

ADVANCED HOLDINGS LTD.

(Incorporated in the Republic of Singapore)
(Company Registration No. 200401856N)
(the “**Company**”)

UPDATE FOLLOWING THE EXTRAORDINARY GENERAL MEETING HELD ON 29 SEPTEMBER 2023 AND RESPONSE TO SGX QUERIES

The Board of Directors (the “**Board**” or the “**Directors**”) of Advanced Holdings Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) wishes to provide an update to shareholders following the results of the extraordinary general meeting held on 29 September 2023 (“**EGM**”), convened for the purposes of seeking the approval of the shareholders for the proposed capital reduction and cash distribution exercise (“**Capital Reduction and Cash Distribution**”).

Following the EGM on 29 September 2023, the Board had convened a meeting on the next business day on 2 October 2023 for the purposes of seeking to understand from Dr Wong Kar King the reason for voting against the resolution at the EGM and to update shareholders accordingly. In the intervening period, the Company had also received queries from various parties, including the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”).

It is noted that the various queries are in the same vein and after seeking clarification from Dr Wong Kar King, the Board would like to now provide an update to shareholders by way of response to the queries raised by SGX-ST as set out below:

SGX-ST’s Query 1:

It was disclosed in Part 4 of the Circular that the “Board is of the view that the proposed Capital Reduction and Cash Distribution are in the best interests of the Company and accordingly recommend that Shareholders vote in favour of the Special Resolution to be proposed at the EGM.” (the “**Recommendation**”)

- (a) What has the Board considered leading up to the Recommendation.
- (b) Please disclose if there was any disagreement by any members of the Board on the Recommendation.
- (c) What has changed between the Recommendation as stated in the Circular up till the conduct of the EGM on 29 September 2023.
- (d) Please disclose if there are any material information that shareholders should be aware of prior to the conduct of the EGM on 29 September 2023.

Company’s response to Query 1:

- (a) The Board considered the various options available to utilise the surplus cash capital accumulated by the Company from the disposal of the entire issued and paid-up share capital of Advanced CAE Pte. Ltd. and Advanced CAE Ltd., and the disposal of the property located at 30 Woodlands Loop, Singapore 738319. After considering the available alternatives at the material time, the Board recommended the proposed Capital Reduction and Cash Distribution.

- (b) There were no disagreements by any members of the Board on the Recommendation regarding the proposed Capital Reduction and Cash Distribution.
- (c) There was no change between the Recommendation as stated in the Circular up till the conduct of the EGM on 29 September 2023. Please see the Company's response to query 2(a) below for further details.
- (d) There is no material information that shareholders should be aware of prior to the conduct of the EGM on 29 September 2023. As stated below, any discussions relating to potential businesses and/or investments opportunities are at a preliminary stage and have not been fully analysed or reviewed by management and/or advisers or discussed by the Board prior to the EGM.

SGX-ST's Query 2:

We note that the Controlling Shareholder, Dr Wong Kar King ("**Dr Wong**") is currently the Managing Director and a Board Member of the Company. From the EGM Results, we note that Dr Wong did not vote for the Resolution for the Proposed Capital Reduction and Cash Distribution.

Did Dr Wong attend and vote at the EGM? If so, please provide his rationale for the inconsistency in the Board's Recommendation vis-à-vis the EGM Results for the Proposed Capital Reduction and Cash Distribution.

Company's response to Query 2:

Dr Wong attended and personally voted against the resolution at the EGM. After voting, Dr Wong left the EGM as he was not feeling well. Dr Wong informed the Board at a meeting subsequent to the EGM that he had pondered hard on his decision to vote for or against the Resolution as a majority shareholder, and only made his final decision at the time of voting at the EGM, believing it to be in the best interests of the Company. This decision was made despite knowing that he will not be receiving Cash Distribution of about S\$9.6 million.

The Board understood that subsequent to the Board's Recommendation and announcement of the notice of EGM on 7 September 2023 and before the date of the EGM on 29 September 2023, Dr Wong was made aware of certain business and / or investment opportunities and had preliminary discussions to explore these opportunities, which would require capital. Given the impending EGM date, Dr Wong did not have the latitude to analyse and review such opportunities in full and Dr Wong took the view that it is in the best interests of the Company to retain the capital until these opportunities can be fully analysed and/or reviewed by management and/or its advisors and discussed by the Board. Retaining the capital in the Company would thus provide more options than proceeding with the Cash Distribution, which remains an option should there be no conclusive outcome on the other opportunities.

BY ORDER OF THE BOARD

Dr Wong Kar King
Managing Director

4 October 2023

*This announcement has been reviewed by the Company's sponsor, UOB Kay Hian Private Limited (the "**Sponsor**").*

*This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

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