.

The basic amount per share ratio is based on the weighted average number of ordinary shares outstanding during each reporting year. It is after the neutralisation by the treasury shares.

The dilutive effect derives from transactions such as: share options (Note 26). The diluted amount per share is based on the weighted average number of ordinary shares and dilutive ordinary share equivalents outstanding during each reporting year. The ordinary share equivalents included in these calculations are: (1) the average number of ordinary shares assumed to be outstanding during the reporting year and (2) shares of ordinary share issuable upon assumed exercise of share options which (if any) would have a dilutive effect.

14. Dividends on equity shares

	Group and Company			
	Rate per share			
	2024	2023	2024	2023
	\$	\$	\$'000	\$'000
Final tax-exempt 2023 dividend paid	0.005	–	2,273	–
Interim tax-exempt 2024 dividend paid	0.005	–	2,273	–
Total	0.010	–	4,546	–

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15. Property, plant and equipment

Group	Freehold land \$'000	Leasehold land \$'000	Buildings \$'000	Leasehold improvements \$'000	Plant and machinery \$'000	Office equipment and furniture \$'000	Motor vehicles \$'000	Construction-in-progress \$'000	Total \$'000
<u>Cost:</u>									
At 1 January 2023	1,714	1,323	25,083	36,935	216,544	3,191	392	518	285,700
Additions	-	-	-	1,333	7,182	541	-	298	9,354
Disposals	-	-	-	-	(26,301)	(184)	-	(309)	(26,794)
Disposal – discontinued operations	-	-	-	(62)	(208)	(63)	-	-	(333)
Reclassifications	-	-	-	-	103	63	-	(166)	-
Foreign exchange adjustments	(32)	(25)	(469)	(685)	(4,043)	(56)	(7)	(10)	(5,327)
At 31 December 2023	1,682	1,298	24,614	37,521	193,277	3,492	385	331	262,600
Additions	-	-	-	87	1,894	148	86	683	2,898
Disposals	-	-	-	(10)	(4,312)	(239)	-	(21)	(4,582)
Reclassifications	-	-	-	-	735	(57)	-	(678)	-
Foreign exchange adjustments	62	48	907	1,374	6,929	122	14	(130)	9,326
At 31 December 2024	1,744	1,346	25,521	38,972	198,523	3,466	485	185	270,242
<u>Accumulated depreciation:</u>									
At 1 January 2023	-	338	8,750	21,242	188,509	2,778	305	-	221,922
Depreciation for the year	-	30	658	1,716	6,834	313	48	-	9,599
Disposals	-	-	-	-	(25,963)	(186)	-	-	(26,149)
Disposal – discontinued operations	-	-	-	(62)	(110)	(46)	-	-	(218)
Foreign exchange adjustments	-	(7)	(175)	(424)	(3,637)	(57)	(7)	-	(4,307)
At 31 December 2023	-	361	9,233	22,472	165,633	2,802	346	-	200,847
Depreciation for the year	-	30	651	1,774	5,520	340	27	-	8,342
Disposals	-	-	-	(10)	(4,091)	(237)	-	-	(4,338)
Foreign exchange adjustments	-	14	354	861	7,026	106	14	-	8,375
At 31 December 2024	-	405	10,238	25,097	174,088	3,011	387	-	213,226
<u>Carrying value:</u>									
At 1 January 2023	1,714	985	16,333	15,693	28,035	413	87	518	63,778
At 31 December 2023	1,682	937	15,381	15,049	27,644	636	39	385	61,753
At 31 December 2024	1,744	941	15,283	13,875	24,435	455	98	185	57,016

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15. Property, plant and equipment (Continued)

Company	Leasehold improvements \$'000	Office equipment and furniture \$'000	Total \$'000
<u>Cost:</u>			
At 1 January 2023	231	120	351
Written off	–	(2)	(2)
At 31 December 2023	231	118	349
Additions	–	4	4
Written off	–	(3)	(3)
At 31 December 2024	231	119	350
<u>Accumulated depreciation:</u>			
At 1 January 2023	25	91	116
Depreciation for the year	77	11	88
Written off	–	(2)	(2)
At 31 December 2023	102	100	202
Depreciation for the year	78	13	91
Written off	–	(3)	(3)
At 31 December 2024	180	110	290
<u>Carrying value:</u>			
At 1 January 2023	206	29	235
At 31 December 2023	129	18	147
At 31 December 2024	51	9	60

Material accounting policy information and other explanatory information – Property, plant and equipment

Property, plant and equipment are carried at cost on initial recognition and after initial recognition at cost less accumulated depreciation and any accumulated impairment losses.

Cost includes acquisition cost, borrowing cost capitalised and any cost directly attributable to bringing the asset or component to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent costs are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss when they are incurred.

Cost also includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

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15. Property, plant and equipment (Continued)

Material accounting policy information and other explanatory information – Property, plant and equipment (Continued)

Depreciation is provided on a straight-line method to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets as follow:

Leasehold land	–	26 to 50 years (period of lease)
Buildings	–	16 to 47 years
Leasehold improvements	–	1 to 5 years
Plant and machinery	–	2 to 10 years
Office equipment and furniture	–	3 to 5 years
Motor vehicles	–	5 years

Freehold land has an unlimited useful life and therefore is not depreciated.

An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle.

The residual values of assets, useful lives of assets and recognised impairment losses are reviewed, and adjusted if appropriate, whenever events or circumstances indicate that a revision is warranted.

The gain or loss arising from the derecognition of an item of property, plant and equipment is recognised in profit or loss.

Estimating of useful lives of property, plant and equipment

The estimates for the useful lives and related depreciation charges for property, plant and equipment are based on commercial and other factors that could change materially because of innovations and in response to market conditions. The depreciation charge is increased where useful lives are less than previously estimated lives, or the carrying amounts written off or written down for technically obsolete items or assets that have been abandoned. It is impracticable to disclose the extent of the possible effects. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting year that are different from assumptions could require a material adjustment to the carrying amount of the balances affected. The carrying amount of the specific asset or class of assets at the end of the reporting year affected by the assumption is \$24,435,000 (2023: \$27,644,000).

Recoverable amount of the group's property, plant and equipment and right-of-use assets

The management assesses at each end of the reporting year whether there is any indication that the carrying value of its property, plant and equipment and right-of-use assets (Note 16) are impaired.

The group's property, plant and equipment and right-of-use assets are substantially attributable to its HDD Business. Management assessed and determined that there were indicators of impairment in relation to the group's property, plant and equipment and right-of-use assets used in the group's HDD Business due to the current economic environment and geopolitical uncertainties.

Management applied the value-in-use method (i.e. management's discounted cash flows of the HDD Business) to determine the recoverable amount of the group's property, plant and equipment and right-of-use assets.

In estimating the value-in-use, management exercised significant judgement in projecting the HDD Business's revenue growth rate, gross profit margin, earnings before interest, depreciation, amortisation and taxes ("EBITDA") margin, discount rate and terminal value. There are also estimation uncertainties. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting year that are different from assumptions could require a material adjustment to the carrying amount of the asset affected.

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15. Property, plant and equipment (Continued)

Recoverable amount of the group's property, plant and equipment and right-of-use assets (Continued)

The quantitative information and key assumptions used in the value-in-use method to determine the recoverable amounts of the group's property, plant and equipment and right-of-use assets are disclosed in Note 17B. As the recoverable amounts of the property, plant and equipment and right-of-use assets were higher than their carrying values as at the reporting year end, no impairment loss was deemed necessary (2023: Nil).

Allocation of the depreciation expense:

	Group	
	2024	2023
	\$'000	\$'000
<u>Continuing operations</u>		
Cost of sales	8,006	9,144
Distribution expenses	27	39
Administrative expenses	308	327
Sales and marketing expenses	1	5
Sub-total from continuing operations	8,342	9,515
<u>Discontinued operations</u>		
Administrative expenses	–	36
Sales and marketing expenses	–	36
Research and development expenses	–	12
Sub-total from discontinued operations	–	84
Total depreciation expense	8,342	9,599

Security:

The carrying value of the group's property, plant and equipment that have been pledged as securities for financing facilities (Note 29) are as follows:

	Group	
	2024	2023
	\$'000	\$'000
Land, buildings and leasehold improvements	8,793	8,512
Plant and machinery	2,032	–

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16. Right-of-use assets

Group	Properties \$'000
<u>Cost:</u>	
At 1 January 2023	10,362
Additions	2,374
Foreign exchange adjustments	(203)
At 31 December 2023	12,533
Additions	783
Write-offs	(3,128)
Foreign exchange adjustments	478
At 31 December 2024	10,666
<u>Accumulated depreciation:</u>	
At 1 January 2023	4,919
Depreciation for the year	1,971
Foreign exchange adjustments	(146)
At 31 December 2023	6,744
Depreciation for the year	2,518
Write-offs	(3,128)
Foreign exchange adjustments	308
At 31 December 2024	6,442
<u>Carrying value:</u>	
At 1 January 2023	5,443
At 31 December 2023	5,789
At 31 December 2024	4,224
 Company	 Property \$'000
<u>Cost:</u>	
At 1 January 2023, 31 December 2023 and 31 December 2024	614
<u>Accumulated depreciation:</u>	
At 1 January 2023	102
Depreciation for the year	205
At 31 December 2023	307
Depreciation for the year	205
At 31 December 2024	512
<u>Carrying value:</u>	
At 1 January 2023	512
At 31 December 2023	307
At 31 December 2024	102

The right-of-use assets are in relation to the group's factories and office spaces. The related lease liabilities are disclosed in Note 28.

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16. Right-of-use assets (Continued)

Material accounting policy information and other explanatory information – Right-of-use assets

The right-of-use assets are accounted and presented as if they were owned such as property, plant and equipment. Depreciation is provided on a straight-line method to allocate the gross carrying amounts of the assets over the estimated useful lives of the right-of-use assets are as follows:

Properties – 3 to 6 years (over periods of leases)

A lease conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. A right-of-use asset is capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. A liability corresponding to the capitalised right-of-use asset is also recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. The right-of-use asset is depreciated over the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. An interest expense is recognised on the lease liability (included finance costs). For short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office equipment) where an accounting policy choice exists under the lease standard, the lease payments are expensed to profit or loss as incurred on a straight line basis over the remaining lease term.

Allocation of the depreciation expense:

	Group	
	2024	2023
	\$'000	\$'000
Cost of sales	2,301	1,750
Administrative expenses	217	221
Total depreciation expense	<u>2,518</u>	<u>1,971</u>

17. Investments in subsidiaries

	Company	
	2024	2023
	\$'000	\$'000
Unquoted equity interests at cost	125,456	125,456
Less: Allowance for impairment	(21,456)	(21,456)
Carrying value	<u>104,000</u>	<u>104,000</u>

Material accounting policy information and other explanatory information – Subsidiaries

A subsidiary is an entity including unincorporated and special purpose entity that is controlled by the reporting entity and the reporting entity is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The existence and effect of substantive potential voting rights that the reporting entity has the practical ability to exercise (that is, substantive rights) are considered when assessing whether the reporting entity controls another entity. In the reporting entity's separate financial statements, an investment in a subsidiary is accounted for at cost less any allowance for impairment in value. Impairment loss recognised in profit or loss for a subsidiary is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying value and the net book value of the investment in a subsidiary are not necessarily indicative of the amount that would be realised in a current market exchange.

There are no subsidiaries with non-controlling interests that are considered material to the reporting entity.

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17. Investments in subsidiaries (Continued)

17A. Listing of and information on subsidiaries

Name of subsidiaries, country of incorporation, place of operations and principal activities	Cost of investment		Effective equity held	
	2024	2023	2024	2023
	\$'000	\$'000	%	%
<i>Held by the company</i>				
BIGL Asia Pte. Ltd. ^(a)	125,456	125,456	100	100
Singapore				
Investment holding				
BIGL Enterprises (Singapore) Pte. Ltd. ^(a)	—*	—*	100	100
Singapore				
Investment holding				
	<u>125,456</u>	<u>125,456</u>		

Name of subsidiaries, country of incorporation, place of operations and principal activities	Effective equity held	
	2024	2023
	%	%
<i>Held through BIGL Asia Pte. Ltd.</i>		
BIGL Asia Pacific Limited ^(b)	100	100
Republic of Mauritius		
Distribution of precision machined components		
BIGL Technologies (Thailand) Co., Ltd. ^(b)	100	99.99
Thailand		
Manufacturer of precision machined components and the sub-assembly of actuator arms		
BIGL Technologies (Shenzhen) Co., Ltd. ^(c)	100	100
People's Republic of China		
Manufacturer of precision machined components		
BIGL Technologies (Wuxi) Co., Ltd. ^(c)	100	100
People's Republic of China		
Manufacturer of precision machined components and the sub-assembly of actuator arms		
BIGL Technologies (Chongqing) Co., Ltd. ^(d)	100	100
People's Republic of China		
Manufacturer of precision components		

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17. Investments in subsidiaries (Continued)

17A. Listing of and information on subsidiaries (Continued)

Name of subsidiaries, country of incorporation, place of operations and principal activities	Effective equity held	
	2024	2023
	%	%
<i>Held through BIGL Asia Pte. Ltd. (Continued)</i>		
Compart Engineering, Inc. ^(e) United States of America Investment holding	—	100
BIGL Korea Co. Ltd. ^(d) Republic of Korea Research and development, sale of precision parts and components	100	86.84
<i>Held through BIGL Enterprises (Singapore) Pte. Ltd.</i>		
BIGL Technologies (Thailand) Co., Ltd. ^(b) Thailand Manufacturer of precision machined components and the sub-assembly of actuator arms	#	#
BIGL Robotics Pte. Ltd. ^(a) Singapore Wholesale of other machinery and equipment and after-sales service including technical activities	100	100
<i>Held through BIGL Asia Pacific Limited</i>		
BIGL Holdings Pte. Ltd. ^(a) Singapore Business and management consultancy services	100	100
<i>Held through BIGL Holdings Pte. Ltd.</i>		
BIGL Technologies (Thailand) Co., Ltd. ^{(b) (f)} Thailand Manufacturer of precision machined components and the sub-assembly of actuator arms	—	#
BIGL Management Consultancy (Shenzhen) Co., Ltd. ^{(d) (g)} People's Republic of China Business and management consultancy services	100	100

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17. Investments in subsidiaries (Continued)

17A. Listing of and information on subsidiaries (Continued)

Name of subsidiaries, country of incorporation, place of operations and principal activities	Effective equity held	
	2024	2023
	%	%
<i>Held through BIGL Korea Co., Ltd.</i>		
BIGL Vietnam Company Limited ^(b)	100	100
Vietnam		
Manufacturer of precision parts and component		

* Denotes less than \$1,000.

(a) Audited by RSM SG Assurance LLP, a member firm of RSM International.

(b) Audited by member firms of RSM International of which RSM SG Assurance LLP in Singapore is a member.

(c) Audited by SBA Stone Forest CPA Co Ltd, an alliance firm of RSM SG Assurance LLP, for consolidation purpose.

(d) Not audited as these subsidiaries are not material to the group.

(e) The entity was deregistered during the reporting year.

(f) During the reporting year, BIGL Holdings Pte. Ltd. transferred its less than 0.01% shareholding in BIGL Technologies (Thailand) Co., Ltd ("BIGL Thailand") to BIGL Asia Pte. Ltd. which already holds 99.99% in BIGL Thailand.

(g) The entity was deregistered subsequent to the reporting year.

Holds less than 0.01% pursuant to an acquisition from non-controlling interests for Nil consideration. The remaining shares are held by BIGL Asia directly.

17B. Recoverable amount of the company's investment in BIGL Asia

The group's HDD Business is held through BIGL Asia, a wholly-owned subsidiary of the company.

Management applied the value-in-use method (i.e. management's discounted cash flows of the HDD Business) to determine the recoverable amount of the company's investment in BIGL Asia. The value-in-use method is a Level 3 fair value measurement. Cash flow projections used in the value-in-use calculations were based on financial budgets approved by the Board of Directors covering a five-year period, and covered the operating performance of the subsidiaries within the HDD segment, changes in the technological, market, economic or legal environment in countries where the subsidiaries operate and changes to the market interest rates.

The key assumptions and quantitative information on the significant unobservable inputs used in the value-in-use calculations for the HDD Business are analysed as follows:

Company	2024	2023
Valuation technique:	Discounted cash flow method	
Unobservable inputs		
Revenue growth rate		
- Within the next reporting year	-14.9%	-4.6%
- From the 2 nd to the 5 th reporting years	-1.3% - 11.0%	6.2% - 13.5%
Terminal growth rate:	2.5%	2.5%
Estimated discount rates using post-tax rates that reflect current market assessments at the risks specific to the investment:	14.4%	14.3%

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17. Investments in subsidiaries (Continued)

17B. Recoverable amount of the company's investment in BIGL Asia (Continued)

In estimating the value-in-use, management exercise significant judgement in projecting the HDD Business's revenue growth rate, gross profit margin, EBITDA margin, discount rate and terminal value. There are also estimation uncertainties. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting year that are different from assumptions could require a material adjustment to the carrying amount of the asset affected.

Based on management's assessment, the recoverable amount of the company's investment in BIGL Asia was higher than its carrying value. Consequently, there was no impairment loss recognised in 2024 (2023: Nil).

18. Other assets, non-current

	Group and Company	
	2024	2023
	\$'000	\$'000
Transferable club memberships	52	52

19. Trade and other receivables

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<u>Trade receivables:</u>				
Outside parties	109,216	72,346	–	–
Less: Allowance for impairment	–	(533)	–	–
Subtotal	109,216	71,813	–	–
<u>Other receivables:</u>				
Outside parties	1,872	883	–	–
Subsidiaries (Note 3)	–	–	9,490	16,268
Less: Allowance for impairment	–	–	–	(5,667)
Deposits	–	746	43	43
Subtotal	1,872	1,629	9,533	10,644
Total trade and other receivables	111,088	73,442	9,533	10,644
<u>Movements in allowance for impairment:</u>				
Balance at beginning of the year	533	552	5,667	5,662
Allowance included in other expenses	–	–	–	5
Utilisation during the year	(552)	–	(5,667)	–
Foreign exchange adjustments	19	(19)	–	–
Balance at end of the year	–	533	–	5,667

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19. Trade and other receivables (Continued)

Material accounting policy information and other explanatory information – Trade and other receivables

See Note 34 on financial instruments.

The group's trade receivables totalling \$11,520,000 (2023: \$41,731,000) were sold to banks as at the end of the reporting year. These trade receivables have been derecognised as they were sold without recourse.

Other receivables are normally with no fixed terms and therefore there is no maturity.

As at 31 December 2023, included in company's other receivables due from subsidiaries are loan receivables and accrued interest income due from subsidiaries amounting to \$5,662,000 and \$131,000 respectively. These loans bear interest at rates ranging from 2.80% to 3.74% per annum.

The maturity dates of the loans and the accrued interest income are as follows:

	Company	
	2024	2023
	\$'000	\$'000
Within 1 year	–	5,793

The group has a few customers with material balances which can be credit risk graded individually and these are recorded at inception net of any expected lifetime credit loss. For these material balances the credit risk is graded individually. For these material balances, at the end of the reporting year a loss allowance is recognised if there has been a significant increase in credit risk since initial recognition. For any significant increase or decrease in credit risk an adjustment is made to the loss allowance for the material balances.

As part of the process of setting customer credit limits, different credit terms are used. The average credit period generally granted to trade receivable customers is about 90 days (2023: 90 days). But some customers take a longer period to settle the amounts.

There are no collateral held as security and other credit enhancements for the trade receivables.

Ageing analysis of trade receivable amounts that are past due but not impaired as at the end of reporting year:

	Group	
	2024	2023
	\$'000	\$'000
Past due over 120 days	–	235

Ageing analysis of trade receivable amounts that are past due and impaired as at the end of reporting year:

	Group	
	2024	2023
	\$'000	\$'000
Past due over 120 days	–	533

As at 31 December 2023, the allowance on trade receivables is based on individual accounts totalling \$533,000 that are determined to be impaired at the end of reporting year.

The top 2 (2023: 2) customers of the group represented about 99% (2023: 90%) of the group's trade receivables.

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19. Trade and other receivables (Continued)

Other receivables

In 2023, loss allowance of \$5,667,000 related to other receivables from subsidiaries is recognised at the end of the reporting year. During the year, the loss allowance was written off against the receivables.

20. Inventories

	Group	
	2024	2023
	\$'000	\$'000
Raw materials	10,021	6,590
Work-in-progress	1,333	1,733
Finished goods	16,773	12,232
Spare parts and others	520	480
Net	<u>28,647</u>	<u>21,035</u>
<u>Inventories are stated after allowance for obsolescence as follows:</u>		
Balance at beginning of the year	14	124
Allowance for / (reversal) to profit or loss included in cost of sales	29	(109)
Foreign exchange adjustments	–	(1)
Balance at end of the year	<u>43</u>	<u>14</u>
Included in cost of sales:		
Changes in inventories – increase / (decrease)	7,614	(7,106)
Purchases of inventories	<u>257,454</u>	<u>188,334</u>

There are no inventories pledged as security for liabilities.

Material accounting policy information and other explanatory information – Inventories

Inventories are stated at the lower of cost and selling price less costs to complete and sell. Cost is calculated using the first in first out method. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of overheads based on normal operating capacity.

21. Other assets, current

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Prepayments	<u>995</u>	<u>1,251</u>	<u>2</u>	<u>10</u>

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22. Cash and cash equivalents

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Not restricted in use	34,080	33,715	556	302
Restricted in use	192	186	–	–
	<u>34,272</u>	<u>33,901</u>	<u>556</u>	<u>302</u>

At the end of the reporting year, cash at bank of \$192,000 (2023: 186,000) was pledged as collateral for banking facilities.

The interest earning balances are not material.

Material accounting policy information and other explanatory information – Cash and cash equivalents

For the statement of cash flows, cash and cash equivalents includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand that form an integral part of cash management. Cash equivalents are short-term (three months or less), highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash flows are reported using the indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, and items of income or expense associated with investing or financing cash flows.

22A. Cash and cash equivalents in the statement of cash flows

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Amount as shown above	34,272	33,901	556	302
Cash pledged for bank facilities	(192)	(186)	–	–
Cash and cash equivalents for statement of cash flows purposes at end of the year	<u>34,080</u>	<u>33,715</u>	<u>556</u>	<u>302</u>

22B. Reconciliation of liabilities arising from financing activities

Group	At beginning of the year	Cash flows	Non-cash changes	At end of the year
	\$'000	\$'000	\$'000	\$'000
<u>2024:</u>				
Loans and borrowings	3,849	6,536	142 ^(a)	10,527
Lease liabilities	<u>8,322</u>	<u>(3,545)</u>	<u>1,096 ^(b)</u>	<u>5,873</u>
<u>2023:</u>				
Loans and borrowings	6,805	(2,915)	(41) ^(a)	3,849
Lease liabilities	<u>5,741</u>	<u>(2,232)</u>	<u>4,813 ^(b)</u>	<u>8,322</u>

^(a) Comprise of foreign exchange adjustments.

^(b) Comprise of addition of leases and foreign exchange adjustments.

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23. Share capital

	Number of shares issued '000	Share capital \$'000
<u>Ordinary shares of no par value:</u>		
Balance at 1 January 2023, 31 December 2023 and 2024	471,914	113,163

The ordinary shares of no par value are fully paid, carry one vote each and have no right to fixed income.

Capital management:

Pursuant to Singapore Stock Exchange listing rules, the company must have at least 10% of its shares in public hands (free float). Following the closure of the mandatory conditional cash offer, the company's free float fell below this requirement. Consequently, trading of the company's shares was suspended with effect from 9:00 a.m (Singapore time) on 24 December 2024.

The group's policy is to maintain a sound capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Capital consists of total equity, less amounts accumulated in equity related to cash flow hedges. The Board of Directors monitors the average return on capital, which the group defines as net operating income / (expense) divided by total average shareholders' equity excluding non-controlling interests.

	Group	
	2024 \$'000	2023 \$'000
Profit before income tax	16,274	2,585
Finance income	(984)	(543)
Finance costs	1,999	2,565
Net operating income	17,289	4,607
Equity attributable to owners of the company	99,407	88,760
Average return on capital	17%	5%

The Board of Directors also monitors the level of dividends to ordinary shareholders and seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Board of Directors does not set a target level of gearing but uses capital opportunistically to support its business and to add value for shareholders. The key discipline adopted is to widen the margin between the return on capital employed and the cost of that capital.

From time to time, the group purchases its own shares on the market; the timing of these purchases depends on market prices. The shares are primarily intended to be used for issuing shares under the group's share option and share award programs.

The aggregate number of shares available under the 2023 Plan and Scheme (Note 26) shall not exceed 15% of the company's total issued shares (excluding treasury shares).

There were no changes in the group's approach to capital management during the reporting year.

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24. Retained earnings / (Accumulated losses)

According to the relevant PRC regulations, the subsidiaries in the PRC are required to transfer 10% of profit, net of tax, as determined under generally accepted accounting principles of the PRC, to the statutory surplus reserve until the reserve balance reaches 50% of the subsidiary's registered capital. The transfer to this reserve must be made before the distribution of dividends to equity owners. The statutory surplus reserve can be used to make good previous years' losses, if any, and may be converted into paid-in capital in proportion to the existing interests of equity owners.

According to Thailand's Civil and Commercial Code, the subsidiary in Thailand is required to allocate not less than 5% of its net profit to the legal reserve upon each dividend distribution, until the reserve balance reaches an amount not less than 10% of the subsidiary's registered share capital.

As at the end of the reporting year, the group's accumulated losses included amounts relating to statutory reserve and legal reserve of subsidiaries in the PRC and Thailand totalled \$3,824,000 (2023: \$3,824,000) and \$844,000 (2023: \$844,000) respectively. The statutory reserve and legal reserve are not available for dividend distribution.

25. Other reserves

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Treasury shares (Note 25A)	(2,611)	(3,043)	(2,611)	(3,043)
Capital reserve (Note 25B)	2,924	2,924	–	–
Share-based payment reserve (Note 25C)	382	20	382	20
Foreign currency translation reserve (Note 25D)	(16,652)	(19,473)	–	–
	<u>(15,957)</u>	<u>(19,572)</u>	<u>(2,229)</u>	<u>(3,023)</u>

Other reserves are not available for cash dividends unless realised.

25A. Treasury shares

	Group and Company	
	Number of shares issued	Share capital
	'000	\$'000
Balance at 1 January 2023	(13,633)	(2,320)
Share acquired	(3,665)	(729)
Shares issued to under BIGL Share Plan (Note 23 and 26)	40	6
Balance at 31 December 2023	(17,258)	(3,043)
Shares issued to under BIGL Share Plan (Note 23 and 26)	2,450	432
Balance at 31 December 2024	<u>(14,808)</u>	<u>(2,611)</u>

Treasury shares were ordinary shares acquired by the company from the market. These shares may be used for shares awards to employees in the group under the share option and / or share plan programme. The reserve represents consideration paid by the company to acquire its ordinary shares. When the treasury shares are subsequently sold or re-issued, the cost of the treasury shares is reversed from reserve for own shares account and the realised gain or loss on the transaction is presented as a change in equity of the company. No gain or loss is recognised in profit or loss.

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25. Other reserves (Continued)

25B. Capital reserve

Capital reserve mainly arises from the restructuring of BIGL Asia Pte. Ltd. and its subsidiaries in 2004.

25C. Share-based payment reserve

	Group and Company	
	2024	2023
	\$'000	\$'000
Balance at beginning of the year	20	400
Exercised during the year	(164)	–
Expiry of share options – transferred to retained earnings	–	(400)
Expense recognised in profit or loss (Note 10)	526	20
Balance at end of the year	382	20

The share-based payment expense is included in administrative expenses.

The share-based payment reserve comprises the cumulative value of employee services received for the issue of share options and share awards. When share options are exercised and share awards vested, the cumulative amount in the share-based payment reserve which relates to the valuable consideration received in the form of employee services is transferred to share capital / reserve for own shares.

25D. Foreign currency translation reserve

	Group	
	2024	2023
	\$'000	\$'000
Balance at beginning of the year	(19,473)	(17,953)
Exchange differences on translating foreign operations, net	2,821	(1,520)
Balance at end of the year	(16,652)	(19,473)

This reserve comprises foreign currency differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the presentation currency of the company.

26. Share-based payment arrangement

The BIGL Share Plan 2022 and BIGL Share Option Scheme 2022 (the "Scheme") of the company was approved and adopted by its shareholders at an Extraordinary General Meeting held on 28 February 2022. The 2022 Plan and Scheme is administered by the Remuneration Committee of the company.

Under the Scheme, participants are required to pay a subscription price for the exercise of the options. The group's employees including non-executive directors of the company are eligible to participate in the 2022 Scheme at the absolute discretion of the Remuneration Committee. Controlling shareholders and their associates are not eligible to participate in the 2022 Scheme.

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26. Share-based payment arrangement (Continued)

The eligible participants may be granted either a market price option or an incentive option. A market price option shall be at a price (the "Market Price") equal to the average of the last dealt prices for a share, as determined by reference to the daily official list made available by the SGX-ST, for the 5 market days immediately preceding the offer date of that option, rounded up to the nearest whole cent. A market price option is exercisable during a period commencing after the first anniversary of the offer date and expiring on the 5th or 10th anniversary of such offer date. An incentive option shall be determined by the Remuneration Committee at its absolute discretion and fixed by the Remuneration Committee at a price which is set at a discount to the market price, provided that, the maximum discount shall not exceed 20% of the Market Price. An incentive option is exercisable during a period commencing after the second anniversary of the offer date and expiring on the 5th or 10th anniversary of such offer date.

During the year, a first issuance of 2,600,000 (31 December 2023: Nil) share awards were granted under the BIGL Share Plan 2022 ("2022 Plan"). In conjunction with the mandatory conditional cash offer by Patec Pte. Ltd. to acquire all the issued and paid-up ordinary shares in the capital of the Company and pursuant to the rules of the 2022 Plan, all 2,600,000 share awards had lapsed. As at 31 December 2024, there was no (31 December 2023: Nil) outstanding shares in respect of the unissued share awards under the 2022 Plan.

During the year, a second issuance of 7,450,000 (31 December 2023: 2,850,000) share options were granted under the BIGL Share Option Scheme 2022 ("2022 Scheme"). From the total 10,300,000 share options granted under the 2022 Scheme, 2,450,000 options were exercised in FY2024 in accordance with the rules of 2022 Scheme. As at 31 December 2024, there were 7,850,000 (31 December 2023: 2,850,000) outstanding shares in respect of the unissued share options under the 2022 Scheme.

The details of the options granted under the Scheme are as follows:

Grant date	Participants	Number of options granted as of 31 December 2024	Number of options exercised as of 31 December 2024	Number of outstanding options as of 31 December 2024	Contractual life of options
5 May 2023	Non-executive directors	600,000	(600,000)	–	5 years
5 May 2023	Employees	2,250,000	(1,050,000)	1,200,000	10 years
24 May 2024	Non-executive directors	600,000	(600,000)	–	5 years
24 May 2024	Employees	6,850,000	(200,000)	6,650,000	10 years
		10,300,000	(2,450,000)	7,850,000	

Input for measurement of grant date fair value

The Black-Scholes option pricing model was used with the following weighted-average assumptions for options granted during the following periods:

<u>Fair value of share options and assumptions</u>	2024	2023
Fair value of share options at grant date	\$0.064 - \$0.120	\$0.030 - \$0.053
Share price at grant date	\$0.150	\$0.087
Exercise price	\$0.150	\$0.090
Expected volatility (weighted average volatility)	59.18%	73.50%
Options life	5 - 10 years	5 - 10 years
Expected dividends	2.40%	3.16%
Risk-free interest rate (based on government bonds)	3.32%	2.78%

Share-based payment arising from the share options and charged to employee benefit expenses amounted to \$526,000 (2023: \$20,000).

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27. Other liabilities

	Group	
	2024	2023
	\$'000	\$'000
Provision for employee benefit costs	1,997	1,648
Movements are as follows:		
Balance at beginning of the year	1,648	1,907
Net benefit expense recognised in profit or loss (Note 10)	381	315
Payments during the year	(100)	(561)
Foreign exchange adjustments	68	(13)
Balance at end of the year	1,997	1,648

The group operates a defined benefit plan in accordance with Thailand Labour Laws for qualifying employees of its subsidiary in Thailand. The amounts are determined based on years of service and salaries of the employees at the time of the pension.

The cost of providing post-employment benefits was calculated based on actuarial valuation performed by an independent actuary.

The principal actuarial assumptions used for the purpose of the actuarial valuation at the end of reporting year are as follows:

Group	2024		2023	
	Monthly staff	Daily staff	Monthly staff	Daily staff
Discount rate	2.35%	2.35%	3.34%	3.34%
Salary increase rate	3.50%	2.50%	4.00%	3.00%
Turnover rate	0 - 28%	0 - 46%	0 - 33%	0 - 46%

28. Lease liabilities

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Current	2,208	2,652	93	183
Non-current	3,665	5,670	–	93
	5,873	8,322	93	276

The lease liabilities are in relation to the group's factories and office spaces. Lease liabilities under operating leases are secured by the right-of-use assets because these will revert to the lessor in the event of default.

A summary of the maturity analysis of lease liabilities is disclosed in Note 34E. Total cash outflows from leases are shown in the statement of cash flows. The related right-of-use-assets are disclosed in Note 16.

The lease liability above does not include the short-term leases of less than 12 months and leases of low-value underlying assets. Variable lease payments that do not depend on an index or a rate or based on a percentage of revenue are not included from the initial measurement of the lease liability and the right-of-use assets.

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28. Lease liabilities (Continued)

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes to in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The weighted average incremental borrowing rate applied to lease liabilities recognised is 2.6% to 9.8% (2023: 2.6% to 9.8%) per year.

Apart from the disclosures above, other amounts relating to leases include the following:

	Group	
	2024	2023
	\$'000	\$'000
Expenses relating to short-term leases included in:		
Cost of sales	620	340
Distribution expenses	38	–
Administrative expenses	257	218
	915	558

29. Loans and borrowings

	Group	
	2024	2023
	\$'000	\$'000
<u>Secured bank loans with floating interest rates</u>		
Current	7,808	3,849
Non-current	2,719	–
	10,527	3,849

	Effective interest rate		Year of maturity		Group	
	2024	2023	2024	2023	2024	2023
	%	%			\$'000	\$'000
			2025 -			
Secured bank loans	4.50 – 7.00	4.76 - 7.40	2027	2024	10,527	3,849

The group's bank loans are secured by legal charges over property, plant and equipment (see Note 15) and guaranteed by a subsidiary in the group.

The subsidiary drawing down the loan must comply with certain financial covenants such as:

- a. The debt to equity ratio shall at any time not exceed 4:1; and
- b. The debt service coverage ratio shall not exceed 5:1.

The fair value (Level 2) is a reasonable approximation of the carrying amount as they are floating rate instruments that are frequently re-priced to market interest rates.

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AUDITED FINANCIAL RESULTS FOR FY2024

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31 DECEMBER 2024

30. Trade and other payables

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<u>Trade payables:</u>				
Outside parties and accrued liabilities	108,019	88,730	1,791	479
<u>Other payables:</u>				
Outside parties	4,294	2,768	11	16
Total trade and other payables	112,313	91,498	1,802	495

Material accounting policy information and other explanatory information – Trade and other payables

See Note 34 on financial instruments.

31. Contingent liability

	Company	
	2024	2023
	\$'000	\$'000
Undertaking to support subsidiaries in deficit	5,305	6,304

32. Capital commitments

Estimated amounts committed at the end of the reporting year for future capital expenditure but not recognised in the financial statements are as follows:

	Group	
	2024	2023
	\$'000	\$'000
Commitment to purchase plant and equipment	2	145

33. Operating lease income commitments

At the end of the reporting year, the group leases a section of its Shenzhen property to an external party for rental income from 2024 to 2025. A maturity analysis of the undiscounted non-cancellable rental income to be received on an annual basis for three years is as follows:

	Group	
	2024	2023
	\$'000	\$'000
Within 1 year	82	178
Between 2 to 3 years	–	181

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AUDITED FINANCIAL RESULTS FOR FY2024

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

34. Financial instruments: information on financial risks and other explanatory information

Material accounting policy information and other explanatory information – Financial Instruments

Recognition and derecognition of financial instruments:

A financial asset or a financial liability is recognised when, and only when, the entity becomes party to the contractual provisions of the instrument. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised and derecognised, as applicable, using trade date accounting or settlement date accounting. A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. A financial liability is removed from the statement of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is discharged or cancelled or expires. At initial recognition the financial asset or financial liability is measured at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Classification of financial assets and financial liabilities and subsequent measurement:

The financial reporting standard on financial instruments requires the certain classification of financial assets and financial liabilities. At the end of the reporting year, the reporting entity had the following classes:

Financial asset classified as measured at amortised cost: A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss ("FVTPL"), that is (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Typically trade and other receivables, bank and cash balances are in this class.

Financial liabilities are classified as at FVTPL in either of the following circumstances: (1) the liabilities are managed, evaluated and reported internally on a fair value basis; or (2) the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise. All other financial liabilities are carried at amortised cost using the effective interest method. Reclassification of any financial liability is not permitted.

34A. Categories of financial assets and financial liabilities

The following table categorises the carrying amount of financial assets and financial liabilities recorded at the end of the reporting year:

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<u>Financial assets:</u>				
Amortised cost	145,360	107,343	10,089	10,946
<u>Financial liabilities:</u>				
Amortised cost	128,713	103,669	1,895	771

Further quantitative disclosures are included throughout these financial statements.

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AUDITED FINANCIAL RESULTS FOR FY2024

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

34. Financial instruments: information on financial risks and other explanatory information (Continued)

34B. Financial risk management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the entity's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate, currency risk and price risk exposures. Management has certain procedures for the management of financial risks. The guidelines set up the short and long-term objectives and action to be taken in order to manage the financial risks. The guidelines include are followed: All financial risk management activities are carried out and monitored by senior management staff. All financial risk management activities are carried out following acceptable market practices including such activities to minimise interest rate, currency, credit and market risks for most kinds of transactions; to maximise the use of "natural hedge" favouring as much as possible the natural off-setting of sales; and when appropriate consideration is given to entering into derivatives or any other similar instruments for hedging purposes.

There have been no changes to the exposures to risk; the objectives, policies and processes for managing the risk and the methods used to measure the risk.

34C. Fair values of financial instruments

The analyses of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include both the significant financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

34D. Credit risk on financial assets

Financial assets subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner arise principally from cash balances with banks, receivables and other financial assets. The general approach in the financial reporting standard on financial instruments is applied to measure expected credit losses ("ECL") allowance on financial assets measured at amortised cost. On initial recognition, a loss allowance is recorded equal to the 12 month ECL unless the assets are considered credit impaired. The ECL allowance for debt assets is recognised at an amount equal to the lifetime ECL if the credit risk on that financial instrument has increased significantly since initial recognition. However, for trade receivables that do not contain a material financing component or when the reporting entity applies the practical expedient of not adjusting the effect of a material financing component, the simplified approach in calculating ECL is applied. Under the simplified approach, the loss allowance is recognised at an amount equal to lifetime ECL at each reporting date using historical loss rates for the respective risk categories and incorporating forward-looking estimates. Lifetime ECL may be estimated individually or collectively. For the credit risk on the financial assets an ongoing credit evaluation is performed on the financial condition of the debtors and any loss is recognised in profit or loss. Reviews and assessments of credit exposures in excess of designated limits are made. Renewals and reviews of credits limits are subject to the same review process.

Note 22 discloses the cash balances. There was no identified impairment loss.

34E. Liquidity risk – financial liabilities maturity analysis

Liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be settled at their contractual maturity within twelve months after at the end of the reporting year. The average credit period taken to settle current trade payables is about 121 days (2023: 101 days). The classification of the financial assets is shown in the statement of financial position as they may be available to meet liquidity needs and no further analysis is deemed necessary.

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NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

34. Financial instruments: information on financial risks and other explanatory information (Continued)

34E. Liquidity risk – financial liabilities maturity analysis (Continued)

The following table analyses the financial liabilities at the end of the reporting year by remaining contractual maturity (contractual undiscounted cash flows):

	Less than 1 year \$'000	Between 2 – 5 years \$'000	Total \$'000
Group			
<u>2024:</u>			
Gross loans and borrowings	7,967	2,847	10,814
Gross lease liabilities	2,480	3,858	6,338
Trade and other payables	112,313	–	112,313
	<u>122,760</u>	<u>6,705</u>	<u>129,465</u>
<u>2023:</u>			
Gross loans and borrowings	3,876	–	3,876
Gross lease liabilities	3,226	6,638	9,864
Trade and other payables	91,498	–	91,498
	<u>98,600</u>	<u>6,638</u>	<u>105,238</u>
Company			
<u>2024:</u>			
Gross lease liabilities	94	–	94
Trade and other payables	1,802	–	1,802
	<u>1,896</u>	<u>–</u>	<u>1,896</u>
<u>2023:</u>			
Gross lease liabilities	187	94	281
Trade and other payables	495	–	495
	<u>682</u>	<u>94</u>	<u>776</u>

The undiscounted amounts on the borrowings with fixed and floating interest rates are determined by reference to the conditions existing at the reporting date.

34F. Interest rate risk

Interest rate risk arises on interest-bearing financial instruments. The following table analyses the breakdown of the material financial instruments by type of interest rate:

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<u>Financial liabilities:</u>				
Floating rates	10,527	3,849	–	–
Fixed rates	5,873	8,322	93	276
	<u>16,400</u>	<u>12,171</u>	<u>93</u>	<u>276</u>

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AUDITED FINANCIAL RESULTS FOR FY2024

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

34. Financial instruments: information on financial risks and other explanatory information (Continued)

34F. Interest rate risk (Continued)

For the floating rate financial instruments with interest rates that are re-set regular intervals, the material interest rates are disclosed in the respective notes.

Sensitivity analysis: The effect on pre-tax profit is not material.

34G. Foreign currency risks

Foreign exchange risk arises on financial instruments that are denominated in a foreign currency that is a currency other than the functional currency in which they are measured. Currency risk does not arise from financial instruments that are non-monetary items or from financial instruments denominated in the functional currency as defined in the financial reporting standard on financial instruments.

Analysis of amounts denominated in non-functional currencies:

Group	Vietnamese Dong \$'000	Chinese Renminbi \$'000	Thai Baht \$'000	Others \$'000	Total \$'000
2024					
<u>Financial assets:</u>					
Cash and cash equivalents	62	993	2,244	470	3,769
Trade and other receivables	295	1,834	608	256	2,993
Total financial assets	357	2,827	2,852	726	6,762
<u>Financial liabilities:</u>					
Trade and other payables	(806)	(4,863)	(2,113)	(17)	(7,799)
Lease liabilities	–	–	(2,794)	–	(2,794)
Loans and borrowings	(1,322)	–	(9,205)	–	(10,527)
Total financial liabilities	(2,128)	(4,863)	(14,112)	(17)	(21,120)
Net financial (liabilities) / assets	(1,771)	(2,036)	(11,260)	(709)	(14,358)
2023					
<u>Financial assets:</u>					
Cash and cash equivalents	–	284	755	45	1,084
Trade and other receivables	–	1,198	298	–	1,496
Total financial assets	–	1,482	1,053	45	2,580
<u>Financial liabilities:</u>					
Trade and other payables	–	(6,998)	(3,950)	–	(10,948)
Lease liabilities	–	(488)	(3,356)	–	(3,844)
Loans and borrowings	–	–	(3,849)	–	(3,849)
Total financial liabilities	–	(7,486)	(11,155)	–	(18,641)
Net financial (liabilities) / assets	–	(6,004)	(10,102)	45	(16,061)

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AUDITED FINANCIAL RESULTS FOR FY2024

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

34. Financial instruments: information on financial risks and other explanatory information (Continued)

34G. Foreign currency risks (Continued)

Company	United States Dollar	
	2024	2023
	\$'000	\$'000
<u>Financial assets:</u>		
Cash and cash equivalents	280	45

There is exposure to foreign currency risk as part of the group's normal business.

Sensitivity analysis: The effect on pre-tax profit is not material.

35. Changes and adoption of financial reporting standards

For the current reporting year, the ASC issued certain new or revised financial reporting standards. Those applicable to the reporting entity are listed below. None had material impact on the reporting entity.

SFRS(I) No	Title
SFRS(I) 1-1	Presentation of Financial Statements- amendment relating to Classification of Liabilities as Current or Non-current
SFRS(I) 1-1	Presentation of Financial Statements- amendment relating to Non-current Liabilities with Covenants
SFRS(I) PS 2	SFRS(I) Practice Statement 2 Making Materiality Judgements

36. New or amended standards in issue but not yet effective

The ASC issued certain new or revised financial reporting standards for the future reporting years. Adoption of the applicable new or revised standards are expected to have some material impact on the reporting entity financial statements presentation and disclosure based on its current operations. Those applicable to the group for future reporting years are listed below.

SFRS(I) No	Title	Effective date for periods beginning on or after
SFRS(I) 1-21	The Effects of Changes in Foreign Exchange Rates (amendment) Lack of Exchangeability	1 January 2025
SFRS(I) 9 and 7	Classification and Measurement of Financial Instruments – Amendments	1 January 2026
SFRS(I) 18	Presentation and disclosures in financial statements	1 January 2027

SFRS(I) 18 Presentation and Disclosure in Financial Statements. It replaces SFRS(I) 1-1. The new version includes (a) revised presentation of specified categories and defined subtotals in the statement of profit or loss; (b) new disclosures on management-defined performance measures in the notes to the financial statements; and (c) improved disclosures of aggregation and disaggregation of balances.

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SUMMARY VALUATION REPORTS



Our Ref: GV/CYF/GAL/ELO/chl/28636(1)i

Broadway Industrial Group Limited
54 Serangoon North Avenue 4
#05-02
Singapore 555854

15 January 2026

Dear Sirs

Valuation of An Industrial Complex located at No. 5 North Luyin Road, Pingshan District, Shenzhen, Guangdong Province, the People's Republic of China (the "Property")

In accordance with the instruction received from Broadway Industrial Group Limited for us to value the Property located in the People's Republic of China (the "PRC"), we confirm that we have carried out inspections, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market values of the Property in their existing state as at 30 September 2025 for the disposal and corporate transaction purpose on the Singapore Exchange Securities Trading Limited. Comprehensive valuation report for the Property has been prepared and are vested with Broadway Industrial Group Limited.

Basis of Valuation

Our valuation is our opinion of the market value of the property, which we would define as intended to mean "the estimated amount for which an asset should exchange on the date of valuation between a willing buyer and a willing seller in an 'arms-length' transaction, after proper marketing, wherein the parties had each acted knowledgeably, prudently, and without compulsion".

Market value is the most probable price reasonably obtainable in the market on the valuation date in keeping with the market value definition. It is the best price reasonably obtainable by the seller and the most advantageous price reasonably obtainable by the buyer. This estimate specifically excludes an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangements, special considerations or concessions granted by anyone associated with the sale, or any element of value available only to a specific owner or purchaser.

In preparing our valuation report, we have complied with "The RICS Valuation – Global Standards" issued by the Royal Institution of Chartered Surveyors ("RICS"), which incorporate the International Valuation Standards (the "Red Book").

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C P Property Management Limited

Knight Frank Hong Kong Limited EAA Lic No C-013197
Knight Frank Asset Appraisal Limited

Your partners in property

Regulated by RICS

Knight Frank (Services) Limited EAA Lic No C-012848

APPENDIX G

SUMMARY VALUATION REPORTS

15 January 2026
Broadway Industrial Group Limited



Valuation Methodology

We have adopted Income Approach – Term and Reversion Method and Market Approach.

Income Approach – Term and Reversion Method

Income Approach – Term and Reversion Method is a valuation methodology by reference to the capacity of a property to generate benefits (i.e. usually the monetary benefits of income and reversion) and convert these benefits into an indication of present value. It is based on the premise that an investor uses the income capability of an investment as a measure of value. All the things being equal, the basic premise is that the higher the income, the higher the value. The income from a property is usually annual operating income or pre-tax cash flow. The conversion of income into an expression of market value is known as the capitalization process, which is to convert estimated annual income expectancy into an indication of value either by dividing the income estimate by an appropriate yield rate or by multiplying the income estimate by an appropriate factor.

Market Approach

For cross-checking purpose, we have referenced to Market Approach, which we have made reference to the recent market sales evidence which is available in the market. Appropriate adjustments have been made in our valuation to reflect the differences in the characteristics between the Property and the comparable properties such as location, size, age, condition, quality and view in arriving at our opinion of the market value.

Market Value in its existing state

We are of the opinion that the Market Value of the Property in its existing state, as at the Valuation Date was in the sum of **RMB100,000,000 (RENMINBI ONE HUNDRED MILLION)**, subject to the valuation basis and assumptions as stated throughout this report and its title being free of all material encumbrances or defects.

Title Documents and Encumbrances

We have been provided with extracts of documents in relation of the title to the Property. However, we have not inspected the original documents to ascertain any amendments which may not appear on the copies handed to us. We do not accept liability for any interpretation which we have placed on such information, which likely falls within the sphere of your legal adviser. Neither have we verified the correctness of any information supplied to us concerning the Property, whether in writing or verbally by Broadway Industrial Group Limited.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the Property nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the Property has proper legal titles and all land premiums had been fully settled. It is also assumed that the Property is free from encumbrances, restrictions and outgoings of an onerous nature which could affect their values.

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SUMMARY VALUATION REPORTS

15 January 2026
Broadway Industrial Group Limited



Source of Information

We have relied to a considerable extent on the information given by you. We have no reason to doubt the truth and accuracy of the information provided to us which is material to the valuation. We have accepted advice given to us on such matters as tenure, ownership, particulars of occupancy, tenancy information, floor areas and all other relevant matters. Dimensions, measurements and areas included in the valuation report are based on information contained in the documents provided to us and are therefore only approximations. We have not been able to carry out detailed on-site measurements to verify the correctness of the floor areas of the Property and we have assumed that the floor areas shown on the documents handed to us are correct. We were also advised that no material facts have been omitted from the information provided.

Inspection and Structural Condition

We have inspected the exterior and, where possible, the interior of the Property by our Wayne Luo on 8 July 2025. No structural survey has been made. We are not, therefore, able to report that the Property is free from rot, infestation or any other structural defects. No tests were carried out on any of the services. For the purpose of this valuation, we have assumed that the Property has been maintained in satisfactory condition commensurate with its building age and use.

Environmental Issues

We are not environmental specialists and therefore we have not carried out any scientific investigations of sites or buildings to establish the existence or otherwise of any environmental contamination, nor have we undertaken searches of public archives to seek evidence of past activities that might identify potential for contamination. In the absence of appropriate investigations and where there is no apparent reason to suspect potential for contamination, our valuation is prepared on the assumption that the Property is unaffected. Where contamination is suspected or confirmed, but adequate investigation has not been carried out and made available to us, then the valuation will be qualified.

Compliance with Relevant Ordinances and Regulations

We have assumed that the Property has been constructed, occupied and used in full compliance with, and without contravention of any Ordinances, statutory requirement and notices except only where otherwise stated. We have further assumed that, for any use of the Property upon which this report is based, any and all required licences, permits, certificates, consents, approvals and authorisation have been obtained, except only where otherwise stated.

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SUMMARY VALUATION REPORTS

15 January 2026
Broadway Industrial Group Limited



Remarks

Knight Frank has prepared the valuation based on the information and data available to us as at the valuation date. While the current market is influenced by various policies and regulations, increased global conflicts could add further fluctuations in real estate market. It must be recognised that enactment of emergency measures, changes in mortgage requirements or international tensions could be immediate and have sweeping impact on the real estate market apart from typical market variations. It should therefore be noted that any market violation, policy, geopolitical and social changes or other unexpected incidents after the valuation date may affect the value of the Property.

Assumptions, Disclaimers, Limitations and Qualifications

We have assumed that the Property is freely disposable and transferable in the market, whether as a whole or on strata-title basis, to local or overseas purchasers for their designated uses for the whole of the unexpired term as granted.

Brief summary of the Property is attached to this letter. This letter alone does not contain the necessary data and support information included in our valuation reports. For further information to that contained herein, reference should be made to the valuation reports, copy of which is held by the Trustee.

This letter is for the use in connection with the purpose. No responsibility is accepted to any other party for the whole or any part of its contents.

We have prepared this letter for inclusion in the circular and specially disclaim liability to any person in the event of any omission from or false or misleading statement included in the circular, other than in respect of the information provided within the valuation reports and brief summary. We do not make any warranty or representation as to the accuracy of the information in any part of the circular other than as expressly made or given in the brief summary attached.

We hereby confirm that we have neither present nor prospective interests in or the Property.

Currency

Unless otherwise stated, all money amounts stated are in Renminbi.

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SUMMARY VALUATION REPORTS

15 January 2026
Broadway Industrial Group Limited



We hereby certify that our valuers undertaking this valuation are authorised to practise as valuers and have the necessary expertise and experience in valuing similar types of properties. We enclose herewith brief summary.

Yours faithfully
For and on behalf of
Knight Frank Petty Limited

Reviewed (but not undertaken) by:



Gary Lau MHKIS MRICS RPS(GP) FICS Registered Valuer
Senior Director
Valuation & Advisory



Cyrus Fong FHKIS FRICS MCIREA RICS Registered Valuer RPS(GP)
Executive Director
Head of Valuation & Advisory, Greater China

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SUMMARY VALUATION REPORTS

15 January 2026
Broadway Industrial Group Limited



VALUATION SUMMARY

Address	An Industrial Complex located at No. 5 North Luyin Road, Pingshan District, Shenzhen, Guangdong Province, the People's Republic of China ("the Property")
Client	Broadway Industrial Group Limited
Registered Owner	鏷偉科技 (深圳) 有限公司 (BIGL Technologies (Shenzhen) Co. Ltd)
Purpose of Valuation	Disposal and corporate transaction
Interest to be valued	100% interest of the Property
Basis of Valuation	Market Value
Valuation Methodology	Market Approach and Income Approach – Term & Reversion
Site Area	Approximately 19,991.00 sq m
Gross Floor Area (GFA)	Approximately 36,509.27 sq m
Net Lettable Area (NLA)	Not applicable
Description	<p>The Property comprises an industrial complex with various buildings and structures erected on a land parcel with a site area of approximately 19,991.00 sq m.</p> <p>According to the information provided, the Property comprises 2 industrial buildings completed in 2007 with a total gross floor area of approximately 36,509.27 sq m.</p>
Master Plan Zoning	M1 Industrial
Occupancy	<p>As advised by the Client, portion of the Property with a total gross floor area of 1,600.00 sq m is subject to a tenancy expiring in December 2025, yielding a total monthly rental of approximately RMB36,700, inclusive of management fee and tax.</p> <p>The remaining portion of the Property is currently owner-occupied for industrial use.</p>
Tenancy Profile	As advised by the Client, portion of the Property with a total gross floor area of 1,600.00 sq m is subject to a tenancy expiring in December 2025, yielding a total monthly rental of approximately RMB36,700, inclusive of management fee and tax.

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15 January 2026
Broadway Industrial Group Limited



Legal Descriptions	Pursuant to two Realty Title Certificates both issued by State-owned Land Resources and Housing Management Bureau dated 7 November 2018, the title to 2 buildings with a total gross floor area of 36,509.27 sq m was vested in 鏢偉科技 (深圳) 有限公司 (BIGL Technologies (Shenzhen) Co. Ltd) for a land use term of 50 years expiring on 13 September 2055 for industrial use.														
Tenure	Leasehold														
Valuation Date	30 September 2025														
Inspection Date	8 July 2025														
Term Yield	7.00%														
Reversionary Yield	7.00%														
Capitalisation Rate	Not applicable														
Terminal Capitalisation Rate	Not applicable														
Discount Rate	Not applicable														
Market Value	<table><tr><th>Valuation Method</th><th>Weighing (%)</th><th>Market Value (RMB)</th></tr><tr><td>Market Approach</td><td>50</td><td>102,000,000</td></tr><tr><td>Income Approach – Term and Reversion</td><td>50</td><td>97,000,000</td></tr><tr><td>Adopted Market Value (RMB)*</td><td colspan="2">100,000,000</td></tr></table> <p><i>* Adopted Market Value is rounded to the nearest million</i></p>			Valuation Method	Weighing (%)	Market Value (RMB)	Market Approach	50	102,000,000	Income Approach – Term and Reversion	50	97,000,000	Adopted Market Value (RMB)*	100,000,000	
Valuation Method	Weighing (%)	Market Value (RMB)													
Market Approach	50	102,000,000													
Income Approach – Term and Reversion	50	97,000,000													
Adopted Market Value (RMB)*	100,000,000														
Market Value in sq m	RMB2,739 per sq m in GFA														
Net Realisable Value	<table><tr><td>Adopted Market Value (RMB)*</td><td>100,000,000</td></tr><tr><td>Less: Estimated Cost of selling the Property*</td><td>22,000,000</td></tr><tr><td>Net Realisable Value*</td><td>78,000,000</td></tr></table> <p><i>* All above values are rounded to the nearest million</i></p>			Adopted Market Value (RMB)*	100,000,000	Less: Estimated Cost of selling the Property*	22,000,000	Net Realisable Value*	78,000,000						
Adopted Market Value (RMB)*	100,000,000														
Less: Estimated Cost of selling the Property*	22,000,000														
Net Realisable Value*	78,000,000														

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SUMMARY VALUATION REPORTS

15 January 2026
Broadway Industrial Group Limited



Assumptions, Disclaimers, Limitations & Qualifications

In the course of our valuation, we have made certain assumptions which collectively may have a material impact on our valuation and these are noted as follows: -

- **Information Provided.** Subject to having made reasonable enquiries, exercising our judgment on the reasonable use of such information and finding no reason to doubt the accuracy or reliability of the information, we have relied on the information provided by the Client and have accepted advice given to us on such matters as the identification of the Property, site and floor areas, building uses and other relevant matters. We were advised by the Client that no material facts have been omitted from the information provided.
- **Proper Legal Title.** We have assumed that the Property has proper legal titles and all land premium had been fully settled. It is assumed that the Property is free from encumbrances, restrictions and outgoings of an onerous nature that could affect its value, including but not limited to mortgage loan and other financing tools.
- **Alienation.** We have assumed that the Property is freely disposable and transferable in the market for its designated use, whether as a whole or on strata-title basis, to local or overseas purchasers.
- We have assumed that the design and construction of the Property is in compliance with local planning regulations and have been approved by the relevant government authorities.
- Our valuation is prepared on the basis that the Property is available for sale in the market in existing state basis.
- We have assumed that the Property is accessed to water supply, electricity supply, road access, telecommunication facilities, and gas supply and land levelling.

The valuation is based on the market evidence available in the market. Nevertheless, the actual transaction price of the Property is subject to the market condition and may deviate from the valuation.

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General Terms of Business for Valuation Services

Important Notice

If you have any queries relating to this Agreement, please let us know as soon as possible and in any event before signing the Terms of Engagement Letter and/or giving us instructions to proceed.

Your instructions to proceed (howsoever received, whether orally or in writing) will constitute your offer to purchase our services on the terms of the Agreement.

Accordingly, our commencement of work pursuant to your instructions shall constitute acceptance of your offer and as such establish the contract between us on the terms of the Agreement.

These General Terms of Business for Valuation Services (the “**General Terms**”), the General Scope of Valuation Work (the “**General Scope of Work**”) and our Terms of Engagement Letter (the “**Engagement Letter**”) together form the agreement between you and us (the “**Agreement**”). References to “**you**”, “**your**” etc. are to persons or entities who are our client and, without prejudice to clauses 3 and 4 below, to any persons purporting to rely on our Valuation.

Unless the context otherwise requires, all other terms and expressions used but not defined herein shall have the meaning ascribed to them in the Engagement Letter.

When used within these General Terms, the General Scope of Work and/or in the Engagement Letter, the term “**Valuation**” shall mean any valuation report, supplementary report or subsequent/update report, produced pursuant to our engagement and any other replies or information we produce in respect of any such report and/or any relevant property. Any words following the terms “**including**”, “**in particular**” or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

All of the terms set out in these General Terms shall survive termination of the Agreement.

In the event of any inconsistency between these General Terms, the Scope of Work and the Engagement Letter, the order of precedence should be as follows: (1) the Engagement Letter, (2) the Scope of Work and (3) these General Terms.

1. Knight Frank

- 1.1 Knight Frank Petty Limited (“**Knight Frank**”, “**our**”, “**us**”, “**we**”) is a company with limited liability incorporated in the Hong Kong Special Administrative Region (the “**HKSAR**”).
- 1.2 Our registered office is at 4/F Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong.
- 1.3 Any representative of Knight Frank described as *partner* is either a member or an employee of Knight Frank and is not a partner in a partnership. The term *partner* has been retained because it is an accepted way of referring to senior professionals. The term “**Knight Frank Person**” shall, when used herein, mean any member, employee, “partner” or consultant of Knight Frank.
- 1.4 The details of our professional indemnity insurance will be provided to you on request.
- 1.5 Knight Frank is registered for regulation in HKSAR by the Royal Institution of Chartered Surveyors (“**RICS**”). Any Valuation provided by us may be subject to monitoring under RICS Valuer Registration. In accordance with our obligations it may be necessary to disclose valuation files to the RICS. By instructing us, you give us your permission to do so. Where possible, we will give you prior notice before making any such disclosure, although, this may not always be possible. We will use reasonable endeavours to limit the scope of any such disclosure and to ensure any disclosed documents are kept confidential.

- 1.6 Valuations will be carried out in accordance with the relevant edition of the Hong Kong Institute of Surveyors (“**HKIS**”) Valuation Standards, and/or the RICS valuation standards, the RICS Red Book (the “**Red Book**”), by valuers who conform to its requirements and with regard to relevant statutes or regulations.

- 1.7 As required by the RICS, a copy of our complaints procedure is available on request. Please contact the relevant Head of Department if you would like to make a complaint.

- 1.8 Knight Frank is regulated by the RICS for the provision of surveying services. This means we agree to uphold the RICS Rules of Conduct and all other applicable mandatory professional practice requirements of the RICS, which can be found at www.rics.org. As a RICS regulated firm, we have committed to cooperating with the RICS in ensuring compliance with its standards.

2. Governing law and jurisdiction

- 2.1 The Agreement and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation or any Valuation shall be governed by and construed in accordance with the laws of the HKSAR.
- 2.2 The courts of the HKSAR shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this Agreement or its subject matter or formation or any Valuation. This will apply wherever the relevant property or the client, or any relevant third party, is located or the service is provided.

3. Limitations on liability

- 3.1 Subject to clause 3.8, our maximum total liability in connection with or arising out of this Agreement and/or its subject matter and/or the Valuation is limited to five times our fee as set out in the Engagement Letter.
- 3.2 Subject to clause 3.8, we will not be liable for any loss of profits, loss of data, loss of chance, loss of goodwill, or any indirect or consequential loss of any kind.
- 3.3 Our liability to you shall be reduced to the extent that we prove that we would have been able to claim a contribution pursuant to the Civil Liability (Contribution) Ordinance Cap 377 of the laws of the HKSAR from one or more of the other professionals instructed by you in relation to any relevant property and/or the Purpose (and in each case if, as a result of an exclusion or limitation of liability in your agreement with such professional, the amount of such contribution would be reduced, our liability to you shall be further reduced by the amount by which the contribution we would be entitled to claim from such professional is reduced).
- 3.4 Subject to clause 3.8, any limitation on our liability will apply however such liability is or would otherwise have been incurred, whether in contract, tort (including negligence), for breach of statutory duty, or otherwise.
- 3.5 Except as set out in clauses 3.6 and 4.7 and 4.8 below, no third party shall have any right to enforce any of the terms of this Agreement,

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- whether under the Contracts (Rights of Third Parties) Ordinance (Cap 623) or otherwise.
- 3.6 No claim arising out of or in connection with this Agreement may be brought against any Knight Frank Person. Those individuals will not have a personal duty of care to you or any other person and any such claim for losses must be brought against Knight Frank. Any Knight Frank Person may enforce this clause under the Contracts (Rights of Third Parties) Ordinance (Cap 623) but the terms of this Agreement may be varied by agreement between the client and Knight Frank at any time without the need for any Knight Frank Person to consent.
- 3.7 No claim, action or proceedings arising out of or in connection with the Agreement and/or any Valuation shall be commenced against us after the expiry of the earlier of (a) six years from the Valuation Date (as set-out in the relevant Valuation) or (b) any limitation period prescribed by law.
- 3.8 Whether or not specifically qualified by reference to this clause, nothing in the Agreement shall exclude or limit our liability in respect of fraud, or for death or personal injury caused by our negligence or negligence of those for whom we are responsible, or for any other liability to the extent that such liability may not be so excluded or limited as a matter of applicable law.
- 4. Purpose, reliance and disclosure**
- 4.1 The Valuation is prepared and provided solely for the stated purpose. Unless expressly agreed by us in writing, it cannot be relied upon, and must not be used, for any other purpose and, subject to clause 3.8, we will not be liable for any such use.
- 4.2 Without prejudice to clause 4.1 above, the Valuation may only be relied on by our Client. Unless expressly agreed by us in writing the Valuation may not be relied on by any third party and we will not be liable for any such purported reliance.
- 4.3 Subject to clause 4.4 below, the Valuation is confidential to our Client and must not be disclosed, in whole or in part, to any third party without our express written consent (to be granted or withheld in our absolute discretion). Subject to clause 3.8, no liability is accepted to any third party for the whole or any part of any Valuation disclosed in breach of this clause.
- 4.4 Notwithstanding any statement to the contrary in the Agreement, you may disclose documents to the minimum extent required by any court of competent jurisdiction or any other competent judicial or governmental body or the laws of the HKSAR.
- 4.5 Neither the whole nor any part of the Valuation and/or any reference thereto may be included in any published document, circular or statement nor published in any way whatsoever whether in hard copy or electronically (including on any website) without our prior written consent and approval of the form and context in which it may appear.
- 4.6 Where permission is given for the publication of a Valuation neither the whole nor any part thereof, nor any reference thereto, may be used in any publication or transaction that may have the effect of exposing us to liability for actual or alleged violations of the Securities Act 1933 as amended, the Securities Exchange Act of 1934 as amended, any state Blue Sky or securities law or similar federal, state provincial, municipal or local law, regulation or order in either the United States of America or Canada or any of their respective territories or protectorates (the "**Relevant Securities Laws**"), unless in each case we give specific written consent, expressly referring to the Relevant Securities Laws.
- 4.7 You agree that we, and/or any Knight Frank Person, may be irreparably harmed by any breach of the terms of this clause 4 and that damages may not be an adequate remedy. Accordingly, you agree that we and/or any Knight Frank Person may be entitled to the remedies of injunction or specific performance, or any other equitable relief, for any anticipated or actual breach of this clause.
- 4.8 You agree to indemnify and keep fully indemnified us, and each relevant Knight Frank Person, from and against all liabilities, claims, costs (including legal and professional costs), expenses, damages and losses arising from or in connection with any breach of this clause 4 and/or from the actions or omissions of any person to whom you have disclosed (or otherwise caused to be made available) our Valuation otherwise than in accordance with this clause 4.
- 4.9 You warrant and represent that all information provided to us shall be accurate, complete and up-to-date and can be relied upon by us for the purposes of the Agreement and you shall be liable to us or any other third party for any such information provided by you that is not accurate, complete or up-to-date.
- 5. Knight Frank network**
- 5.1 Knight Frank Petty Limited / Knight Frank Asset Appraisal Limited is a member of an international network of independent firms which may use the "Knight Frank" name and/or logos as part of their business name and operate in jurisdictions outside the HKSAR (each such firm, an "**Associated Knight Frank Entity**").
- 5.2 Unless specifically agreed otherwise, in writing, between you and us: (i) no Associated Knight Frank Entity is our agent or has authority to enter into any legal relations and/or binding contracts on our behalf; and (ii) we will not supervise, monitor or be liable for any Associated Knight Frank Entity or for the work or actions or omissions of any Associated Knight Frank Entity, irrespective of whether we introduced the Associated Knight Frank Entity to you.
- 5.3 You are responsible for entering into your own agreement with any relevant Associated Knight Frank Entity.
- 5.4 This document has been originally prepared in the English language. If this document has been translated and to the extent there is any ambiguity between the English language version of this document and any translation thereof, the English language version as prepared by us shall take precedence.
- 6. Severance**
- If any provision of the Agreement is invalid, illegal or unenforceable, the parties shall negotiate in good faith to amend such provision so that, as amended, it is legal, valid and enforceable and, to the greatest extent possible, achieves the intended commercial result of the original provision. If express agreement regarding the modification or meaning or any provision affected by this clause is not reached, the provision shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision shall be deemed deleted. Any modification to or deletion of a provision under this clause shall not affect the validity and enforceability of the rest of this Agreement.
- 7. Entire agreement**
- 7.1 The Agreement, together with any Valuation produced pursuant to it (the Agreement and such documents together, the "**Contractual Documents**") constitute the entire agreement between you and us and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between you and us, whether written or oral, relating to its subject matter.
- 7.2 Subject to clause 3.8 above, you agree that in entering into the Agreement you do not rely on, and shall have no remedies in respect of, any statement, representation, assurance or warranty (whether made innocently or negligently) that is not expressly set out in the Contractual Documents. You further agree that you shall have no claim for innocent or negligent misrepresentation based on any statement set out in the Contractual Documents.

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- 7.3 The Engagement Letter, the Scope of Work and these General Terms shall apply to and be incorporated in the contract between us and will prevail over any inconsistent terms or conditions contained or referred to in your communications or publications or which would otherwise be implied. Your standard terms and conditions (if any) shall not govern or be incorporated into the contract between us.
- 7.4 Subject to clause 3.8 and clause 6, no addition to, variation of, exclusion or attempted exclusion of any of the terms of the Contractual Documents will be valid or binding unless recorded in writing and signed by duly authorised representatives on behalf of the parties.
- 8. Assignment**
You shall not assign, transfer, mortgage, charge, subcontract, declare a trust over or deal in any other manner with any of the rights and obligations under the Agreement without our prior written consent (such consent to be granted or withheld in our absolute discretion).
- 9. Force majeure**
Neither party shall be in breach of this Agreement nor liable for delay in performing, or failure to perform, any of its obligations under this Agreement if such delay or failure results from events, circumstances or causes beyond its reasonable control.
- 10. Our fees**
10.1 Without prejudice to clause 10.3 below, you become liable to pay our fees upon issuance of the Valuation. For the avoidance of doubt, unless expressly agreed otherwise in writing, the payment of our fees is not conditional on any other events or conditions precedent.
- 10.2 If any invoice remains unpaid after 30 days of the date on which it is presented, we reserve the right to charge interest, calculated daily, from the date when payment was due until payment is made, at 2% per month.
- 10.3 If we should find it necessary to use legal representatives or collection agents to recover monies due, you will be required to pay all costs and disbursements so incurred.
- 10.4 If before the Valuation is concluded you end this instruction, we will charge abortive fees (calculated on the basis of a proportion of the total fee by reference to reasonable time and expenses incurred), with a minimum charge of 50% of the full fee if we have already inspected the property (or any property, if the instruction relates to more than one), or with a minimum charge of 80% of the full fee if we have already submitted draft report.
- 10.5 If you delay the instruction by more than 30 days or materially alter the instruction so that additional work is required at any stage or if we are instructed to carry out additional work that we consider (in our reasonable opinion) to be either beyond the scope of providing the Valuation or to have been requested after we have finalised our Valuation (including, but not limited to, changing the Valuation Date, or issuing additional reports addressed to third parties, etc.), we will charge additional fees for this work. We will endeavour to agree any additional fees with you prior to commencing the work, however, where this is not possible our hourly rates will apply. Such additional fees will be calculated on the basis of a proportion of the total fee by reference to reasonable time and expenses incurred.
- 10.6 Where we agree to accept payment of our fees from a third party, such fees remain due from you until payment is received by us.
- 10.7 Any fee paid in advance for our services will not be held by us as client's money pending the completion of our service to you and it will not be subject to the RICS Clients' Money Protection Scheme.
- 11. Anti-bribery, corruption & Modern Slavery**
11.1 We agree that throughout the term of our appointment we shall:
- (a) Comply with all applicable laws, statutes, regulations, and codes relating to anti-bribery and anti-corruption including but not limited to the Prevention of Bribery Ordinance (Cap 201), (the "Relevant Requirements");
 - (b) not engage in any activity, practice or conduct which would constitute an offence under sections 1,2 or 6 of the Bribery Act 2010 if such activity, practice or conduct had been carried out in the UK;
 - (c) maintain anti-bribery and anti-corruption policies to comply with the Relevant Requirements and any best practice relating thereto; and
 - (d) promptly report to you any request or demand for any undue financial or other advantage of any kind in connection with the performance of our services to you.
- 11.2 We take all reasonable steps to ensure that we conduct our business in a manner that is consistent with our Human Rights Policy and comply with applicable anti-slavery and human trafficking laws, statutes, regulations and codes from time to time in force including the Modern Slavery Act 2015 of the UK.
- 12. Data Protection**
12.1 For the purposes of this clause "Data Protection Legislation" means the Personal Data (Privacy) Ordinance (Cap 486) The terms "Personal Data", "Data Processor" and "Data Subject" shall have the meanings ascribed to them in the Data Protection Legislation.
- 12.2 You and we shall comply with applicable requirements of the Data Protection Legislation.
- 12.3 Without prejudice to the generality of the foregoing, you will not provide us with Personal Data unless the Agreement requires the use of it, and/or we specifically request it from you. By transferring any Personal Data to us you warrant and represent that you have the necessary authority to share it with us and that the relevant Data Subjects have been given the necessary information regarding its sharing and use.
- 12.4 We may transfer Personal Data you share with us to other Associated Knight Frank Entities and/or group undertakings. Some of these recipients may be located outside of the HKSAR. We will only transfer such Personal Data where we have a lawful basis for doing so and have complied with the specific requirements of the Data Protection Legislation.
- 12.5 Full details of how we use Personal Data can be found in our Privacy Statement at <http://www.knightfrank.com/legals/privacy-statement>.

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General Scope of Valuation Work

As required by the RICS Valuation – Global Standards (the “Red Book”) / International Valuation Standards, this General Scope of Valuation Work describes information we will rely on, the investigations that we will undertake, the limits that will apply to those investigations and the assumptions we will make, unless we are provided with or find information to the contrary.

Definitions

“**Assumption**” is something which it is agreed the valuer can reasonably accept as being true without specific investigation or verification.

“**Property**” is the interest which we are instructed to value in land including any buildings or other improvements constructed upon it.

“**Valuation**” shall mean any valuation report, supplementary report or subsequent/update report, produced pursuant to this engagement and any other replies or information we produce in respect of any such report and/or any relevant property.

1. Property to be valued

1.1 We will exercise reasonable care and skill (but will not have an absolute obligation to you) to ensure that the Property, identified by the address provided in your instructions, is the Property inspected by us and included within our Valuation. If there is ambiguity as to the Property address, or the extent of the Property to be valued, this should be drawn to our attention in your instructions or immediately upon receipt of our Valuation.

1.2 We will rely upon information provided by you, your representative(s) or your legal advisers relating to the Property to be valued, including any tenancies, sub-tenancies or other third-party interests. Any information on title and tenure we are provided with by a third party during the course of our investigations will be summarised in our Valuation but will be subject to verification by your legal advisers. We will not search the original documents to verify ownership or to verify any lease amendments that may not appear on the copies handed to us. We will not make or commission any investigations to verify any of this information. In particular, we will not investigate or verify that:

- (a) all title information relied upon and referred to in our Valuation is complete and correct,
- (b) all documentation is satisfactorily drawn,
- (c) there are no undisclosed onerous conditions or restrictions that could impact on the marketability of the Property valued, and
- (d) there is no material litigation pending, relating to the Property valued.

For Hong Kong Properties

Prior to preparing our report, unless you or your representative(s) provide land search information to us, a search will normally be made in the Land Registry to retrieve details of the Government Lease and any encumbrances registered against it. Information so obtained will be interpreted and analysed with as much care as possible, but you should always arrange for your own legal advisers to check this information prior to entering into any commitment as a result of our report.

For Macau Properties

Whilst we may cause search in the Conservatória do Registo Predial (the Property Registry of Macau) to retrieve relevant information / encumbrances in Chinese registered against the Property, we largely rely on the copies provided by you or your representative(s), in English or Chinese. We do not undertake to require sight of the original documents etc nor to verify the correctness of any information supplied to us, including their translations.

For PRC or Overseas Properties

We normally base our work on information supplied to us only, accept such information at its face value, and do not undertake to require sight of the original documents etc. Nor do we verify the correctness of any information supplied to us, whether in writing or verbally, by you or by your representative(s) or by any (or any apparent) occupier of the property or contained in the copy of the documents.

1.3 Where we provide a plan of the Property in our Valuation, this is for identification only. While the plan reflects our understanding based on the information provided to us, it must not be relied upon to define boundaries, title or easements.

1.4 Our Valuation will include those items of plant and machinery normally considered to be part of the service installations to a building and which would normally pass with the Property on a sale or letting. We will exclude all other items of process plant, machinery, trade fixtures and equipment, chattels, vehicles, stock and loose tools, and any tenant's fixtures and fittings.

1.5 Unless agreed otherwise in writing, we will neither investigate nor include in our Valuation any unproven or unquantified mineral deposits, felled timber, airspace or any other matter which may or may not be found to be part of the Property but which would not be known to a buyer or seller on the valuation date.

1.6 Unless agreed otherwise, our Valuation will make the Assumption that all parts of the Property occupied by the current owner on the valuation date would be transferred with vacant possession and any tenancies, sub-tenancies or other third party interests existing on the valuation date will continue.

1.7 Where requested legal title and tenancy information is not provided in full, in the absence of any information provided to the contrary, our Valuation will make the Assumption that the subject Property has good title and is free from any onerous restrictions and/or encumbrances or any such matter which would diminish its value.

2. Portfolios

2.1 Where instructed to value a portfolio of properties, unless specifically agreed with you otherwise, we will value each Property separately on the basis that it is offered individually to the market.

3. Building specification and condition

3.1 We will note the general condition of any building and any building defect brought to our attention and reflect this in our Valuation. We will not undertake a detailed investigation of the materials or methods of construction or of the condition of any specific building element. We will not test or commission a test of service installations. Unless we become aware during our normal investigations of anything to the contrary and mention this in our Valuation, our Valuation will, make the Assumption that:

- (a) any building is in a condition commensurate with its age, use and design and is free from significant defect,
- (b) no construction materials have been used that are deleterious, or likely to give rise to structural defects,
- (c) no potentially hazardous or harmful materials are present, including asbestos,
- (d) all relevant statutory requirements relating to use, construction and fire safety have been complied with,

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- (e) any building services, together with any associated computer hardware and software, are fully operational and free from impending breakdown or malfunction, and
 - (f) the supply to the building of electricity, data cable network and water, are sufficient for the stated use and occupancy.
- 3.2 If you require information on the structure or condition of any building, our specialist building surveyors can provide a suitable report as a separate service.
- 4. Environment and sustainability**
- 4.1 Our Valuation will reflect the market's perception of the environmental performance of the Property and any identified environmental risks as at the valuation date. This may include reflecting information you provide to us that has been prepared by suitably qualified consultants on compliance of existing or proposed buildings with recognised sustainability metrics. Where appropriate, we will research any freely available information issued by public bodies on the sustainability metrics of existing buildings.
- 4.2 As part of our valuation service, we will not advise on the extent to which the Property complies with any other Environmental, Social or Governance (ESG) metrics or to what extent the building, structure, technical services, ground conditions, will be impacted by future climate change events, such as extreme weather, or legislation aimed at mitigating the impact of such events. If required, KF may be able to advise on ESG considerations and their long-term impact on a Property as a separate service.
- 5. Ground conditions and contamination**
- 5.1 We may rely on any information you provide to us about the findings and conclusions of any specialist investigations into ground conditions or any contamination that may affect the Property. Otherwise our investigations will be limited to research of freely available information issued by Government Agencies and other public bodies for flood risk, recorded mining activity and radon. We will also record any common sources or indicators of potential contamination observed during our inspection.
- 5.2 Unless specifically instructed by you to do so, we will not commission specialist investigations into past or present uses either of the Property or any neighbouring property to establish whether there is contamination or potential for contamination, or any other potential environmental risk. Neither will we be able to advise on any remedial or preventive measures.
- 5.3 We will comment on our findings and any other information in our possession or discovered during our investigations in our Valuation.
- 5.4 Unless we become aware of anything to the contrary and mention this in our Valuation, for each Property valued our Valuation will make the Assumption that:
- (a) the site is physically capable of development or redevelopment, when appropriate, and that no extraordinary costs will be incurred in providing foundations and infrastructure,
 - (b) there are no archaeological remains on or under the land which could adversely impact on value,
 - (c) the Property is not adversely affected by any form of pollution or contamination,
 - (d) there is no abnormal risk of flooding,
 - (e) there are no high voltage overhead cables or large electrical supply equipment affecting the Property,
 - (f) the Property does not have levels of radon gas that will require mitigation work,
 - (g) there are no invasive species present at the Property or within close proximity to the Property, and
 - (h) there are no protected species which could adversely affect the use of the Property.
- 6. Planning and highway enquiries**
- 6.1 We may research freely available information on planning history and relevant current policies or proposals relating to any Property being valued using the appropriate local authority website. We will not commission a formal local search. Our Valuation will make the Assumption that any information obtained will be correct, but our findings should not be relied on for any contractual purpose.
- 6.2 Unless we obtain information to the contrary, Our Valuation will make the Assumption that:
- (a) the use to which the Property is put is lawful and that there is no pending enforcement action, and
 - (b) there are no local authority proposals that might involve the use of compulsory purchase powers or otherwise directly affect the Property.
- 6.3 We do not undertake searches to establish whether any road or pathways providing access to the Property are publicly adopted. Unless we receive information to the contrary or have other reason to suspect an adjoining road or other access route is not adopted, our Valuation will make the Assumption that all such routes are publicly adopted.
- 7. Other statutory and regulatory requirements**
- 7.1 A property owner or occupier may be subject to statutory regulations depending on their use. Depending on how a particular owner or occupier uses a building, the applicable regulations may require alterations to be made to buildings. Our valuation service does not include identifying or otherwise advising on works that may be required by a specific user in order to comply with any regulations applicable to the current or a proposed use of the Property. Unless it is clear that similar alterations would be required by most prospective buyers in the market for a property, our Valuation will make the Assumption that no work would be required by a prospective owner or occupier to comply with regulatory requirements relating to their intended use.
- 7.2 We will not investigate or comment on licences or permits that may be required by the current or any potential users of the Property relating to their use or occupation.
- 8. Measurements**
- 8.1 Where building floor areas are required for our Valuation, unless we have agreed to rely on floor areas provided by you or a third party, we will take measurements and calculate the appropriate floor areas for buildings in accordance with the current Hong Kong Institute of Surveyors ("HKIS") Code of Measuring Practice or Royal Institution of Chartered Surveyors ("RICS") Property Measurement Professional Standard. These measurements will be quoted to a reasonable approximation, with reference to their source or taken by us from scaled drawings provided to us. The floor areas will be within a tolerance that is appropriate having regard to the circumstances and purpose of the valuation instruction.
- 8.2 Where required, any site areas will be quoted from plans or other sources available to us.
- 9. Investment properties**
- 9.1 Where the Property valued is subject to a tenancy or tenancies, we will have regard to the market's likely perception of the financial status and reliability of tenants in arriving at our valuation. We will not undertake detailed investigations into the financial standing of any tenant. Unless advised by you to the contrary, our Valuation will be based on the Assumption that there are no material rent arrears or breaches of other lease obligations. We will further assume that the tenants will continue to occupy the premises and comply with the

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conditions of the tenancies until the expiry of the existing tenancy terms.

10. Development properties

10.1 If we are instructed to value Property for which development, redevelopment or substantial refurbishment is proposed or in progress, we strongly recommend that you supply us with build cost and other relevant information prepared by a suitably qualified construction cost professional, such as a quantity surveyor. We shall be entitled to rely on such information in preparing our valuation. If a professional estimate of build costs is not made available, we will rely on published build cost data but this must be recognised as being less reliable as it cannot account for variations in site conditions and design. This is particularly true for refurbishment work or energy efficiency and environmental upgrades. In the absence of a professionally produced cost estimate for the specific project, we may need to qualify our report and the reliance that can be placed on our valuation.

10.2 For Property in the course of development, we will reflect the stage reached in construction and the costs remaining to be spent at the date of valuation. We will have regard to the contractual liabilities of the parties involved in the development and any cost estimates that have been prepared by the professional advisers to the project. For recently completed developments we will take no account of any retentions, nor will we make allowance for any outstanding development costs, fees, or other expenditure for which there may be a liability.

10.3 We will assume that the property valued will be constructed, occupied and used in full compliance with, and without contravention of any Ordinances, statutory requirements and notices, except only where otherwise stated. We will further assume that, for any use of the property upon which the report is based, any and all required licences, permits, certificates, consents, approvals and authorisations have been or will be obtained, except only where stated otherwise.

11. VAT, taxation and costs

11.1 The reported valuation will be our estimate of the price that would be agreed with no adjustment made for costs that would be incurred by the parties in any transaction, including any liability for VAT, stamp duty or other taxes. It is also gross of any mortgage or similar financial encumbrance.

12. Property insurance

12.1 Except to the limited extent provided in clause 3 and clause 4 above, we do not investigate or comment on how potential risks would be viewed by the insurance market. Our Valuation will be on the Assumption that each Property would, in all respects, be insurable against all usual risks including fire, terrorism, ground instability, extreme weather events, flooding and rising water table at normal, commercially acceptable premiums.

13. Reinstatement cost estimates

13.1 We can only accept a request to provide a building reinstatement cost estimate for insurance purposes alongside our Valuation of the Property interest on the following conditions:

- (a) the assessment provided is indicative, without liability and only for comparison with the current sum insured, and
- (b) the building is not specialised or listed as being of architectural or historic importance.

13.2 Otherwise we can provide an assessment of the rebuilding cost by our specialist building surveyors as a separate service.

14. Legal advice

14.1 We are appointed to provide valuation opinion(s) in accordance with our professional duties as valuation surveyors. The scope of our service is limited accordingly. We are not qualified legal practitioners and we do not provide legal advice. Unless instructed to the contrary, we will not read title or lease documentation and will make the Assumption that summary tenure and tenancy information provided is accurate and includes all material factors that could impact value. If we indicate what we consider the effect of any provision in the Property's title documents, leases or other legal requirements may have on value, we strongly recommend that this be reviewed by a qualified lawyer before you take any action relying on our valuation.

15. Loan security

15.1 If we are requested to comment on the suitability of the Property as a loan security, we are only able to comment on any risk to the reported value that is inherent in either its physical attributes or the interest valued. We will not comment on the degree and adequacy of capital and income cover for an existing or proposed loan or on the borrower's ability to service payments.

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SUMMARY VALUATION REPORTS

Docusign Envelope ID: 0237D8C6-9AFA-4FF4-9955-35E006546014

Valuation & Advisory Services

CBRE (Thailand) Co., Ltd.

CBRE

548 One City Centre,
Floor 46 and 45 (Unit 01-02),
Ploenchit Road, Lumpini,
Pathumwan, Bangkok 10330

T 66 2 119 1500
F 66 2 685 1501

Our Ref.: **I251112001**

19 January 2026

BIGL Technologies (Thailand) Company Limited

No. 135 Moo 1, Hi-tech Industrial Estate, Ban Po Sub-District,
Bang Pa-in District, Phra Nakhon Si Ayutthaya Province, Thailand

Dear Sirs

SUMMARY LETTER FOR VALUATION OF TWO LAND PARCELS AND FACTORY BUILDINGS LOCATED AT NO. 135 AND 999 IN HI-TECH INDUSTRIAL ESTATE, MOO 1, HIGHWAY NO.32, BAN PO SUB-DISTRICT, BANG PA-IN DISTRICT, PHRA NAKHON SI AYUTTHAYA PROVINCE, THAILAND ("PROPERTY")

Instructions

In accordance with the Agreement entered into between CBRE (Thailand) Co., Ltd. ("CBRE") and BIGL Technologies (Thailand) Company Limited (the "Instructing Party") dated 9 October 2025, we have been instructed to advise on the Market Value of the abovementioned Property, as at 30 September 2025 ("Valuation Date"), for disclosure to shareholders of Broadway Industrial Group Limited regarding the proposed delisting from the Singapore Exchange Securities Limited ("SGX") ("Purpose").

As instructed, we have prepared a full Valuation Report ("Report") for the abovementioned Purpose. This Valuation Summary Letter with Valuation Certificate appended for inclusion in the Circular for the abovementioned Purpose is a condensed version of our more extensive Report dated 19 January 2026, outlining key factors that have been considered in arriving at our opinions of value. The value conclusion reflects all information known by the valuers of CBRE who worked on the valuation in respect to the Property, market conditions and available data. This Valuation Summary Letter alone does not contain all the necessary data and support information included in our Report. This Valuation Summary Letter must be read in conjunction with the aforementioned Report and is subject to the Assumptions, Limitations, Disclaimers and Qualifications contained therein. Any references to value within the Circular is to be read and considered together with the Report. Copies of the Report are vested with BIGL Technologies (Thailand) Company Limited.

Confidentiality

This valuation report may only be relied upon by BIGL Technologies (Thailand) Company Limited (the "Instructing Party") as well as Broadway Industrial Group Limited and Xandar Capital Pte. Ltd. ("Reliant Party") for disclosure to shareholders of Broadway Industrial Group Limited regarding the proposed delisting from the Singapore Exchange Securities Limited ("SGX") only.

Neither this Valuation Summary Letter (and accompanying Valuation Certificate) nor the full Valuation Report may be reproduced in whole or in part without the prior written approval of CBRE.

Where CBRE has consented to the disclosure of this Valuation Summary Letter (and accompanying Valuation Certificate) in the Circular, such disclosure is approved solely for the purpose outlined.

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Market Conditions

It's important to note that ongoing geopolitical tensions across various regions present significant uncertainty, with the potential for rapid escalation. Further, recent increases and proposed changes to international trade tariffs among major economies, and geopolitical risk relating to energy prices have added further volatility and uncertainty. Collectively, these factors contribute to elevated risks to global trade and economic stability. The potential impact on the Thailand economy and property market remains uncertain, with the possibility of heightened market volatility in some property markets over the short-to-medium term.

Experience has shown that consumer and investor behaviour can quickly change during periods of such heightened volatility. Lending or investment decisions should account for this heightened level of volatility and potential for deteriorating market conditions both domestically and globally. Caution is advised in this regard.

Conclusions set out in this report are valid as at the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events.

Valuation Basis and Assumptions

Unless otherwise specified in the report, the valuations are conducted in accordance with the Thai Valuers Association (TVA) local standards and compliant with the RICS Valuation – Global Standards 2025 and IVSC valuation standards (IVS), effective from 31 January 2025. All valuations are undertaken by appropriately qualified professionals, and the definition of Market Value and valuation methodologies are in line with the above standards, unless otherwise specified.

In accordance International Valuation Standards, the definition of Market Value is as follows:

“Market Value is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”.

Our valuation has been made on the assumption that the owner sells the property on the open market in its existing state taking into account the existing tenancy and occupational arrangements and without the benefit of a deferred terms contract, joint venture, or any similar arrangement which would affect the price of the property.

Where market value is assessed, it reflects the full contract value, and no account is taken of any liability to taxation on sale or of the cost involved in effecting a sale. The property is valued on the assumption that if it was to be transaction, it would be clear of all mortgages, encumbrances and other outstanding premiums and charges.

Our valuation is prepared on the basis that the premises and any works thereto comply with all relevant statutory regulations.

No structural survey has been made of the building and no guarantee is given in respect of rot, termite or pest infestation or other hidden defects. None of the services in the building was tested.

We have inspected the Property on 15 October 2025. The Property appears to be fairly well maintained and is in fair condition, both internally and externally, considering its age and usage. This valuation is undertaken under the assumption that no changes have occurred between the inspection date and valuation date.

Critical Assumptions

We have made certain critical assumptions which collectively have a material impact upon our valuation. These are noted as follows:

We assessed the Market Value of the Property on a vacant possession basis, where we considered the Property in its existing state under assumption that owners, occupiers, machinery, equipment, loose

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furniture, plant and machinery for production line or any movable properties will be excluded for this valuation.

We conducted a search for the cadastral map at the Phra Nakhon Si Ayutthaya Provincial Department of Lands office – Wang Noi branch concerning the section of the internal project road of Hi-Tech Industrial Estate, which is owned by other private parties, as indicated on the southern part of Property No. 1 (BTH1). Although we have not received the legal right to access these land plots, access to the estate has been available via this internal project road for over 20 years. This valuation is under the assumption that both Properties have legal accessibility from Highway No. 32 through the internal project road of Hi-Tech Industrial Estate at no additional cost. We strongly recommend this is verified by an appropriate property lawyer or similar prior to any transaction.

According to the land lease agreement obtained from the Instructing Party, we acknowledge that the southern part of the property has been registered under a land lease agreement between the Monastery land of Ban Phat Temple and BIGL Technologies (Thailand) Company Limited. The leasehold land plot, held under part of Chanote title deed No. 4957, covers 4 rai, or approximately 6,400.00 square meters. Additionally, the lessee is responsible for their own expenses to clear the property and restore lease land to their original condition at the end of the lease term. Therefore, CBRE has been instructed to exclude the leased land plot and any buildings erected on this leased land from this valuation exercise.

In this valuation exercise, we relied on the GFA of factory building and support building from the layout plan provided by the Instructing Party in conjunction with the floor plan provided by the Instructing Party in our previous valuation exercise (Ref. I221112001). The GFA of other improvements that has been taken into account was based on the aforementioned buildings' area by the copy of the layout plan and building floor plan provided by Instructing Party in conjunction with our approximate measurement during the site inspection and from Google Earth. We disclaim any discrepancy that may arise from any errors resulting from using the aforementioned information. We therefore suggest that the gross-built up area should be verified and/or confirmed by a qualified surveyor before any transaction or commercial deal is made.

Our scope of work does not include structural survey, independent site investigation, service test or inspection of parts of buildings which are covered or inaccessible. We have; however, reflected in our valuation – where we consider necessary – any defects, items of disrepair or site difficulties that we noted during inspection. CBRE assumes that the Property does not suffer latent or inherent defects nor is affected adversely by the use of deleterious materials or techniques in the construction of any of the buildings.

For this valuation, CBRE did not receive the building specification of the existing factory building. However, according to our survey and verbal information provided by the Instructing Party's representative during the inspection the factory building's clear height is approximately 8-10 meters. While the live load capacity of the existing building is approximately 1 ton/square meter which is a general standard for an extra-large building with industrial development purposes.

For Property No. 1 (BTH1), CBRE has been provided a copy of the building construction, modification, demolition permit (IEAT 02/2) and building construction, modification or relocation permit (IEAT 02/6) in our previous valuation exercise (Ref. I221112001) for a main factory building, concrete roads and project fences. However, for guard house, we did not receive a copy of building construction, modification, demolition permit (IEAT 02/2) nor building construction, modification, or relocation permit (IEAT 02/6). We assume that all buildings and improvements in the Property are constructed in accordance with applicable town planning regulations and relevant building regulation control. We recommend a verification of these documents be conducted from the relevant government offices prior to any commercial transactions.

No transaction costs, commissions, taxes, fees or arrears are included in this valuation.

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Source of Information

We have relied on updated information provided in 2022 and October 2025 by the Instructing Party in relation to such matters as net lettable area, tenancy details, operating expenses, capital expenditures, property tax annual values etc. All information provided is treated as correct and CBRE accepts no responsibility for subsequent changes in information as to income, expenses etc. And reserves the right to change our opinion of value if any other information provided were to materially change.

We have taken the following information into account in this valuation exercise. CBRE did not investigate or certify the correction of information and the source of information unless outlined. CBRE takes no responsibility from any discrepancy that may arise from the use of the following information in this valuation exercise.

- Information provided by the Instructing Party in our previous valuation exercise (Ref: I221112001)
 - 1. A copy of Chanote title deed
 - 2. A copy of floor plan
 - 3. A copy of building construction, modification or demolition permit (IEAT 02/2)
 - 4. A copy of building construction, modification or demolition certificate (IEAT 02/6)
- Information provided by the Instruction Party for this valuation exercise
 - 1. A copy of land lease agreement
 - 2. A copy of layout plan for Property No. 1 and 2
- Information obtained from the Phra Nakhon Si Ayutthaya Provincial Department of Lands office – Wang Noi branch.
 - 1. A copy of Chanote title deed
 - 2. A copy of Cadastral map

Site Details

Location

Based on our inspection, and information provided by the Instructing Party, the Property is a serviced industrial land plots located in Hi-Tech Industrial Estate, east of Highway No. 32 in Ban Po and Ban Len Sub-district, Bang Pa-In District, Phra Nakhon Si Ayutthaya Province, Thailand. Hi-Tech Industrial Estate is conveniently linked to major seaports (Klongtey sea port), highways and outer ring roads. It takes approximately one hour from downtown Bangkok, approximately one hour from Don Mueang Airport and approximately two hours from Suvarnabhumi International Airport.

Legal Details

In this valuation, CBRE has carried out a search of the land title deed ownership at Nakhon Si Ayutthaya Provincial Department of Lands office – Wang Noi branch

We confirm that the Property has been investigated with the supervision of the Instructing Party's representatives, and it appears to be the same property that has been assigned for this valuation exercise.

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Encumbrances

According to a copy of Chanote title deed obtained from Phra Nakhon Si Ayutthaya Provincial Department of Lands office – Wang Noi branch, Chanote title deed Nos. 44945 and 47882 for Property No. 1 and Chanote title deed No. 56564 for Property No.2 are mortgaged between BIGL Technologies (Thailand) Company Limited (“Mortgagee”) and Kasikornbank Public Company Limited (“Mortgagor”).

Town Planning

Industrial and warehouse purposes (Purple Zone 2.7) under Ministerial Regulation B.E. 2560 (2017) on Phra Nakhon Si Ayutthaya Province Town Planning

Most of the land in this zone is restricted to industrial and warehouse, facilities, public facilities and infrastructure purposes. Certain businesses and building types or categories are not permitted in this zone, including land subdivision for residential purposes, extra-large or high-rise buildings for residential and commercial purposes as well as hospitality developments, theatres, entertainment places, condominiums, apartments, dormitories, nurseries for the children and the elderly and hospital.

Statutory Assessments

The Treasury Department’s official assessed land value is used as a basis for collecting property and land taxes, fees for ownership transfer, and other stamp duties. The Property’s statutory assessed value of land has been effective since 1 January 2023, and can be found as follows:

No.	Title Deed No.	Lot No.	Survey No.	Land Area				Statutory Assessed Value		
				Rai	Ngan	Sq.wah	Total Sq.wah	THB/Sq.wah	THB/Rai	Total THB
Property No. 1 (BTH1)										
1	44945	335	865	2	1	31.00	931.00	10,000	4,000,000	9,310.000
2	47882	336	897	0	2	96.00	296.00	10,000	4,000,000	2,960,000
Total Statutory Assessed Value – Property No. 1				3	0	27.00	1,227.00	10,000	4,000,000	12,270,000
Property No. 2 (BTH2)										
1	56564	118	3133	11	1	79.00	4,579.00	10,000	4,000,000	45,790,000
Total Statutory Assessed Value – Property No. 2				11	1	79.00	4,579.00	10,000	4,000,000	45,790,000

Property Description

General Description

The Properties comprise 2 land plots and factory buildings with support buildings other improvements, commercially operated as “BIGL Technologies (Thailand) Co., Ltd.” located on Hi-Tech Industrial Estate, east of Highway No. 32 in Ban Po and Ban Len Sub-district, Bang Pa-In District, Phra Nakhon Si Ayutthaya Province, Thailand. The details regarding each land parcel are as follows:

- **Property No. 1 (BTH1)** is developed on 2 Chanote title deed nos. 44945 and 47882, lot nos. 335 and 336, respectively, covering a land area of 3 rai and 27.00 square wah, or approximately 4,908.00 square meters. According to the information provided by the Instructing Party, Property No. 1 includes a main factory building with a gross floor area (GFA) of 3,841.00 square meters and guard house (GFA of 7.00 square meters), resulting in a total GFA of 3,848.00 square meters.

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Based on our physical site inspection, we found that most of the main buildings are in average condition with moderate level of maintenance with 21 years old as at valuation date.

- **Property No. 2 (BTH2)** is situated on a single Chanote title deed no. 56564, lot no. 118, covering a total land area of 11 rai 1 ngan and 79.00 square wah, or approximately 18,316.00 square meters. Property No. 2 comprises two main buildings, with a total gross floor area (GFA) of approximately 5,080.25 square meters, including an expansion factory building of 1,555.25 square meters, as well as support buildings with a GFA of approximately 1,159.60 square meters.

As of the inspection date and based on the information provided by the Instructing Party, the factories are approximately 20 years old and are in fair condition, both internally and externally, with the exception of the expansion factory building and canteen, which are approximately 9 years old.

Moreover, CBRE found that BIGL Technologies (Thailand) Company Limited is located in a General Industrial Zone and has registered the Properties under a free zone with the customs department. However, these free zone benefits are exclusively only for BIGL Technologies (Thailand) Company Limited and does not apply to or benefit other companies or a new buyer.

Interest Valued

Freehold

Valuation Rationale

Valuation Methodologies

We have adopted the Cost Approach in this valuation in deriving our opinion of the Depreciated Replacement Cost of the Property's buildings and improvements and incorporating the Market Value of Land as derived by the Market Approach.

The **Cost Approach** is based on the economic principle that a purchaser will pay no more for an asset than the cost to obtain one of equal utility whether by purchase or construction. This approach indicates an aggregate amount of the value of the land for the existing use or a notional replacement site in the same locality, and the gross replacement cost of the buildings and other site works from which appropriate deductions may then be made to allow for the age, condition, economic or functional obsolescence and environmental factors etc. all of which might result in the existing property being worth less to the undertaking occupation than would a new replacement.

The **Market Approach** indicates value by comparing the subject asset with identical or similar assets for which price information is available. In analysing such sales, which qualify as arms-length transactions between willing buyers and sellers, adjustments are made to reflect differences between the comparables and the subject of this valuation in matters such as transaction dates, size, location, quality, age and amenities and any other relevant factors, to assess the value of the subject asset. This approach is commonly used to value assets where reliable sales evidence is available.

Valuation

Having considered the prevailing market conditions and other relevant factors, we estimate the Market Value of the Property as at 30 September 2025, as follows:

Property No. 1 (BTH1)

- Value of Land: **THB 16,900,000.- (SIXTEEN MILLION NINE HUNDRED THOUSAND BAHT ONLY)**
 - Depreciated Replacement Cost of Buildings and Improvements: **THB 78,000,000.- (SEVENTY-EIGHT MILLION BAHT ONLY)**

Market Value: THB 94,900,000.- (NINETY-FOUR MILLION NINE HUNDRED THOUSAND BAHT ONLY)

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Property No. 2 (BTH2)

- Value of Land: **THB 59,500,000.- (FIFTY-NINE MILLION FIVE HUNDRED THOUSAND BAHT ONLY)**
- Depreciated Replacement Cost of Buildings and Improvements: **THB 117,400,000.- (ONE HUNDRED SEVENTEEN MILLION FOUR HUNDRED THOUSAND BAHT ONLY)**

Market Value: THB 176,900,000.- (ONE HUNDRED SEVENTY-SIX MILLION NINE HUNDRED THOUSAND BAHT ONLY)

The key details and valuation of the Property is detailed in the Valuation Certificate attached overleaf.

Disclaimer

CBRE is not operating under any financial services license when providing the full Valuation Report or this Valuation Summary Letter (and accompanying Valuation Certificate), and those documents do not constitute financial product advice. Investors should consider obtaining independent advice from their financial advisor before making any financial decision.

The Valuation Report and this Valuation Summary Letter (and accompanying Valuation Certificate) are strictly limited to the matters contained within those documents, and are not to be read as extending, by implication or otherwise, to any other matter in the Circular.

Subject to applicable laws and regulations, this document is for the sole use of persons directly provided with it by CBRE. Save as provided for under applicable laws and regulations, use by, or reliance upon this document by anyone other than those parties named above is not authorised by CBRE and CBRE, its directors, employees, affiliates and representatives shall not be liable for any loss arising from such unauthorised use or reliance.

Neither the Valuation Report nor this Valuation Summary Letter purport to contain all the information that a potential investor or any other interested party may require. They do not consider the individual circumstances, financial situation, investment objectives or requirements. They are intended to be used as guide and for information purposes only and do not constitute advice including without any limitation, investment, tax, legal or any other type of advice. The valuation stated are only best estimates based on our professional judgment and are not to be construed as a guarantee. Potential investors must review the Valuation Report or Valuation Summary Letter (and/or accompanying Valuation Certificate) carefully, in their entirety, to understand the assumptions and methodologies stated in the valuation.

CBRE has prepared this Valuation Summary Letter for inclusion within the Circular but have not been involved in the preparation of the Circular. CBRE has not been required to approve or express any opinion about any part of the Circular other than this Valuation Summary Letter (and accompanying Valuation Certificate). CBRE specifically disclaims any liability to any person in the event of any omission from or false or misleading statement included in the Circular, other than in respect of the information provided within the aforementioned Report and this Valuation Summary Letter (and accompanying Valuation Certificate). CBRE does not make any warranty or representation as to the accuracy of the information in any other part of the Circular other than as expressly made or given by CBRE in this Valuation Summary Letter (and accompanying Valuation Certificate).

The reported analysis, opinions and conclusions are limited by the reported assumptions and limiting conditions. The valuers have no present or prospective interest in the Property and have no personal interest or bias with respect to the party(ies) involved. CBRE's compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the Instructing Party nor does CBRE have an economic or other interest (direct or indirect) in the proposed acquisition of the Property.

CBRE is not a related corporation of or have a relationship with BIGL Technologies (Thailand) Company Limited or Broadway Industrial Group Limited or Xandar Capital Pte. Ltd. that would interfere with our ability to give an independent and professional valuation of the Property.

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CBRE does not have any pending business transactions, contracts under negotiation or other arrangements with the manager, adviser or any other party whom BIGL Technologies (Thailand) Company Limited is contracting with that would interfere with our ability to give an independent and professional valuation of the Property, and there are no other factors that would interfere with our ability to give an independent and professional valuation of the Property.


The valuers is a holder of an appraiser's licence issued by the Thai Valuers Association (TVA) Valuation Standards and Securities and Exchange Commission (SEC) Thailand.

Neither the valuer or CBRE have been found to be in breach of any rule or law relevant to property valuation and are not:

- (i) denied or disqualified from membership or licensing from;
 - (ii) subject to any sanction imposed by;
 - (iii) the subject of any disciplinary proceedings by; or
 - (iv) the subject of any investigation which might lead to disciplinary action by;
- any professional body or authority relevant to property valuation.

Without limitation to the above, no liability is accepted for any loss, harm, cost or damage (including special, consequential or economic harm or loss) suffered as a consequence of fluctuations in the real estate market subsequent to the date of valuation.

Yours faithfully
For and on behalf of
CBRE (Thailand) Co., Ltd.

DocuSigned by:

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Signed by:



Penthida Srisawang

Key Valuer and Valuer Approved by

SEC Thailand จก.

Director - Valuation & Advisory Services

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Date of Valuation: 30 September 2025

Valuation Certificate

Property:	Land and Factory Buildings located in Hi-Tech Industrial Estate <ul style="list-style-type: none">■ Property No. 1 (BTH1): No. 135 Moo1, Highway No. 32, Ban Po Sub-district, Bang Pa-in District, Phra Nakhon Si Ayutthaya Province, Thailand■ Property No. 2 (BTH2): No. 999 Moo1, Highway No. 32, Ban Len Sub-district, Bang Pa-in District, Phra Nakhon Si Ayutthaya Province, Thailand
Instructing Party:	BIGL Technologies (Thailand) Company Limited No. 135 Moo 1, Hi-Tech Industrial Estate, Ban Po Sub-district, Bang Pa-in District, Phra Nakhon Si Ayutthaya Province, Thailand 13160
Reliant Party:	■ Broadway Industrial Group Limited ■ Xandar Capital Pte. Ltd
Purpose:	For disclosure to shareholders of Broadway Industrial Group Limited regarding the proposed delisting from the Singapore Exchange Securities Limited ("SGX")
Interest Valued:	Freehold interest
Basis of Valuation:	Market Value
Registered Owner(s):	BIGL Technologies (Thailand) Company Limited
Land Area According to the Title Deed:	Property No. 1 (BTH1): 3 rai 27.00 square wah or approximately 4,908.00 square meters Property No. 2 (BTH2): 11 rai 1 ngan 79.00 square wah or approximately 18,316.00 square meters
Brief Description:	<p>The Properties comprise 2 land plots and factory buildings with support buildings other improvements, commercially operated as "BIGL Technologies (Thailand) Co., Ltd." located on Hi-Tech Industrial Estate, east of Highway No. 32 in Ban Po and Ban Len Sub-district, Bang Pa-In District, Phra Nakhon Si Ayutthaya Province, Thailand. The details regarding each land parcel are as follow:</p> <p>Property No. 1 (BTH1) is developed on 2 Chanote title deed nos. 44945 and 47882, lot nos. 335 and 336, respectively, covering a land area of 3 rai and 27.00 square wah, or approximately 4,908.00 square meters. According to the information provided by the Instructing Party, Property No. 1 includes a main factory building with a gross floor area (GFA) of 3,841.00 square meters and guard house (GFA of 7.00 square meters), resulting in a total GFA of 3,848.00 square meters.</p> <p>Based on our physical site inspection, we found that most of the main buildings are in average conditions with moderate level of maintenance with 21 years old as at valuation date.</p> <p>Property No. 2 (BTH2) is situated on a single Chanote title deed no. 56564, lot no. 118, covering a total land area of 11 rai, 1 ngan, and 79.00 square wah, or approximately 18,316.00 square meters. Property No. 2 comprises two main buildings, with a total gross floor area (GFA) of approximately 5,080.25 square meters, including an expansion factory building of 1,555.25 square meters, as well as support buildings with a GFA of approximately 1,159.60 square meters.</p> <p>As of the inspection date and based on the information provided by the Instructing Party, the factories are approximately 20 years old and are in fair condition, both internally and externally, with the exception of the expansion factory building and canteen, which are approximately 9 years old.</p> <p>The properties are located in a General Industrial Zone. Whilst the Properties have been registered under a free zone with the customs department, these free zone benefits are exclusively for BIGL Technologies (Thailand) Company Limited and would not be transferred to a new buyer, and have thus been excluded.</p>
Gross Floor Area (GFA):	Property No. 1 (BTH1): Approximately 3,848.00 sq. m. Property No. 2 (BTH2): Approximately 6,239.85 sq. m.
Valuation Approach(es):	■ Land: Market Approach ■ Buildings and Improvements: Cost Approach - Depreciated Replacement Cost
Valuation Date:	30 September 2025

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CBRE

Date of Valuation: 30 September 2025

Market Value:

Description	Market Value (THB)
Property No. 1 (BTH1)	
Land	16,900,000
Depreciation Replacement Cost of Buildings and Improvements	78,000,000
Total Market Value	94,900,000
Property No. 2 (BTH2)	
Land	59,500,000
Depreciation Replacement Cost of Buildings and Improvements	117,400,000
Total Market Value	176,900,000

– Subject to Critical Assumptions


**Typical Assumptions,
Disclaimers,
Limitations,
Qualifications &
Recommendations for
Reporting:**

This Valuation Certificate is provided subject to the typical assumptions, qualifications, limitations and disclaimers detailed throughout this Summary Valuation Report and the full Valuation Report. Reliance on this report and extension of our liability is conditional upon the reader's acknowledgement and understanding of these statements. This valuation is for the use only of the Party to whom it is addressed and for no other purposes. No responsibility is accepted to any third Party who may use or rely on the whole or any part of the content of this valuation. The valuer has no pecuniary interest that would conflict with the proper valuation of the Property. This Valuation Certificate must be used in conjunction with the full valuation report.

Prepared by:

CBRE (Thailand) Co., Ltd.

Signed by:

DocuSigned by:

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Per: Penthida Srisawang

Key Valuer and Valuer Approved by
SEC Thailand (CU.311)
Director
Valuation & Advisory Services

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Date of Valuation: 30 September 2025

Assumptions, Disclaimers, Limitations & Qualifications

Reliance:	This valuation is strictly and only for the use of the Reliant Party(ies) and for the Purpose specifically stated. Unless otherwise stated in the report, the Instructing Party/Instructing Party(ies) is deemed to be the Reliant Party(ies).
Liability	CBRE's maximum aggregate liability arising from, or in relation to, this appointment (in contract, tort, negligence or otherwise), howsoever arising shall not in any circumstances exceed the professional fee payable to CBRE for this specific Agreement.
Confidentiality:	Any valuation service is confidential as between CBRE and the Reliant Party(ies) as specifically stated in the valuation advice/report.
Transmission:	Only an original valuation report received by the Reliant Party(ies) directly from CBRE without any third-party intervention can be relied upon.
Restriction:	No responsibility is accepted or assumed to any third party who may use or rely on the whole or any part of the content of this valuation.
CBRE Does Not Assign Valuations:	We do not assign valuations. If the Instructing Party(ies) has not determined the Reliant Party(ies) and Purpose details by the time of report finalisation, the report will be addressed and issued to the Instructing Party(ies) for Financial Reporting purposes in PDF format only. Once the Reliant Party(ies) and Purpose details have been advised to us, the report will be re-addressed and issued to the Reliant Party(ies). This additional service may incur an additional fee.
Copyright:	Neither the whole nor any part of the content of this valuation may be published in any document, statement, circular or otherwise by any party other than CBRE, nor in any communication with any third party, without the prior written approval from CBRE, and subject to any conditions determined by CBRE, including the form and context in which it is to appear.
Future Change in Value:	All valuations are current as at the date of valuation only. The value assessed may in the future change significantly and unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property or particular property sector). CBRE does not accept liability for losses arising from subsequent changes in value.
Future Matters:	To the extent that the valuation includes any statement as to a future matter, that statement is provided as an estimate and/or opinion based on the information known to CBRE at the date of this document. CBRE does not warrant that such statements are accurate or correct.
Matters Which Affect or May Affect the Valuation:	If the Reliant Party(ies) become aware of any matters which affect or may affect the valuation, then CBRE must be advised of those matters, and reliance must not be placed on the valuation under any circumstance.
Valuation Analyses:	CBRE employs industry recognised valuation methodologies in estimating the value of a property, having regard to the definition of market value and market based evidence. The result is the best estimate of value CBRE can produce, but it is an estimate and not a guarantee, and it is fully dependent upon the accuracy of the assumptions as to income, expenses, and market conditions. These valuation methodologies use market derived assumptions (including rents, yields and discount rates) obtained from analysed transactions. We have not independently verified market information, nor adopted it as our own, nor can we comment on or accept its reliability. The Reliant Party(ies) accepts the risk that if any of the unverified information/advice provided by others and referred to in our valuation is incorrect, then this may have an effect on the valuation. (Refer to Information Supplied by Others.)
Property Title:	We have relied on the land title certificates or lease agreements provided by the Instructing Party. Otherwise, if instructed by the Instructing Party/Instructing Party(ies) or the Reliant Party(ies), we will conduct a brief title search at the local Land Department office and will rely on the land title certificates or the lease agreements from the local Land Department office. We have assumed that there are no further easements or encumbrances not disclosed by this brief title search which may affect market value. However, in the event that a comprehensive title search is undertaken which reveals further easements or encumbrances, we should be consulted to reassess any effect on the value stated herein.
Liens/Caveats:	We have disregarded the presence of any mortgage or other financial liens, or any caveats pertaining to the property.

APPENDIX G

SUMMARY VALUATION REPORTS

Docusign Envelope ID: 0237D8C6-9AFA-4FF4-9955-35E006546014



Date of Valuation: 30 September 2025

Unregistered Interests:	We have assumed that there are no unregistered interests or interests not captured by the applicable Regulatory Authority in the country which services are to be carried out which may affect market value. In the event that the Reliant Party(ies) becomes aware of any further or pending easements, encumbrances or unregistered interests, this valuation must not be relied upon before first consulting CBRE to reassess any effect on the valuation.
Planning Information:	It is assumed that information relating to town planning as reflected on the Ministerial Regulation covering each province or district is accurate. In the event that a legal requisition is obtained and the information therein is found to be materially different to the town planning information detailed within this report, this valuation must not be relied upon before first consulting CBRE to reassess any effect on the valuation. We were not advised of any road widening or other adverse planning proposals affecting the property. However, in the event that a search is undertaken which reveals that the property is affected by public scheme(s), we should be consulted to reassess any effect on the value stated herein.
Certificate of Occupancy & Use:	We have not sighted a copy of building construction/modification/demolition permit (Or. 1), a copy of building occupancy permit (Or. 6), a copy of building construction/modification/demolition or changing in building purposes under the Building Control Act Section 39 bis (Kor Tor Mor. 6) or any other similar documents or other approval documentations from the government office, for the subject property(ies). Accordingly, our valuation assumes that the property(ies) complies with all requirements of the Local Government Body responsible for the issue of the said Certificate and that there are no outstanding matters, orders or requisitions.
Government Land & Rental Value:	Our valuation may rely upon the land rent and the land statutory assessed value from the local Land Department office (for property tax assessment), as at the date of valuation. These may differ substantially under further assessment, and may therefore impact on the outgoings and value of the property.
Property Development:	In the event that the information provided to us is inaccurate, this valuation must not be relied upon before first consulting CBRE to reassess any effect on the valuation.
Measurement of Areas:	We will not measure the properties but will rely upon the floor areas provided to us by the Instructing Party and/or Instructing Party's advisor which we would assume to be correct and comprehensive, and which we assume have been calculated in accordance with the local market practice. We recommend that the person or entity relying upon this report should obtain a survey to determine whether the areas provided differ from the guidelines. In the event that there is a material variance in areas, we reserve the right to review our valuation as assessed herein.
Inclusions & Exclusions:	Our valuation includes those items that form part of the building service installations such as heating and cooling equipment, lifts, sprinklers, lighting, etc., that would normally pass with the sale of the property, but excludes all items of plant, machinery, equipment, partitions, furniture and other such items which may have been installed (by the occupant) or are used in connection with the business/businesses carried on within the property.
Code on Accessibility in The Built Environment:	Ministerial Regulations to Prescribe Characteristics or the Provision of Equipments, Facilities or Services in the Buildings, Places, Vehicles and Transportation Services to Ensure Accessibility and Usability by Persons with Disabilities B.E. 2556 ("Code on Accessibility in the Built Environment") deals with discrimination against persons with disabilities in respect to access to premises as well as many other areas. Should there be any concern as to whether the property may have any shortcomings in respect to this Code, we recommend that expert advice be sought from professionals qualified in this area.
Condition & Repair:	We have inspected the building. However, we advise that we have not carried out a structural survey nor tested any of the services or facilities and are therefore unable to state that these are free from defect. We advise that we have not inspected unexposed or inaccessible portions of the building and are therefore unable to state that these are free from rot, infestation, asbestos or other hazardous material. We have, however, viewed existing condition of the property and advised that we did not notice any obvious signs of structural defect or dilapidations. Furthermore, the property appears to be in reasonable condition having regard to its age and use unless otherwise stated. Our valuation assumes that a detailed report of the structure and service installations of the building would not reveal any defects requiring significant expenditure. Additionally, we assume that the building complies with all relevant statutory requirements in respect of matters such as health, building and fire safety regulations.
Site Survey Not Provided:	We do not commission site surveys and a site survey has not been provided to us. We have assumed there are no encroachments by or on the property, and the Reliant Party(ies) should confirm this status by obtaining a current survey report and/or advice from a registered surveyor. If any encroachments are noted by the survey report, this valuation must not be relied upon before first consulting CBRE to reassess any effect on the valuation.

APPENDIX G

SUMMARY VALUATION REPORTS

Docusign Envelope ID: 0237D8C6-9AFA-4FF4-9955-35E006546014



Date of Valuation: 30 September 2025

Site Conditions:	We do not commission site investigations to determine the suitability of ground conditions and services, nor do we undertake environmental or geotechnical surveys. We have assumed that these aspects are satisfactory and also that the site is clear of underground mineral or other workings, methane gas or other noxious substances. In the case of property which may have redevelopment potential, we proceed on the basis that the site has load bearing capacity suitable for the anticipated form of redevelopment without the need for additional and expensive foundations or drainage systems (unless stated otherwise).
Site Contamination Risk:	We have assumed that the site is free of elevated levels of contaminants. Our visual inspection is an inconclusive indicator of the actual condition of the site. We make no representation as to the actual environmental status of the subject property. If a test is undertaken at some time in the future to assess the degree, if any, of contamination of the site and this is found to be positive, this valuation must not be relied upon before first consulting CBRE to reassess any effect on the valuation.
Asbestos Risk:	Unless otherwise noted, we have assumed that the improvements are free of asbestos and hazardous materials, or should these materials be present then they do not pose significant risk to human health, nor require immediate removal. We assume the site is free of subsoil asbestos and have made no allowance in our valuation for site remediation works. Our visual inspection is an inconclusive indicator of the actual condition/presence of asbestos/hazardous materials within the property. We make no representation as to the actual status of the subject property. If a test is undertaken at some time in the future to assess the degree, if any, of the presence of any asbestos/hazardous materials on site and this is found to be positive, this valuation must not be relied upon before first consulting CBRE to reassess any effect on the valuation.
Extent of Our Investigations:	We are not engaged to carry out all possible investigations in relation to the property. Where in our report we identify certain limitations to our investigations, this is to enable the Reliant Party(ies) to instruct further investigations where considered appropriate or where we recommend as necessary prior to reliance. CBRE is not liable for any loss occasioned by a decision not to conduct further investigations.
Assumptions:	Assumptions are a necessary part of undertaking valuations. CBRE adopts assumptions for the purpose of providing valuation advice because some matters are not capable of accurate calculation or fall outside the scope of our expertise, or our instructions. The Reliant Party(ies) accepts that the valuation contains certain specific assumptions, and acknowledges and accepts the risk that if any of the assumptions adopted in the valuation are incorrect, then this may have an effect on the valuation.
Information Supplied by Others:	The valuation contains information which is derived from other sources. Unless otherwise specifically instructed by you and/or stated in the valuation, we have not independently verified that information, nor adopted it as our own, or accepted its reliability. Where information is given without being attributed directly to another party, this information has been obtained by our search of records and examination of documents or by enquiry with the government or other appropriate departments. The Reliant Party(ies) accepts the risk that if any of the unverified information/advice provided by others and referred to in the valuation is incorrect, then this may have an effect on the valuation.
Anti-Corruption:	CBRE fully complies with the provisions of the Foreign Corrupt Practices Act of 1977, as amended by the Omnibus Trade and Competitiveness Act of 1988 (FCPA), the UK Bribery Act and relevant local anti-corruption and bribery laws and regulations ("Local Laws") and their purposes and will take no action and make no payment in violation of or which might cause CBRE or BIGL Technologies (Thailand) Company Limited or Broadway Industrial Group Limited or Xandar Capital Pte. Ltd. to be in violation of the FCPA, UK Bribery Act and Local Laws. Notwithstanding anything to the contrary, if CBRE is requested or under pressure to take any action that could constitute a violation of the FCPA, UK Bribery Act or Local Laws, CBRE may, at its sole option, immediately terminate the Agreement and is entitled to collect full compensation for all services rendered and any additional costs incurred due to early termination.

NOTICE OF EXTRAORDINARY GENERAL MEETING



BROADWAY INDUSTRIAL GROUP LIMITED

(Company Registration Number: 199405266K)

(Incorporated in Singapore)

Unless expressly provided herein, all capitalised terms and expressions used and not defined herein shall have the same meanings ascribed to them in the Company's circular to Shareholders dated 22 January 2026 (the "Circular").

NOTICE IS HEREBY GIVEN that the Extraordinary General Meeting ("**EGM**") of Broadway Industrial Group Limited (the "**Company**") will be held at Holiday Inn Singapore Atrium, 317 Outram Road, Singapore 169075 on 13 February 2026 at 11 a.m. (Singapore time) for the purpose of considering and, if thought fit, passing the following resolutions:

Shareholders should note that Special Resolution 1 and Special Resolution 2 ("Resolutions") are inter-conditional upon one another. This means that if any of the Resolutions is not approved, the other Resolution will not be passed. Shareholders should further note that the implementation of the Resolutions is contingent upon the approval and confirmation of the Selective Capital Reduction by the High Court of the Republic of Singapore.

1. Approval of the Selective Capital Reduction

That subject to and contingent upon the passing of Special Resolution 2:

- (a) subject to the approval of the High Court of the Republic of Singapore, the total Shares be reduced from 457,106,461 Shares (excluding treasury shares) to 439,841,054 Shares (excluding treasury shares), and that such reduction be effected by:
 - (i) cancelling 17,265,407 Shares, constituting the total issued share capital of the Company that are held by the Eligible Shareholders; and
 - (ii) returning the aggregate sum of approximately S\$4,523,537 to the Eligible Shareholders in cash as consideration in exchange for the cancellation of 17,265,407 Shares, on the basis of S\$0.262 for each Share held by each Eligible Shareholder so cancelled; and
- (b) the Directors and each of them be and is hereby authorised to take such steps, make such arrangements, do all such acts and things and exercise such discretion in connection with, relating to or arising from the matters contemplated herein, as they or he may from time to time consider fit, necessary, desirable or expedient to give effect to such matters and this Special Resolution 1.

[Special Resolution 1]

2. Approval of the Delisting from SGX-ST

That subject to and contingent upon the passing of Special Resolution 1:

- (a) the delisting of the Company from the Mainboard of the SGX-ST under Rules 1307 and 1309 of the Listing Manual, be and is hereby approved; and

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (b) the Directors and each of them be and is hereby authorised to take such steps, make such arrangements, do all such acts and things and exercise such discretion in connection with, relating to or arising from the matters contemplated herein, as they or he may from time to time consider fit, necessary, desirable or expedient to give effect to such matters and this Special Resolution 2.

[Special Resolution 2]

By Order of the Board

Ho Yu Han, Genevieve
Company Secretary

Singapore
22 January 2026

Notes:

1. The EGM will be held in a wholly physical format at the venue, date and time stated above. **There will be no option for members to participate virtually.** Printed copies of this Circular (save for this Notice of EGM, the Electronic Dissemination Notice and the accompanying Proxy Form for the EGM) will not be sent to members. Instead, the Circular will be sent to members by electronic means via publication on the Company's website at <https://bw-grp.com/publications>, and will also be made available on the SGX website at <https://www.sgx.com/securities/company-announcements>. Members may request for a printed copy of the Circular by completing and submitting the Request Form accompanying the printed copies of this Notice of EGM, the Electronic Dissemination Notice and the Proxy Form sent by post to members, by **4 February 2026**.
2. Members may submit questions related to the resolutions to be tabled for approval at the EGM in advance of the EGM in the following manner by **5.00 p.m. on 2 February 2026**:
 - (a) if submitted by post, by lodgment at the Company's registered office at 54 Serangoon North Avenue 4, #05-02, Singapore 555854; or
 - (b) if submitted electronically, by submission via email to ir@bigl.com.sg.

Members who submit questions must provide the following information:

- (i) their full name;
- (ii) their NRIC/FIN/Passport/Company Registration Number;
- (iii) their address; and
- (iv) the manner in which they hold shares in the Company (e.g. via CDP, CPF or SRS).

The Company will endeavour to address all substantial and relevant questions received from members prior to the EGM by publishing the responses to those questions on the SGX website at <https://www.sgx.com/securities/company-announcements> and the Company's website at <https://bw-grp.com/> by **4 February 2026**. Where substantial and relevant questions submitted by members are unable to be addressed prior to the EGM, the Company will address them at the EGM.

3. Each of the resolutions to be put to the vote of members at the EGM (and at any adjournment thereof) will be voted on by way of a poll.
4.
 - (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the EGM. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
 - (b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (c) "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act.
 - (d) A member can appoint the Chairman of the Meeting as his/her/its proxy. However, this is not mandatory.
5. Persons who hold shares of the Company through relevant intermediaries (as defined in Section 181 of the Companies Act), including CPF and SRS members, and who wish to appoint a proxy(ies), should approach the relevant intermediary (which would include, in the case of CPF and SRS members, their respective CPF Agent Banks or SRS Operators) to submit their votes by **11 a.m. on 4 February 2026**.
6. The instrument appointing a proxy(ies) must be submitted to the Company in the following manner:
- (a) if submitted by post, by lodgment at the Company's registered office at 54 Serangoon North Avenue 4, #05-02, Singapore 555854;
 - (b) if submitted electronically, by submission via email to ir@bigl.com.sg,
- in either case, by **11 a.m. on 10 February 2026**, being no later than 72 hours before the time fixed for the EGM.
7. A proxy need not be a member of the Company.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company.



PROXY FORM
Extraordinary General Meeting

BROADWAY INDUSTRIAL GROUP LIMITED

(Company Registration Number: 199405266K)

(Incorporated in Singapore)

IMPORTANT:

1. The Extraordinary General Meeting ("EGM") will be held in a wholly physical format at Holiday Inn Singapore Atrium, 317 Outram Road, Singapore 169075. **There will be no option for shareholders to participate virtually.** The Circular, the Notice of EGM, the Electronic Dissemination Notice and the accompanying Proxy Form have been made available to members by electronic means via publication on the Company's website at <https://bw-grp.com/publications>, as well as on the SGX website at <https://www.sgx.com/securities/company-announcements>.
2. Please read the notes overleaf which contain instructions on, inter alia, the appointment of proxy(ies).

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies), the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM dated 22 January 2026.

I/We, _____ (Name) _____ (NRIC/Passport/Company Registration Number)

of _____ (Address)

being a member/members of **Broadway Industrial Group Limited** (the "Company"), hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Shareholdings (%)
and/or (delete as appropriate)			

or failing him/her, the Chairman of the EGM, as my/our proxy/proxies, to attend, speak and vote for me/us on my/our behalf, at the EGM of the Company to be held at Holiday Inn Singapore Atrium, 317 Outram Road, Singapore 169075 on **Friday, 13 February 2026 at 11 a.m.** (Singapore time) and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against or to abstain from voting on the resolutions to be proposed at the EGM in the following manner:

No.	Resolutions	For*	Against*	Abstain*
1	To approve the Selective Capital Reduction (as defined in the circular dated 22 January 2026 to shareholders of the Company) (Special Resolution)			
2	To approve the Delisting (as defined in the circular dated 22 January 2026 to shareholders of the Company) pursuant to Rules 1307 and 1309 of the Listing Manual of the Singapore Exchange Securities Trading Limited (Special Resolution)			

* Voting will be conducted by poll. If you wish your proxy/proxies to vote all your shares "For" or "Against" a resolution, please indicate with an "X" or a "✓" in the "For" or "Against" box provided in respect of that resolution. Alternatively, please indicate the relevant number of shares as appropriate. If you wish your proxy/proxies to abstain from voting on a resolution, please indicate with an "X" or "✓" in the "Abstain" box provided in respect of that resolution. Alternatively, please indicate the relevant number of shares as appropriate.

Dated this _____ day of _____ 2026

Total Number of Shares Held

Signature or Common Seal of Member(s)



Notes:

1. This Proxy Form may be accessed at the Company's website at <https://bw-grp.com/publications> as well as at the SGX website at <https://www.sgx.com/securities/company-announcements>.
2. Each of the resolutions to be put to the vote of members at the EGM (and at any adjournment thereof) will be voted on by way of a poll.
3. Unless a lesser number of shares is specified by the member on the Proxy Form itself, the instrument appointing a proxy(ies) shall be deemed to relate to all the shares held by the member in the account for which this Proxy Form was issued.
4.
 - (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the EGM. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
 - (b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the EGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.
 - (c) "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967 of Singapore.
 - (d) A member can appoint the Chairman of the Meeting as his/her/its proxy. However, this is not mandatory.
5. Persons who hold shares of the Company through relevant intermediaries (as defined in Section 181 of the Companies Act 1967 of Singapore), including CPF and SRS members, and who wish to appoint a proxy(ies), should approach the relevant intermediary (which would include, in the case of CPF and SRS members, their respective CPF Agent Banks or SRS Operators) to submit their votes by **11 a.m. on 4 February 2026**.
6. The instrument appointing a proxy(ies) must be submitted to the Company in the following manner:
 - (a) if submitted by post, by lodgment at the Company's registered office at 54 Serangoon North Avenue 4, #05-02, Singapore 555854; or
 - (b) if submitted electronically, by submission via email to ir@bigl.com.sg,in either case, by **11 a.m. on 10 February 2026**, being no later than 72 hours before the time fixed for the EGM.
7. A proxy need not be a member of the Company.
8. A member who wishes to submit a Proxy Form must complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above. Members are strongly encouraged to submit completed Proxy Forms electronically via email.
9. The instrument appointing a proxy(ies) must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy(ies) is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy(ies) is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.
10. The Company shall be entitled to reject an instrument appointing or treated as appointing a proxy(ies) if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing or treated as appointing a proxy(ies) (including any related attachment). In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing or treated as appointing a proxy(ies) lodged or submitted if the member, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.