

PROPOSED ACQUISITIONS OF THE ENTIRE ISSUED SHARE CAPITAL OF BAYWA R.E. SOLAR SYSTEMS CO., LTD. AND BAYWA R.E. SOLAR SYSTEMS CORPORATION

1. INTRODUCTION

The Board of Directors (the “**Board**” or the “**Directors**”) of Tai Sin Electric Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the announcement released by the Company on 13 August 2025 in relation to, *inter alia*, the issuance of a legally binding offer for the proposed acquisition of 100% of the shares of a Thailand company and a Philippines company (the “**Previous Announcement**”).

Unless otherwise defined herein or the context requires otherwise, all capitalised terms used in this announcement shall have the same meanings ascribed to them in the Previous Announcement.

Subsequent to the Previous Announcement, the Board wishes to announce that a sale and purchase agreement dated 18 September 2025 (the “**Agreement**”) has been entered into between the Company and BayWa r.e. Asia Pacific Pte. Ltd. (the “**Seller**”). Pursuant to the terms of the Agreement, the Company has agreed to purchase the entire issued share capital (the “**Sale Shares**”) of each of BayWa r.e. Solar Systems Co., Ltd. (the “**Thailand Target**”) and BayWa r.e. Solar Systems Corporation (the “**Philippines Target**”, together with the Thailand Target, the “**Target Companies**”, and each, a “**Target Company**”) (the “**Proposed Acquisitions**”).

Upon completion of the Proposed Acquisitions, the Company shall hold 99% of the shares in the Thailand Target and 99.99% of the shares in the Philippines Target. Accordingly, each of the Target Companies shall become subsidiaries within the Group. The remaining 1% of shares in the Thailand Target shall be held by a subsidiary of the Company, further to requirements under the laws of Thailand. The remaining 0.01% of shares in the Philippines Target shall be held by directors of the Philippines Target, further to requirements under the laws of Philippines.

The Proposed Acquisitions constitutes a “discloseable” transaction under Chapter 10 of the Listing Rules. Please refer to **Section 6** of this announcement for further details on the relative figures in respect of the Proposed Acquisitions computed on the bases set out in Rule 1006 of the Listing Rules.

2. INFORMATION ON THE SELLER AND THE TARGET COMPANIES

2.1 The Seller

The Seller is a company incorporated in Singapore, and is principally engaged in the business of investment holding.

As at the date of this announcement, the Seller holds approximately 99.99% of the shares in each of the Target Companies, with the remaining shares in each of the Target Companies held by individuals (who differ for each Target Company) under the Seller’s control.

The Seller is an independent and unrelated third party. To the best of the Board’s knowledge, information and belief, having made all reasonable enquiries, the Seller, together with its shareholders and directors, (a) are not related to any Director or substantial shareholder of the Company and (b) do not own any shares in the Company, as at the date of this announcement.

2.2 The Target Companies

The Thailand Target is a private limited company incorporated in Thailand on 30 January 2017, and has an authorised and issued share capital of THB 10,000,000 consisting of 100,000 ordinary shares of THB 100 each.

Based on the unaudited management accounts (in Euro) of the Thailand Target for the financial period ended 31 July 2025:

- (a) net tangible asset (“**NTA**”) of the entire issued share capital of the Thailand Target is Euro 7,716,901 (equivalent to approximately S\$11,661,781¹); and
- (b) the net profits attributable of the Thailand Target was Euro 1,698,437 (equivalent to approximately S\$2,566,679¹) as at 31 July 2025.

The Philippines Target is a corporation incorporated in the Philippines on 24 October 2019, and has an issued and paid up share capital of PHP 10,750,000 consisting of 10,750,000 shares of PHP 1 each.

Based on the unaudited management accounts (in Euro) of the Philippines Target for the financial period ended 31 July 2025:

- (a) net tangible liabilities (“**NTL**”) of the entire issued share capital of the Philippines Target is -Euro 1,217,145 (equivalent to approximately -S\$1,839,350¹); and
- (b) the net loss attributable to the entire issued share capital of the Philippines Target was -Euro 20,938 (equivalent to approximately -S\$31,641¹) as at 31 July 2025.

The aggregate NTA of the entire issued share capital of the Thailand Target and the Philippines Target is positive.

The Target Companies are engaged in the business of wholesale distribution of renewable energy equipment in Southeast Asia.

No independent valuation was conducted in relation to the Proposed Acquisitions as consideration was arrived at arm’s length and on a willing-buyer-willing-seller basis.

3. **SALIENT TERMS OF THE AGREEMENT**

3.1. Consideration

In accordance with the terms of the Agreement, the consideration payable by the Company for the purchase of the Sale Shares shall be USD 12,300,000 (equivalent to approximately S\$15,724,320²) (the “**Consideration Sum**”), comprising of:

- (a) the consideration for the Sale Shares in the amount of USD 5,653,787 (equivalent to approximately S\$7,227,801²) (“**Share Consideration**”);
- (b) *plus* USD 4,192,938 equivalent to THB 133,000,000 which is an amount of Intra-Group Loan (as defined below) as at 31 May 2025 (the “**Locked Box Date**”) of the Thailand Target, calculated at the “mid rate” as shown on the official Bloomberg website in respect of the relevant currencies prevailing two business days, being a day (other than a Saturday, Sunday and public holiday) on which banks are generally open for normal business in Singapore and Thailand (“**Business Days**”), prior to the date of the Agreement at USD 31.72 (equivalent to approximately S\$5,360,252²);

¹ For the purpose of this announcement, all EUR/SGD exchange rate used for the relevant Singapore Dollars equivalent is based on an exchange rate of EUR1 : S\$1.5112 as at 18 September 2025.

² For the purpose of this announcement, all USD/SGD exchange rate used for the relevant Singapore Dollars equivalent is based on an exchange rate of USD1 : S\$1.2784 as at 18 September 2025.

- (c) *plus* USD 2,453,275 which is an amount of Intra-Group Loan (as defined below) as at the Locked Box Date of the Philippines Target (equivalent to approximately S\$3,136,267²); and
- (d) *minus* any Leakage Adjustment Amount (as defined below) (if any) in USD amount equivalent to the relevant Leakage Adjust Amount (as defined below) calculated pursuant to Clause 7 of the Agreement.

The “Leakage Adjustment Amount” is an amount to be agreed between the Seller and the Company of the relevant leakage which means *inter alia* any dividend (in cash or in kind) or distribution or other return of capital declared, paid or made by each Target Company to or for benefit of the Seller or any other member of the Seller’s group, unless such leakage is *inter alia* a permitted leakage as set out in the Agreement.

At completion of the Proposed Acquisitions pursuant to the Agreement (“**Completion**”), the Consideration Sum shall be satisfied in the following manner:

- (i) the Company shall pay the Seller, the Share Consideration;
- (ii) the Company shall transfer or procure a transfer to the Thailand Target’s bank account as notified by the Seller, THB 110,000,000 (equivalent to approximately S\$4,422,000³) in immediate available funds;
- (iii) upon a receipt of the payment set out in paragraph 3.1 (ii) above in full, the Seller shall procure the Thailand Target to repay THB 110,000,000 (equivalent to approximately S\$4,422,000³) Intra-Group Loan to BayWa r.e. AG or its designated person.

The repayment of the THB 110,000,000 Intra-Group Loan to BayWa r.e. AG as set out in paragraph 3.1(iii) is a partial repayment of the Intra-Group Loan of the Thailand Target. The Company has continuing obligations to procure and ensure the full repayment, settlement, and final discharge of the entire outstanding balance of the Intra-Group Loan.

For the purposes of discharging the entire outstanding balance of the Intra-Group Loan, the Company shall take all the steps necessary, including without limitation to taking out loan or having the Thailand Target to take out a loan, to procure:

- (i) within two Business Days after the date on which Completion takes place (“**Completion Date**”), the Thailand Target to repay the remaining Intra-Group Loan in the amount of THB 23,000,000 (equivalent to approximately S\$924,600³) to BayWa r.e. AG or its designated person in full. Upon the full repayment of Intra-Group Loan with respect to the Thailand Target, such Intra-Group Loan shall be treated as discharged to the extent of that payment; and
- (ii) within three Business Days after the Completion Date, the Philippines Target to repay the Intra-Group Loan in an amount of USD 2,453,275 (equivalent to approximately S\$3,136,267²) to BayWa r.e. AG or its designated person in full. Upon the full payment of Intra-Group Loan with respect to the Philippines Target, such Intra-Group Loan shall be treated as discharged to the extent of that payment.

The “Intra-Group Loans” are the aggregate amount of outstanding loans, financing liabilities or other similar indebtedness, other than indebtedness which was incurred in the ordinary course of business of the Target Companies, owing by the Target Companies to the Seller and any other member of the Seller’s group.

³ For the purpose of this announcement, all THB/SGD exchange rate used for the relevant Singapore Dollars equivalent is based on an exchange rate of THB\$1 : S\$0.0402 as at 18 September 2025.

The Consideration Sum was arrived at arm's length and on a willing-buyer-willing-seller basis after taking into account, *inter alia*, the following:

- A. the net asset / liability value of the Thailand Target and Philippines Target is approximately S\$11,661,781 and -S\$1,839,350 as at 31 July 2025 respectively;
- B. the track record of the Target Companies; and
- C. the growth potential of the green energy sector in the Southeast Asia region.

3.2. Conditions

The sale and purchase of the Sale Shares is conditional in all respects on:

- (a) the Company and the Seller having not received a notice of any injunction or other order, directive or notice restraining or prohibiting the consummation of the sale of the Sale Shares under the Agreement;
- (b) a waiver, consent, or acknowledgment being obtained, in each case in a form reasonably acceptable to the Seller and the Company, under the Value Added Partner Contract dated 11 February 2021 entered into between the Thailand Target and a reputable international supplier for the material change in the ownership of the Thailand Target;
- (c) the repayment of the Intra-Group Loans by the Target Companies, which exceed the amounts as at the Locked Box Date by the relevant Target Companies, such that the outstanding amounts of those Intra-Group Loans do not exceed the amounts outstanding as at the Locked Box Date.

(collectively, the “**Conditions**”)

If any of the Conditions is not fulfilled on or before 11.59 p.m. on 31 October 2025 (the “**Long Stop Date**”) then the Seller may, in its absolute discretion, postpone the Long Stop Date by up to one month by giving written notice to the Company within three Business Days prior to or on the Long Stop Date.

3.3. Completion

Completion shall take place on 3 November 2025 or such other date as the Seller and the Company may agree in writing, provided that all the conditions precedent set out above are satisfied or waived in accordance with the terms of the Agreement.

3.4. Post-Completion Support

From Completion, the Seller shall provide, or shall procure that the relevant member of the Seller's group and/or any relevant third party shall provide the Target Companies with the services in accordance with the scope and terms and subject to the conditions to be mutually agreed, prior to Completion, between the Target Companies and the Seller or the Seller's group. The services are for post-completion transitional support purposes.

In relation to the use of the Seller's brand name, following Completion, it is envisaged that the Company will be changing the names of the Thailand Target and the Philippines Target in due course to better reflect the identity of the Group.

3.5. Purchaser's Guarantee

The Company has agreed to guarantee the due and punctual performance of the Guaranteed Obligations (as defined below) under the Agreement. Accordingly, the Company has executed a parent company guarantee on 18 September 2025 ("**PCG**"). As set out in the PCG, with effect from the Completion Date, the Company, as primary obligor, irrevocably and unconditionally guarantees and promises to the Seller the full payment of the Intra-Group Loans Repayment (as defined below) to the Seller's group within three (3) Business Days after the Completion Date ("**Agreed Period**") without undue delay (the "**Guaranteed Obligations**") in accordance with the terms of the Agreement and to perform each of the Guaranteed Obligations under the Agreement, upon demand by the Seller in writing.

The Guaranteed Obligation is up to the maximum of the aggregate of (i) USD 3,178,370 (equivalent to approximately S\$4,063,228²) and (ii) any interest, costs and charges accrued on the Intra-Group Loans Repayment (as defined below) after the Agreed Period until the payment of the Intra-Group Loans Repayment (as defined below) is fully repaid to the Seller's group.

Further to the PCG, the Company irrevocably and unconditionally undertakes to indemnify the Seller against any losses, expenses, costs, or damages that the Seller may incur or suffer solely as a result of the undue delay or non-payment of the Intra-Group Loans Repayment or any damages resulting in a failure to comply with the PCG. For the avoidance of doubt, the indemnity shall not extend to any indirect or consequential losses such as loss of profits, business reputation and/or goodwill. The Seller may demand for the payment by giving a written demand, stating that the amount claimed has become due to the Seller and payable by the Company, and remains unpaid, together with supporting documents, which absent manifest error shall be conclusive evidence of the amounts due and payable to the Seller.

"Intra-Group Loans Repayment" means:

- (a) in respect of the Intra-Group Loans of the Thailand Target, the repayment of the Intra-Group Loan in an amount equal to THB 133,000,000; and
- (b) in respect of the Intra-Group Loans of the Philippines Target, the repayment of the Intra-Group Loan in the amount equal to USD 2,453,275.

4. **SOURCE OF FUNDS FOR THE PROPOSED ACQUISITIONS**

The Proposed Acquisitions will be funded by internal resources of the Group and by way of external financing from bank loans.

5. **RATIONALE FOR THE PROPOSED ACQUISITIONS**

The Board is of the view that the Proposed Acquisitions are in line with the Group's strategy to expand into sustainable and future-oriented businesses. The Board further believes that the Proposed Acquisitions will enable the Group to capitalise on the growth potential of the green energy sector in the Southeast Asia region.

6. RELATIVE FIGURES COMPUTED ON THE BASES SET OUT IN RULE 1006 OF THE LISTING RULES

The relative figures computed on the bases set out in Listing Rule 1006 for the Proposed Acquisitions are as follows:

Listing Rule 1006(a)	The net asset value of the assets to be disposed of, compared with the group's net asset value. This basis is not applicable to an acquisition of assets. ⁽¹⁾	Not Applicable ⁽³⁾
Listing Rule 1006(b)	The net profits ⁽²⁾ attributable to the assets acquired or disposed of, compared with the group's net profits.	14.02% ⁽⁴⁾
Listing Rule 1006(c)	The aggregate value of the consideration given or received, compared with the issuer's market capitalization based on the total number of issued shares excluding treasury shares.	5.97% ⁽⁵⁾
Listing Rule 1006(d)	The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not Applicable ⁽⁶⁾
Listing Rule 1006(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets. If the reserves are not directly comparable, the Exchange may permit valuations to be used instead of volume or amount.	Not Applicable ⁽⁷⁾

Notes:

- (1) "Net assets / liabilities" means total assets less total liabilities.
- (2) "Net profit / loss" means profit or loss before income tax and non-controlling interests.
- (3) The Proposed Acquisitions involve the acquisition of assets and not the disposal of assets.
- (4) Based on the unaudited management accounts of the Thailand Target for the financial period ended 31 July 2025 and the unaudited management accounts of the Philippines Target for the financial period ended 31 July 2025, the net profit attributable to the Target Companies (extrapolated to 12 months based on 7 months results) amounts to approximately S\$4.346 million compared to the Group's net profit of approximately S\$31.001 million for the full year ended 30 June 2025.
- (5) The Consideration Sum is USD 12.300 million (equivalent to approximately S\$15.724 million). The Company's market capitalisation is approximately S\$263.589 million on 17 September 2025, being the last full market day on which trades were done preceding the date of the Agreement. The Company's market capitalisation was determined by multiplying the number of shares in issue (460,261,841 shares (excluding 2,727,000 treasury shares)) by the weighted average price of such shares transacted on 17 September 2025 (S\$0.5727).
- (6) No equity securities will be issued by the Company in connection with the Proposed Acquisitions.
- (7) The Company is not a mineral, oil and gas company.

As two of the relative figures computed on the bases set out in Listing Rule 1006 exceeds 5% and all relative figures are less than 20%, the Proposed Acquisitions are classified as a "discloseable transaction" under Listing Rule 1010.

7. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITIONS

The financial effects of the Proposed Acquisitions on the NTA per share and the profit per share (“EPS”) of the Group have been prepared based on the unaudited consolidated financial statements of the Group for the financial year ended 30 June 2025.

For the purpose of illustrating the financial effects, the financial effects have been prepared based on, *inter alia*, the following assumptions:

- (a) the financial effects on the NTA per share of the Group are computed assuming that the Proposed Acquisitions were completed on 30 June 2025;
- (b) the financial effects on the EPS of the Group are computed assuming that the Proposed Acquisitions were completed on 1 July 2024; and
- (c) the costs and expenses incurred or to be incurred in connection with the Proposed Acquisitions shall be disregarded.

Financial Effects on the NTA per share of the Group

	Before Completion of the Proposed Acquisitions	After Completion of the Proposed Acquisitions
NTA as at 30 June 2025 (S\$'000)	221,690	233,323
Number of Shares in the issued and paid-up share capital of the Company, excluding treasury shares and subsidiary holdings	460,261,841	460,261,841
NTA per Share (Singapore cents)	48.17	50.69

Financial Effects on the EPS of the Group

	Before Completion of the Proposed Acquisitions	After Completion of the Proposed Acquisitions
Net Profit for FY2025 (S\$'000)	31,001	35,347
Weighted average number of Shares in the issued and paid-up share capital of the Company, excluding treasury shares and subsidiary holdings	460,261,841	460,261,841
EPS of the Group (Singapore cents)	6.74	7.68

The financial effects presented above are for illustrative purposes only and are not intended to reflect the actual future results and/or financial position of the Company and/or the Group. No representation is made as to the actual future results and/or financial position of the Company and/or the Group.

8. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors, substantial shareholders or controlling shareholders of the Company has any interests, direct or indirect, in the Proposed Acquisitions and the transactions contemplated therein, save for their interests arising by way of their directorships and shareholdings in the Company, if any.

9. SERVICE CONTRACT

No new directors are proposed to be appointed to the Board in connection with the Proposed Acquisitions. As such, no service agreements will be entered into with any person in connection with the Proposed Acquisitions.

10. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the Agreement and the PCG will be made available for inspection during normal hours at the registered address of the Company at 24 Gul Crescent, Singapore 629531 for a period of three (3) months from the date of this announcement.

11. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm, after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Acquisitions and the Group, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

12. CAUTIONARY STATEMENT

Shareholders and potential investors of the Company should note that there is no certainty or assurance as at the date of this announcement that the Proposed Acquisitions will be completed. In particular, the Agreement is subject to conditions which may or may not be fulfilled.

Shareholders and potential investors of the Company are advised to read this announcement and any further announcements made by the Company carefully. Shareholders and potential investors of the Company are advised to refrain from taking any action with respect to their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. Shareholders and potential investors of the Company should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

By Order of the Board

Hazel Chia
Company Secretary

18 September 2025