

---

**EXTRAORDINARY GENERAL MEETING TO BE HELD ON 28 MARCH 2024  
RESPONSE TO QUESTIONS RECEIVED FROM SHAREHOLDERS**

---

The Board of Directors (“the Board”) of Acma Ltd (“the Company”) refers to the questions received from shareholders of the Company ahead of the Extraordinary General Meeting (“EGM”) to be held on 28<sup>th</sup> March 2024 at 9.00am in relation to the proposed disposal of 100% equity interest in Acot Plastics (Xiamen) Co., Ltd. The Company wishes to provide its responses below:-

- 1. From page 19 of the circular, the NTA post disposal will drop from 12 cents to 8.2 cents whilst the LPS would widen from 1.7 cents to 10.2 cents. This disposal would decrease the NTA significantly and grossly increase the losses of the REIT. Why should shareholders support such a value destructive transaction? Please elaborate.**

Company: The increase in the LPS is due to (i) the inclusion of the estimated loss of S\$1.62 million on disposal of the Target Company and (ii) the exclusion of the FRS after-tax profit of S\$2.0 million for FY2022 of the Target Company. The Rationale of the Proposed Disposal has already been set out in Paragraph 5 on Pages 12 to 16 of the Circular.

- 2. Before deciding to sell to the Xiamen Voke Mold and Plastic Engineering (Purchaser), how many other prospective buyers did the company engage? Please quantify. Why did the company not sell to the other interested buyers, if any? Please elaborate.**

Company: The Company had since mid- 2021 been looking to secure prospective buyers/investors for the Target Company. In this regard, the Company had also engaged the services of a consulting firm to assist in the process. The Company did not receive any other enquiries which led to the tabling of formal offers for the Target Company.

- 3. Can you provide more insights as to how the SPA agreement was consummated? How did the company seek buyers for the assets to be disposed of? Please elaborate. Did the company hold an opening bidding process? If not, why not? Did the company actively seek to find buyers for the assets to be disposed of? If not, why not?**

Company: As indicated above, the Company had engaged the services of a consulting firm to help secure a purchaser/investor for the Target Company. The consulting firm had circulated information about the Target Company on a no-name basis to various parties whom they feel may be interested in the Target Company. Parties approached included parties in the PRC as well as the region. The Company together with the consultant firm were of the view that the sale process had to be carried out through a bilateral and confidential discussions as the transaction involved the disposal of the

Target Company as an operating concern. This was so as not to cause any disruptions to the operations of the Target Company.

**4. Was the company forced by creditors to dispose of the assets at fire sale prices? What triggered the company to sell the assets? Please elaborate.**

Company: The Consideration of the Proposed Disposal of Rmb60.0 million compares favourably to the valuation of Rmb 52 million by Colliers Appraisal and Advisory Services Co. Ltd as referred to in Page 17 of the Circular. The Rationale of the Proposed Disposal has already been set out in Paragraph 5 on Pages 12 to 16 of the Circular.

**5. What is the company's view on the outlook and prospects of the assets to be disposed of? If the company is not in urgent need to pare down its debt, would the company keep ACOT Plastics (Xiamen)?**

Company: As there are several variable issues involved, the Company do not wish to speculate on a decision based on hypothetical scenarios.

**BY ORDER OF THE BOARD**

QUEK SIM PIN  
EXECUTIVE CHAIRMAN  
26 March 2024