

**CIRCULAR DATED 3 JUNE 2025**

**THIS CIRCULAR IS ISSUED BY BAN LEONG TECHNOLOGIES LIMITED (THE “COMPANY”). THIS CIRCULAR IS IMPORTANT AS IT CONTAINS THE RECOMMENDATION OF THE INDEPENDENT DIRECTORS (AS DEFINED HEREIN) OF THE COMPANY AND THE ADVICE OF ASIAN CORPORATE ADVISORS PTE. LTD., THE INDEPENDENT FINANCIAL ADVISER TO THE INDEPENDENT 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, SOLICITOR, ACCOUNTANT, TAX ADVISER OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.**

If you have sold or transferred all your Offer Shares (as defined herein) held through The Central Depository (Pte) Limited (“CDP”), you need not forward this Circular to the purchaser or transferee as arrangements will be made by CDP for a separate Circular to be sent to the purchaser or transferee. If you have sold or transferred all your Offer Shares represented by physical share certificate(s), you should immediately forward this Circular to the purchaser or transferee, or to the bank, stockbroker or agent through whom the sale or the transfer was effected for onward transmission to the purchaser or transferee. However, such documents should not be forwarded or transmitted to any jurisdiction outside of Singapore.

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



(Company Registration No. 199303898C)  
(Incorporated in Singapore)

**CIRCULAR TO SHAREHOLDERS**

**IN RELATION TO**

**VOLUNTARY CONDITIONAL CASH OFFER**

by

**EPICSOFTE ASIA PTE. LTD.**

(Company Registration No. 201428300H)  
(Incorporated in the Republic of Singapore)

to acquire the Offer Shares (as defined herein)

***Independent Financial Adviser to the Independent Directors in respect of the Offer***

**ASIAN CORPORATE ADVISORS PTE. LTD.**

(Company Registration No. 200310232R)  
(Incorporated in Singapore)

**SHAREHOLDERS SHOULD NOTE THAT IN THE ANNOUNCEMENT DATED 27 MAY 2025 RELEASED BY THE OFFEROR, THE OFFER HAS BEEN DECLARED UNCONDITIONAL IN ALL RESPECTS (THE “UNCONDITIONAL ANNOUNCEMENT”).**

**THE UNCONDITIONAL ANNOUNCEMENT STATES THAT ACCEPTANCES SHOULD BE RECEIVED BY THE CLOSE OF THE OFFER AT 5.30 P.M. (SINGAPORE TIME) ON 2 JULY 2025 OR SUCH LATER DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE OFFEROR.**

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## DEFINITIONS

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

<b>“Acceptance Form(s)”</b>	:	The FAA and the FAT collectively, or any one of them, as the case may be
<b>“acting in concert”</b>	:	Has the meaning ascribed to it under the Code and references to <b>“concert parties”</b> shall be construed accordingly
<b>“Auditor FY2025 Results Report”</b>	:	The report issued by Ernst & Young LLP, the auditors of the Company, in respect of the FY2025 Results, as set out in <b>Appendix V</b> to this Circular
<b>“Board” or “Directors”</b>	:	The directors of the Company as at the Latest Practicable Date
<b>“Business Day”</b>	:	A day (other than Saturday, Sunday or a public holiday) on which commercial banks are open for business in Singapore
<b>“CDP”</b>	:	The Central Depository (Pte) Limited
<b>“Circular”</b>	:	This Circular to Shareholders dated 3 June 2025 issued by the Company to Shareholders in respect of the Offer containing, amongst other things, the advice of the IFA to the Independent Directors and the recommendation of the Independent Directors in respect of the Offer
<b>“Closing Date”</b>	:	<b>5.30 p.m. (Singapore time) on 2 July 2025</b> , or such later date(s) as may be announced from time to time by or on behalf of the Offeror
<b>“Code”</b>	:	The Singapore Code on Take-overs and Mergers
<b>“Companies Act”</b>	:	The Companies Act 1967 of Singapore, as amended, modified or supplemented from time to time
<b>“Company”</b>	:	Ban Leong Technologies Limited
<b>“Concert Parties”</b>	:	Parties acting or presumed to be acting in concert with the Offeror in connection with the Offer
<b>“Constitution”</b>	:	The constitution of the Company
<b>“CPF”</b>	:	Central Provident Fund
<b>“CPF Agent Banks”</b>	:	Agent banks included under the CPFIS
<b>“CPFIS”</b>	:	Central Provident Fund Investment Scheme
<b>“CPFIS Investors”</b>	:	Investors who have purchased Shares using their CPF contributions pursuant to the CPFIS
<b>“Distributions”</b>	:	Any dividends, rights, other distributions and/or return of capital (if any) declared, paid or made by the Company in respect of the Offer Shares
<b>“Encumbrances”</b>	:	Any claims, charges, equities, mortgages, liens, options, pledges, encumbrances, powers of sale, declarations of trust, hypothecations, retention of title, rights of pre-emption, rights of first refusal, moratorium and other third party rights or security

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## DEFINITIONS

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	interest of any kind or an agreement, arrangement or obligation to create any of the foregoing
<b>“FAA”</b>	: Form of Acceptance and Authorisation for Offer Shares, which forms part of the Offer Document and which is issued to Shareholders whose Offer Shares are deposited with CDP
<b>“FAT”</b>	: Form of Acceptance and Transfer for Offer Shares, which forms part of the Offer Document and which is issued to Shareholders whose Offer Shares are not deposited with CDP
<b>“FY”</b>	: Financial year ended or ending 31 March
<b>“FY2025 Results”</b>	: The unaudited consolidated financial statements of the Group for FY2025 which were released by the Company via SGXNET on 26 May 2025
<b>“GGHL”</b>	: GCL Global Holdings Ltd., the ultimate parent company which is listed on NASDAQ
<b>“GGPL”</b>	: GCL Global Pte. Ltd., the holding company of the Offeror
<b>“Group”</b>	: The Company and its subsidiaries
<b>“IFA” or “ACA”</b>	: Asian Corporate Advisors Pte. Ltd., the independent financial adviser to the Independent Directors in respect of the Offer
<b>“IFA Letter”</b>	: Has the meaning ascribed to it in <b>Section 8</b> of this Circular
<b>“IFA FY2025 Results Report”</b>	: The report issued by the IFA in respect of the FY2025 Results, as set out in <b>Appendix V</b> to this Circular
<b>“Independent Directors”</b>	: The Directors who are considered independent under the Code for the purposes of the Offer, being Mr Mark Chim Suan Kit, Mr Ronald Teng Woo Boon, Ms Doreen Ng Mei Ling and Mr Neo Gim Kiong
<b>“Last Trading Day”</b>	: 29 April 2025, being the last full day of trading of the Shares prior to the Offer Announcement Date
<b>“Latest Practicable Date”</b>	: 26 May 2025, being the latest practicable date prior to the issuance of this Circular
<b>“Listing Manual”</b>	: The listing manual of the SGX-ST in force as at the Latest Practicable Date
<b>“Market Day”</b>	: A day on which the SGX-ST is open for trading of securities
<b>“Mr Ronald Teng Woo Boon”</b>	: Mr Teng Woo Boon, the Managing Director and controlling shareholder of the Company holding direct interest in 24.86% of the Shares as at the Latest Practicable Date
<b>“Ms Teo”</b>	: Ms Teo Su Ching, the spouse of Mr Ronald Teng Woo Boon and shareholder of the Company holding 3.27% of the total Shares as at the Latest Practicable Date

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## DEFINITIONS

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<b>“Offer”</b>	:	The voluntary conditional cash offer by the Offeror, to acquire all the Offer Shares on the terms and subject to the conditions set out in the Offer Document, the FAA and the FAT, as such offer may be amended, extended and revised from time to time by or on behalf of the Offeror
<b>“Offer Announcement”</b>	:	The announcement relating to the Offer released by the Offeror on the Offer Announcement Date
<b>“Offer Announcement Date”</b>	:	30 April 2025, being the date of the Offer Announcement
<b>“Offer Document”</b>	:	The document dated 21 May 2025 issued by the Offeror, in respect of the Offer, and any other document(s) which may be issued for and on behalf of the Offeror, to amend, revise supplement or update such offer document(s) from time to time
<b>“Offer Period”</b>	:	The period commencing from the Offer Announcement Date until the date the Offer closes, lapses or is withdrawn (whichever is earliest)
<b>“Offer Price”</b>	:	S\$0.6029 in cash for each Offer Share
<b>“Offer Shares”</b>	:	All Shares in issue (excluding any Shares held in treasury) as at the date of the Offer
<b>“Offeror”</b>	:	Epicsoft Asia Pte. Ltd.
<b>“Overseas Shareholders”</b>	:	Shareholders whose mailing addresses are outside Singapore (as shown on the register of members of the Company kept by the share registrar or, as the case may be, in the records of CDP)
<b>“Register”</b>	:	The register of holders of the Shares, as maintained by the Share Registrar
<b>“related corporations”</b>	:	Shall have the meaning ascribed to it in the Companies Act
<b>“Record Date”</b>	:	In relation to any Distributions, the date on which Shareholders must be registered with the Company or with CDP, as the case may be, in order to participate in such Distributions
<b>“\$” or “S\$” and “cents”</b>	:	Singapore dollars and cents respectively, being the lawful currency of Singapore
<b>“Securities Account”</b>	:	A securities account maintained by a Depositor with CDP, but does not include a securities sub-account
<b>“SFA”</b>	:	The Securities and Futures Act 2001 of Singapore, as amended, modified or supplemented from time to time
<b>“SGX-ST”</b>	:	Singapore Exchange Securities Trading Limited
<b>“SGXNET”</b>	:	Singapore Exchange Network, a system network used by listed companies in sending information and announcements to the SGX-ST or any other system networks prescribed by the Exchange for the purpose of the SGX-ST making that information available to the market

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## DEFINITIONS

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<b>“Shareholders”</b>	:	Persons who/which are registered as holders of Shares in the register of members of the Company, and persons whose/which Shares are deposited with CDP or who/which have purchased Shares on the SGX-ST, and the term <b>“Shareholder”</b> shall be construed accordingly
<b>“Shares”</b>	:	Issued and paid-up ordinary shares in the share capital of the Company, and the term <b>“Share”</b> shall be construed accordingly
<b>“SIC”</b>	:	Securities Industry Council of Singapore
<b>“SRS”</b>	:	Supplementary Retirement Scheme
<b>“SRS Agent Banks”</b>	:	Agent banks included under the SRS
<b>“SRS Investors”</b>	:	Investors who have purchased Shares using their SRS contributions pursuant to the SRS
<b>“subsidiary”</b>	:	Has the meaning ascribed to it under the Companies Act
<b>“Unconditional Announcement”</b>	:	The announcement dated 27 May 2025 issued by the Offeror in relation to, <i>inter alia</i> , the Offer being declared unconditional in all respects
<b>“VWAP”</b>	:	Volume-weighted average price
<b>“%” or “per cent.”</b>	:	Percentage or per centum

**Announcements and Notices.** References to the making of an announcement or the giving of notice by the Offeror shall include the release of an announcement by or on behalf of the Offeror 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 simultaneously to the SGX-ST.

**Depositors.** The terms **“depositor”**, **“Depository Agent”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

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

**Offer Document.** References to **“Offer Document”** shall include the Acceptance Forms, unless the context otherwise requires.

**Total Number of issued Shares.** In this Circular, any reference to the total number of issued Shares is based on 107,796,700 Shares in issue (excluding 8,703,300 treasury shares and 681,818 returned shares) as at the Latest Practicable Date, unless otherwise stated.

**References.** Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall, where applicable, include corporations.

**Rounding.** Any discrepancies in figures included in this Circular between the amounts listed and their actual values are due to rounding. Accordingly, totals or sub-totals shown, as the case may be, may not be an arithmetic aggregation of the figures that precede them.

**Sections.** Any reference in this Circular to a section is a reference to a section of this Circular, unless otherwise stated.

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## DEFINITIONS

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

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

**Time and Date.** Any reference to a time of day and date in this Circular is made by reference to Singapore time and date, unless otherwise stated.

**Statements which are reproduced in their entirety from the Offer Document and the IFA Letter are set out in this Circular in italics and all capitalised terms and expressions used within these reproduced statements shall have the same meanings ascribed to them in the Offer Document and the IFA Letter respectively.**

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## **CAUTIONARY NOTES ON FORWARD-LOOKING STATEMENTS**

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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”, “potential”, “strategy”, “forecast”, “target”, “possible”, “probable” and similar expressions or future or conditional verbs such as “if”, “will”, “would”, “shall”, “should”, “could”, “may” and “might”. These statements reflect the Company's or the Offeror's current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information as at the Latest Practicable Date. Such forward-looking statements are not guarantees of future results, performance, events or achievements 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 involved, Shareholders and investors should not place undue reliance on such forward-looking statements. The Company and the Offeror does not guarantee any future performance or event and assumes no obligation to update publicly or revise any forward-looking statement, subject to compliance with all applicable laws, regulations, the Listing Manual and/or the rules of the SGX-ST and/or the directions of any other regulatory or supervisory body or agency.



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## INDICATIVE TIMETABLE

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Date of despatch of the Offer Document : 21 May 2025

Date of despatch of this Circular : 3 June 2025

Closing Date : 5.30 p.m. (Singapore time) on 2 July 2025<sup>(1)</sup> or such later date(s) as may be announced from time to time by or on behalf of the Offeror.

Please refer to Section 4 of the Unconditional Announcement, Paragraph 4 of the Offer Document, and Paragraph 1 of Appendix 1 to the Offer Document, for further information.

Date of settlement of consideration for valid acceptances of the Offer : In respect of acceptances of the Offer which are complete and valid in all respects and in accordance with the requirements set out in, *inter alia*, the Offer Document and Acceptance Forms which are received on or before the Closing Date, as soon as practicable and in any case within seven (7) Business Days of (i) the date on which the Offer becomes or is declared to be unconditional in all respects (if such acceptances are received on or before the date which the Offer becomes or is declared to be unconditional in all respects) or (ii) the date of such receipt of acceptance (if such acceptances are received after the Offer becomes or is declared to be unconditional in all respects, but before the Offer closes).

Please refer to Paragraph 2 of Appendix 1 to the Offer Document for further information.

**Note:**

- (1) Pursuant to Rule 22.6 of the Code, as the Offeror has not stated in the Offer Document that the Offer will not be extended beyond the first closing date, the Offer will remain open for a period of not less than 14 days after the date on which the Offer would otherwise have closed.

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## LETTER TO SHAREHOLDERS

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### BAN LEONG TECHNOLOGIES LIMITED

(Company Registration No. 199303898C)  
(Incorporated in Singapore)

#### **Directors**

Mr Mark Chim Suan Kit (Chairman and Independent Non-Executive Director)  
Mr Ronald Teng Woo Boon (Managing Director)  
Ms Doreen Ng Mei Ling (Independent Non-Executive Director)  
Mr Neo Gim Kiong (Non-Independent Non-Executive Director)

#### **Registered Office**

150 Ubi Avenue 4,  
#04-01 Ubi Biz Hub,  
Singapore 408825

**3 June 2025**

**To: The Shareholders of Ban Leong Technologies Limited**

Dear Sir/Madam,

#### **VOLUNTARY CONDITIONAL CASH OFFER BY THE OFFEROR TO ACQUIRE THE OFFER SHARES**

##### **1. INTRODUCTION**

###### **1.1. Offer Announcement**

On 30 April 2025, the Offeror announced that it intends to make a voluntary conditional cash offer for the Offer Shares in accordance with Rule 15 of the Code.

A copy of the Offer Announcement is available on the website of the SGX-ST at <https://www.sgx.com>.

###### **1.2. Independent Directors**

As at the Latest Practicable Date, all the Directors, being Mr Mark Chim Suan Kit, Mr Ronald Teng Woo Boon, Ms Doreen Ng Mei Ling and Mr Neo Gim Kiong, are independent for the purpose of the Offer and are required to make a recommendation to the Shareholders in respect of the Offer under the Code.

###### **1.3. Offer Document and Offer Announcement**

On 21 May 2025, the Offer Document was electronically disseminated by the Offeror. The Offer Document sets out, *inter alia*, the Offer by the Offeror for the Offer Shares, subject to the terms and conditions set out in the Offer Document.

The principal terms and conditions of the Offer are set out in Paragraphs 2 to 4 of the Offer Document.

**Shareholders are advised to read the terms and conditions of the Offer set out in the Offer Document carefully.**

An electronic copy of the Offer Document is available on the website of the SGX-ST at <https://www.sgx.com>.

###### **1.4. Unconditional Announcement**

On 27 May 2025, the Offeror announced that, *inter alia*, as at 6.00 p.m. (Singapore time) on 27 May 2025, the Offeror has received valid acceptances in respect of an aggregate of 54,864,700 Offer Shares, representing approximately 50.90% of the total number of issued Shares (excluding 8,703,300 treasury shares and 681,818 returned shares) which, when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror and its Concert

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## LETTER TO SHAREHOLDERS

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Parties (either before or during the Offer and pursuant to the Offer or otherwise), result in the Offeror and its Concert Parties holding such number of Shares carrying more than 50% of the voting rights attributable to the total number of issued Shares.

Accordingly, the Minimum Acceptance Condition of the Offer (as set out in Paragraph 2.6 of the Offer Document) has been satisfied and the Offer has therefore become and is declared unconditional in all respects as of the date of the Unconditional Announcement.

A copy of the Unconditional Announcement is available on the website of the SGX-ST at <https://www.sgx.com>.

### 1.5. Independent Financial Adviser

Asian Corporate Advisors Pte. Ltd. has been appointed by the Company as the independent financial adviser to advise the Independent Directors, for the purposes of making their recommendation to Shareholders in respect of the Offer. The advice of the IFA is set out in full in the IFA Letter in **Appendix I** to this Circular.

### 1.6. Purpose of this Circular

The purpose of this Circular is to provide Shareholders with relevant information relating to the Offer and to set out the recommendation of the Independent Directors and the advice of the IFA to the Independent Directors in respect of the Offer.

**Shareholders should carefully consider the recommendation of the Independent Directors and the advice of the IFA to the Independent Directors in respect of the Offer set out in this Circular before deciding whether or not to accept the Offer.**

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

## 2. THE OFFER

Based on the information set out in the Offer Document, the Offeror has made the Offer to acquire all the Offer Shares. The principal terms and conditions of the Offer, as extracted from Paragraphs 2 to 5 of the Offer Document, are set out below. All terms and expressions used in the extracts below shall have the same meanings as those defined in the Offer Document, unless otherwise stated.

### 2.1. The Offer Terms

Paragraph 2 of the Offer Document states that the Offer is made on the following basis:

#### **“2. TERMS OF THE OFFER**

##### **2.1 Offer**

*The Offeror hereby makes the Offer to acquire all the Offer Shares, in accordance with Section 139 of the SFA and Rule 15 of the Code and on the terms and subject to the conditions set out in this Offer Document, the FAA and the FAT.*

##### **2.2 Offer Shares**

*The Offer is extended to all Shares in issue (excluding any treasury shares) as at the date of the Offer, including those Shares owned, controlled, or agreed to be acquired by parties acting or presumed to be acting in concert with the Offeror in connection with the Offer (“Offer Shares”).*

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## LETTER TO SHAREHOLDERS

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### 2.3 Offer Price

*The Offer Price for each Offer Share will be as follows:*

***For each Offer Share: S\$0.6029 in cash (the “Offer Price”)***

***The Offer Price is final and the Offeror does not intend to revise the Offer Price, save that the Offeror reserves the right to do so in accordance with the Code if a competitive situation arises.***

### 2.4 No Encumbrances

*The Offer Shares will be acquired (a) fully paid-up, (b) free from all Encumbrances, and (c) together with all rights, benefits, entitlements and advantages attached thereto as at the Offer Announcement Date, and thereafter attaching thereto, including but not limited to the right to receive and retain all Distributions (if any), the Record Date for which falls on or after the Offer Announcement Date.*

### 2.5 Adjustment for Distributions

*Without prejudice to the foregoing, the Offer Price has been determined on the basis that the Offer Shares will be acquired with the right to receive any Distributions, the Record Date for which falls on or after the Offer Announcement Date.*

*In the event that any Distribution is or has been declared, paid or made by the Company in respect of the Offer Shares, the Record Date for which falls on or after the Offer Announcement Date, the Offer Price payable to a Shareholder who validly accepts or has validly accepted the Offer shall be reduced by an amount which is equal to the amount of such Distribution, depending on when the settlement date in respect of the Offer Shares tendered in acceptance of the Offer by such accepting Shareholders falls, as follows:*

- (a) if such settlement date falls on or before the Record Date, the Offer Price shall remain unadjusted for each Offer Share, as the Offeror will receive the Distribution in respect of such Offer Shares from the Company; and*
- (b) if such settlement date falls after the Record Date, the Offer Price payable for such Offer Shares tendered in acceptance shall be reduced by an amount which is equal to the amount of the Distribution in respect of such Offer Shares, as the Offeror will not receive such Distribution from the Company.*

### 2.6 Minimum Acceptance Condition

*The Offer will be conditional upon the Offeror having received, by the close of the Offer, valid acceptances (which have not been withdrawn) in respect of such number of Offer Shares which, when taken together with the Shares owned, controlled, acquired or agreed to be acquired by the Offeror and parties acting or deemed to be acting in concert with it, will result in the Offeror and parties acting or deemed to be acting in concert with it holding such number of Shares carrying more than 50% of the voting rights attributable to the issued share capital of the Company (excluding any Shares held in treasury) as at the close of the Offer (the “**Minimum Acceptance Condition**”).*

*Accordingly, the Offer will not become or be capable of being declared unconditional as to acceptances until the close of the Offer, unless at any time prior to the close of the Offer, the Offeror has received valid acceptances in respect of such number of Offer Shares which, when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror and parties acting or deemed to be acting in concert with it (either before or during the Offer and pursuant to the Offer or otherwise), will result in the Offeror and parties acting or deemed to be acting in concert with it holding such*

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## LETTER TO SHAREHOLDERS

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number of Shares carrying more than 50% of the voting rights attributable to the issued Shares (excluding Shares held in treasury).

**Save for the Minimum Acceptance Condition, the Offer is unconditional in all other respects.**

### 2.7 Revision of Terms of the Offer

The Offeror reserves the right to revise the terms of the Offer in accordance with the Code.

### 2.8 No Options or Awards Proposal

Based on the latest information available to the Offeror, there are no outstanding instruments convertible into, rights to subscribe for, nor options (whether pursuant to an employee share option scheme or otherwise) or derivatives in respect of, the Shares or securities which carry voting rights in the Company (collectively, “**Options**”) as at the Latest Practicable Date. In view of the foregoing, the Offeror will not make an offer to acquire any Options.

Based on the latest information available to the Offeror, there are no outstanding awards for Shares (“**Awards**”) granted under the Ban Leong Performance Share Plan which was approved and adopted by the Shareholders on 26 July 2019. In view of the foregoing, the Offeror will not make an offer to acquire any Awards. For the avoidance of doubt, the Offer will be extended to all new Shares unconditionally issued or to be issued, or treasury shares unconditionally delivered or to be delivered, as the case may be, pursuant to the valid vesting and release of any outstanding Awards to the holders thereof (if any), prior to the close of the Offer.

### 2.9 Warranty

A Shareholder who tenders his Offer Shares in acceptance of the Offer will be deemed to unconditionally and irrevocably represent, warrant and undertake to the Offeror that he sells such Offer Shares as or on behalf of the beneficial owner(s) thereof, (a) fully paid, (b) free from all Encumbrances, and (c) together with all rights, benefits, entitlements and advantages attached thereto as at the Offer Announcement Date and thereafter attaching thereto, including the right to all Distributions (if any), the Record Date for which falls on or after the Offer Announcement Date.”

All terms and expressions used in the extracts above shall have the same meanings as those defined in the Offer Document, unless otherwise stated. In particular, the section entitled “Definitions” of the Offer Document states the following:

**“Total number of issued Shares.** Unless otherwise stated, references in this Offer Document to the total number of issued Shares are based on 107,796,700 Shares in issue (excluding 8,703,300 treasury shares and 681,818 returned shares) as at the Latest Practicable Date (based on publicly available information and/or latest information available to the Offeror (where relevant) as at the Latest Practicable Date), unless otherwise stated.”

## 2.2. Further Details of the Offer

The duration of the Offer is set out in Paragraph 1 of Appendix 1 to the Offer Document, which states the following:

### “1. DURATION OF THE OFFER

1.1 **First Closing Date.** The Offer is open for acceptance by Shareholders for at least 28 days from the Despatch Date, unless the Offer is withdrawn with the consent of the SIC and every person released from any obligation incurred thereunder. **Accordingly, the**

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## LETTER TO SHAREHOLDERS

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**Offer will close at 5.30 p.m. (Singapore time) on 18 June 2025 or such later date(s) as may be announced from time to time by or on behalf of the Offeror.**

**1.2 Subsequent Closing Date(s).** *If the Offer is extended and:*

- (a) *the Offer is not unconditional as to acceptances as at the date of such extension, the announcement of the extension must state the next Closing Date; or*
- (b) *the Offer is unconditional as to acceptances as at the date of such extension, the announcement of the extension need not state the next Closing Date but may state that the Offer will remain open until further notice. In such a case, the Offeror must give Shareholders at least 14 days' prior notice in writing before it may close the Offer.*

**1.3 No Obligation to Extend the Offer.** *The Offeror is not obliged to extend the Offer if the condition of the Offer as set out in Section 2.6 (Minimum Acceptance Condition) of the Letter to Shareholders of this Offer Document is not fulfilled by the Closing Date.*

**1.4 Offer to Remain Open for 14 Days After Being Declared Unconditional as to Acceptances.** *Pursuant to Rule 22.6 of the Code, if the Offer becomes or is declared unconditional as to acceptances, the Offer will remain open for a period (the "**Rule 22.6 Period**") of not less than 14 days after the date on which the Offer would otherwise have closed, in order to give Shareholders who have not accepted the Offer the opportunity to do so.*

*This requirement does not apply if, before the Offer has become or is declared unconditional as to acceptances, the Offeror has given Shareholders at least 14 days' notice in writing (the "**Shut-Off Notice**") that the Offer will not be open for acceptance beyond a specified Closing Date, provided that:*

- (a) *the Offeror may not give a Shut-Off Notice in a competitive situation; and*
- (b) *the Offeror may not enforce a Shut-Off Notice, if already given, in a competitive situation.*

*For these purposes, the SIC would normally regard a "competitive situation" to have arisen if a competing offer for the Company has been announced.*

*If a declaration that the Offer is unconditional is confirmed in accordance with Paragraph 4.2(a) (Right of Withdrawal of Shareholders) of this **Appendix 1**, the Rule 22.6 Period will run from the date of such confirmation or the date on which the Offer would otherwise have closed, whichever is later.*

**1.5 Final Day Rule.** *Pursuant to Rule 22.9 of the Code, the Offer (whether revised or not) will not be capable:*

- (a) *of becoming or being declared unconditional as to acceptances after 5.30 p.m. (Singapore time) on the 60<sup>th</sup> day after the Despatch Date; or*
- (b) *of being kept open after the expiry of such 60-day period unless the Offer has previously become or been declared to be unconditional as to acceptances,*

*provided that the Offeror may extend the Offer beyond such 60-day period with the SIC's prior consent (the "**Final Day Rule**"). The SIC will normally grant such permission if a competing offer has been announced.*

**1.6 Revision.** *The Offeror reserves the right to revise the terms of the Offer at such time and in such manner as it may consider appropriate. If the Offer is revised, the Offer will remain open for acceptance for at least 14 days from the date of despatch of the written*

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## LETTER TO SHAREHOLDERS

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*notification of the revision to Shareholders. In any case where the terms are revised, the benefit of the Offer (as so revised) will be made available to each of the Shareholders who had previously accepted the Offer. The Offer Price is final and the Offeror does not intend to revise the Offer Price, save that the Offeror reserves the right to do so in accordance with the Code in a competitive situation."*

**As set out in the Unconditional Announcement, the Closing Date for the Offer will be extended from 5.30 p.m. (Singapore time) on 18 June 2025 to 5.30 p.m. (Singapore time) on 2 July 2025 or such later date(s) as may be announced from time to time by or on behalf of the Offeror.**

Further details of the Offer, including details on (a) the duration of the Offer, (b) the settlement of the consideration for the Offer, (c) the requirements relating to the announcement(s) of the level of acceptances of the Offer, and (d) the right of withdrawal of acceptances of the Offer, are set out in Appendix 1 to the Offer Document.

### **2.3. Procedures for Acceptance of the Offer**

The procedures for acceptance of the Offer by a Shareholder are set out in Appendix 2 to the Offer Document.

### **2.4. Irrevocable Undertakings**

Paragraph 5 of the Offer Document states the following:

#### **"5. IRREVOCABLE UNDERTAKINGS**

**5.1** *As at the Latest Practicable Date, certain Shareholders ("**Undertaking Shareholders**") have each given irrevocable undertakings to the Offeror ("**Irrevocable Undertakings**") whereby each of the Undertaking Shareholders has undertaken, amongst other things:*

- (a) to tender, or procure the tendering of, all (and not some only of) the Offer Shares owned by each of them respectively ("**Undertaking Shares**") and, if applicable, any Shares derived from the Undertaking Shares (whether pursuant to any bonus issue, rights issue or distribution of Shares or otherwise by the Company) as well as any Shares which may be acquired by the Undertaking Shareholder or which may be conditionally or unconditionally issued to the Undertaking Shareholder subsequent to the date of the Irrevocable Undertaking (the "**Additional Undertaking Shares**") in full acceptance of the Offer for cash consideration ("**Acceptance**") after the date of despatch of the Offer Document and in any event not later than the close of the Offer; and*
- (b) not to, from the date of the Irrevocable Undertaking and until such time that the Offer (including any revised Offer that may be made by or on behalf of the Offeror) closes, lapses or is withdrawn, directly or indirectly, (i) offer, (ii) sell, transfer, assign, give or otherwise dispose of, (iii) grant any option, right or warrant to purchase in respect of, (iv) charge, mortgage, pledge or otherwise encumber, or (v) enter into any swap or other arrangement that transfers to another in whole or in part, any of the legal, beneficial or economic consequences of ownership of, or (vi) grant any proxy or enter into any voting agreement or similar arrangement with respect to the voting of, all or any of the Undertaking Shares or any interest therein (or enter, or propose to enter, into any agreement, arrangement, commitment or understanding with any person, whether conditionally or unconditionally, with a view to effecting any of the foregoing) except pursuant to the Acceptance.*

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## LETTER TO SHAREHOLDERS

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- 5.2 *The names of the Undertaking Shareholders and the number of Shares owned by them as at the Latest Practicable Date are as follows:*

<b><i>Name of Undertaking Shareholder</i></b>	<b><i>Number of Shares</i></b>	<b><i>Percentage of issued Shares (%)<sup>(1)</sup></i></b>
<i>Mr Teng Woo Boon Ronald<sup>(2)</sup></i>	<i>26,798,400</i>	<i>24.86</i>
<i>Ms Teo Su Ching<sup>(3)</sup></i>	<i>3,520,000</i>	<i>3.27</i>
<b><i>Total</i></b>	<b><i>30,318,400</i></b>	<b><i>28.13</i></b>

Notes:

- (1) *Unless otherwise stated, references in this announcement to the total number of issued Shares are based on 107,796,700 Shares in issue (excluding 8,703,300 treasury shares and 681,818 returned shares).*
- (2) *Mr Teng Woo Boon Ronald is the Managing Director of the Company. He is deemed interested in the Shares held by Ms Teo Su Ching, his wife.*
- (3) *Ms Teo Su Ching is the wife of Mr Teng Woo Boon Ronald.*
- 5.3 *The Undertaking Shareholders have undertaken to accept the Offer in respect of an aggregate of 30,318,400 Shares, representing approximately 28.13% of the total number of issued Shares.*
- 5.4 *The Irrevocable Undertakings shall lapse, terminate and cease to have any effect upon the earliest of: (a) the Offer Announcement not being released by or on behalf of the Offeror by 6.00 p.m. by the seventh business day from the date on which the Undertaking Shareholder signs the Irrevocable Undertaking; (b) the Offer being withdrawn, lapsing, closing or failing to become or be declared to be unconditional for any reason (other than as a result of a breach by the Undertaking Shareholder of his/her obligations under the Irrevocable Undertaking); or (c) the date falling 90 days from the Offer Announcement Date.*
- 5.5 *Save for the Irrevocable Undertakings, as at the Latest Practicable Date, neither the Offeror nor any of its Concert Parties has received any undertaking from any other party to accept or reject the Offer."*

### 3. INFORMATION ON THE OFFEROR AND GGPL

The information on the Offeror and GGPL, the holding company of the Offeror, set out in italics below has been extracted from Paragraph 6 of the Offer Document. All terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document, unless otherwise stated.

#### **“6. INFORMATION ON THE OFFEROR AND GGPL**

##### **6.1 Information on the Offeror**

*The Offeror is a private limited company incorporated under the laws of Singapore on 23 September 2014. The Offeror's main business is in the wholesale of computer games (including electronic games). It is a wholly-owned subsidiary of GCL Global Pte. Ltd., which is more particularly described below.*

*As at the Latest Practicable Date:*

- (a) *the Offeror has an issued and paid-up share capital of US\$4,269,841 comprising 4,765,049 ordinary shares (including treasury shares);*
- (b) *the sole director of the Offeror is Mr Choo See Wee; and*



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## LETTER TO SHAREHOLDERS

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- (c) *the Offeror and its sole director do not own any Shares of the Company.*

### **6.2 Information on GCL Global Pte. Ltd.**

*GCL Global Pte. Ltd. (“GGPL”) is a private limited company incorporated under the laws of Singapore on 26 July 2021. Its main business is that of a holding company. GGPL is a wholly-owned subsidiary of GCL Global Limited (“GGL”), a company incorporated in the Cayman Islands. GGL is, in turn, a wholly-owned subsidiary of GCL Global Holdings Ltd., a company which is listed on NASDAQ.*

*As at the Latest Practicable Date:*

- (a) *GGPL has an issued and paid-up share capital of S\$50,000 comprising 50,000 ordinary shares;*
- (b) *GGPL’s directors are Mr Choo See Wee and Ms Choo See Ling, Catherine; and*
- (c) *GGPL and its directors do not own any Shares of the Company.*

### **6.3 Additional Information**

*Additional information on the Offeror and GGPL are set out in **Appendix 3** and **Appendix 4** to this Offer Document, respectively.”*

## **4. RATIONALE FOR THE OFFER**

The rationale for the Offer has been extracted from Paragraph 8 of the Offer Document (to the extent applicable), and is set out in italics below. All terms and expressions used in the extract below shall have the same meanings as those defined in the Offer Document, unless otherwise stated. **Shareholders are advised to read the extract below carefully.**

### **“8. RATIONALE FOR THE OFFER**

#### **8.1 Acquisition to Realise Potential Synergies**

*By combining the GCL group’s gaming expertise with the Company’s established distribution infrastructure, the acquisition enhances the Offeror’s ability to deliver an integrated gaming ecosystem. The acquisition will enable the development of gaming peripherals, custom gaming monitors, and PC components tailored to complement GCL’s gaming content. The acquisition is also expected to facilitate the introduction of new business-to-consumer (B2C) channels for the Company, with the aim of expanding its market reach and enhancing profit margins. Additionally, the introduction of gaming laptops and consoles pre-installed with GCL titles will strengthen GCL’s brand positioning in the industry.*

*The Company’s regional footprint will be reinforced by GCL’s presence across Asian markets, creating new scalability opportunities. The acquisition is expected to diversify revenue streams by leveraging sales from hardware, licensing, and co-branded products while optimizing operational efficiencies through shared marketing and procurement strategies. The Company’s expertise in technology distribution perfectly complements GCL’s strategic goals in delivering next-generation gaming experiences.*

#### **8.2 Opportunity for Shareholders to Exit Amidst Heightened Global Trade Tensions and Geopolitical Risks**

*The Company faces a challenging macroeconomic and operating environment in Singapore and its key regional markets, with a range of external risks impacting its business outlook:*

### **8.2.1 Trade Protectionism and Tariff Pressures**

*The global shift towards protectionist trade policies and the reconfiguration of international trade agreements have resulted in the imposition of tariffs and non-tariff barriers. Such developments increase procurement and operational costs for businesses, including technology distributors like the Company, thereby placing pressure on profit margins and limiting growth prospects.*

*In addition, persistent uncertainty around trade policies and economic relations between major economies could erode consumer and business confidence, leading to more cautious discretionary spending, including reduced purchases of non-essential technology products.*

### **8.2.2 Geopolitical Tensions and Global Economic Volatility**

*Ongoing geopolitical tensions, including diplomatic conflicts, regulatory uncertainties, and shifting international alliances, continue to fuel market volatility and undermine investor sentiment. Heightened tensions between key global powers, such as the United States and China, have led to increased regulatory scrutiny, trade barriers, and cross-border investment disruptions — trends which may directly or indirectly impact the Company's supply chain reliability and expansion plans.*

*Further, conflicts such as the Russia-Ukraine war have amplified inflationary pressures and energy costs worldwide, adding to operational challenges. Instability in regions such as the South China Sea could weigh on economic activity in Asia, affecting consumer sentiment and regional business operations. As businesses globally reassess their strategies and tighten expenditures in response to uncertainty, the Company could be exposed to risks of delayed expansion initiatives, operational restructuring pressures, and broader cost-cutting measures.*

## **8.3 Structural Shifts in Consumer Behaviour and Distribution Models Impacting Growth Prospects**

*The Company's core operations in the wholesale and distribution of technology products are increasingly exposed to the impact of evolving consumer preferences, accelerated digital adoption, and changing retail dynamics:*

### **8.3.1 Evolving Consumer Patterns and the Rise of E-Commerce**

*Consumer buying behaviour continues to shift towards online channels and integrated digital ecosystems, challenging traditional wholesale and retail models. The rapid expansion of e-commerce platforms and direct-to-consumer strategies by manufacturers has intensified competition and placed pressure on intermediaries, including technology distributors such as the Company.*

*In an environment where consumer spending on non-essential technology products may weaken due to broader economic uncertainty, the Company faces the dual challenge of sustaining market share and maintaining profitability.*

### **8.3.2 Increased Competition and Need for Continuous Innovation**

*To remain competitive, technology distributors are required to continually reinvest in product innovation, digital capabilities, and customer engagement strategies. However, rising operational costs, inflation, and fluctuating consumer confidence could constrain the Company's ability to adapt rapidly, reposition its offerings, or expand its market reach sustainably.*

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## LETTER TO SHAREHOLDERS

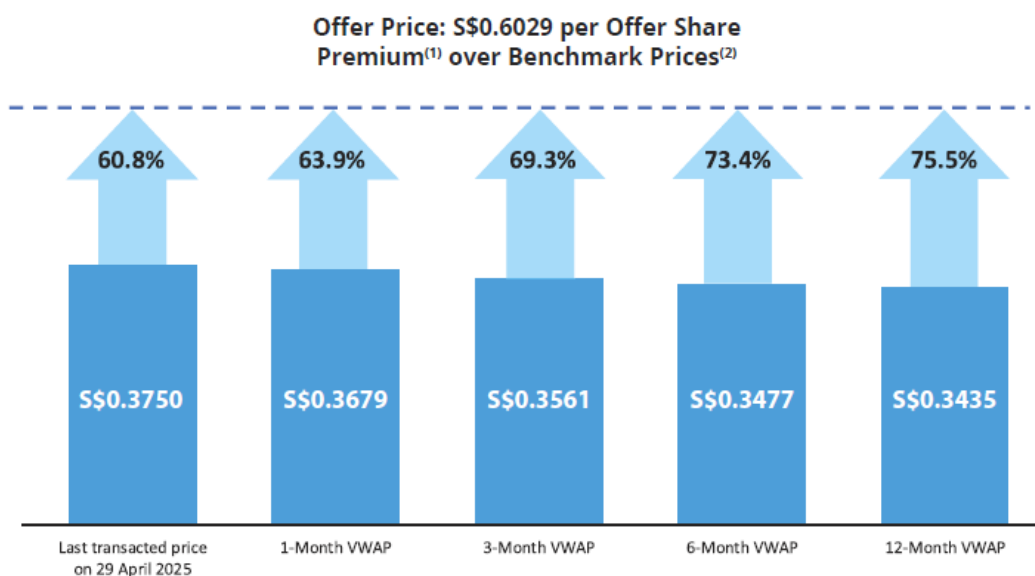
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*Without significant reinvestment and strategic transformation, the Company risks erosion of its competitive position and profitability over the long term.*

*Against this backdrop, the Offeror believes the Offer provides Shareholders with a compelling opportunity to realise immediate and certain value, while allowing the Company to pursue growth as part of an integrated, future-ready gaming and technology platform.*

### **8.4 Opportunity for Shareholders to realise their investment in the Shares at a premium to market price without incurring brokerage and other trading costs**

As set out in Section 11 below, the Offer Price represents a premium of approximately 63.9%, 69.3%, 73.4% and 75.5% over the volume-weighted average price ("VWAP") per Share for the one (1)-month period, three (3)-month period, six (6)-month period and twelve (12)-month period respectively up to and including the Last Trading Day. The Offer Price also represents a premium of 60.8% over the last transacted price per Share on the Last Trading Day.



**Notes:**

- (1) Percentage figures have been rounded to the nearest one (1) decimal place.
- (2) The historical market prices of the Shares (rounded to the nearest four (4) decimal places) are based on data extracted from Bloomberg L.P..

The Offer presents Shareholders with a clean cash exit opportunity to realise their entire investment in the Shares at a premium over the prevailing trading prices of the Shares without incurring brokerage and other trading costs.

### **8.5 Opportunity for Shareholders who may find it difficult to exit their investment in the Company due to low trading liquidity**

The trading volume of the Shares has been low, with an average daily trading volume of approximately 18,607 Shares, 51,439 Shares, 35,836 Shares and 33,439 Shares during the one (1)-month period, three (3)-month period, six (6)-month period and twelve (12)-month period respectively up to and including the Last Trading Day. Each of these represents less than approximately 0.048% of the total number of issued Shares (excluding treasury shares) as at the Offer Announcement Date.

*The Offer therefore provides Shareholders who find it difficult to exit their investment in the Company as a result of the low trading volume in the Shares with an opportunity to realise their entire investment in the Shares at a premium over the prevailing market prices, an option which would not otherwise be readily available to Shareholders given the low trading liquidity of the Shares.*

### **8.6 Greater Management Flexibility**

*If the Company is delisted and privatised, the Offeror is of the view that the delisting and privatisation of the Company will provide the Offeror and the Company with greater control and management flexibility in utilising and deploying the available resources of the Company.*

### **8.7 Costs of maintaining listing status**

*In maintaining its listed status, the Company incurs compliance and associated costs relating to continuing listing requirements under the Listing Manual of the SGX-ST (the "Listing Manual"). In the event that the Company is delisted from the SGX-ST, the Company will be able to save on expenses and costs relating to the maintenance of a listed status and channel such resources to its business operations."*

## **5. OFFEROR'S INTENTIONS FOR THE GROUP**

The full text of the Offeror's intentions for the Company has been extracted from Paragraph 9 of the Offer Document and is set out in italics below. **Shareholders are advised to read the extract below carefully and note the Offeror's future plans for the Group.**

*"The Offeror intends for the Company to continue with its existing activities and has no current intention to (a) introduce any major changes to the existing business of the Company, (b) re-deploy the fixed assets of the Company, or (c) discontinue the employment of the employees of the Company or its subsidiaries, other than in the ordinary course of business. However, the Offeror shall retain and reserve the flexibility at any time, and from time to time, to consider any options or opportunities in relation to the Company which may present themselves and which the Offeror regards to be in the interests of the Offeror and/or the Company. Following the successful close of the Offer, the Offeror will undertake a comprehensive review of the businesses and fixed assets of the Company to determine the optimal strategy for the Company."*

## **6. LISTING STATUS AND COMPULSORY ACQUISITION**

Paragraph 10 of the Offer Document states the following:

### **"10. LISTING STATUS AND COMPULSORY ACQUISITION**

#### **10.1 Listing status**

*Under Rule 1105 of the Listing Manual, upon an announcement by the Offeror that it has received acceptances pursuant to the Offer which result in the Offeror and its concert parties holding more than 90 per cent. of the total number of issued Shares (excluding treasury shares), the SGX-ST may suspend the trading of the listed securities of the Company on the SGX-ST until such time when the SGX-ST is satisfied that at least 10 per cent. of the total number of issued Shares (excluding treasury shares) are held by at least 500 Shareholders who are members of the public. Under Rule 1303(1) of the Listing Manual, where the Offeror succeeds in garnering acceptances exceeding 90 per cent. of the total number of issued Shares (excluding treasury shares), thus causing the percentage of the total number of issued Shares (excluding treasury shares) held in public hands to fall below 10 per cent., the SGX-ST will suspend trading of the Shares at the close of the Offer.*

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Rule 723 of the Listing Manual requires the Company to ensure that at least 10% of the total number of issued Shares is at all times held by the public ("**Free Float Requirement**"). In addition, under Rule 724(1) of the Listing Manual, if the Company fails to satisfy the Free Float Requirement, the Company must, as soon as practicable, announce that fact and the SGX-ST may suspend trading of all the Shares. Rule 724(2) of the Listing Manual further provides that the SGX-ST may allow the Company a period of three months, or such longer period as the SGX-ST may agree, for the percentage of the total number of issued Shares (excluding treasury shares) held by members of the public to be raised to at least 10 per cent., failing which the Company may be delisted from the SGX-ST.

**The Offeror intends to seek a delisting of the Company from the SGX-ST if the Free Float Requirement is not met. The Offeror does not intend to support any action or take any steps to maintain the listing status of the Company in the event the Free Float Requirement is not met and the trading of the Shares on the SGX-ST is suspended pursuant to Rule 724, 1105 or 1303(1) of the Listing Manual. In addition, the Offeror reserves the right to seek a voluntary delisting of the Company from the SGX-ST pursuant to Rules 1307 and 1309 of the Listing Manual.**

### 10.2 Compulsory acquisition

Pursuant to Section 215(1) of the Companies Act 1967 of Singapore ("**Companies Act**"), if the Offeror receives valid acceptances pursuant to the Offer (or otherwise acquires Shares during the period when the Offer is open for acceptance) in respect of not less than 90 per cent. of the total number of issued Shares (excluding treasury shares and those already held by the Offeror and its related corporations (or their respective nominees) or any person or body corporate falling within the meaning of Section 215(9A)<sup>2</sup> of the Companies Act as at the date of despatch of the Offer Document), the Offeror will be entitled to exercise its right to compulsorily acquire, at the Offer Price, all Offer Shares held by Shareholders who have not accepted the Offer ("**Dissenting Shareholders**"). **The Offeror, if so entitled, intends to exercise its rights of compulsory acquisition under Section 215(1) of the Companies Act to compulsorily acquire all the Offer Shares not acquired under the Offer. The Offeror will then proceed to delist the Company from the SGX-ST.**

Dissenting Shareholders have the right under and subject to Section 215(3) of the Companies Act, to require the Offeror to acquire their Shares at the Offer Price in the event that the Offeror, its related corporations or their respective nominees acquire, pursuant to the Offer, such number of Shares which, together with treasury shares and the Shares held by the Offeror, its related corporations or their respective nominees, comprise 90 per cent. or more of the total number of issued Shares (including treasury shares). Dissenting Shareholders who wish to exercise such a right are advised to seek their own independent legal advice."

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<sup>2</sup> "For the purpose of Section 10.2 (Compulsory Acquisition) of the Offer Document, any person or body corporate falling within the meaning of Section 215(9A) of the Companies Act refers to, inter alia:

- (a) a person who is accustomed or is under an obligation whether formal or informal to act in accordance with the directions, instructions or wishes of the Offeror in respect of the Company;
- (b) a person whose directions, instructions or wishes the Offeror is accustomed or is under an obligation whether formal or informal to act in accordance with, in respect of the Company; or
- (c) a body corporate that is controlled by the Offeror or a person mentioned in paragraph (a) or (b) above."

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### 7. FINANCIAL ASPECTS OF THE OFFER

Paragraph 11 of the Offer Document states the following:

*“The Offer Price represents the following premium over the historical transacted prices of the Shares on the SGX-ST:*

<i><b>Description</b></i>	<i><b>Benchmark Price (\$\$)<sup>(1)</sup></b></i>	<i><b>Premium over Benchmark Price (%)<sup>(2)</sup></b></i>
<i>Last transacted price per Share as quoted on the SGX-ST on the Last Trading Day</i>	0.375	60.8%
<i>VWAP of the Shares as traded on the SGX-ST for the one-month period up to and including the Last Trading Day</i>	0.368	63.9%
<i>VWAP of the Shares as traded on the SGX-ST for the three-month period up to and including the Last Trading Day</i>	0.356	69.3%
<i>VWAP of the Shares traded on the SGX-ST for the six-month period up to and including the Last Trading Day</i>	0.348	73.4%
<i>VWAP of the Shares traded on the SGX-ST for the 12-month period up to and including the Last Trading Day</i>	0.343	75.5%

**Notes:**

- (1) *The figures set out in the table above are based on data extracted from Bloomberg L.P. and are calculated by using total value of Shares over the total volume of Shares traded for the relevant period. The figures are rounded to the nearest three decimal places.*
- (2) *Figures rounded to the nearest one decimal place.”*

### 8. ADVICE OF THE INDEPENDENT FINANCIAL ADVISER

ACA has been appointed as the independent financial adviser to advise the Independent Directors for the purpose of making a recommendation to the Shareholders in respect of the Offer. Shareholders should carefully consider the recommendation of the Independent Directors and the advice of the IFA to the Independent Directors before deciding whether to accept or reject the Offer.

The advice of the IFA to the Independent Directors in respect of the Offer is set out in its letter dated 3 June 2025 as set out in **Appendix I** to this Circular (the “**IFA Letter**”).

After having regard to the considerations set out in the IFA Letter, and based on the information available to the IFA as at the Latest Practicable Date and subject to the qualifications and assumptions as set out in the IFA Letter, the IFA has given its advice (an extract of which is reproduced in italics below) in respect of the Offer.

Shareholders should read the extract in conjunction with, and in the context of, the IFA Letter in its entirety as set out in **Appendix I** to this Circular. Unless otherwise stated, all terms and expressions used in the extract below shall have the meanings given to them in the IFA Letter.

### “9. OPINION

*In arriving at our recommendation, we have reviewed and examined all factors set out in Sections 7 and 8 of this Letter as well as others elaborated elsewhere in this Letter*

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which we have considered to be pertinent in our assessment of the Offer, including, inter alia, the views of and representations by the Directors.

Our recommendation or opinion is by no means an indication of the merits, prospects, financial performance and position of the Company or the Group after the completion or lapse of the Offer, or whether the Company or the Group can improve their financial position and performance, and cash flow or whether the Company or the Group can continue to operate as a going concern or the ability to meet its liabilities when due or the prices at which the Shares would trade after the completion or lapse of the Offer.

Shareholders are advised to read this Letter carefully and in its entirety. Our views, recommendation and opinion are necessarily limited and subject to the matters stated in this IFA Letter. The following should be read in conjunction with, and in the context of, the full text of this IFA Letter.

In summary, having regard to our analysis and the considerations in this Letter (including, inter alia, its limitation and constraints) and after having considered carefully the information available to us and based on market, economic and other relevant considerations prevailing as at the Latest Practicable Date, and subject to our terms of reference, as well as the representations and confirmations from the Directors, we are of the opinion that, in the absence of an alternative offer, the financial terms of the Offer is, on balance, **FAIR and REASONABLE**.

For the purposes of evaluation of the Offer from a financial point of view, we have adopted the approach that the term “fair and reasonable” comprises two distinct concepts:

- (i) Whether the Offer is “fair” relates to the value of the offer price which is based strictly on the evaluation of the Offer Price (i.e. by, inter alia, looking at the financial or fundamental analyses of the Offer Price as set out in this Letter and based on information known to us or which is publicly available).
- (ii) Whether the Offer is “reasonable”, after taking into consideration the actual and potential financial impact of other circumstances surrounding the Offer and the Company or the Group which we consider relevant (being both quantitative and qualitative factors available and made known to us).

We consider the financial terms of the Offer, on balance to be **FAIR and REASONABLE** from a financial point of view after considering, inter alia, the following factors which are significant for the Offer: -

- (i) Substantial premia in general as implied by the Offer Price over the historical prices for the Shares prior to the Last Trading Day considering, inter alia: (a) the implied premium of approximately 60.8% over the last transacted price for the Shares on the Last Trading Day prior to the Offer Announcement; (b) the implied premia of approximately 72.6%, 75.5%, 73.4%, 69.3%, and 63.9% over the VWAP for the Shares for the 24-month, 12-month, 6-month, 3-month and 1-month periods prior to the Last Trading Day respectively; and (c) the implied premia of approximately 48.9% and 19.4% over the highest transacted prices for the Shares for the 24-month, and 10-year periods prior to the Last Trading Day respectively. The implied premia over the last transacted price for the Shares on the Last Trading Day prior to the Offer Announcement and the historical prices for the Shares for the 12-month, 6-month, 3-month, and 1-month periods prior to the Last Trading Day appears to be within the range and significantly more favourable than both the median and the simple average premia for the Selected Successful Privatisations.
- (ii) The Group’s financial performance for FY2025 as compared to FY2023 had trended downwards in terms of revenue, gross profit and net profit attributable to owners of the

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## LETTER TO SHAREHOLDERS

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*Company. The gross profit, operating profit, profit before and after tax margins for the Group in general over the said periods had also declined.*

- (iii) Notwithstanding the decline of the financial performance, and the uncertainties in geopolitical conditions, as well as challenging business conditions in the markets which the Group operates in (as described in the recent results announcement), the Offer Price represents an implied premium of approximately 19.4% over the highest transacted price for the Shares for the 10-year period prior to the Last Trading Day.*
- (iv) The Offer Price represents a premium of approximately 36.7% over the Group's NAV and/or NTA per Share as at 31 March 2025. In addition, the Offer Price as adjusted for the Group's Net Cash per Share or the Adjusted Offer Price, represents a premium of approximately 60.7% over the Group's Ex-cash NAV and/or Ex-cash NTA per Share.*
- (v) Favourable comparison against the Selected Successful Privatisations in terms of both the premia over historical prices for the Shares, and the valuation of the Group in terms of P/NAV ratio (as implied by the Offer Price and the NAV per Share as at 31 March 2025) after taking into account the shareholdings of the Offeror and its Concert Parties as well as the Undertaking Shareholders as set out in the Offer Document, which is within the range, but significantly lower than the median and the simple average for the percentage of shareholding interest for each of the offeror and parties acting in concert (including the undertaking shareholders) as at the start for the Selected Successful Privatisations.*
- (vi) Favourable or fair comparison against the privatisation of Challenger in terms of premia over historical prices for the Shares as well as the implied EV/EBITDA and P/NAV ratios.*
- (vii) Generally fair comparison against the valuation of the Selected Comparable Companies (excluding outliers) in terms of LTM EV/EBITDA, LTM PER, P/NAV, P/NTA, and LTM P/Revenue after taking into account, inter alia: (a) the Group's financial performance in terms of LTM ROE which is significantly less favourable when compared to both the median and the simple average for the Selected Comparable Companies; (b) the market capitalisation of the Group as implied by the Offer Price which is significantly much lower than any of the Selected Comparable Companies (save for Serial Achieva); (c) the Group's declining financial performance over the last three financial years from FY2023 to FY2025 in terms of revenue, gross profit, and net profit attributable to owners of the Company, as well as declining gross profit, operating profit, profit before tax and after tax margins for the Group over the said periods; and (e) the difference in the Group's capital structure vis-à-vis the Selected Comparable Companies.*
- (viii) The Offer Price is higher than the range of the Estimated Values per Share.*
- (ix) Low liquidity for the Shares (in terms of average daily trading volume and frequency of trading) prior to the Offer Announcement.*
- (x) Directors' confirmation that (a) no other third party has approached the Company with an intention to make an offer for the Company; and (b) apart from the Offer, no other third party has made a firm offer for the Company as at the Latest Practicable Date.*
- (xi) The Company has not carried out any other fund raising in the form of rights issue or placements since they were listed on the Mainboard of the SGX-ST in 23 June 2005*



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## LETTER TO SHAREHOLDERS

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and has mostly relied on borrowings from banks and its internal resources to fund, *inter alia*, its general working capital purposes.

- (xii) The rationale for the Offer as set out in Section 8 of the Offer Document.

### **ACA's Recommendation on the Offer**

Based on our assessment of the financial terms of the Offer as set out above, we advise the Independent Directors that they should recommend Shareholders to **ACCEPT** the Offer. In addition, the Offer represents a realistic opportunity for Shareholders to realise their entire investment in cash taking into account, *inter alia*, the low liquidity for the Shares (in terms of daily average trading volume and frequency of trading) prior to the Offer Announcement.

While the transacted prices for the Shares subsequent to the Offer Announcement Date may have been underpinned by the Offer and the trading for the Shares on a daily basis may have (in general) increased after the Offer Announcement Date to the Latest Practicable Date (as compared to the 12-month period prior to the Last Trading Day), there is no assurance that the trend of trading activities for the Shares will be maintained at such levels or that the transacted prices for the Shares will be maintained after the closing of the Offer.

In the event that Shareholders are concerned about the liquidity and the prices at which they can realise their investments in the Offer Shares (including whether they can realise their investments at prices higher than the Offer Price after deducting related expenses), acceptance of the Offer will provide certainty of exit at the Offer Price (with no related expenses).

However, in the event that Shareholders are able to dispose the Offer Shares in the open market and realise their investments at prices higher than the Offer Price after deducting related expenses and taking into account the final dividend for FY2025 (where applicable), they should consider selling the Offer Shares in the open market. It should be noted that for the period commencing on the Market Day immediately after the Offer Announcement Date to the Latest Practicable Date, the transacted prices for the Shares have always been slightly lower than the Offer Price. The Offer Price represents a small premium of approximately 0.5% over the last transacted price of S\$0.600 per Share on the SGX-ST on the Latest Practicable Date.

### **Matters to highlight**

We would also wish to highlight the following matters which may affect the decisions or actions of Shareholders:

1. If the Shareholders are considering selling their Offer Shares in the open market, they should be aware that the current market prices and trading volumes for the Shares may have been affected by the Offer and may not be maintained at current levels when the Offer closes. In addition, opportunities to realise the Offer Shares in the open market may be restricted or limited by the lack of liquidity for the Shares (as observed during the historical periods under review, being 2 May 2023 to the Last Trading Day).
2. Subsequent to the Latest Practicable Date, the Offer has been declared unconditional in all respects. The Offer Price of S\$0.6029 for each Offer Share is final and the Offeror does not intend to increase the Offer Price, save that the Offeror reserves the right to revise the terms of the Offer in accordance with the Code if a competitive situation arises.
3. Whilst the possibility of a higher offer from a third party cannot be ruled out, as at the Latest Practicable Date, we are not aware of any publicly available evidence of an alternative offer for the Shares. Shareholders should note that the likelihood of an alternative takeover is remote in view that as at 27 May 2025, the Offeror and its

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## LETTER TO SHAREHOLDERS

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Concert Parties owned, controlled or have agreed to acquire (including by way of valid acceptances of the Offer) an aggregate of 54,864,700 Shares, representing approximately 50.90% of the total number of issued Shares. Save for the Irrevocable Undertakings, the Offeror and its Concert Parties did not receive any irrevocable commitment or undertaking from any party to accept or reject the Offer.

4. *Given the low liquidity of the Shares (in terms of number of Shares traded on daily basis and the frequency of trading in terms of number of Trading Days) during the 24-month period up to and including the Last Trading Day, the Offer may represent a realistic exit opportunity for the Shareholders to realise their entire investment for cash, and that the Offer Price is at a substantial premium above market prices of Shares for 24-month, 12-month, 6-month, 3-month, and 1-month periods prior to Last Trading Day. In the absence of the Offer, such an exit for all Shareholders other than the Offeror and its Concert Parties may not be readily available due to the low trading liquidity for the Shares. Based on the average daily trading volume of 31,692 Shares for 24-month period prior to the Last Trading Day, it would take approximately 1,275 Market Days or close to 5.1 years (based on 250 Market Days per year) for the public Shareholders to be able to sell off their approximately 40.4 million Shares in the market.*
5. *The Offeror is making the Offer with a view to delist or privatise the Company from the SGX-ST and if entitled to under the Companies Act, the Offeror intends to compulsorily acquire all the Offer Shares.*
6. *The Offeror does not intend to maintain the listing status of the Company. In the event that, inter alia, the trading of Shares on the SGX-ST is suspended pursuant to Rule 724, Rule 1105 or Rule 1303(1) of the Listing Manual, the Offeror has no intention to undertake or support any action for any such trading suspension by the SGX-ST to be lifted.*
7. *The Directors confirmed that, to the best of their knowledge, as at the Latest Practicable Date and save for matters disclosed in the Circular, this Letter, the Group's unaudited financial statements for FY2025, and the Company's announcements on the SGXNET, there has been no material changes to the Group's assets and liabilities, financial position, condition and performance.*
8. *Our scope does not require us and we have not made any independent evaluation or appraisal of the Group's assets and liabilities (including without limitation, property, plant and equipment, right of use assets, and investments in convertible notes) or contracts entered or are about to be entered by the Company or the Group, and we have not been furnished with any such evaluation and appraisal in respect of assets and liabilities (if any) held or contracts entered or are about to be entered into by the Group.*

*With respect to such valuation, we are not experts in the evaluation or appraisal of assets and liabilities (including without limitation, property, plant and equipment, right of use assets, and investments in convertible notes) including, inter alia, the contracts or agreements that the Group has embarked upon or are about to embark upon (where applicable) and have relied on the opinion of the Directors and the financial statements (audited and unaudited), where applicable for the assessment.*

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## LETTER TO SHAREHOLDERS

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### Limitations

*It should also be noted that trading of the Shares is subject to possible market fluctuations and accordingly, our advice on the Offer does not and cannot take into account the future trading activities or patterns or price levels that may be established for the Shares since these are governed by factors beyond the ambit of our review, and also such advice, if given, would not fall within our terms of reference in connection with the Offer.*

*For our opinion and recommendation, we have not had regard to the general or specific investment objectives, financial situation, tax position, risk profiles or unique needs and constraints or plans of any individual Shareholder, or group of Shareholders. As different Shareholders or groups of Shareholders would have different investment profiles and objectives, we would advise Independent Directors to recommend that any individual Shareholder or group of Shareholders who may require advice in the context of his specific investment portfolio, including his investment in the Company, should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately with respect to the Offer.”*

### 9. RECOMMENDATION OF THE INDEPENDENT DIRECTORS

The Independent Directors, having considered carefully, amongst other things, the terms of the Offer and the advice given by ACA to the Independent Directors in the IFA Letter, **CONCUR** with the advice of ACA in respect of the Offer. Accordingly, the Independent Directors, recommend that Shareholders **ACCEPT** the Offer.

**SHAREHOLDERS ARE ADVISED TO READ THE IFA LETTER SET OUT IN APPENDIX I TO THIS CIRCULAR AND CONSIDER THE RECOMMENDATION OF THE INDEPENDENT DIRECTORS CAREFULLY BEFORE DECIDING WHETHER TO ACCEPT OR REJECT THE OFFER, AS THE CASE MAY BE. SHAREHOLDERS SHOULD NOTE THAT THE ADVICE OF THE IFA TO THE INDEPENDENT DIRECTORS AND THE RECOMMENDATION OF THE INDEPENDENT DIRECTORS IN RESPECT OF THE OFFER SHOULD NOT BE RELIED ON BY ANY SHAREHOLDER AS THE SOLE BASIS FOR DECIDING WHETHER TO ACCEPT OR REJECT THE OFFER, AS THE CASE MAY BE.**

Further, in rendering the above recommendation, the Independent Directors have not had regard to the general or specific investment objectives, financial situations, tax status or position, risk profiles or unique needs and constraints or other particular circumstances of any individual Shareholder.

As different Shareholders would have different investment objectives and profiles, the Independent Directors recommend that any individual Shareholder who may require specific advice in relation to his specific investment portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

### 10. ACTION TO BE TAKEN BY THE SHAREHOLDERS

Shareholders who wish to accept the Offer must do so not later than **5.30 p.m. (Singapore time) on 2 July 2025 (or such later date(s) as may be announced from time to time by or on behalf of the Offeror), being the Closing Date**. Shareholders who wish to accept the Offer should refer to Appendix 2 to the Offer Document which sets out the procedures for acceptance of the Offer.

Shareholders who do not wish to accept the Offer need not take any further action in respect of the Offer Document (including the Acceptance Forms) which has been sent to them.

### 11. OVERSEAS SHAREHOLDERS

Shareholders whose mailing addresses are outside of Singapore as shown on the register of members of the Company or, as the case may be, in the records of CDP should refer to Paragraph 14 of the Offer Document, the full text of which is set out in italics below.

#### **“14. OVERSEAS SHAREHOLDERS**

##### **14.1 Overseas Jurisdictions**

*This Offer Document, the relevant Acceptance Forms, the Notification and/or any related documents do not constitute an offer to sell or a solicitation of an offer to subscribe for or to buy any security, nor is it a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of the securities referred to in this Offer Document, the relevant Acceptance Forms, the Notification and/or any related documents in any jurisdiction in contravention of applicable law.*

*The release, publication or distribution of this Offer Document, the Notification, the Acceptance Forms and any other formal documentation in relation to the Offer (collectively, the “Offer Documentation”) in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions into which any Offer Documentation is released, published or distributed should inform themselves about and observe such restrictions.*

*Copies of the Offer Documentation 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 or the acceptance of the Offer would violate the laws of that jurisdiction (a “Restricted Jurisdiction”) and will not be capable of acceptance by any such use, 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 Offer (unless otherwise determined by the Offeror and permitted by applicable law and regulation) 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 by any facility of a national, state or other securities exchange of, any Restricted Jurisdiction and the Offer will not be capable of acceptance by any such use, means, instrumentality or facilities.*

##### **14.2 Overseas Shareholders**

*The availability of the Offer to Shareholders whose addresses are outside Singapore as shown in the Register or in the Depository Register (as the case may be) (each, an “Overseas Shareholder”) may be affected by the laws of the relevant overseas jurisdictions in which they are located. Accordingly, Overseas Shareholders should inform themselves of, and observe, any applicable requirements in the relevant overseas jurisdictions.*

***For the avoidance of doubt, the Offer will be open to all Shareholders, including those to whom the Offer Documentation may not be sent.***

*It is the responsibility of Overseas Shareholders who wish to accept the Offer to (a) request for the relevant Acceptance Form, the Notification and/or any related documents and/or (b) satisfy themselves as to the full observance of the laws of the relevant overseas jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, or compliance with other necessary formalities or legal requirements and the payment of any taxes, imposts, duties or other requisite payments due in such jurisdiction. Such Overseas Shareholders shall be liable for any such taxes, imposts, duties or other requisite*

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## LETTER TO SHAREHOLDERS

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payments payable and the Offeror, its related corporations, CDP, the Share Registrar and any person acting on their behalf shall be fully indemnified and held harmless by such Overseas Shareholders for any such taxes, imposts, duties or other requisite payments as the Offeror, its related corporations, CDP, the Share Registrar and/or any person acting on their behalf may be required to pay and the Offeror shall be entitled to set-off any such amounts against any sum payable to the Overseas Shareholder pursuant to the Offer and/or any acquisition of Shares pursuant to Sections 215(1) or 215(3) of the Companies Act.

In (a) requesting for the relevant Acceptance Form, the Notification and/or any related documents and/or (b) accepting the Offer, the Overseas Shareholder represents and warrants to the Offeror, CDP and the Share Registrar 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 Shareholder who is in doubt about his position should consult his professional adviser(s) in the relevant overseas jurisdiction.**

### **14.3 Copies of the Notification and the relevant Acceptance Forms**

Where there are potential restrictions on sending the Notification (containing the address and instructions for the electronic retrieval of this Offer Document and its related documents) and the relevant Acceptance Forms and/or any related documents to any overseas jurisdiction, the Offeror reserves the right not to send these documents to Overseas Shareholders in such overseas jurisdictions. Subject to compliance with applicable laws, any affected Overseas Shareholder may, nonetheless, obtain a copy of the Notification (containing the address and instructions for the electronic retrieval of this Offer Document and its related documents), the relevant Acceptance Forms and any related documents during normal business hours and up to the Closing Date, from the office of the Share Registrar, B.A.C.S Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896. Alternatively, an Overseas Shareholder may, subject to compliance with applicable laws, write to the Offeror c/o the Share Registrar at the above-stated address to request for the Notification (containing the address and instructions for the electronic retrieval of this Offer Document and its related documents), the relevant Acceptance Forms and any related documents to be sent to an address in Singapore by ordinary post at his own risk, up to five (5) Market Days prior to the Closing Date. Electronic copies of the Offer Documentation may also be obtained on the website of the SGX-ST at <https://www.sgx.com>.

### **14.4 Notice**

The Offeror reserves the right to notify any matter, including the fact that the Offer has been made, to any or all Shareholders (including Overseas Shareholders) by announcement on the website of the SGX-ST or paid advertisement in a daily 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 Overseas Shareholders) to receive or see such announcement or advertisement."

## **12. INFORMATION RELATING TO CPFIS INVESTORS AND SRS INVESTORS**

Paragraphs 15 of the Offer Document states the following:

### **"15. INFORMATION RELATING TO CPFIS INVESTORS AND SRS INVESTORS**

#### **15.1 CPFIS Investors**

CPFIS Investors will receive further information on how to accept the Offer from their respective CPF Agent Banks directly. CPFIS Investors are advised to consult their respective CPF Agent Banks should they require further information, and if they are in

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## LETTER TO SHAREHOLDERS

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*any doubt as to the action they should take, CPFIS Investors should seek independent professional advice.*

*CPFIS Investors who wish to accept the Offer are to reply to their respective CPF Agent Banks accordingly by the deadline stated in the letter from their respective CPF Agent Banks. Subject to the Offer becoming or being declared unconditional in all respects in accordance with its terms, CPFIS Investors who validly accept the Offer will receive the payment for their Offer Shares in their respective CPF investment accounts.*

### **15.2 SRS Investors**

*SRS Investors will receive further information on how to accept the Offer from their respective SRS Agent Banks directly. SRS Investors are advised to consult their respective SRS Agent Banks should they require further information, and if they are in any doubt as to the action they should take, SRS Investors should seek independent professional advice.*

*SRS Investors who wish to accept the Offer are to reply to their respective SRS Agent Banks accordingly by the deadline stated in the letter from their respective SRS Agent Banks. Subject to the Offer becoming or being declared unconditional in all respects in accordance with its terms, SRS Investors who validly accept the Offer will receive the payment for their Offer Shares in their respective SRS investment accounts."*

### **13. ELECTRONIC DISSEMINATION OF THIS CIRCULAR**

Pursuant to the public statements issued by the SIC on 6 May 2020, 29 September 2020 and 29 June 2021 on the despatch of take-over documents under the Code, no printed copies of this Circular will be despatched to the Shareholders.

Instead, this Circular has been disseminated electronically to the Shareholders through publication on the websites of the SGX-ST and the Company. In connection with the electronic dissemination of this Circular, the hardcopy notification with instructions on how to access and retrieve this Circular electronically will be despatched by ordinary post to the Shareholders.

### **14. DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors (including any Director who may have delegated detailed supervision of this Circular) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Circular (other than those relating to the IFA Letter, the IFA FY2025 Results Report, the Auditor FY2025 Results Report, the Offeror, the Offer Announcement, the Offer Document, and any other announcements made by or on behalf of the Offeror) are fair and accurate and that no material facts have been omitted from this Circular, the omission of which would make any statement in this Circular misleading.

In respect of the IFA Letter, the IFA FY2025 Results Report and the Auditor FY2025 Results Report, the sole responsibility of the Directors has been to ensure that the facts stated therein with respect to the Group are, after having made all reasonable enquiries and to the best of their knowledge and belief, fair and accurate in all material respects.

Where any information in this Circular has been extracted or reproduced from published or otherwise publicly available sources (such as the IFA Letter) or obtained from the Offeror (including, without limitation, the Offer Announcement, the Offer Document, and any other announcements made by or on behalf of the Offeror), the sole responsibility of the Directors has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, accurately reflected or reproduced in this Circular.

The Directors jointly and severally accept responsibility accordingly.

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## LETTER TO SHAREHOLDERS

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### 15. ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the Appendices to this Circular which form part of this Circular.

Yours faithfully  
For and on behalf of the Board of Directors of  
**BAN LEONG TECHNOLOGIES LIMITED**

Ronald Teng Woo Boon  
Managing Director

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**APPENDIX I – LETTER FROM ASIAN CORPORATE ADVISORS PTE. LTD.  
IN RESPECT OF THE OFFER**

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**LETTER FROM ASIAN CORPORATE ADVISORS PTE. LTD. TO THE  
INDEPENDENT DIRECTORS OF BAN LEONG TECHNOLOGIES LIMITED**

**ASIAN CORPORATE ADVISORS PTE. LTD.**

(Incorporated in the Republic of Singapore)  
(Company Registration No: 200310232R)

160 Robinson Road #21-05  
SBF Center  
Singapore 068914

The Independent Directors (as hereinafter defined)  
Ban Leong Technologies Limited  
150 Ubi Avenue 4  
#04-01 Ubi Biz Hub  
Singapore 408825

**3 June 2025**

**VOLUNTARY CONDITIONAL CASH OFFER BY EPICSOFT ASIA PTE. LTD. (THE “OFFEROR”) TO ACQUIRE ALL THE ISSUED AND PAID-UP ORDINARY SHARES IN THE SHARE CAPITAL OF BAN LEONG TECHNOLOGIES LIMITED (THE “COMPANY”) OTHER THAN THOSE HELD, DIRECTLY OR INDIRECTLY BY THE OFFEROR**

*Unless otherwise defined or where the context otherwise requires, all terms used herein shall have the same meanings as defined in the circular dated 3 June 2025 (the “Circular”) issued by the Company.*

**1. INTRODUCTION**

On 30 April 2025 (the “**Offer Announcement Date**” or the “**Announcement Date**”), the Offeror announced (the “**Offer Announcement**” or the “**Announcement**”) that it intends to make a voluntary conditional cash offer (the “**Offer**”) for all the issued and paid-up ordinary shares (the “**Shares**”) in the capital of the Company, (excluding any treasury Shares) as at the date of the Offer, including those Shares owned, controlled, or agreed to be acquired by parties acting or presumed to be acting in concert with the Offeror in connection with the Offer (collectively the “**Offer Shares**” and each, an “**Offer Share**”). The Offer for the Offer Shares will be made in accordance with Rule 15 of the Singapore Code on Take-overs and Mergers (the “**Code**”).

On 21 May 2025, the Offeror announced that the notification containing the instructions for the electronic retrieval of the offer document dated 21 May 2025 containing the full terms and conditions of the Offer (the “**Offer Document**”) and its related documents have, on the same date, been despatched to shareholders of the Company (the “**Shareholders**”) together with the relevant forms for acceptance as defined in the Offer Document (“**Acceptance Forms**”).

Asian Corporate Advisors Pte. Ltd. (“**ACA**”), has been appointed as the independent financial adviser (the “**IFA**”) to advise the directors of the Company (the “**Directors**”), who are regarded as independent under the Code for the purposes of the Offer (the “**Independent Directors**”). We note from the Circular that the Independent Directors comprise Mr Neo Gim Kiong, Mr Teng Woo Boon Ronald, Mr Chim Suan Kit Mark, and Ms Ng Mei Ling Doreen.

This letter (the “**Letter**” or “**IFA Letter**”) and any other documents, which may be issued by ACA, in respect of the Offer, for the purpose of revising, amending or supplementing or updating (as the case may be) and setting out, *inter alia*, our views and evaluation of the financial terms of the Offer and our recommendations thereon, will form part of the Circular providing, *inter alia*, details of the



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## APPENDIX I – LETTER FROM ASIAN CORPORATE ADVISORS PTE. LTD. IN RESPECT OF THE OFFER

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Offer and the recommendations of the Independent Directors with regards to the Offer. Unless otherwise defined or where the context otherwise requires, the definitions used in the Circular shall apply throughout this Letter. Certain figures and computations as enumerated or set out in this Letter are based on approximations and their accuracies are subjected to rounding.

### 2. TERMS OF REFERENCE

ACA has been appointed by the Company to advise the Independent Directors on the financial terms of the Offer and whether the Shareholders should accept or reject the Offer. We do not warrant the merits of the Offer other than to form a view, for the purposes of Rule 7.1 and 24.1 (b) of the Code, as to whether the financial terms of the Offer are fair and reasonable. We have confined our evaluation strictly and solely on the financial terms of the Offer and have not taken into account the commercial risks and/or merits (if any) of the Offer or their strategic merits or the future prospects of the Company and its subsidiaries (collectively, the “**Group**”) including, *inter alia*, the contracts that the Company and the Group have embarked upon or are about to embark upon, or the comparison with other deals involving the issued and paid up Shares, or the investments made by the Company, or the timing or the time extended for the Offer or the timing for acceptance of the Offer in view of, *inter alia*, dividends which may have been announced or proposed or approved (as the case may be). Such evaluation or comment remains the responsibility of the Directors and the management of the Company (“**Management**”) although we may draw upon their views or make such comments in respect thereof (to the extent deemed necessary or appropriate by us) in arriving at our view as set out in this Letter.

We were not requested or authorised to solicit, and we have not solicited, any indications of interest from any third party with respect to the Offer Shares or assets or businesses or investments of the Group. We are therefore not addressing the relative merits of the Offer as compared to any alternative transaction that may be available to the Company (or the Shareholders), or as compared to any alternative offer that might otherwise be available in the future.

In addition, we do not express any views or opinions on the legality of the Offer or all other matters pertaining to the Offer or documents for the Offer (the Circular and the Offer Document), *inter alia*, the mechanism or the processes of acceptances, its eligibility or validity or other alternatives (if any) or the sufficiency of information or any undertakings provided or rights of compulsory acquisition under the Companies Act 1967 of Singapore (the “**Act**” or the “**Companies Act**”), or the requirement for a forecast or prospect statement or its contents pursuant to the Code. Our scope does not include determining the independence of the Independent Directors for the purpose of making the recommendation in respect of the Offer.

In the course of our evaluation, we have held discussions with the Directors and the Management, *inter alia*, regarding their assessment of the rationale for the Offer, 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 and the Management, including information contained in the Circular. We have not independently verified such information, but have made such enquiries and used our judgement as we deemed necessary on such information, and have found no reason to doubt the accuracy and the reliability of the information used for the purposes of our evaluation. Accordingly, we cannot and do not expressly or impliedly represent or warrant, and do not accept any responsibility for, the accuracy or completeness or adequacy of such information or the manner it has been classified or presented or the basis of any valuations which may have been included in the Circular or announced by the Company.

We have relied upon the assurance of the Directors and the Management that all statements of fact, belief, opinion and intention made by the Directors and the Management in the Circular and this Letter, have been reasonably made after due and careful enquiry. Accordingly, no representation or warranty, expressed and implied, is made and no responsibility is accepted by us concerning the accuracy or completeness or adequacy of such information or statements of facts or belief or opinion or intention.

Our evaluation is based solely on publicly available information and other information provided by the Company as well as the economic and market conditions prevailing as at 26 May 2025 (the “**Latest**

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## APPENDIX I – LETTER FROM ASIAN CORPORATE ADVISORS PTE. LTD. IN RESPECT OF THE OFFER

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**Practicable Date**”) and therefore does not reflect expected financial performance after the financial year ended 31 March (“**FY**” or “**FYE**”) 2025 (“**FY2025**” or “**FYE2025**”) for the Company and the Group.

Accordingly, we have not commented on or assessed the expected future performance or prospects of the Company or the Group or the Shares, irrespective of the outcome of the Offer. We are not required under our scope and terms of reference nor are we able to discuss, comment, opine, or advise on the Group’s financial performance, position and conditions after 31 March 2025 or after the completion or close of the Offer. We are therefore not expressing any view herein as to the returns that the Shareholders may have owing the Shares upon completion or close of the Offer, or on the future financial performance of the Company or the Group or the plans (if any) that the Offeror may have for the Company.

Our evaluation and opinion and recommendation do not and cannot take into account future or prospective performance of the Company or the Group, and neither are we responsible for it. Accordingly, estimates or analysis or evaluation of the merits of the Company or the Group or the Shares in this Letter are necessarily limited and we do not warrant or represent that it is complete or in entirety.

Our scope does not require us and we have not made any independent evaluation or appraisal of any of the Group’s assets and liabilities (including without limitation, property, plant and equipment, right of use assets, and investments in, *inter alia*, convertible notes) or contracts entered into or to be entered into by the Group (where applicable).

The Directors are of the opinion that the values of the assets and liabilities as well as the financial performance, position, and condition of the Company and the Group as reflected in the unaudited financial statements for the Company and the Group for FY2025 are true and fair. The Directors have also confirmed that to the best of their knowledge, nothing has come to their attention which may render the Group’s unaudited financial statements for FY2025 (the “**FY2025 Results**”) to be false or misleading in any material aspect. In addition, the Directors confirmed that to the best of their knowledge and belief, such information is true, complete and accurate in all respects and that there is no other information or fact, *inter alia*, the valuation or appraisal of assets or liabilities or investments, the contracts that the Group has embarked upon or are about to embark upon, the omission of which would render those statements or information to be untrue, inaccurate, incomplete or misleading in any material aspect.

The Directors further confirmed that, to the best of their knowledge, as at the Latest Practicable Date and save for matters disclosed in the Circular, this Letter, and the unaudited financial statements for the Group for FY2025, there has been no material changes to the Group’s assets and liabilities, financial position, condition and performance.

Our opinion in this Letter is based on economic, market, industry, monetary and other conditions (if applicable) in effect on, and the information provided to us, as of the Latest Practicable Date. Such conditions may change significantly over a relatively short period of time. Accordingly, the bases or assumptions and likewise our views or opinion or recommendation may and do change in the light of these developments which, *inter alia*, include general as well as company specific or industry specific conditions or sentiments or factors or levels of acceptances after the Latest Practicable Date. We assume no responsibility to update, revise or 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 announcement(s) relevant to their consideration of the Offer which may be released by the Company and/or the Offeror after the Latest Practicable Date.

Likewise, this Letter outlines some of the matters or bases or factors or assumptions which we have used in our assessment and is a summary. They are by no means exhaustive or a reproduction of all the matters or bases or factors or assumptions etc. which we have used in our assessment.

The Directors have jointly and severally accepted full responsibility, as set out in the Circular, for the truth, accuracy and completeness of the information and representations as provided by the Directors and contained therein. The Directors have confirmed to ACA that all material information including but not limited to plans or prospects or proposals or rationale involving the Offer, or the Company or

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## **APPENDIX I – LETTER FROM ASIAN CORPORATE ADVISORS PTE. LTD. IN RESPECT OF THE OFFER**

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Group or the transactions stipulated in the Circular or changes to its capital structure, available to them and the Management in connection with the Company, the Group, the Offer, or the Offeror or such other parties has been disclosed to ACA and included in the Circular, that such information is true, complete and accurate in all material respects and that there is no other information or fact including the expected future performance or future growth prospects or plans of the Company or the Group, the omission of which would result in the facts stated and the opinions expressed by the Directors in the Circular to be untrue, inaccurate or incomplete in any respect or misleading. Accordingly, no representation or warranty, expressed or implied, is made and no responsibility is accepted by ACA concerning the truth, accuracy, completeness or adequacy of such information or facts.

In rendering our opinion and giving our recommendation, we have not had regard to the general or specific investment objectives, financial situation, tax position, risk profiles or unique needs and constraints of any individual Shareholder. As different Shareholders would have different investment profiles and objectives, we would advise the Independent Directors to recommend that any individual Shareholder who may require advice in the context of his specific investment portfolio, including his investment in the Company, consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

Accordingly, any factor or assumption or basis as well as the relative emphasis on any matter set out in this Letter on the Offer, or the Company or the Group or the Shares which we used or may have used may differ from the relative emphasis accorded by any individual Shareholder or Independent Director, and as such Independent Directors are advised to highlight to Shareholders as well as note for themselves that any reliance on our opinion or view or assessment, is subject to the contents of this Letter and the Circular in its entirety.

Our Letter or opinion or views or recommendation should not be used or relied by anyone for any other purposes and should only be used by the Independent Directors, subject to our terms of reference and the contents of this Letter, as one of the basis for their opinions or views or recommendation. In addition, any references to our Letter as one of the basis for their opinion, views or recommendation, should not be made except with our prior consent in writing and even if made with our prior consent in writing, shall be subject to the contents of this Letter in its entirety, *inter alia*, the matters, conditions, assumptions, limitations, factors, and bases as well as our terms of reference for this Letter.

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

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### 3. TERMS OF THE OFFER

The principal terms and conditions of the Offer, as extracted from Sections 2, 3, 4 and 5 of the Offer Document, are set out in italics below. We recommend that Shareholders read the terms and conditions contained therein carefully.

#### **"2. TERMS OF THE OFFER**

##### **2.1 Offer**

*The Offeror hereby makes the Offer to acquire all the Offer Shares, in accordance with Section 139 of the SFA and Rule 15 of the Code and on the terms and subject to the conditions set out in this Offer Document, the FAA and the FAT.*

##### **2.2 Offer Shares**

*The Offer is extended to all Shares in issue (excluding any treasury shares) as at the date of the Offer, including those Shares owned, controlled, or agreed to be acquired by parties acting or presumed to be acting in concert with the Offeror in connection with the Offer ("**Offer Shares**").*

##### **2.3 Offer Price**

*The Offer Price for each Offer Share will be as follows:*

***For each Offer Share: S\$0.6029 in cash (the "Offer Price").***

***The Offer Price is final and the Offeror does not intend to revise the Offer Price, save that the Offeror reserves the right to do so in accordance with the Code if a competitive situation arises.***

##### **2.4 No Encumbrances**

*The Offer Shares will be acquired (a) fully paid-up, (b) free from all Encumbrances, and (c) together with all rights, benefits, entitlements and advantages attached thereto as at the Offer Announcement Date, and thereafter attaching thereto, including but not limited to the right to receive and retain all Distributions (if any), the Record Date for which falls on or after the Offer Announcement Date.*

##### **2.5 Adjustment for Distributions**

*Without prejudice to the foregoing, the Offer Price has been determined on the basis that the Offer Shares will be acquired with the right to receive any Distributions, the Record Date for which falls on or after the Offer Announcement Date.*

*In the event that any Distribution is or has been declared, paid or made by the Company in respect of the Offer Shares, the Record Date for which falls on or after the Offer Announcement Date, the Offer Price payable to a Shareholder who validly accepts or has validly accepted the Offer shall be reduced by an amount which is equal to the amount of such Distribution, depending on when the settlement date in respect of the Offer Shares tendered in acceptance of the Offer by such accepting Shareholders falls, as follows:*

- (a) if such settlement date falls on or before the Record Date, the Offer Price shall remain unadjusted for each Offer Share, as the Offeror will receive the Distribution in respect of such Offer Shares from the Company; and*
- (b) if such settlement date falls after the Record Date, the Offer Price payable for such Offer Shares tendered in acceptance shall be reduced by an amount which is equal to the amount of the Distribution in respect of such Offer Shares, as the Offeror will*

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## APPENDIX I – LETTER FROM ASIAN CORPORATE ADVISORS PTE. LTD. IN RESPECT OF THE OFFER

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*not receive such Distribution from the Company.*

### 2.6 **Minimum Acceptance Condition**

*The Offer will be conditional upon the Offeror having received, by the close of the Offer, valid acceptances (which have not been withdrawn) in respect of such number of Offer Shares which, when taken together with the Shares owned, controlled, acquired or agreed to be acquired by the Offeror and parties acting or deemed to be acting in concert with it, will result in the Offeror and parties acting or deemed to be acting in concert with it holding such number of Shares carrying more than 50% of the voting rights attributable to the issued share capital of the Company (excluding any Shares held in treasury) as at the close of the Offer (the “**Minimum Acceptance Condition**”).*

*Accordingly, the Offer will not become or be capable of being declared unconditional as to acceptances until the close of the Offer, unless at any time prior to the close of the Offer, the Offeror has received valid acceptances in respect of such number of Offer Shares which, when taken together with the Shares owned, controlled or agreed to be acquired by the Offeror and parties acting or deemed to be acting in concert with it (either before or during the Offer and pursuant to the Offer or otherwise), will result in the Offeror and parties acting or deemed to be acting in concert with it holding such number of Shares carrying more than 50% of the voting rights attributable to the issued Shares (excluding Shares held in treasury).*

**Save for the Minimum Acceptance Condition, the Offer is unconditional in all other respects.**

### 2.7 **Revision of Terms of the Offer**

*The Offeror reserves the right to revise the terms of the Offer in accordance with the Code.*

### 2.8 **No Options or Awards Proposal**

*Based on the latest information available to the Offeror, there are no outstanding instruments convertible into, rights to subscribe for, nor options (whether pursuant to an employee share option scheme or otherwise) or derivatives in respect of, the Shares or securities which carry voting rights in the Company (collectively, “**Options**”) as at the Latest Practicable Date. In view of the foregoing, the Offeror will not make an offer to acquire any Options.*

*Based on the latest information available to the Offeror, there are no outstanding awards for Shares (“**Awards**”) granted under the Ban Leong Performance Share Plan which was approved and adopted by the Shareholders on 26 July 2019. In view of the foregoing, the Offeror will not make an offer to acquire any Awards. For the avoidance of doubt, the Offer will be extended to all new Shares unconditionally issued or to be issued, or treasury shares unconditionally delivered or to be delivered, as the case may be, pursuant to the valid vesting and release of any outstanding Awards to the holders thereof (if any), prior to the close of the Offer.*

### 2.9 **Warranty**

*A Shareholder who tenders his Offer Shares in acceptance of the Offer will be deemed to unconditionally and irrevocably represent, warrant and undertake to the Offeror that he sells such Offer Shares as or on behalf of the beneficial owner(s) thereof, (a) fully paid, (b) free from all Encumbrances, and (c) together with all rights, benefits, entitlements and advantages attached thereto as at the Offer Announcement Date and thereafter attaching thereto, including the right to all Distributions (if any), the Record Date for which falls on or after the Offer Announcement Date.*

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## APPENDIX I – LETTER FROM ASIAN CORPORATE ADVISORS PTE. LTD. IN RESPECT OF THE OFFER

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### 3. FURTHER DETAILS OF THE OFFER

Appendix 1 to this Offer Document sets out further details on the following:

- (a) duration of the Offer;
- (b) settlement of the consideration for the Offer;
- (c) requirements relating to the announcement(s) of the level of acceptances of the Offer; and
- (d) right of withdrawal of acceptances of the Offer.

### 4. PROCEDURES FOR ACCEPTANCE

**Appendix 2** to this Offer Document sets out the procedures for acceptance of the Offer by a Shareholder.

### 5. IRREVOCABLE UNDERTAKINGS

5.1 As at the Latest Practicable Date, certain Shareholders ("**Undertaking Shareholders**") have each given irrevocable undertakings to the Offeror ("**Irrevocable Undertakings**") whereby each of the Undertaking Shareholders has undertaken, amongst other things:

- (a) to tender, or procure the tendering of, all (and not some only of) the Offer Shares owned by each of them respectively ("**Undertaking Shares**") and, if applicable, any Shares derived from the Undertaking Shares (whether pursuant to any bonus issue, rights issue or distribution of Shares or otherwise by the Company) as well as any Shares which may be acquired by the Undertaking Shareholder or which may be conditionally or unconditionally issued to the Undertaking Shareholder subsequent to the date of the Irrevocable Undertaking (the "**Additional Undertaking Shares**") in full acceptance of the Offer for cash consideration ("**Acceptance**") after the date of despatch of the Offer Document and in any event not later than the close of the Offer; and
- (b) not to, from the date of the Irrevocable Undertaking and until such time that the Offer (including any revised Offer that may be made by or on behalf of the Offeror) closes, lapses or is withdrawn, directly or indirectly, (i) offer, (ii) sell, transfer, assign, give or otherwise dispose of, (iii) grant any option, right or warrant to purchase in respect of, (iv) charge, mortgage, pledge or otherwise encumber, or (v) enter into any swap or other arrangement that transfers to another in whole or in part, any of the legal, beneficial or economic consequences of ownership of, or (vi) grant any proxy or enter into any voting agreement or similar arrangement with respect to the voting of, all or any of the Undertaking Shares or any interest therein (or enter, or propose to enter, into any agreement, arrangement, commitment or understanding with any person, whether conditionally or unconditionally, with a view to effecting any of the foregoing) except pursuant to the Acceptance.

5.2 The names of the Undertaking Shareholders and the number of Shares owned by them as at the Latest Practicable Date are as follows:

Name of Undertaking Shareholder	Number of Shares	Percentage of Issued Shares (%) <sup>(1)</sup>
Mr Teng Woo Boon Ronald <sup>(2)</sup>	26,798,400	24.86
Ms Teo Su Ching <sup>(3)</sup>	3,520,000	3.27
<b>Total</b>	<b>30,318,400</b>	<b>28.13</b>

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### Notes:

- (1) Unless otherwise stated, references in this Offer Document to the total number of issued Shares are based on 107,796,700 Shares in issue (excluding 8,703,300 treasury shares and 681,818 returned shares).
- (2) Mr Teng Woo Boon Ronald is the Managing Director of the Company. He is deemed interested in the Shares held by Ms Teo Su Ching, his wife.
- (3) Ms Teo Su Ching is the wife of Mr Teng Woo Boon Ronald.

- 5.3** *The Undertaking Shareholders have undertaken to accept the Offer in respect of an aggregate of 30,318,400 Shares, representing approximately 28.13% of the total number of issued Shares.*
- 5.4** *The Irrevocable Undertakings shall lapse, terminate and cease to have any effect upon the earliest of: (a) the Offer Announcement not being released by or on behalf of the Offeror by 6.00 p.m. by the seventh business day from the date on which the Undertaking Shareholder signs the Irrevocable Undertaking; (b) the Offer being withdrawn, lapsing, closing or failing to become or be declared to be unconditional for any reason (other than as a result of a breach by the Undertaking Shareholder of his/her obligations under the Irrevocable Undertaking); or (c) the date falling 90 days from the Offer Announcement Date.*
- 5.5** *Save for the Irrevocable Undertakings, as at the Latest Practicable Date, neither the Offeror nor any of its Concert Parties has received any undertaking from any other party to accept or reject the Offer."*

### **4. INFORMATION ON THE OFFEROR AND GGPL**

Information and additional general information on the Offeror and GGPL are set out in Section 6, as well as Appendix 3 and 4 of the Offer Document respectively.

### **5. INFORMATION ON THE COMPANY**

Information and additional general information on the Company are set out in Section 7 and Appendix 5 of the Offer Document, as well as Appendix II to the Circular.

### **6. THE RATIONALE FOR THE OFFER, INTENTION OF THE OFFEROR AND THE LISTING STATUS AND COMPULSORY ACQUISITION**

The rationale for the Offer, the Offeror's intentions for the Company and the listing status and compulsory acquisition are stated in Section 8, Section 9 and Section 10 of the Offer Document and had been reproduced in italics below. All terms and expressions used in the extract below shall have the same meaning as those defined in the Offer Document, unless otherwise stated.

#### **"8. RATIONALE FOR THE OFFER**

##### **8.1 Acquisition to Realise Potential Synergies**

*By combining the GCL group's gaming expertise with the Company's established distribution infrastructure, the acquisition enhances the Offeror's ability to deliver an integrated gaming ecosystem. The acquisition will enable the development of gaming peripherals, custom gaming monitors, and PC components tailored to complement GCL's gaming content. The acquisition is also expected to facilitate the introduction of new business-to-consumer (B2C) channels for the Company, with the aim of expanding its market reach and enhancing profit margins. Additionally, the introduction of gaming laptops and consoles pre-installed with GCL titles will strengthen GCL's brand positioning in the industry.*

*The Company's regional footprint will be reinforced by GCL's presence across Asian markets, creating new scalability opportunities. The acquisition is expected to diversify revenue streams by leveraging sales from hardware, licensing, and co-branded products*

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## APPENDIX I – LETTER FROM ASIAN CORPORATE ADVISORS PTE. LTD. IN RESPECT OF THE OFFER

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*while optimizing operational efficiencies through shared marketing and procurement strategies. The Company's expertise in technology distribution perfectly complements GCL's strategic goals in delivering next-generation gaming experiences.*

### **8.2 Opportunity for Shareholders to Exit Amidst Heightened Global Trade Tensions and Geopolitical Risks**

*The Company faces a challenging macroeconomic and operating environment in Singapore and its key regional markets, with a range of external risks impacting its business outlook:*

#### **8.2.1 Trade Protectionism and Tariff Pressures**

*The global shift towards protectionist trade policies and the reconfiguration of international trade agreements have resulted in the imposition of tariffs and non-tariff barriers. Such developments increase procurement and operational costs for businesses, including technology distributors like the Company, thereby placing pressure on profit margins and limiting growth prospects.*

*In addition, persistent uncertainty around trade policies and economic relations between major economies could erode consumer and business confidence, leading to more cautious discretionary spending, including reduced purchases of non-essential technology products.*

#### **8.2.2 Geopolitical Tensions and Global Economic Volatility**

*Ongoing geopolitical tensions, including diplomatic conflicts, regulatory uncertainties, and shifting international alliances, continue to fuel market volatility and undermine investor sentiment. Heightened tensions between key global powers, such as the United States and China, have led to increased regulatory scrutiny, trade barriers, and cross-border investment disruptions — trends which may directly or indirectly impact the Company's supply chain reliability and expansion plans.*

*Further, conflicts such as the Russia-Ukraine war have amplified inflationary pressures and energy costs worldwide, adding to operational challenges. Instability in regions such as the South China Sea could weigh on economic activity in Asia, affecting consumer sentiment and regional business operations. As businesses globally reassess their strategies and tighten expenditures in response to uncertainty, the Company could be exposed to risks of delayed expansion initiatives, operational restructuring pressures, and broader cost-cutting measures.*

### **8.3 Structural Shifts in Consumer Behaviour and Distribution Models Impacting Growth Prospects**

*The Company's core operations in the wholesale and distribution of technology products are increasingly exposed to the impact of evolving consumer preferences, accelerated digital adoption, and changing retail dynamics:*

#### **8.3.1 Evolving Consumer Patterns and the Rise of E-Commerce**

*Consumer buying behaviour continues to shift towards online channels and integrated digital ecosystems, challenging traditional wholesale and retail models. The rapid expansion of e-commerce platforms and direct-to-consumer strategies by manufacturers has intensified competition and placed pressure on intermediaries, including technology distributors such as the Company.*

*In an environment where consumer spending on non-essential technology products may weaken due to broader economic uncertainty, the Company faces the dual challenge of sustaining market share and maintaining profitability.*



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### 8.3.2 Increased Competition and Need for Continuous Innovation

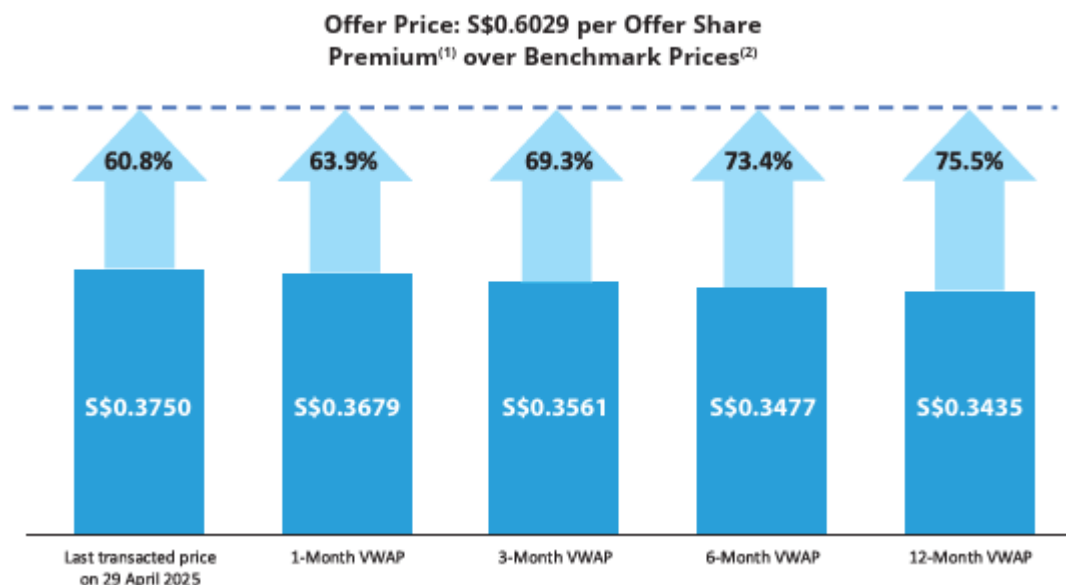
To remain competitive, technology distributors are required to continually reinvest in product innovation, digital capabilities, and customer engagement strategies. However, rising operational costs, inflation, and fluctuating consumer confidence could constrain the Company's ability to adapt rapidly, reposition its offerings, or expand its market reach sustainably.

Without significant reinvestment and strategic transformation, the Company risks erosion of its competitive position and profitability over the long term.

Against this backdrop, the Offeror believes the Offer provides Shareholders with a compelling opportunity to realise immediate and certain value, while allowing the Company to pursue growth as part of an integrated, future-ready gaming and technology platform.

### 8.4 Opportunity for Shareholders to realise their investment in the Shares at a premium to market price without incurring brokerage and other trading costs

As set out in Section 11 below, the Offer Price represents a premium of approximately 63.9%, 69.3%, 73.4% and 75.5% over the volume-weighted average price ("VWAP") per Share for the one (1)-month period, three (3)-month period, six (6)-month period and twelve (12)-month period respectively up to and including the Last Trading Day. The Offer Price also represents a premium of 60.8% over the last transacted price per Share on the Last Trading Day.



**Notes:**

(1) Percentage figures have been rounded to the nearest one (1) decimal place.

(2) The historical market prices of the Shares (rounded to the nearest four (4) decimal places) are based on data extracted from Bloomberg L.P..

The Offer presents Shareholders with a clean cash exit opportunity to realise their entire investment in the Shares at a premium over the prevailing trading prices of the Shares without incurring brokerage and other trading costs.

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### **8.5 Opportunity for Shareholders who may find it difficult to exit their investment in the Company due to low trading liquidity**

*The trading volume of the Shares has been low, with an average daily trading volume of approximately 18,607 Shares, 51,439 Shares 35,836 Shares and 33,439 Shares during the one (1)-month period, three (3)-month period, six (6)-month period and twelve (12)-month period respectively up to and including the Last Trading Day. Each of these represents less than approximately 0.048% of the total number of issued Shares (excluding treasury shares) as at the Offer Announcement Date.*

*The Offer therefore provides Shareholders who find it difficult to exit their investment in the Company as a result of the low trading volume in the Shares with an opportunity to realise their entire investment in the Shares at a premium over the prevailing market prices, an option which would not otherwise be readily available to Shareholders given the low trading liquidity of the Shares.*

### **8.6 Greater Management Flexibility**

*If the Company is delisted and privatised, the Offeror is of the view that the delisting and privatisation of the Company will provide the Offeror and the Company with greater control and management flexibility in utilising and deploying the available resources of the Company.*

### **8.7 Costs of maintaining listing status**

*In maintaining its listed status, the Company incurs compliance and associated costs relating to continuing listing requirements under the Listing Manual of the SGX-ST (the “**Listing Manual**”). In the event that the Company is delisted from the SGX-ST, the Company will be able to save on expenses and costs relating to the maintenance of a listed status and channel such resources to its business operations.*

## **9. OFFEROR’S INTENTIONS FOR THE COMPANY**

*The Offeror intends for the Company to continue with its existing activities and has no current intention to (a) introduce any major changes to the existing business of the Company, (b) redeploy the fixed assets of the Company, or (c) discontinue the employment of the employees of the Company or its subsidiaries, other than in the ordinary course of business. However, the Offeror shall retain and reserve the flexibility at any time, and from time to time, to consider any options or opportunities in relation to the Company which may present themselves and which the Offeror regards to be in the interests of the Offeror and/or the Company. Following the successful close of the Offer, the Offeror will undertake a comprehensive review of the businesses and fixed assets of the Company to determine the optimal strategy for the Company.*

## **10. LISTING STATUS AND COMPULSORY ACQUISITION**

### **10.1 Listing Status**

*Under Rule 1105 of the Listing Manual, upon an announcement by the Offeror that it has received acceptances pursuant to the Offer which result in the Offeror and its concert parties holding more than 90 per cent. of the total number of issued Shares (excluding treasury shares), the SGX-ST may suspend the trading of the listed securities of the Company on the SGX-ST until such time when the SGX-ST is satisfied that at least 10 per cent. of the total number of issued Shares (excluding treasury shares) are held by at least 500 Shareholders who are members of the public. Under Rule 1303(1) of the Listing Manual, where the Offeror succeeds in garnering acceptances exceeding 90 per cent. of the total number of issued Shares (excluding treasury shares), thus causing the percentage of the total number of issued Shares (excluding treasury shares) held in public hands to fall below 10 per cent., the*

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*SGX-ST will suspend trading of the Shares at the close of the Offer.*

*Rule 723 of the Listing Manual requires the Company to ensure that at least 10% of the total number of issued Shares is at all times held by the public ("**Free Float Requirement**"). In addition, under Rule 724(1) of the Listing Manual, if the Company fails to satisfy the Free Float Requirement, the Company must, as soon as practicable, announce that fact and the SGX-ST may suspend trading of all the Shares. Rule 724(2) of the Listing Manual further provides that the SGX-ST may allow the Company a period of three months, or such longer period as the SGX-ST may agree, for the percentage of the total number of issued Shares (excluding treasury shares) held by members of the public to be raised to at least 10 per cent., failing which the Company may be delisted from the SGX-ST.*

***The Offeror intends to seek a delisting of the Company from the SGX-ST if the Free Float Requirement is not met. The Offeror does not intend to support any action or take any steps to maintain the listing status of the Company in the event the Free Float Requirement is not met and the trading of the Shares on the SGX-ST is suspended pursuant to Rule 724, 1105 or 1303(1) of the Listing Manual. In addition, the Offeror reserves the right to seek a voluntary delisting of the Company from the SGX-ST pursuant to Rules 1307 and 1309 of the Listing Manual.***

### **10.2 Compulsory Acquisition**

*Pursuant to Section 215(1) of the Companies Act 1967 of Singapore ("**Companies Act**"), if the Offeror receives valid acceptances pursuant to the Offer (or otherwise acquires Shares during the period when the Offer is open for acceptance) in respect of not less than 90 per cent. of the total number of issued Shares (excluding treasury shares and those already held by the Offeror and its related corporations (or their respective nominees) or any person or body corporate falling within the meaning of Section 215(9A)<sup>1</sup> of the Companies Act as at the date of despatch of the Offer Document), the Offeror will be entitled to exercise its right to compulsorily acquire, at the Offer Price, all Offer Shares held by Shareholders who have not accepted the Offer ("**Dissenting Shareholders**"). **The Offeror, if so entitled, intends to exercise its rights of compulsory acquisition under Section 215(1) of the Companies Act to compulsorily acquire all the Offer Shares not acquired under the Offer. The Offeror will then proceed to delist the Company from the SGX-ST.***

*Dissenting Shareholders have the right under and subject to Section 215(3) of the Companies Act, to require the Offeror to acquire their Shares at the Offer Price in the event that the Offeror, its related corporations or their respective nominees acquire, pursuant to the Offer, such number of Shares which, together with treasury shares and the Shares held by the Offeror, its related corporations or their respective nominees, comprise 90 per cent. or more of the total number of issued Shares (including treasury shares). Dissenting Shareholders who wish to exercise such a right are advised to seek their own independent legal advice."*

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<sup>1</sup> For the purpose of Section 10.2 (Compulsory Acquisition) above, any person or body corporate falling within the meaning of Section 215(9A) of the Companies Act refers to, *inter alia*:

- (a) a person who is accustomed or is under an obligation whether formal or informal to act in accordance with the directions, instructions or wishes of the Offeror in respect of the Company;
- (b) a person whose directions, instructions or wishes the Offeror is accustomed or is under an obligation whether formal or informal to act in accordance with, in respect of the Company; or
- (c) a body corporate that is controlled by the Offeror or a person mentioned in paragraph (a) and (b) above.

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### 7. FINANCIAL ASSESSMENT OF THE OFFER

In assessing the terms of the Offer from a financial point of view, we have taken into account the following pertinent factors as well as others in this Letter, which we consider will have a significant bearing on our assessment:

- (i) historical financial performance and position of the Group;
- (ii) the Group's net asset value ("**NAV**") and net tangible assets ("**NTA**");
- (iii) market quotation and trading activities for the Shares;
- (iv) comparisons with other privatisation and delisting transactions of companies listed on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**");
- (v) relative valuation analysis; and
- (vi) such other relevant considerations which have significant bearing on our assessment.

These factors are discussed in detail in the ensuing sections.

As at the Latest Practicable Date, the Company has three (3) classes of shares, being (i) ordinary Shares; (ii) treasury Shares; and (iii) returned Shares, which do not have any voting rights and are not subject to the Offer. We note from Appendix II to the Circular that as at the Latest Practicable Date, the Company has an issued and paid-up Share capital of S\$11,173,105.96, comprising 107,796,700 Shares (excluding 8,703,300 treasury Shares and 681,818 returned Shares). The issued Shares are listed and quoted on the Main Board of the SGX-ST.

As at the Latest Practicable Date, the Company has no outstanding instruments convertible into, rights to subscribe for and options or derivatives in respect of, the Shares or securities carrying voting rights in the Company, and the Company has not entered into any agreement for the issue of such options, derivatives, warrants or other securities which are instruments convertible into Shares or securities carrying voting rights in the Company.

In addition, as at the Latest Practicable Date, no new Shares have been issued by the Company since 31 March 2025, being the end of the last FY for the Company.

In our assessment of the Offer, we have applied certain valuation ratios for the purposes of evaluating the fairness and reasonableness of the Offer Price. A brief description of such valuation ratios are as follows-

- (i) **EV/EBITDA**                      "**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. "**EBITDA**" stands for earnings before interest, tax, depreciation and amortisation but after share of associates' and joint ventures' income but excluding exceptional items.

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 or accounting policies. Therefore, it serves as an illustrative indicator of the current market valuation of the business of a company relative to its pre-tax operating cash flow and performance.

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|-------|---|---|
| (ii)  | <b>Price-to-Earnings<br/>("PER")</b>      | The PER is a widely used earnings-based valuation methodology that illustrates the ratio of the current market price of a company's shares relative to its net earnings per share. Unlike the EV/EBITDA multiple, the PER is based on the net earnings attributable to shareholders after interest, taxation, depreciation and amortisation expenses. As such, the PER is affected by the capital structure of a company, tax position as well as its depreciation and goodwill policies.   |
| (iii) | <b>Price-to-NTA<br/>("P/NTA")</b>         | <p>The P/NTA ratio is the ratio of the relevant prices of the shares to the net tangible asset value of the relevant companies. It is an asset-based valuation methodology that illustrates the ratio of the current market valuation of a company relative to its asset backing as measured in terms of its NTA value.</p> <p>The NTA of a company provides an estimate of its value assuming a hypothetical sale of all its tangible assets, the proceeds of which are first used to repay the liabilities and obligations of that company with the balance available for distribution to its shareholders. The NTA-based approach is widely used for valuing the shares of property-based companies as their tangible asset backings are perceived as providing support for the value of their shares.</p> |
| (iv)  | <b>Price-to-NAV<br/>("P/NAV")</b>         | <p>The P/NAV ratio is the ratio of the relevant prices of the shares to the net asset value of the relevant companies. It is an asset-based valuation methodology that illustrates the ratio of the current market valuation of a company relative to its tangible and intangible asset backing as measured in terms of its NAV value.</p> <p>The NAV of a company provides an estimate of its value assuming a hypothetical sale of all its tangible and intangible assets, the proceeds of which are first used to repay the liabilities and obligations of that company with the balance available for distribution to its shareholders.</p>   |
| (v)   | <b>Price-to-Revenue<br/>("P/Revenue")</b> | The P/Revenue ratio is the ratio of a company's market capitalisation relative to its sales/revenue. The P/Revenue ratio does not take into account the profitability of a company.   |

In assessing the financial terms of the Offer, we have taken into account the following pertinent factors (as well as others in this Letter), which we consider will have a significant bearing on our assessment.

## APPENDIX I – LETTER FROM ASIAN CORPORATE ADVISORS PTE. LTD. IN RESPECT OF THE OFFER

### 7.1 HISTORICAL FINANCIAL PERFORMANCE AND POSITION OF THE GROUP

#### The Group's business profile

The Group is engaged in the distribution of technology products, comprising (i) audio and visual products like earphones, speakers, cameras, commercial and consumer displays (the **"Multimedia Segment"**); (ii) data storage products such as digital cloud drives, hard disk drive enclosures and external optical drives (the **"Data Storage Segment"**); as well as (iii) personal computers and related equipment, which includes computer systems, components, peripherals, printers, mobile wearable products, accessories, power-packs, smart home solutions and robotics (the **"IT Accessories Segment"**).

The following are extracts from the audited consolidated financial statements of the Group for the financial years ended 31 March 2023 ("**FY2023**") and 31 March 2024 ("**FY2024**"), as well as the unaudited consolidated financial statements for FY2025.

#### Summary of consolidated income statements

Figures in S\$'000 <sup>(1)</sup>	Unaudited FY2025	Audited FY2024	Audited FY2023
Revenue	193,627	208,081	203,716
Gross profit	16,944	18,180	19,484
Profit from operating activities	5,148	6,259	7,392
Profit before tax	4,952	8,336	7,251
Profit after tax	4,059	7,381	6,069
Profit after tax attributable to owners of the Company	4,009	7,302	5,891

#### **Notes:**

(1) Any discrepancy between the amounts listed and their actual values, or between the sum of the figures stated and the total thereof, is due to rounding.

#### (i) Financial performance for FY2025 and FY2024

The Group recorded a decline in revenue from approximately S\$208.1 million for FY2024 to approximately S\$193.6 million for FY2025 mainly due to lower revenue contribution from the IT Accessories and Multimedia Segments (which declined by approximately S\$7.5 million and S\$9.2 million respectively). This was partially offset by an increase in revenue contribution from the Data Storage Segment from approximately S\$1.7 million for FY2024 to approximately S\$3.9 million for FY2025.

Despite the decline in the Group's gross profit of about 6.8% from approximately S\$18.2 million for FY2024 to approximately S\$16.9 million for FY2025, the corresponding gross profit margin increased marginally from approximately 8.7% for FY2024 to approximately 8.8% for FY2025.

The Group recorded a lower profit before tax of approximately S\$5.0 million for FY2025 as compared to S\$8.3 million for FY2024 mainly due to: (a) absence of one-off fair value gain of approximately S\$2.2 million from investment in convertible note recognised in FY2024; and (b) an overall increase of approximately S\$0.7 million in selling and distribution expenses, general and administrative expenses, and finance costs. This was partially offset by an increase of approximately S\$0.8 million in other operating income from approximately S\$0.3 million for FY2024 to approximately S\$1.1 million for FY2025 mainly due to the reversal of unutilised trade credits and higher government grants.

In the event that the fair value gain from investment in convertible note of approximately S\$2.2 million (which is one-off and non-trade in nature) is excluded, the Group's profit before tax for FY2024 would amount to approximately S\$6.2 million and this is still higher than the Group's profit before tax of approximately S\$5.0 million for FY2025.

## APPENDIX I – LETTER FROM ASIAN CORPORATE ADVISORS PTE. LTD. IN RESPECT OF THE OFFER

As a result, the Group recorded a decline in profit after tax attributable to owners of the Company of approximately S\$4.0 million for FY2025 as compared to approximately S\$7.3 million for FY2024.

### (ii) Financial performance for FY2024 and FY2023

The Group recorded higher profit before tax of approximately S\$8.3 million for FY2024 as compared to S\$7.3 million for FY2023, mainly due to: (a) an increase in revenue attributable to the Multimedia Segment brought about by the securing of new distributorships; (b) the one-off fair value gain on the investment in convertible note of approximately S\$2.2 million as mentioned above; (c) write-back of expected credit losses amounting to approximately S\$0.1 million; and (d) overall decline in selling and distribution expenses as well as general and administrative expenses. This was partially offset by higher incentives given to customers, which resulted in a decline in gross profit margin from approximately 9.6% for FY2023 to approximately 8.7% for FY2024.

In the event that the fair value gain from investment in convertible note of approximately S\$2.2 million (which is one-off and non-trade in nature) is excluded, the Group's profit before tax for FY2024 would amount to approximately S\$6.2 million and this is lower than the Group's profit before tax of approximately S\$7.3 million for FY2023.

As a result, the Group recorded a higher profit after tax attributable to owners of the Company of approximately S\$7.3 million for FY2024 as compared to approximately S\$5.9 million for FY2023.

### Summary of consolidated statements of financial position

Figures in S\$'000 <sup>(1)</sup>	Unaudited FY2025
Non-current assets	3,675
Current assets	81,815
Current liabilities	33,663
Non-current liabilities	2,258
Total borrowings <sup>(2)</sup>	2,243
Shareholders' equity	47,543
Net current assets <sup>(3)</sup>	48,152

#### **Notes:**

(1) Any discrepancy between the amounts listed and their actual values, or between the sum of the figures stated and the total thereof, is due to rounding.

(2) The total borrowings comprised of bills payables and short-term loans.

(3) Net current assets are defined as current assets less current liabilities.

### (iii) Assets

As at 31 March 2025, the Group's total assets amounted to approximately S\$85.5 million, comprising non-current assets of approximately S\$3.7 million and current assets of approximately S\$81.8 million.

The main components of non-current assets are right-of-use assets of approximately S\$3.0 million as well as property, plant and equipment of approximately S\$0.7 million.

Current assets consisted mainly of inventories of finished goods of approximately S\$33.6 million, trade receivables of approximately S\$22.7 million, cash and cash equivalents of S\$21.1 million, as well as other receivables and deposits of approximately S\$4.5 million. Other receivables and deposits comprised mainly investment in convertible note of approximately S\$3.5 million (which was reclassified to current portion as it is redeemable on 29 December 2025).

## APPENDIX I – LETTER FROM ASIAN CORPORATE ADVISORS PTE. LTD. IN RESPECT OF THE OFFER

### Investment in convertible note

On 30 December 2022, the Group's wholly owned subsidiary, AV Labs International Pte. Ltd. ("AV Labs") entered into a convertible notes agreement with Oaxis Holdings Pte Ltd ("Oaxis") to subscribe for convertible note for an aggregate principal amount of US\$1.0 million. The transaction was completed on 6 January 2023. The convertible notes earn interest at 6% per annum and is redeemable on 29 December 2025.

The convertible note may be converted in part or in whole at AV Labs' discretion into shares within 36 months from the completion date. AV Labs is not obliged to convert the convertible notes and may elect to redeem upon maturity. The redemption amount payable would be the principal amount plus any accrued and unpaid interest based on the principal amount up to the date of actual repayment of the redemption amount. As at the Latest Practicable Date, no such conversion has taken place.

This investment in convertible note is measured at fair value as at 31 March 2025.

### (iv) Liabilities

As at 31 March 2025, the Group's total liabilities of approximately S\$35.9 million, of which the bulk is current liabilities of approximately S\$33.7 million, comprises mainly of trade payables of approximately S\$24.6 million, other payables and accruals of approximately S\$5.3 million, short-term loans, bills payables and lease liabilities aggregating approximately S\$3.1 million, as well as income tax payable of approximately S\$0.6 million.

Non-current liabilities comprised solely of lease liabilities amounting to approximately S\$2.3 million.

### (v) Net current assets and shareholders' equity

The Group was in net current assets position of approximately S\$48.2 million as at 31 March 2025.

Equity attributable to owners of the Company amounted to approximately S\$47.5 million as at 31 March 2025, comprising mainly of retained earnings of approximately S\$39.6 million, Share capital of approximately S\$11.2 million, purchase of treasury shares and returned shares aggregating approximately S\$2.8 million, and foreign currency translation reserve loss of approximately S\$0.4 million.

The Group's cash and cash equivalents as at 31 March 2025 exceeded the Group's total borrowings by approximately S\$18.8 million.

### Summary of consolidated statements of cash flows

Figures in S\$'000 <sup>(1)</sup>	Unaudited FY2025	Audited FY2024	Audited FY2023
Net cash flows generated from operating activities	6,832	4,596	7,309
Net cash flows used in investing activities	(164)	(599)	(1,429)
Net cash flows used in financing activities	(3,962)	(3,720)	(7,540)
Net changes in cash and cash equivalents	2,706	277	(1,660)
Cash and cash equivalents at the end of financial year	21,054	18,069	18,005

#### **Notes:**

(1) Any discrepancy between the amounts listed and their actual values, or between the sum of the figures stated and the total thereof, is due to rounding.

### (vi) Net cash flow from operating activities

The Group generated net cash flows from operating activities of approximately S\$6.8 million for FY2025, which was attributed to the Group's operating cash inflows before changes in working capital, increase in trade payables as well as decrease in deposits, trade and other receivables. This



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## APPENDIX I – LETTER FROM ASIAN CORPORATE ADVISORS PTE. LTD. IN RESPECT OF THE OFFER

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was partially offset by the increase in inventories as well as the decline in other payables and accruals.

The net cash flows used in investing activities of approximately S\$0.2 million for FY2025 was attributed mainly by acquisition of property, plant and equipment.

The net cash flows used in financing activities of approximately S\$4.0 million was utilised for payment of dividends, purchase of treasury shares, as well as repayment of lease liabilities.

As a result of the cash movements above, the Group's net cash and cash equivalents increased by approximately S\$3.0 million (including effect of exchange rate changes) to approximately S\$21.1 million as at 31 March 2025.

(vii) Outlook

We note that the Company had, in its unaudited FY2025 financial results announcement, included a commentary on the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group for the next reporting period and the next 12 months which is reproduced in italics below:

*"Despite the challenging business conditions, the Group has delivered profits before taxation at S\$4,952,100.*

*With the uncertainties in geopolitical conditions, as well as challenging business conditions in the markets where we operate, the group will continue its focus to adopt a prudent approach in managing our businesses."*

The Directors confirmed that, to the best of their knowledge, as at the Latest Practicable Date and save for matters disclosed in the Circular, this Letter, the audited financial statements for the Group for FY2024, the unaudited financial statements for FY2025, and the Company's announcements on the SGXNET, there have been no material changes to the Group's assets and liabilities, financial position, condition and performance.

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### 7.2 THE GROUP'S NAV AND NTA

The NAV based approach of valuing a company or group is based on the aggregate value of all the assets of the company or the group in their existing condition, after deducting the sum of all liabilities of the company or the group and minorities' interests (or non-controlling interests). The NAV based approach is meaningful as it shows the extent to which the value of each share is backed by both tangible and intangible assets and would be relevant in the event that the company or the group decides to realise or convert the use of all or most of its assets. The NAV based approach in valuing a company or group may provide an estimate of the value of a company or a group assuming the hypothetical sale of all its assets (including but not limited to any property, plant and equipment, intangible assets, land use rights, goodwill, trademarks and brand names) in an orderly manner or over a reasonable period of time and at the aggregate value of the assets used in the computation of the NAV, the proceeds of which are used to settle the liabilities, minority interest (or non-controlling interests) and the obligations of the company or the group, with the balance to be distributed to its shareholders. However, the NAV based approach does not take into account the hypothetical sale of assets in a non-orderly manner or over a short period of time. In addition, it does not illustrate the values at which assets may actually be realised or disposed of.

The NTA based approach of valuing a company or group is based on the aggregate value of all the assets of the company or the group in their existing condition, after deducting the sum of all liabilities of the company or the group, minority interests (or non-controlling interests), and intangible assets of the company or the group. The NTA based approach is meaningful as it shows the extent to which the value of each share is backed by tangible assets and would be relevant in the event that the company or the group decides to realise or convert the use of all or most of its assets. The NTA based approach in valuing a company or group may provide an estimate of the value of a company or a group assuming the hypothetical sale of all its assets (other than intangible assets) in an orderly manner over a reasonable period of time at the aggregate value of the assets used in the computation of the NTA, the proceeds of which are used to settle the liabilities, minority interests (or non-controlling interests) and the obligations of the company or the group, with the balance to be distributed to its shareholders. However, the NTA based approach does not take into account or consideration of the presence of any intangible assets including but not limited to (where applicable) goodwill, trademarks and brand names, nor does it take into account of the hypothetical sale of assets in a non-orderly manner or over a short period of time. It does not illustrate the values of which assets may actually be realised or disposed of.

In assessing the Offer Price in relation to the NAV and NTA per Share of the Group as at 31 March 2025, we have reviewed the unaudited statements of financial position of the Group as at 31 March 2025 to determine whether there are any assets that are of an intangible nature and as such would not appear in a valuation based on an NTA approach, but would be included in NAV approach. Save as disclosed in the unaudited statements of financial position of the Group as at 31 March 2025, the Company's announcements on the SGXNET and the Circular, the Directors have confirmed, that as at the Latest Practicable Date, to the best of their knowledge and based on disclosures made available to them, that there are no other intangible assets or tangible assets which ought to be disclosed in such unaudited statements of financial position as at 31 March 2025 in accordance with the Singapore Financial Reporting Standards (International), and which have not been so disclosed and where such intangible or tangible assets would have had a material impact on the overall financial position of the Group as at the Latest Practicable Date.

The Directors have also confirmed that as at the Latest Practicable Date, there were, *inter alia*, no material contingent liabilities, bad or doubtful debts or unrecorded earnings or expenses or assets or liabilities which could have a material impact on the NAV or NTA of the Group as at 31 March 2025, save as disclosed in the unaudited financial statements of the Group as at 31 March 2025 and the Circular. In addition, the Directors are of the opinion that save as disclosed in the Circular, the values of the assets (*inter alia*, inventories, trade receivables) and liabilities (*inter alia*, trade payables) as well as financial performance or condition of the Group as disclosed and reflected in the unaudited financial statements of the Group as at 31 March 2025 are true and fair. Lastly, the Directors confirmed that, to the best of their knowledge or belief and after making due and careful enquiries, such information as stated in the unaudited financial statements of the Group as at 31 March 2025, is true, complete and accurate in all respects, and that there is no other information or fact, the omission

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of which would render those statements or information, including our references, as well as analysis of such information to be untrue, inaccurate or incomplete or misleading in any respect.

<b>Unaudited Consolidated Statements of Financial Position for the Group as at 31 March 2025<sup>(1)</sup></b>		<b>S\$'000</b>
<b><u>Non-Current Assets</u></b>		
Property, plant and equipment		663
Right-of-use assets		2,977
Deferred tax assets		35
		<b>3,675</b>
<b><u>Current Assets</u></b>		
Inventories		33,567
Prepayments		103
Trade receivables		22,686
Other receivables and deposits		4,405
Cash and cash equivalents		21,054
		<b>81,815</b>
<b><u>Current Liabilities</u></b>		
Trade payables		24,641
Bills payable to banks (unsecured)		1,443
Short-term loans		800
Other payables and accruals		5,345
Lease liabilities		859
Income tax payable		575
		<b>33,663</b>
<b><u>Non-Current Liabilities</u></b>		
Lease liabilities		2,258
		<b>2,258</b>
<b>NAV including non-controlling interest</b>		<b>49,569</b>
Less: non-controlling interests		(2,026)
<b>NAV attributable to owners of the Company</b>		<b>47,543</b>
Less: Intangible assets		-
<b>NTA attributable to owners of the Company as at 31 March 2025</b>		<b>47,543</b>
<b>NAV and/or NTA per Share (S\$)<sup>(2)</sup></b>		<b>0.4410</b>
<b>Offer Price (S\$)</b>		<b>0.6029</b>
<b>Premium of Offer Price over the Group's NAV and/or NTA per Share (%)</b>		<b>36.7%</b>
Cash and cash equivalents less bills payable and short-term loans as at 31 March 2025 (" <b>Net Cash</b> ")		18,811
Net Cash per Share (S\$)		0.1745
<b>Offer Price less Net Cash per Share (S\$) (the "Adjusted Offer Price")</b>		<b>0.4284</b>
<b>NAV (the "Ex-cash NAV" or "Adjusted NAV") and/or NTA per Share less Net Cash Per Share ("Ex-cash NTA" or "Adjusted NTA") (S\$)</b>		<b>0.2665</b>
<b>Premium of the Adjusted Offer Price over the Group's Ex-cash NAV and/or Ex-cash NTA per Share (%)</b>		<b>60.7%</b>

**Notes:**

(1) The figures above are based on the Group's unaudited financial statements for FY2025. Figures and computations

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*above are subject to rounding.*

- (2) *Figures are computed based on the Company's existing issued Share capital of 107,796,700 Shares (excluding 8,703,300 treasury Shares and 681,818 returned Shares) as at the Latest Practicable Date.*

From the above table, we note that the Group had NAV and/or NTA attributable to owners of the Company as at 31 March 2025 of approximately S\$47.5 million (or approximately S\$0.4410 per Share based on the Company's existing issued Share capital as at the Latest Practicable Date). The Offer Price represents a premium of approximately 36.7% over the Group's NAV and/or NTA per Share as at 31 March 2025.

### Ex-cash NAV and/or NTA

The Group's cash and cash equivalents and aggregate amount of bills payable and short-term loans amounted to approximately S\$21.1 million and S\$2.2 million respectively as at 31 March 2025. Thus, the Group's cash and cash equivalents less the aggregate amount of bills payable and short-term loans amounted to approximately S\$18.8 million or approximately S\$0.1745 on per Share basis (the "**Net Cash per Share**").

After deducting the Net Cash per Share from the Group's NAV and/or NTA per Share attributable to owners of the Company as at 31 March 2025, we note that the Group's Ex-cash NAV and/or Ex-cash NTA per Share were approximately S\$0.2665. The Offer Price as adjusted for the Group's Net Cash per Share or the Adjusted Offer Price, represents a significant premium of approximately 60.7% over the Group's Adjusted NAV and/or Adjusted NTA per Share.

The Directors and Management have confirmed to us that, to the best of their knowledge and belief, as at the Latest Practicable Date:

- (i) save as disclosed in the unaudited financial statements of the Group as at 31 March 2025, the Group's announcements on the SGXNET, and the Circular, there have been no known material events that have or will have material impact to the unaudited financial statements of financial position of the Group since 31 March 2025, and
- (ii) there are no material differences between the estimated market value of the assets and liabilities and their respective book values as at 31 March 2025 which would have a material impact on the NAV and NTA of the Group.

We further note from the Offer Document that the Offeror intends for the Company to continue with its existing activities and has no current intention to (a) introduce any major changes to the existing business of the Company; (b) re-deploy the fixed assets of the Company; or (c) discontinue the employment of the employees of the Company or its subsidiaries, other than in the ordinary course of business. However, the Offeror shall retain and reserve the flexibility at any time and from time to time to consider any options or opportunities in relation to the Company which may present themselves and which the Offeror regards to be in the interests of the Offeror and/or the Company. Following the successful close of the Offer, the Offeror will undertake a comprehensive review of the businesses and fixed assets of the Company to determine the optimal strategy for the Company.

### Final dividend for FY2025

As set out in the Offer Document, in the event that any distribution of dividends, rights, other distributions and/or return of capital (the "**Distribution**") is or has been declared, paid or made by the Company in respect of the Shares on or after the Offer Announcement Date to a Shareholder who validly accepts or has validly accepted the Offer, the Offer Price payable to such accepting Shareholders shall be reduced by an amount which is equal to the amount of such Distribution, depending on when the settlement date in respect of the Offer Shares tendered in acceptance of the Offer by such accepting Shareholders falls, as follows:

- (i) if such settlement date falls on or before the record date for the determination of entitlements to the Distribution (the "**Record Date**") and the Offeror is registered as the holder of such Offer Shares as at the Record Date, the Offer Price shall remain unadjusted for each such Offer

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Share, as the Offeror will receive the Distribution in respect of such Offer Share from the Company; or

- (ii) if such settlement date falls after the Record Date or if such settlement date falls on or before the Record Date but the Offeror is not registered as the holder of such Offer Shares as at the Record Date, the Offer Price for each Offer Share shall be reduced by an amount which is equal to the amount of the Distribution in respect of each Offer Share, as the Offeror will not receive the Distribution in respect of such Offer Shares from the Company.

In its results announcement for FY2025, the Company had recommended a final dividend of S\$0.013 per Share (which is subject to, *inter alia*, the approval from the Shareholders to be obtained at the upcoming annual general meeting). The Group's Adjusted NAV and/or NTA per Share (after subtraction of the final dividend assuming the receipt of Shareholders' approval) is approximately S\$0.4280.

We note that as Net Cash as at 31 March 2025 will not change (based on the illustration above) irrespective of when the final dividend will be paid, and as the amounts that Shareholders, who accepts the Offer, will receive will also not change, the Adjusted Offer Price represents a significant premium of approximately 60.7% over the Group's Adjusted NAV and/or Adjusted NTA per Share (irrespective of when the final dividend will be paid). It is higher than the premium of approximately 36.7% that the Offer Price represents over the Group's NAV and/or NTA per Share as at 31 March 2025.

As announced in the Company's results announcement for FY2025, the Record Date for the said final dividend will be on 8 August 2025, which is after 2 July 2025 (being the closing date for the Offer unless extended by the Offeror). As such the Offer Price shall remain unadjusted. Hence, for the purpose of our evaluation of the Offer, we have assumed that the Offer will be closed before the Record Date for the final dividend, and hence, no adjustments for the final dividend were made to the Offer Price and the Group's NAV and/or NTA.

The above computations and analysis are meant as an illustration and it does not necessary mean or imply that the net realisable value of the Group is as stated above. It also does not imply that the assets or properties of the Group can be disposed of at the estimated values indicated above, and that after payment of all liabilities and obligations, the values or amounts as indicated for the respective types of NAV or NTA (where applicable) are realisable or distributable to the shareholders of the Group.

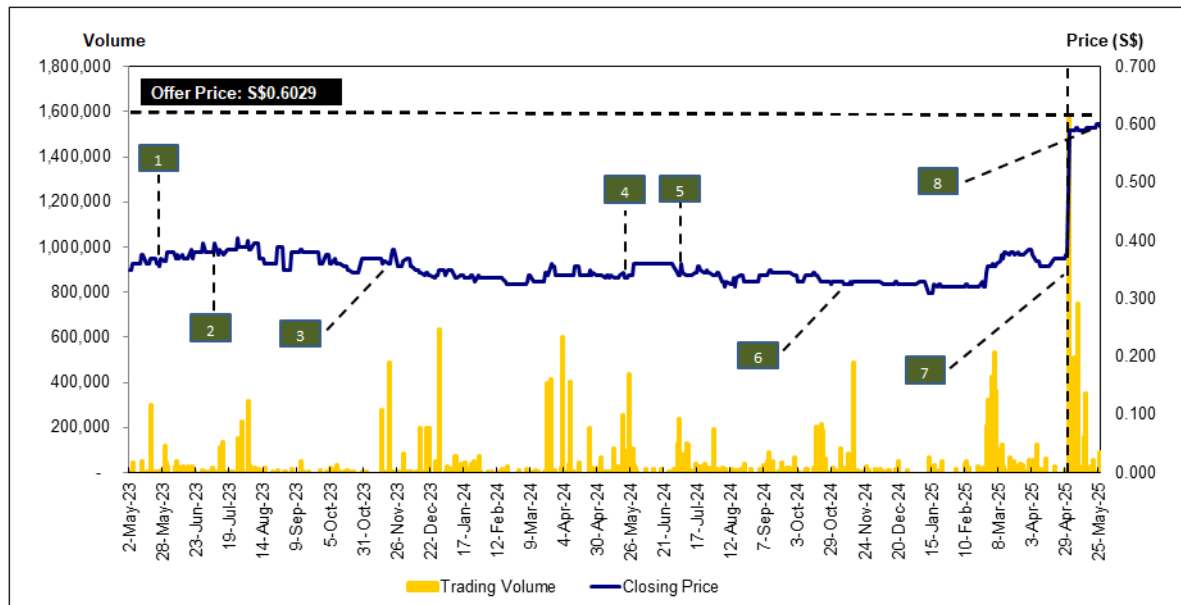
It should be noted that the NTA basis of valuation provides an estimate of the value of a hypothetical sale of all its tangible assets over a reasonable period of time, and is only relevant in the event that the Company decides to change the nature of its business or to release or convert the uses of all its assets. The NTA basis of valuation, however, does not necessarily reflect the value of the Company as a going concern nor can it capture or illustrate any value for the Company's goodwill or branding. In addition, it does not illustrate the values at which the assets may actually be realised or disposed.

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### 7.3 MARKET QUOTATION AND TRADING ACTIVITIES FOR THE SHARES

The Offer Announcement was released on 30 April 2025 and the last trading day when the Shares were traded prior to the release of the Offer Announcement was 29 April 2025 (the “**Last Trading Day**”). The trading of the Shares was halted on 30 April 2025.

The historical price and volume charts for the Shares (based on the closing prices together with the number of Shares traded on a daily basis) for the period commencing from 2 May 2023 (being the Market Day 24 months prior to the Last Trading Day) and ending on the Latest Practicable Date is set out below:



Source: [www.shareinvestor.com](http://www.shareinvestor.com)

No.	Date	Announcement
1	26 May 2023	Release of financial results for FY2023.
2	11 July 2023	Release of the Company's Annual Report for FY2023.
3	10 November 2023	Release of financial results for the 6-month period ended 30 September 2023 (“HY2024”).
4	24 May 2024	Release of financial results for FY2024.
5	3 July 2024	Release of the Company's Annual Report for FY2024.
6	8 November 2024	Release of financial results for the 6-month period ended 30 September 2024 (“HY2025”).
7	30 April 2025	Trading halt and release of Offer Announcement.
8	26 May 2025	Release of the FY2025 Results.

For the period commencing from 2 May 2023 and ending on 29 April 2025, being the Last Trading Day prior to the Offer Announcement Date (both dates inclusive), we note that the Shares were traded for 298 Market Days out of a total 500 Market Days (or approximately 59.6%). During the said period, the closing prices and the transacted prices for the Shares were always below the Offer Price.

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For the period commencing on the Market Day immediately after the Offer Announcement Date to the Latest Practicable Date, we note that the Shares were traded for 15 Market Days out of a total 16 Market Days (or approximately 93.8%). During the said period, the closing prices and the transacted prices for the Shares, which are likely underpinned by the Offer, were always slightly below the Offer Price.

As a general market comparison and observation, the FTSE Straits Times Index (the “STI Index”) increased by approximately 15.9% for the period commencing from 2 May 2023 and ending on 29 April 2025, being the Last Trading Day. Thereafter, the STI Index further increased by approximately 1.9% for the period commencing from the Market Day immediately after the Offer Announcement Date and ending on 26 May 2025, being the Latest Practicable Date. For the same period commencing from 2 May 2023 and ending on 29 April 2025, being the Last Trading Day, the closing price for the Shares increased by approximately 7.1%. Subsequently, the closing price for the Shares increased substantially by approximately 60.0% for the period commencing from the Market Day immediately after the Offer Announcement Date and ending on 26 May 2025, being the Latest Practicable Date. We observed that the Shares appeared to have underperformed the STI Index for the 24-month period up to and including the Last Trading Day but significantly outperformed the STI Index for the period commencing immediately after the Offer Announcement Date till the Latest Practicable Date, which is likely underpinned by the Offer.

The above chart and the analysis below are presented for illustrative purposes only, and they are by no means representative of the future trading performance or prices of the Shares.

The volume-weighted average price (“VWAP”), the highest and lowest transacted prices and the average daily trading volume for the Shares, for the period commencing from 2 May 2023 to the Latest Practicable Date are set out below:

	VWAP per Share (S\$) <sup>(1)</sup>	Premium of the Offer Price over the VWAP per Share (%)	Lowest transacted price (S\$)	Highest transacted price (S\$)	Average daily trading volume <sup>(2)</sup>	Average daily trading volume as % of free-float <sup>(3)</sup> (%)
<b>For the period prior to the Last Trading Day</b>						
Last 24 months	0.3494	72.6%	0.310	0.405	31,692	0.078%
Last 12 months	0.3435	75.5%	0.310	0.385	33,476	0.083%
Last 6 months	0.3477	73.4%	0.310	0.385	35,930	0.089%
Last 3 months	0.3561	69.3%	0.315	0.385	52,282	0.129%
Last 1 month	0.3679	63.9%	0.355	0.385	18,970	0.047%
Last transacted price on 29 April 2025 (being the Last Trading Day) <sup>(4)</sup>	0.3750	60.8%	0.375	0.375	11,900	0.029%
<b>For the period commencing on the Market Day immediately after the Offer Announcement Date up to the Latest Practicable Date</b>						
Till the Latest Practicable Date	0.5918	1.9%	0.585	0.600	234,656	0.581%
Last transacted price on 26 May 2025, being the Latest Practicable Date <sup>(5)</sup>	0.6000	0.5%	0.600	0.600	90,700	0.224%

**Source:** [www.shareinvestor.com](http://www.shareinvestor.com)

**Notes:**

- (1) The VWAP had been computed using the average prices of traded Shares and weighted by the volumes traded for the relevant trading days for each of the periods.

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- (2) *The average daily trading volume of the Shares is calculated based on the total number of Shares traded during the relevant period divided by the number of Market Days during that period.*
- (3) *Free float refers to approximately 40,406,200 Shares (or approximately 37.5% of the issued Shares (excluding treasury Shares and returned Shares) held by Shareholders, other than the Offeror and its Concert Parties, the Undertaking Shareholders, the Directors, and the substantial Shareholders as at the Latest Practicable Date.*
- (4) *This represents the last transacted price instead of VWAP for the Shares on 29 April 2025, being the Last Trading Day.*
- (5) *This represents the last transacted price instead of VWAP for the Shares on 26 May 2025, being the Latest Practicable Date.*

Based on a general observation of the chart above and after taking into account the summary of the transacted prices for the Shares, we note the Offer Price:

- (i) represents a premium of approximately 60.8% over the last transacted price of S\$0.375 per Share for the Shares on the SGX-ST on 29 April 2025, being the Last Trading Day;
- (ii) represents premia of approximately 72.6%, 75.5%, 73.4%, 69.3%, and 63.9% over the VWAP for the Shares for the 24-month, 12-month, 6-month, 3-month and 1-month periods prior to the Last Trading Day respectively;
- (iii) represents a premium of approximately 48.9% over the highest transacted price for the Shares of S\$0.405 for the 24-month period prior to the Last Trading Day. In fact, the Offer Price is higher than the highest transacted price for the Shares of S\$0.505 for the 10-year period prior to the Last Trading Day;
- (iv) represents a premium of approximately 1.9% over the VWAP for the Shares for the period commencing from the Market Day immediately after the Offer Announcement Date till the Latest Practicable Date; and
- (v) represents a small premium of approximately 0.5% over the last transacted price of S\$0.600 per Share on the SGX-ST on 26 May 2025, being the Latest Practicable Date.

For illustrative purpose only, based on the number of Shares traded on a daily basis during the period commencing from 2 May 2023 and ending on the Latest Practicable Date, we note that:–

- (i) from 2 May 2023 to 29 April 2025, being the Last Trading Day, Shares were traded on 298 Trading Days out of the total 500 Market Days during the period, with the total number of Shares traded being approximately 15.8 million Shares and an average daily trading volume (based on a total of 500 Market Days) of approximately 31,692 Shares, which represents approximately 0.029% of the issued Share capital as at the Latest Practicable Date or approximately 0.078% of the issued Share capital held by Shareholders other than the Offeror and its Concert Parties, the Undertaking Shareholders, the Directors, and the substantial Shareholders as at the Latest Practicable Date.
- (ii) for the period commencing from 2 May 2025, being the Market Day immediately following the Offer Announcement Date till the Latest Practicable Date, Shares were traded on 15 Trading Days out of the total 16 Market Days during the period, with the total number of Shares traded being approximately 3.8 million Shares and an average daily trading volume of approximately 234,656 Shares, which represents approximately 0.218% of the issued Share capital as at the Latest Practicable Date or approximately 0.581% of the issued Share capital held by Shareholders other than the Offeror and its Concert Parties, the Undertaking Shareholders, the Directors, and the substantial Shareholders as at the Latest Practicable Date.

We note that trading for the Shares appear to be relatively erratic and that the number of Shares traded during the 24-month period analysed prior to the Last Trading Day is relatively low as compared to the number of issued Shares (excluding treasury Shares and returned Shares) as at the Latest Practicable Date. In addition, for the 24-month period prior to the Last Trading Day, the Shares were traded for 298 Market Days out of a total 500 Market Days (or approximately 59.6%). It is



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generally accepted that the more actively traded the shares, the greater the reliance on market prices as a determination of the fair value of the shares between willing buyer and willing seller. Whilst historical transacted prices for the Shares may not be a meaningful indicator of its fundamental value in view of the lack of liquidity for the Shares (in terms of number of Shares traded on daily basis and the frequency of trading), they nonetheless represent the prices for transactions between willing buyer and willing seller.

We also note that the number of Shares that were traded on a daily basis for the period commencing on the Market Day immediately after the Offer Announcement Date till the Latest Practicable Date is significantly higher than the number of Shares that were traded on a daily basis for all periods during the 24 months prior to the Last Trading Day. Subsequent to the Offer Announcement Date, the prices and average daily trading volume for the Shares have increased.

Independent Directors should note that there is no assurance that the observed increase in average number of Shares traded daily and frequency of trading subsequent to the Offer Announcement Date will be maintained or that the transacted prices after the completion of the Offer (or if the Offer lapses) will be at the same levels and this may be, *inter alia*, due to the fact that economic and market conditions as well as the Group or the Company's financial performance, position and prospects may change or be perceived differently.

Independent Directors should note that in the absence of the Offer, such an exit for all Shareholders other than the Offeror and its Concert Parties may not be readily available due to the low trading liquidity for the Shares (both in terms of number of Shares traded on a daily basis and the frequency of trading).

For illustrative purposes only, based on the average daily trading volume of 31,692 Shares for 24-month period prior to the Last Trading Day, it would take approximately 1,275 Market Days or close to 5.1 years (based on 250 Market Days per year) for the public Shareholders to be able to sell off their approximately 40.4 million Shares in the market.

**Independent Directors should note that past trading performance for the Shares may not be relied upon as an indication or promise or prospects of its trading performance in the future.**

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### 7.4 COMPARISON WITH OTHER SUCCESSFUL PRIVATISATIONS AND DELISTING TRANSACTIONS FOR COMPANIES LISTED ON THE SGX-ST

In assessing the Offer Price, we have also examined recent similar transactions by listed companies on the SGX-ST involving successful privatisation transactions which were announced and completed or pending completion as the case may be for the period between 1 January 2022 and the Latest Practicable Date, and wherein the offerors had indicated their intentions to delist and/or privatise the target companies (the “**Selected Successful Privatisations**”). Privatisation transactions of companies listed on the SGX-ST are generally carried out by way of selective capital reductions, general offers, schemes of arrangement under Section 210 of the Companies Act, or voluntary delistings under the Listing Manual of the SGX-ST. Our analysis of the Selected Successful Privatisations is to illustrate the premium/discounts represented by each of the respective offer prices over/to the traded prices and the NAV prior to the announcements of such Selected Successful Privatisations.

In making the comparison herein, we wish to highlight that the companies selected and covered herein are not directly comparable to the Group and may largely differ from the Group in terms of, *inter alia*, size and scale of operations, type and/or composition of business activities and/or investment(s) and specialisation, asset base, revenue models, geographical spread, track record, financial performance, capital structure, operating and financial leverage, risk profile, liquidity, accounting policies, future prospects and other relevant criteria. Likewise, they involve shares of companies which are quoted, listed and tradeable on the SGX-ST.

We wish to highlight that other than the criteria mentioned above, the premium or discount that an offeror pays in any particular takeover varies in different specific circumstances depending on, *inter alia*, factors such as the potential synergy the offeror can gain by acquiring the target, the prevailing market conditions and sentiments, attractiveness and profitability of the target’s business and assets, the possibility of a significant revaluation of the assets to be acquired, existence of intangibles and branding or “internal goodwill or intangible assets”, the availability of substantial cash reserves, the liquidity in the trading of the target company’s shares, the presence of competing bids for the target company and the existing and desired level of control in the target company.

The data used in the table and the companies listed below have been compiled from publicly available information and serves as a guide as to the valuation ratios in connection with privatisations of companies listed on the SGX-ST without regard to their, *inter alia*, specific industry or geographical characteristics; or the companies listed *per se* may not even have similar business activities and/or investment(s) to the Company, or other considerations. Each of the offers for Selected Successful Privatisations must be judged on its own commercial and financial merits including the particular circumstances (*inter alia*, operational, business, and compliance with rules, regulations and laws) of the Selected Comparable Companies as well as the Company during the relevant time when the offers were made.

The lists of target companies involved in the Selected Successful Privatisations are by no means exhaustive and as such any comparison made only serves as an illustration.

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Company	Date of announcement	Shareholding of the offeror and concert parties at the start of transaction (%) <sup>(1)</sup>	Premium/(Discount) of the Offer Price over/(from)					P/NAV <sup>(2)</sup> (times)
			Last transacted price prior to announcement (%)	VWAP for 1 month period prior to announcement (%)	VWAP for 3 months period prior to announcement (%)	VWAP for 6 months period prior to announcement (%)	VWAP for 12 months period prior to announcement (%)	
Shinvest Holdings Ltd.	16-Feb-22	29.0	12.9	8.5	10.2	10.1	14.3	0.7
Singapore O&G Limited	7-Mar-22	74.8	15.7	14.8	12.2	11.3	11.3	3.6
Excelpoint Technology Ltd.	13-Apr-22	42.0	21.4	36.6	31.3	45.9	72.3	1.5
Hwa Hong Corporation Limited	17-May-22	24.4	37.9	36.1	32.0	22.0	24.6	0.8
TTJ Holdings Limited	20-May-22	84.5	36.1	33.6	28.8	28.0	29.4	0.5
Allied Technologies Limited	17-Jun-22	42.7	0.0	(2.7)	(9.1)	(21.4)	(59.3)	0.4
GYP Properties Limited	8-Jul-22	62.6	34.2	37.9	33.3	28.2	30.7	0.7
SP Corporation Limited	20-Aug-22	80.2	169.5	163.7	162.8	156.9	140.5	1.0
Silkroad Nickel Limited	29-Aug-22	63.2	2.4	5.4	5.1	(5.5)	(3.2)	5.1
Memories Group Limited	12-Sep-22	85.0	34.3	67.9	74.1	74.1	74.1	1.0
Singapore Medical Group Limited	13-Sep-22	51.7	24.9	28.1	28.9	25.8	27.5	1.1
Moya Holdings Asia Limited	14-Sep-22	72.8	41.5	43.8	48.4	48.4	46.0	1.0
MS Holdings Limited	3-Oct-22	69.3	17.7	N/A	25.2	25.4	24.6	0.5
Asian Healthcare Specialists Limited	6-Oct-22	79.5	17.5	18.3	21.3	22.3	19.5	2.1
Colex Holdings Limited	17-Oct-22	79.7	25.0	13.9	13.3	0.9	6.0	1.5
Golden Energy and Resources Limited	9-Nov-22	77.5	15.8	23.0	44.6	48.3	63.8	4.5
Chip Eng Seng Corporation Ltd	24-Nov-22	41.5	5.6	13.1	26.5	33.7	42.6	0.6
Global Dragon Limited	10-Feb-23	82.0	14.3	15.4	22.4	17.6	17.6	0.7
G. K. Goh Holdings Limited	28-Feb-23	62.9	38.5	38.8	39.2	37.6	34.8	1.0
Global Palm Resources Holdings Limited	29-Mar-23	83.0	93.8	86.6	70.1	70.1	30.2	0.8
Lian Beng Group Ltd	11-Apr-23	70.4	19.3	27.0	28.5	29.9	30.4	0.4
Challenger Technologies Limited	30-May-23	64.8	9.1	10.5	11.9	14.3	13.4	1.5
Sysma Holdings Limited	1-Jun-23	69.5	34.4	40.0	34.4	30.2	28.2	0.7
Healthway Medical Corporation Limited	3-Jul-23	42.3	45.5	45.5	45.5	41.2	37.1	1.1
LHN Logistics Limited	2-Aug-23	0.0	34.9	35.7	39.0	44.3	39.0	2.0
Boustead Projects Limited	14-Nov-23	95.5	23.6	24.1	25.7	26.6	26.9	0.6
Isetan (Singapore) Limited	1-Apr-24	52.7	150.3	173.5	171.1	168.9	152.5	2.8
Best World International Limited	3-Apr-24	65.1	46.3	47.1	46.3	48.8	N/A	1.9

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Company	Date of announcement	Shareholding of the offeror and concert parties at the start of transaction (%) <sup>(1)</sup>	Premium/(Discount) of the Offer Price over/(from)					P/NAV <sup>(2)</sup> (times)
			Last transacted price prior to announcement (%)	VWAP for 1 month period prior to announcement (%)	VWAP for 3 months period prior to announcement (%)	VWAP for 6 months period prior to announcement (%)	VWAP for 12 months period prior to announcement (%)	
RE&S Holdings Limited	19-May-24	84.1	56.5	65.1	50.0	45.2	38.5	1.9
Second Chance Properties Ltd	10-Jul-24	85.1	39.5	40.8	37.0	33.3	28.2	1.0
Silverlake Axis Ltd.	26-Aug-24	74.1	20.0	27.7	25.0	31.9	31.9	2.8
Dyna-Mac Holdings Ltd	11-Sep-24	25.4	35.4	18.6	27.4	44.4	67.5	5.9
5E Resources Limited	25-Oct-24	77.2	20.6	22.2	21.8	26.2	31.9	1.6
Japfa Ltd <sup>(3)</sup>	24-Jan-25	86.1	34.8	39.0	51.2	70.3	93.1	1.1
Econ Healthcare (Asia) Limited <sup>(4)</sup>	14-Feb-25	77.9	20.0	33.6	42.9	48.6	52.1	2.3
PEC Ltd <sup>(5)</sup>	17-Feb-25	63.4	12.8	23.5	28.6	30.6	33.3	0.9
<b>MAXIMUM</b>		<b>95.5</b>	<b>169.5</b>	<b>173.5</b>	<b>171.1</b>	<b>168.9</b>	<b>152.5</b>	<b>5.9</b>
<b>MINIMUM</b>		<b>0.0</b>	<b>0.0</b>	<b>(2.7)</b>	<b>(9.1)</b>	<b>(21.4)</b>	<b>(59.3)</b>	<b>0.4</b>
<b>MEDIAN (excl. outliers)</b>		<b>69.9</b>	<b>24.9</b>	<b>30.9</b>	<b>28.9</b>	<b>30.6</b>	<b>30.6</b>	<b>1.0</b>
<b>SIMPLE AVERAGE (excl. outliers)</b>		<b>64.5</b>	<b>28.5</b>	<b>31.9</b>	<b>32.8</b>	<b>33.6</b>	<b>34.9</b>	<b>1.6</b>
<b>Group</b>	<b>30-Apr-25</b>	<b>28.1</b>	<b>60.8</b>	<b>63.9</b>	<b>69.3</b>	<b>73.4</b>	<b>75.5</b>	<b>1.4</b>

**Source:** SGX-ST announcements, offer documents and circulars to shareholders in relation to the respective transactions listed above.

**Notes:**

- (1) Where applicable, it includes the percentage shareholding(s) of the respective undertaking shareholder(s) as the date of the offer document.
- (2) Based on NAV per share, pro forma NAV per share, adjusted NAV per share, revalued NAV per share, or adjusted revalued NAV per share, as the case may be, as published in the respective circulars of the companies.
- (3) The scheme of arrangement for Japfa Ltd. was approved on 15 April 2025 and approval-in principle for delisting was obtained from the Singapore Exchange Regulation Pte. Ltd.
- (4) The scheme of arrangement for Econ Healthcare (Asia) Limited was approved on 8 May 2025.
- (5) The scheme of arrangement for PEC Ltd. was approved on 5 May 2025 and approval-in-principle for delisting was obtained from the SGX-ST on 3 April 2025.

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For illustrative purpose only, we noted the following from the above table:

- (i) As disclosed in the Offer Document, the Offeror does not own any Shares of the Company and the Undertaking Shareholders held an aggregate interest of approximately 28.1% in the issued Share capital of the Company as at 14 May 2025, being the latest practicable date for the Offer Document, and this is within the range, but lower than the median and the simple average for the percentage of the shareholding interest of the offeror and parties acting in concert as at the start for each of the Selected Successful Privatisations. It is generally accepted that the higher the percentage of the shareholding interest of the offeror and parties acting in concert as at the start for each of the Selected Successful Privatisations, the lower the offer price and historical premia and P/NAV ratio that will be payable.
- (ii) The premium of approximately 60.8% as implied by the Offer Price over the last transacted price for Shares on the Last Trading Day is within the range, significantly higher than both the median and the simple average (after excluding the outlier) for the Selected Successful Privatisations.
- (iii) The premia of approximately 63.9%, 69.3%, 73.4%, and 75.5% as implied by the Offer Price over the VWAP for the Shares for the 1-month, 3-month, 6-month and 12-month periods up to and including the Last Trading Day respectively are within the range, and significantly higher than both the median and the simple average (after excluding the outlier) for the Selected Successful Privatisations.
- (iv) The valuation of the Group in terms of P/NAV ratio (as implied by the Offer Price and the Group's NAV per Share as at 31 March 2025) of approximately 1.4 times is within the range, higher than the median and in line with the simple average for the Selected Successful Privatisations.
- (v) It should be noted that the premia as implied by the Offer Price for the Company over various historical periods shown above are significantly higher and more favourable than the premia implied by the offer price for Challenger Technologies Limited ("**Challenger**"), whose business is broadly comparable to the Company. In addition, the offer price for Challenger implies the following valuation multiples:
  - LTM EV/EBITDA of approximately 5.4 times (which is lower than LTM EV/EBITDA as implied by the Offer Price for the Group of approximately 7.6 times).
  - LTM PER of approximately 25.6 times (which is higher than LTM PER as implied by the Offer Price for the Group of approximately 16.2 times). We also note that Challenger's profit after tax for the financial year ended 31 December 2022 (which is the financial year immediately prior to the offer announcement) was substantially lower than the previous four (4) financial years.
  - P/NAV of approximately 1.5 times (which is relatively in line with P/NAV as implied by the Offer Price for the Group of approximately 1.4 times).

In summary, the valuation of the Group as implied by the Offer Price in terms of premia over historical prices for the Shares appears to be favourable as compared to both the median and the simple average (after excluding the outliers) for the Selected Successful Privatisations. Meanwhile, the valuation of the Group in terms of P/NAV ratio (as implied by the Offer Price and the Group's NAV per Share) is within the range and higher than the median for the Selected Successful Privatisations.

The above comparison should be assessed in conjunction with, *inter alia*, (a) the aggregate shareholding of the Offeror and its Concert Parties, and the Undertaking Shareholders, which is within the range but lower than the median and the simple average (after excluding the outliers) for the Selected Successful Privatisations (and therefore the higher control premium to be paid); (b) the nature and type of businesses that the Company is involved in as compared to companies comprising

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the list of the Selected Successful Privatisations; and (c) the offer price that offerors may have paid and their relative or perceived emphasis on P/NAV as a multiple for the offer.

Lastly, the valuation of the Group as implied by the Offer Price in terms of premia over historical prices for the Shares appears to be favourable as compared to the premia for Challenger. In addition, the Group's implied EV/EBITDA and P/NAV ratios appear to be favourable or fairly comparable to the valuation ratios for Challenger.

When considered in the context of the shareholdings of the Offeror and its Concert Parties, and the Undertaking Shareholders as set out in the Offer Document, which is within the range, but lower than the median and the simple average for the percentage of shareholding interest for each of the offeror and parties acting in concert (including the undertaking shareholders) as at the start for the Selected Successful Privatisations, the valuation of the Group as implied by the Offer Price in terms of both premia over historical prices for the Shares and in terms of P/NAV ratio (as implied by the Offer Price and the Group's NAV per Share), appears in general to be favourable as compared to the Selected Successful Privatisations.

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### 7.5 RELATIVE VALUATION ANALYSIS

In evaluating the Offer Price, we have considered the financial performance, financial position and valuation statistics of selected companies that may, in our view, be broadly comparable to the existing core businesses of the Group prior to the transaction, which is principally engaged in the distribution of technology products (including, *inter alia*, IT accessories, gaming, multimedia, smart technology and commercial products) (the “**Selected Comparable Companies**”).

The Selected Comparable Companies have been identified after a search was carried out on various exchanges (in particular, the SGX-ST, Bursa Malaysia, the Hong Kong Stock Exchange and the Stock Exchange of Thailand), and evaluation of the companies operating in the same industry as the Group. Subsequently, we have had discussions with the Directors and Management about the suitability and reasonableness of these Selected Comparable Companies acting as a basis for comparison with the core businesses of the Group.

For the Selected Comparable Companies, we have also considered the following companies which are listed on the SGX-ST, *inter alia*: Serial System Ltd; Karin Technology Holdings Limited; MDR Limited; Polaris Ltd.; and PC Partner Group Limited. However, following our discussions with the Directors and the Management, we did not include the said companies given their differences in the products offered, the revenue model and the earnings drivers (since distribution of technology products may not be their main revenue contributor as these companies also derive revenues from other businesses such as distribution of electronic components; provision of system integrated solutions and IT infrastructure; import and export of pre-loved luxury goods; and design and manufacturing of electronics and PC parts and accessories) as well as the geographical revenue segmentation. Hence, their perceived valuation may differ.

The Directors and the Management represented that none of the Company’s peers in Singapore is a listed company or part of a listed company. Relevant information has been extracted from the annual reports and/or public announcements of the Selected Comparable Companies.

Notwithstanding our use of these companies for peer analysis, the Selected Comparable Companies may or may not have similar business or operations or similar assets or geographical markets as the Group or being in the same financial performance or position as the Group, and their accounting policies or the relevant financial period compared may differ from the Group. We advise Independent Directors to note that there may not be any company listed on any relevant stock exchange that is directly comparable to the Group in terms of size, diversity of business activities and products/services, branding, geographical spread, track record, prospects, end customers, supply and/or value chain, core competence, resources, revenue drivers and models, operating and financial leverage, risk profile, quality of earnings and accounting, listing status and such other relevant criteria. We wish to highlight that it may be difficult to place reliance on the comparison as the markets and businesses of the Selected Comparable Companies, its capital structures, growth rates, operating and financial leverage, taxation and accounting policies and that of the Group may differ. As such, any comparison made herein is necessarily limited and serves only as an illustrative guide.

We also wish to highlight that the NAV or NTA based approach for valuing a company is dependent on factors that may differ for each of the Selected Comparable Companies including, *inter alia*, factors such as accounting or depreciation policies. As such, the comparison of the consolidated NAV or NTA of the Group with those of the Selected Comparable Companies is necessarily limited and such comparison is made for illustrative purposes only. In addition, given that all ratios and tools used invariably use the price of the shares, they may or may not take into account any relative or perceived or actual risk premium or demand and supply conditions for those shares which may or may not have been fundamentally justified. In addition, as these are tools or ratios based on historical financial performance or position, they may or may not reflect the anticipated financial performance, and the mix of its activities or the relative contributions (in terms of assets, financial performance etc.) may differ.

Independent Directors and Shareholders should note that the prices at which shares trade include factors other than historical financial performance, and some of these, *inter alia*, include prospects, real or perceived financial performance or historical share price performance or demand and supply

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conditions of the shares, as well as the relative liquidity and the market capitalisation or the relative sentiments of the market for the shares.

The Selected Comparable Companies are set out below.

Selected Comparable Companies	Principal Activities
Serial Achieva Limited (“ <b>Serial Achieva</b> ”)  <i>Listed on SGX-ST</i>	The group is a Malaysian-based distributor of computers, IT systems, computer peripherals, component parts, software, as well as provision of software and hardware on-site solutions. Revenue is derived from Malaysia, Thailand and Singapore.
SIS Distribution (Thailand) Public Company Limited (“ <b>SIS Distribution</b> ”) <sup>(1)</sup>  <i>Listed on Stock Exchange of Thailand (“SET”)</i>	The group is a Thailand-based IT product distributor, with products ranging from computers, smartphones, office automation equipment, service and rental of computer and accessories. Revenue is derived mainly from Thailand.
SIS International Holdings Limited (“ <b>SIS International</b> ”) <sup>(1)</sup>  <i>Listed on Hong Kong Stock Exchange (“HKEX”)</i>	The group distributes mobile and IT products in Hong Kong, Singapore, Japan and Thailand. SIS International owns 60.8% equity interest of SIS Distribution.
Synnex (Thailand) Public Company Limited (“ <b>Synnex</b> ”)  <i>Listed on SET</i>	The group distributes computers, computer peripherals, software, IT systems and computer consumables in Thailand as well as globally. It also provides network, software and hardware on-site services as well as training and maintenance services. Revenue is derived solely from Thailand.
VSTECS Berhad (“ <b>VSTECS</b> ”) <sup>(1)</sup>  <i>Listed on Bursa Malaysia (“Bursa”)</i>	The group distributes ICT products predominantly in Malaysia. It also provides technical support, maintenance and product warranty services.
VSTECS Holdings Limited (“ <b>VSTECS Holdings</b> ”) <sup>(1)</sup>  <i>Listed on HKEX</i>	The group distributes various IT products in North Asia and South East Asia.  VSTECS Holdings is deemed interested in approximately 45.6% of issued share capital of VSTECS.

**Source:** Bloomberg, SGX, Bursa, HKEX, SET and the respective company’s website.

**Notes:**

- (1) Despite the relationship between SIS Distribution and SIS International as well as VSTECS and VSTECS Holdings, they are included in the Selected Comparable Companies as each entity serves different geographical segments.



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The following tabulates the salient ratios for comparative financial performance and position for the Selected Comparable Companies and the Group:

Selected Comparable Companies <sup>(1)</sup>	LTM ROE (%) <sup>(2)</sup>	LTM net profit margin (%) <sup>(3)</sup>	LTM asset turnover (times) <sup>(4)</sup>	Total liabilities <sup>(5)</sup> /shareholder equity <sup>(6)</sup> (times)	Total borrowings <sup>(7)</sup> /shareholder equity <sup>(6)</sup> (times)
Serial Achieva	n.m. <sup>(8)</sup>	n.m. <sup>(8)</sup>	1.7	9.4	1.4
SIS Distribution	16.8	2.5	2.6	1.6	0.6
SIS International	3.9	1.5	1.1	1.2	0.8
Synnex	14.4	1.5	2.7	2.4	1.4
VSTECS	14.2	2.5	3.5	0.7	0.01
VSTECS Holdings	12.2	1.2	2.3	3.4	1.1
<b>MAXIMUM</b>	<b>16.8</b>	<b>2.5</b>	<b>3.5</b>	<b>9.4</b>	<b>1.4</b>
<b>MINIMUM</b>	<b>3.9</b>	<b>1.2</b>	<b>1.1</b>	<b>0.7</b>	<b>0.01</b>
<b>MEDIAN</b>	<b>14.2</b>	<b>1.5</b>	<b>2.5</b>	<b>2.0</b>	<b>1.0</b>
<b>SIMPLE AVERAGE</b>	<b>12.3</b>	<b>1.8</b>	<b>2.3</b>	<b>3.1</b>	<b>0.9</b>
<b>The Group</b>	<b>8.4</b>	<b>2.1</b>	<b>2.3</b>	<b>0.8</b>	<b>0.05</b>

**Source:** The latest annual reports and the announced unaudited financial statements of the respective companies.

**Notes:**

- (1) Figures and computations presented in this section are subjected to rounding. Where applicable, figures have been translated into S\$ based on the applicable exchange rate as at the Latest Practicable Date.
- (2) The last twelve months ("LTM") return on equity ("ROE") is based on the ratio of the most recent twelve months consolidated net profits after tax attributable to the equity holders to the consolidated shareholders' equity for equity holders excluding minority interest of the respective companies.
- (3) LTM net profit margin is the ratio of the most recent twelve months consolidated net profits after tax attributable to equity holders to the most recent twelve months total consolidated revenue of the respective companies.
- (4) LTM asset turnover is the ratio of the most recent twelve months total consolidated revenue to the total consolidated assets of the respective companies.
- (5) Total liabilities include, inter alia, all the consolidated liabilities of the respective companies but exclude any contingent liabilities, if any.
- (6) Shareholders' equity is the consolidated shareholders' funds excluding minority interest of the respective companies.
- (7) Total borrowings include all consolidated bank loans and borrowings as well as hire purchase obligations and interest bearing debts, where applicable.
- (8) Serial Achieva incurred a loss after tax attributable to owners for the financial year ended 31 December 2024. Hence, Serial Achieva's LTM ROE and LTM net profit margin figures were negative and not meaningful.

For illustrative purposes only, we note the following:-

- (i) The Group's LTM ROE margin is within the range, but lower than both the median and the simple average for the Selected Comparable Companies.
- (ii) The Group's LTM net profit margin is within the range, and higher than both the median and the simple average for the Selected Comparable Companies.
- (iii) The Group's LTM asset turnover ratio of approximately 2.3 times is within the range, slightly lower than the median and in line with the simple average for the Selected Comparable Companies.
- (iv) The Group's ratio of total liabilities to shareholders' equity of approximately 0.8 times is within the range, lower than both the median and simple average for the Selected Comparable Companies.

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- (v) The Group's ratio of total borrowings to shareholders' equity of approximately 0.05 times is within the range, and lower than both the median and the simple average for the Selected Comparable Companies.

In summary, whilst the Group's financial performance in terms of LTM ROE is less favourable than both the median and the simple average, it is still within the range of the Selected Comparable Companies. In addition, the Group's financial performance in terms of LTM net profit margin and LTM asset turnover are generally better off than or fairly comparable to the median and the simple average for the Selected Comparable Companies. Furthermore, the Group's financial position (in terms of its ratio of total liabilities to shareholders equity, and ratio of total borrowings to shareholders' equity) appears to be more favourable than the Selected Comparable Companies. It reflects that less leverage was used to, *inter alia*, finance their working capital and operations.

The following valuation statistics for the Selected Comparable Companies are based on their respective closing prices as at the Latest Practicable Date, while those for the Group are based on the Offer Price. All the valuation statistics of the Selected Comparable Companies are computed on a historical basis using financial data and information obtained from public sources, or their latest publicly available unaudited financial statements or audited financial statements from their annual reports or result announcements, as the case may be.

The following table tabulates the comparative valuation statistics for the Selected Comparable Companies and the Group and should be evaluated in the context of their relative financial performance and position.

Selected Comparable Companies <sup>(1)</sup>	Market Capitalisation (S\$ million)	LTM EV/EBITDA <sup>(2)</sup> (times)	LTM PER <sup>(3)</sup> (times)	P/NAV <sup>(4)</sup> (times)	P/NTA <sup>(5)</sup> (times)	LTM P/Revenue <sup>(6)</sup> (times)
Serial Achieva	25.5	n.m. <sup>(7)</sup>	n.m. <sup>(7)</sup>	4.5	4.5	0.2
SIS Distribution	291.1	8.3	10.2	1.7	1.7	0.3
SIS International	80.2	7.2	3.6	0.1	0.1	0.1
Synnex	357.1	15.3	13.7	2.0	2.0	0.2
VSTECS	341.7	9.8	15.2	2.2	2.2	0.4
VSTECS Holdings	1,544.5	8.3	9.0	1.1	1.1	0.1
<b>MAXIMUM</b>	<b>1,544.5</b>	<b>15.3</b>	<b>15.2</b>	<b>4.5</b>	<b>4.5</b>	<b>0.4</b>
<b>MINIMUM</b>	<b>25.5</b>	<b>7.2</b>	<b>3.6</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>
<b>MEDIAN (excl. outlier)<sup>(8)</sup></b>	<b>291.1</b>	<b>8.3</b>	<b>10.2</b>	<b>1.8</b>	<b>1.9</b>	<b>0.2</b>
<b>SIMPLE AVERAGE (excl. outlier)<sup>(8)</sup></b>	<b>219.1</b>	<b>8.4</b>	<b>10.3</b>	<b>1.7</b>	<b>1.7</b>	<b>0.2</b>
<b>The Group (as implied by the Offer Price)</b>	<b>65.0</b>	<b>7.6</b>	<b>16.2</b>	<b>1.4</b>	<b>1.4</b>	<b>0.3</b>

**Source:** The latest annual reports and the announced unaudited financial statements of the respective companies.

**Notes:**

- (1) Figures and computations presented in this section are subjected to rounding.
- (2) The LTM EV/EBITDA ratios for the Selected Comparable Companies are based on the most recent twelve months EBITDA as reported by the respective companies.
- (3) The LTM PER ratios for the Selected Comparable Companies are based on the most recent twelve months earnings after tax as reported by the respective companies.
- (4) The P/NAV ratios for the Selected Comparable Companies are based on their respective NAV values as set out in their latest available announced audited or unaudited financial statements.
- (5) The P/NTA ratios for the Selected Comparable Companies are based on their respective NTA values as set out in their latest available announced audited or unaudited financial statements.
- (6) The P/Revenue ratios for the Selected Comparable Companies are based on the most recent twelve months revenue as reported by the respective companies.

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- (7) *Serial Achieva incurred negative EBITDA and loss after tax attributable to owners for the financial year ended 31 December 2024. Hence, Serial Achieva's EV/EBITDA and PER ratios were negative and not meaningful.*
- (8) *The outliers include VSTECS Holdings (market capitalisation), Synnex (EV/EBITDA), Serial Achieva (P/NAV, P/NTA), and SIS International (P/NAV, P/NTA).*

For illustrative purposes only, we note:

- (i) The market capitalisation of the Group as implied by the Offer Price is lower than any of the Selected Comparable Companies (save for Serial Achieva). We note that the trading statistics for companies with higher market capitalisation may be different than those with lower market capitalisation, and this may be attributable to the relative liquidity in terms of number or value of shares traded as well as relative interest in the shares of companies with larger market capitalisation.
- (ii) The valuation of the Group in terms of LTM EV/EBITDA is within the range, but lower than both the median and the simple average for the Selected Comparable Companies (wherein outliers are excluded).
- (iii) The valuation of the Group in terms of LTM PER is higher than any of the Selected Comparable Companies.
- (iv) The valuation of the Group in terms of both the P/NAV and P/NTA ratios (as implied by both the Offer Price, NAV and/or NTA per Share as at 31 March 2025) are within the range, but lower than both the median and the simple average of the Selected Comparable Companies (wherein outliers are excluded).
- (v) The valuation of the Group in terms of LTM P/Revenue is within the range, and higher than both the median and the simple average for the Selected Comparable Companies.

In summary, the valuation of the Group (as implied by the Offer Price) appears to be fairly comparable in terms of LTM EV/EBITDA, LTM PER, P/NAV, P/NTA, and LTM P/Revenue after taking into account, *inter alia*, (a) the Group's financial performance in terms of LTM ROE being less favourable than both the median and the simple average for the Selected Comparable Companies; (b) the market capitalisation of the Group as implied by the Offer Price being lower than any of the Selected Comparable Companies (save for Serial Achieva); (c) the Group's downward trend of weaker financial performance for FY2025 as compared to FY2024 and FY2023 in terms of, *inter alia*, revenue and net profit attributable to owners of the Company; (d) the declining gross profit, operating profit, profit before tax and after tax margins for the Group in general in FY2025 from FY2023; and (e) the Group relied less on leverage (both debt and equity) as compared to the Selected Comparable Companies, this may have resulted in its relatively lower ROE and EV/EBITDA.

### Estimated Value of the Shares

We have evaluated various factors, and considered among others, the historical market prices of the Shares, as well as earnings-based ratios (such as LTM PER and LTM EV/EBITDA ratios), LTM P/Revenue ratio and asset-based ratios (such as P/NAV and P/NTA ratios) of the Company and the Selected Comparable Companies. Given the core business of the Group and the fact that the Group does not rely on its fixed assets and uses minimal external debt to generate revenue, we have focused on the LTM PER and LTM P/Revenue multiples for the purpose of estimating a range of values of the Shares (the "**Estimated Value**").

In the derivation of the Estimated Value of the Shares, we have used the Group's earnings after tax attributable to the owners of the Company, and revenue for FY2025, and applied the median of LTM PER, and LTM P/Revenue multiples for the Selected Comparable Companies and a control premium (after considering the aggregate shareholding of the Offeror and its Concert Parties as well as the Undertaking Shareholders and taking the simple average for the premia above the relevant market prices (for periods commencing from 12 months prior to the announcement date) payable for the Selected Successful Privatisations.

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The range of Estimated Values per Share based on the methods above are between approximately S\$0.4920 to S\$0.5314 per Share. Accordingly, the Offer Price is higher than the range of the Estimated Values per Share.

It should be noted that the range of Estimated Values per Share implies P/NAV multiple of between 1.1 times to 1.2 times, and these are within the range of the Selected Comparable Companies but slightly lower than implied P/NAV for privatisation of Challenger. In addition, the range of Estimated Values per Share implies EV/EBITDA multiple of between 5.4 times to 6.0 times, and these are lower than the minimum for the Selected Comparable Companies, and in line or higher than the implied EV/EBITDA for privatisation of Challenger. The Estimated Values per Share should be assessed in conjunction with the fact that (a) the Group's market capitalisation is lower than any of the Selected Comparable Companies (save for Serial Achieva); (b) differences in the capital structure between the Group and the Selected Comparable Companies – as mentioned in Sections 7.1 and 7.2 of the IFA Letter, the Group was in net cash position of approximately S\$18.8 million as at the end of FY2025 and that the Group's ratio of total borrowings to shareholders' equity is lower than any of the Selected Comparable Companies (save for VSTECS); and (c) the relative premia of the Estimated Values per Share being higher than historically transacted prices for Shares as compared to Selected Successful Privatisations.

Independent Directors are advised to review the Offer Price and the comparison of the Group's valuation ratios with the Selected Comparable Companies in conjunction with the facts that (a) the trading statistics for the shares of the Selected Comparable Companies are based on transactions which do not result in an acquisition of control whilst for the Offer, the Offeror's intention is to privatise the Company; and (b) the Offer Price represents substantial premium over the historical prices for the Shares and factually the Offer Price is at a premium of approximately 19.4% over the highest transacted price for the Shares for the 10 year period prior to the Latest Trading Day (see Section 7.3 of this Letter).

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### 8. OTHER CONSIDERATIONS IN RELATION TO THE OFFER

The following factors should also be considered together with the other comments and issues raised in this Letter and the contents of the Circular.

#### 8.1 EXISTING SHAREHOLDING STRUCTURE OF THE COMPANY

	Existing Shareholdings					
	Direct interests	% <sup>(1)</sup>	Deemed interests	% <sup>(1)</sup>	Total interests	% <sup>(1)</sup>
<b>Offeror and Undertaking Shareholders</b>						
Offeror <sup>(2)</sup>	-	0.00	-	0.00	-	0.00
Undertaking Shareholders <sup>(3)</sup>	30,318,400	28.13	-	0.00	30,318,400	28.13
<b>Directors (other than the Offeror and the Undertaking Shareholders)<sup>(3)</sup></b>						
Neo Gim Kiong	3,094,100	2.87	-	0.00	3,094,100	2.87
Doreen Ng Mei Ling	-	0.00	-	0.00	-	0.00
Mark Chim Suan Kit	-	0.00	-	0.00	-	0.00
<b>Substantial Shareholders (other than the Offeror and Undertaking Shareholders)</b>	33,978,000	31.52	-	0.00	33,978,000	31.52
<b>Public Shareholders</b>	<b>40,406,200</b>	<b>37.48</b>	<b>-</b>	<b>0.00</b>	<b>-</b>	<b>0.00</b>
<b>Total</b>	<b>107,796,700</b>	<b>100.00</b>				

**Notes:**

- (1) Computed based on the Company's issued Share capital comprising 107,796,700 Shares (excluding 8,703,300 treasury Shares and 681,818 returned Shares) as at the Latest Practicable Date.
- (2) The Offeror has received irrevocable undertakings from the Undertaking Shareholders to, inter alia, accept the Offer.
- (3) Details of the Directors including, inter alia, the Directors' direct and deemed interests in the Shares as at the Latest Practicable Date are set out in Appendix II to the Circular. Please refer to, inter alia, Section 5 of the Offer Document for details of the Undertaking Shareholders.

As disclosed in the Offer Document, as at 14 May 2025 (being the latest practicable date of the Offer Document), the Offeror does not own any Shares of the Company and the Undertaking Shareholders hold an aggregate interest of 30,318,400 Shares, representing approximately 28.13% of the issued Share Capital (excluding treasury Shares and returned Shares) of the Company.

Subsequent to the Latest Practicable Date, the Offeror announced that as at 27 May 2025, the Offeror and its Concert Parties owned, controlled or have agreed to acquire (including by way of valid acceptances of the Offer) an aggregate of 54,864,700 Shares, representing approximately 50.90% of the total number of issued Shares. The acceptances include acceptance of the Offer by the Undertaking Shareholders pursuant to the Irrevocable Undertakings.

Accordingly, the Minimum Acceptance Condition of the Offer (as set out in Section 2.6 of the Offer Document) has been satisfied and the Offer has therefore become and is declared unconditional in all respects as of 27 May 2025.

We note that Mr Neo Gim Kiong, a Director of the Company, has indicated his intention to accept the Offer for all the Shares that he holds.

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### 8.2 DIVIDEND TRACK RECORD

For the purpose of assessing the Offer, we have considered the dividend track record of the Group against the Selected Comparable Companies and those from selected alternative investments.

Historical dividends paid and/or declared by the Group

Period	Net dividend per Share (S\$)	Net dividend Payout <sup>(1)</sup>	Implied net dividend yield (%) <sup>(2)</sup>
FY2025	0.018 <sup>(3)</sup>	48.5%	3.0%
FY2024	0.022	33.6%	3.6%
FY2023	0.025	48.0%	4.1%
FY2022	0.043	53.5%	7.0%
FY2021	0.025	40.5%	4.1%

**Notes:**

- (1) Based on, *inter alia*, the net dividend per Share divided by the consolidated basic earnings per Share as reported in the Company's annual reports for the respective financial years. The earnings per Share used for the purpose of the computation above have not been adjusted for the changes in the Group's accounting policies (if any) nor any exceptional one-off items over the years.
- (2) Based on the net dividend per Share divided by the Offer Price.
- (3) The final dividend of S\$0.013 per Share is subject to the Shareholders' approval to be obtained at the upcoming AGM.

We note that the Company has declared and/or paid dividends for FY2021, FY2022, FY2023, FY2024 and FY2025. It should be noted that the dividends paid has declined since FY2022.

We note from the Company's Annual Report for FY2024 that the Company's dividend policy seeks to balance the return to shareholders with the need for long-term sustainable growth, whilst aiming for an efficient capital structure. The Company strives to provide Shareholders on an annual basis with a consistent and sustainable ordinary dividend, with a variable special dividend based on, *inter alia*, cash position, working capital, expenditure and other investment plans.

We wish to highlight that the above is not an indication of the Company's future dividend policy, and there is no assurance that the Company will or will not pay dividends in future and/or maintain the level of dividends paid in past periods.

Investments in selected alternative investments

In evaluating the Offer, we have made comparison of dividend yields that may arise from investments in the Selected Comparable Companies and selected alternative equity investments and/or a broad market index instrument such as the STI Exchange Traded Fund ("STI ETF").

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For illustrative purposes only, the dividend yield for the selected alternative equity investments based on their ordinary cash dividends as declared for each of their most recent financial year are as follows:

Selected Comparable Companies	Financial Year End	Net Dividend Payout <sup>(1)</sup>	Net dividend Yield (%) <sup>(2)</sup>
SIS Distribution	31-Dec-24	56.3%	5.3%
VSTECS	31-Dec-24	38.9%	2.5%
Serial Achieva	31-Dec-24	n.m. <sup>(3)</sup>	n.m. <sup>(3)</sup>
SIS International	31-Dec-24	4.1%	1.1%
VSTECS Holdings	31-Dec-24	34.0%	3.9%
Synnex	31-Dec-24	48.6%	3.4%
<b>Maximum</b>		<b>56.3%</b>	<b>5.3%</b>
<b>Minimum</b>		<b>4.1%</b>	<b>1.1%</b>
<b>Median</b>		<b>38.9%</b>	<b>3.4%</b>
<b>Simple average</b>		<b>36.4%</b>	<b>3.2%</b>
STI ETF	30-Jun-24	54.5%	4.1%
The Group <sup>(4)</sup>	31-Mar-25	48.5%	3.0%

**Notes:**

- (1) Based on, *inter alia*, the net dividend per Share divided by the consolidated basic earnings per Share as reported in the Company's annual reports for the respective financial years. The earnings per Share used for the purpose of the computation above have not been adjusted for the changes in the Group's accounting policies (if any) nor any exceptional one-off items over the years.
- (2) Net dividend yield for each selected alternative equity investment is based on the net dividend per share divided by the closing market price for each share on the Latest Practicable Date (or where there is no trading on such date, the last available closing market price prior thereto). The aforementioned net dividend yield computed may differ from the actual dividend yield which will vary depending on the actual cost of investment paid by the individual investor.
- (3) n.m. denoted not meaningful as the respective Selected Comparable Companies did not declare no pay any dividends for the most recently completed financial year.
- (4) Subject to obtaining the relevant Shareholders' approval at the AGM.

We note that the Group's net dividend payout is within the range and higher than the median and the simple average for the Selected Comparable Companies. Whilst in terms of dividend yield, the Group's ratio is within the range and higher than the median and the simple average for the Selected Comparable Companies. The dividend yield of the Group for the most recent financial year is also less favourable as compared to the STI ETF.

The above analysis is based on the assumption that the Group, the Selected Comparable Companies, and the STI ETF maintain their respective net dividend per Share at the same level as that in their last financial year.

We wish to highlight that the above dividend analysis serves only as an illustrative guide and is not an indication of the future dividend policy for the Company or the Selected Comparable Companies or the STI ETF. Furthermore, an investment in the equity of the Selected Comparable Companies or the STI ETF also presents different risk-return profiles as compared to an investment in the Shares. Moreover, there is no assurance that, *inter alia*, the Group or any of the above selected alternative equity investments will continue to pay or not to pay any dividends in the future and/or maintain the level of dividends paid in past periods.

### 8.3 LISTING STATUS AND COMPULSORY ACQUISITION

The listing status and compulsory acquisition are set out in Section 10 of the Offer Document and have been extracted and reproduced in Section 6 of this Letter. Shareholders are advised to read Section 10 of the Offer Documents and Section 6 of this Letter carefully and in its entirety.

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### **8.4 RATIONALE FOR THE OFFER AND OFFEROR'S INTENTION FOR THE COMPANY**

The rationale for the Offer is set out in Section 8 of the Offer Document and has been extracted and reproduced in Section 6 of this Letter. Shareholders are advised to read Section 8 of the Offer Document carefully and in its entirety.

As set out in Section 9 of the Offer Document, the Offeror intends for the Company to continue with its existing activities and has no current intention to (a) introduce any major changes to the existing business of the Company, (b) redeploy the fixed assets of the Company, or (c) discontinue the employment of the employees of the Company or its subsidiaries, other than in the ordinary course of business. However, the Offeror shall retain and reserve the flexibility at any time, and from time to time, to consider any options or opportunities in relation to the Company which may present themselves and which the Offeror regards to be in the interests of the Offeror and/or the Company. Following the successful close of the Offer, the Offeror will undertake a comprehensive review of the businesses and fixed assets of the Company to determine the optimal strategy for the Company.

### **8.5 NO FUND RAISING**

The Company has not carried out any other fund raising in the form of rights issue or placements since they were listed on the Mainboard of the SGX-ST on 23 June 2005 and has mostly relied on borrowings from banks and its internal resources to fund, *inter alia*, its general working capital purposes.

### **8.6 TRANSACTION COSTS IN CONNECTION WITH THE DISPOSAL OF THE SHARES**

The Offer presents an opportunity for Shareholders to dispose their Shares for cash without incurring any transaction costs as opposed to the sale of the Shares in the open market which will incur expenses such as brokerage commission and other trading costs.

### **8.7 ALTERNATIVE OFFERS FROM THIRD PARTIES**

We note that the likelihood of an alternative take-over is remote in view that as at 27 May 2025, the Offeror and its Concert Parties owned, controlled or have agreed to acquire (including by way of valid acceptances of the Offer) an aggregate of 54,864,700 Shares, representing approximately 50.90% of the total number of issued Shares.

Under such circumstances, any competing offer for Shares is unlikely to be forthcoming without the support of the Offeror and its Concert Parties in view of its majority control. Thus, the possibility of an alternative offer from parties other than the Offeror and its Concert Parties will be significantly reduced.

As at the Latest Practicable Date, there is no publicly available evidence of an alternative take-over offer for the Shares of the Company from any third party. The Directors have confirmed that, as at the Latest Practicable Date, save for the Offer made by the Offeror, no alternative offer from any third party has been received.

### **8.8 THE OFFER IS UNCONDITIONAL IN ALL RESPECTS**

Subsequent to the Latest Practicable Date, the Offeror announced that the Minimum Acceptance Condition of the Offer has been satisfied, and the Offer has therefore become and is declared unconditional in all respects as of 27 May 2025.

### **8.9 NO REVISION OF OFFER PRICE**

The Offer Price is final and the Offeror does not intend to revise the Offer Price, save that the Offeror reserves the right to do so if a competitive situation arises.



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**8.10 CONTROL OVER THE COMPANY**

Subsequent to the Latest Practicable Date, the Offeror and its Concert Parties already have statutory control of the Company, which places the Offeror in a position to significantly influence, *inter alia*, the management, operating and financial policies of the Company and ability to pass all ordinary resolutions on matters in which the Offeror and its Concert Parties do not have an interest, at general meetings of Shareholders.

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### 9. OPINION

In arriving at our recommendation, we have reviewed and examined all factors set out in Sections 7 and 8 of this Letter as well as others elaborated elsewhere in this Letter which we have considered to be pertinent in our assessment of the Offer, including, *inter alia*, the views of and representations by the Directors.

Our recommendation or opinion is by no means an indication of the merits, prospects, financial performance and position of the Company or the Group after the completion or lapse of the Offer, or whether the Company or the Group can improve their financial position and performance, and cash flow or whether the Company or the Group can continue to operate as a going concern or the ability to meet its liabilities when due or the prices at which the Shares would trade after the completion or lapse of the Offer.

Shareholders are advised to read this Letter carefully and in its entirety. Our views, recommendation and opinion are necessarily limited and subject to the matters stated in this IFA Letter. The following should be read in conjunction with, and in the context of, the full text of this IFA Letter.

In summary, having regard to our analysis and the considerations in this Letter (including, *inter alia*, its limitation and constraints) and after having considered carefully the information available to us and based on market, economic and other relevant considerations prevailing as at the Latest Practicable Date, and subject to our terms of reference, as well as the representations and confirmations from the Directors, we are of the opinion that, in the absence of an alternative offer, the financial terms of the Offer is, on balance, **FAIR** and **REASONABLE**.

For the purposes of evaluation of the Offer from a financial point of view, we have adopted the approach that the term “fair and reasonable” comprises two distinct concepts:

- (i) Whether the Offer is “fair” relates to the value of the offer price which is based strictly on the evaluation of the Offer Price (i.e. by, *inter alia*, looking at the financial or fundamental analyses of the Offer Price as set out in this Letter and based on information known to us or which is publicly available).
- (ii) Whether the Offer is “reasonable”, after taking into consideration the actual and potential financial impact of other circumstances surrounding the Offer and the Company or the Group which we consider relevant (being both quantitative and qualitative factors available and made known to us).

We consider the financial terms of the Offer, on balance to be **FAIR and REASONABLE** from a financial point of view after considering, *inter alia*, the following factors which are significant for the Offer: -

- (i) Substantial premia in general as implied by the Offer Price over the historical prices for the Shares prior to the Last Trading Day considering, *inter alia*: (a) the implied premium of approximately 60.8% over the last transacted price for the Shares on the Last Trading Day prior to the Offer Announcement; (b) the implied premia of approximately 72.6%, 75.5%, 73.4%, 69.3%, and 63.9% over the VWAP for the Shares for the 24-month, 12-month, 6-month, 3-month and 1-month periods prior to the Last Trading Day respectively; and (c) the implied premia of approximately 48.9% and 19.4% over the highest transacted prices for the Shares for the 24-month, and 10-year periods prior to the Last Trading Day respectively. The implied premia over the last transacted price for the Shares on the Last Trading Day prior to the Offer Announcement and the historical prices for the Shares for the 12-month, 6-month, 3-month, and 1-month periods prior to the Last Trading Day appears to be within the range and significantly more favourable than both the median and the simple average premia for the Selected Successful Privatisations.
- (ii) The Group’s financial performance for FY2025 as compared to FY2023 had trended downwards in terms of revenue, gross profit and net profit attributable to owners of the Company. The gross profit, operating profit, profit before and after tax margins for the Group in general over the said periods had also declined.

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## APPENDIX I – LETTER FROM ASIAN CORPORATE ADVISORS PTE. LTD. IN RESPECT OF THE OFFER

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- (iii) Notwithstanding the decline of the financial performance, and the uncertainties in geopolitical conditions, as well as challenging business conditions in the markets which the Group operates in (as described in the recent results announcement), the Offer Price represents an implied premium of approximately 19.4% over the highest transacted price for the Shares for the 10-year period prior to the Last Trading Day.
- (iv) The Offer Price represents a premium of approximately 36.7% over the Group's NAV and/or NTA per Share as at 31 March 2025. In addition, the Offer Price as adjusted for the Group's Net Cash per Share or the Adjusted Offer Price, represents a premium of approximately 60.7% over the Group's Ex-cash NAV and/or Ex-cash NTA per Share.
- (v) Favourable comparison against the Selected Successful Privatisations in terms of both the premia over historical prices for the Shares, and the valuation of the Group in terms of P/NAV ratio (as implied by the Offer Price and the NAV per Share as at 31 March 2025) after taking into account the shareholdings of the Offeror and its Concert Parties as well as the Undertaking Shareholders as set out in the Offer Document, which is within the range, but significantly lower than the median and the simple average for the percentage of shareholding interest for each of the offeror and parties acting in concert (including the undertaking shareholders) as at the start for the Selected Successful Privatisations.
- (vi) Favourable or fair comparison against the privatisation of Challenger in terms of premia over historical prices for the Shares as well as the implied EV/EBITDA and P/NAV ratios.
- (vii) Generally fair comparison against the valuation of the Selected Comparable Companies (excluding outliers) in terms of LTM EV/EBITDA, LTM PER, P/NAV, P/NTA, and LTM P/Revenue after taking into account, *inter alia*: (a) the Group's financial performance in terms of LTM ROE which is significantly less favourable when compared to both the median and the simple average for the Selected Comparable Companies; (b) the market capitalisation of the Group as implied by the Offer Price which is significantly much lower than any of the Selected Comparable Companies (save for Serial Achieva); (c) the Group's declining financial performance over the last three financial years from FY2023 to FY2025 in terms of revenue, gross profit, and net profit attributable to owners of the Company, as well as declining gross profit, operating profit, profit before tax and after tax margins for the Group over the said periods; and (e) the difference in the Group's capital structure *vis-à-vis* the Selected Comparable Companies.
- (viii) The Offer Price is higher than the range of the Estimated Values per Share.
- (ix) Low liquidity for the Shares (in terms of average daily trading volume and frequency of trading) prior to the Offer Announcement.
- (x) Directors' confirmation that (a) no other third party has approached the Company with an intention to make an offer for the Company; and (b) apart from the Offer, no other third party has made a firm offer for the Company as at the Latest Practicable Date.
- (xi) The Company has not carried out any other fund raising in the form of rights issue or placements since they were listed on the Mainboard of the SGX-ST in 23 June 2005 and has mostly relied on borrowings from banks and its internal resources to fund, *inter alia*, its general working capital purposes.
- (xii) The rationale for the Offer as set out in Section 8 of the Offer Document.

### **ACA's Recommendation on the Offer**

Based on our assessment of the financial terms of the Offer as set out above, we advise the Independent Directors that they should recommend Shareholders to **ACCEPT** the Offer. In addition, the Offer represents a realistic opportunity for Shareholders to realise their entire investment in cash taking into account, *inter alia*, the low liquidity for the Shares (in terms of daily average trading

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## APPENDIX I – LETTER FROM ASIAN CORPORATE ADVISORS PTE. LTD. IN RESPECT OF THE OFFER

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volume and frequency of trading) prior to the Offer Announcement.

While the transacted prices for the Shares subsequent to the Offer Announcement Date may have been underpinned by the Offer and the trading for the Shares on a daily basis may have (in general) increased after the Offer Announcement Date to the Latest Practicable Date (as compared to the 12-month period prior to the Last Trading Day), there is no assurance that the trend of trading activities for the Shares will be maintained at such levels or that the transacted prices for the Shares will be maintained after the closing of the Offer.

In the event that Shareholders are concerned about the liquidity and the prices at which they can realise their investments in the Offer Shares (including whether they can realise their investments at prices higher than the Offer Price after deducting related expenses), acceptance of the Offer will provide certainty of exit at the Offer Price (with no related expenses).

However, in the event that Shareholders are able to dispose the Offer Shares in the open market and realise their investments at prices higher than the Offer Price after deducting related expenses and taking into account the final dividend for FY2025 (where applicable), they should consider selling the Offer Shares in the open market. It should be noted that for the period commencing on the Market Day immediately after the Offer Announcement Date to the Latest Practicable Date, the transacted prices for the Shares have always been slightly lower than the Offer Price. The Offer Price represents a small premium of approximately 0.5% over the last transacted price of S\$0.600 per Share on the SGX-ST on the Latest Practicable Date.

### **Matters to highlight**

We would also wish to highlight the following matters which may affect the decisions or actions of Shareholders:

1. If the Shareholders are considering selling their Offer Shares in the open market, they should be aware that the current market prices and trading volumes for the Shares may have been affected by the Offer and may not be maintained at current levels when the Offer closes. In addition, opportunities to realise the Offer Shares in the open market may be restricted or limited by the lack of liquidity for the Shares (as observed during the historical periods under review, being 2 May 2023 to the Last Trading Day).
2. Subsequent to the Latest Practicable Date, the Offer has been declared unconditional in all respects. The Offer Price of S\$0.6029 for each Offer Share is final and the Offeror does not intend to increase the Offer Price, save that the Offeror reserves the right to revise the terms of the Offer in accordance with the Code if a competitive situation arises.
3. Whilst the possibility of a higher offer from a third party cannot be ruled out, as at the Latest Practicable Date, we are not aware of any publicly available evidence of an alternative offer for the Shares. Shareholders should note that the likelihood of an alternative takeover is remote in view that as at 27 May 2025, the Offeror and its Concert Parties owned, controlled or have agreed to acquire (including by way of valid acceptances of the Offer) an aggregate of 54,864,700 Shares, representing approximately 50.90% of the total number of issued Shares. Save for the Irrevocable Undertakings, the Offeror and its Concert Parties did not receive any irrevocable commitment or undertaking from any party to accept or reject the Offer.
4. Given the low liquidity of the Shares (in terms of number of Shares traded on daily basis and the frequency of trading in terms of number of Trading Days) during the 24-month period up to and including the Last Trading Day, the Offer may represent a realistic exit opportunity for the Shareholders to realise their entire investment for cash, and that the Offer Price is at a substantial premium above market prices of Shares for 24-month, 12-month, 6-month, 3-month, and 1-month periods prior to Last Trading Day. In the absence of the Offer, such an exit for all Shareholders other than the Offeror and its Concert Parties may not be readily available due to the low trading liquidity for the Shares. Based on the average daily trading volume of 31,692 Shares for 24-month period prior to the Last Trading Day, it would take approximately 1,275 Market Days or close to 5.1 years (based on 250 Market Days per year) for the public Shareholders to be able to sell off their approximately 40.4 million Shares in the market.

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5. The Offeror is making the Offer with a view to delist or privatise the Company from the SGX-ST and if entitled to under the Companies Act, the Offeror intends to compulsorily acquire all the Offer Shares.
6. The Offeror does not intend to maintain the listing status of the Company. In the event that, *inter alia*, the trading of Shares on the SGX-ST is suspended pursuant to Rule 724, Rule 1105 or Rule 1303(1) of the Listing Manual, the Offeror has no intention to undertake or support any action for any such trading suspension by the SGX-ST to be lifted.
7. The Directors confirmed that, to the best of their knowledge, as at the Latest Practicable Date and save for matters disclosed in the Circular, this Letter, the Group's unaudited financial statements for FY2025, and the Company's announcements on the SGXNET, there has been no material changes to the Group's assets and liabilities, financial position, condition and performance.
8. Our scope does not require us and we have not made any independent evaluation or appraisal of the Group's assets and liabilities (including without limitation, property, plant and equipment, right of use assets, and investments in convertible notes) or contracts entered or are about to be entered by the Company or the Group, and we have not been furnished with any such evaluation and appraisal in respect of assets and liabilities (if any) held or contracts entered or are about to be entered into by the Group.

With respect to such valuation, we are not experts in the evaluation or appraisal of assets and liabilities (including without limitation, property, plant and equipment, right of use assets, and investments in convertible notes) including, *inter alia*, the contracts or agreements that the Group has embarked upon or are about to embark upon (where applicable) and have relied on the opinion of the Directors and the financial statements (audited and unaudited), where applicable for the assessment.

### **Limitations**

It should also be noted that trading of the Shares is subject to possible market fluctuations and accordingly, our advice on the Offer does not and cannot take into account the future trading activities or patterns or price levels that may be established for the Shares since these are governed by factors beyond the ambit of our review, and also such advice, if given, would not fall within our terms of reference in connection with the Offer.

For our opinion and recommendation, we have not had regard to the general or specific investment objectives, financial situation, tax position, risk profiles or unique needs and constraints or plans of any individual Shareholder, or group of Shareholders. As different Shareholders or groups of Shareholders would have different investment profiles and objectives, we would advise Independent Directors to recommend that any individual Shareholder or group of Shareholders who may require advice in the context of his specific investment portfolio, including his investment in the Company, should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately with respect to the Offer.

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**APPENDIX I – LETTER FROM ASIAN CORPORATE ADVISORS PTE. LTD.  
IN RESPECT OF THE OFFER**

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**10. ACTION TO BE TAKEN BY SHAREHOLDERS**

Shareholders who wish to accept the Offer must do so not later than **5.30 p.m. on 2 July 2025** or such later date(s) as may be announced from time to time by or on behalf of the Offeror (the “**Closing Date**”), abiding by the procedures for the acceptance of the Offer as set out in Appendix 2 of the Offer Document and in the accompanying FAA and/or FAT, which have been disseminated electronically.

Shareholders who do not wish to accept the Offer need not take any further action in respect of the Offer Document (including the Acceptance Forms) which have been sent to them.

This Letter is addressed to the Independent Directors in connection with and for the sole purpose of their evaluation of the financial terms of the Offer. Whilst a copy of this Letter may be included in the Circular, neither the Company nor the Directors nor the Shareholders nor any third parties, may reproduce, disseminate or quote this Letter (or any part thereof) for any other purpose, save in connection with the Circular, at any time and in any manner without the prior written consent of ACA in each specific case. This opinion is governed by, and construed in accordance with, the laws of Singapore, and is strictly limited to the matters and the scope of our appointment stated herein and does not apply by implication to any other matter. Save as disclosed, nothing herein shall confer or be deemed or is intended to confer any right of benefit to any third party and the Contracts (Rights of Third Parties) Act 2021, Chapter 53B of Singapore and any re-enactment thereof shall not apply.

The recommendations made by the Independent Directors to Shareholders in relation to the Offer and the issue of the Circular (as well as any information therein) shall remain the sole responsibility of the Independent Directors and the Directors respectively.

Yours faithfully,

For and on behalf of

ASIAN CORPORATE ADVISORS PTE. LTD.

H.K. LIAU  
MANAGING DIRECTOR

FOO QUEE YIN  
MANAGING DIRECTOR

## APPENDIX II – ADDITIONAL GENERAL INFORMATION ON THE COMPANY

### 1. DIRECTORS

The names, addresses and designations of the directors of the Company as at the Latest Practicable Date are as follows:

Name	Address	Designation in the Company
Mr Mark Chim Suan Kit	c/o 150 Ubi Avenue 4, #04-01, Ubi Biz Hub, Singapore 408825	Chairman and Independent Non-Executive Director
Mr Ronald Teng Woo Boon	c/o 150 Ubi Avenue 4, #04-01, Ubi Biz Hub, Singapore 408825	Managing Director
Ms Doreen Ng Mei Ling	c/o 150 Ubi Avenue 4, #04-01, Ubi Biz Hub, Singapore 408825	Independent Non-Executive Director
Mr Neo Gim Kiong	c/o 150 Ubi Avenue 4, #04-01, Ubi Biz Hub, Singapore 408825	Non-Independent Non-Executive Director

### 2. PRINCIPAL ACTIVITIES

The Company was incorporated under the laws of Singapore on 18 June 1993 and its shares have been quoted and listed on the Main Board of the SGX-ST since 23 June 2005.

The Group is principally engaged in the distribution of a wide range of technology products. The Group's key segments include:

- (a) IT Accessories – Computer systems, do-it-yourself components, mobile, wearable and power-related products;
- (b) Gaming – Gaming peripherals and systems;
- (c) Multimedia – Audio-Video products such as speakers, earphones, and monitors; and
- (d) Smart (Internet of Things) Technology – Networking, smart home, and tracking products.
- (e) Commercial Products – Large format displays, unified communication, video conferencing solutions, software, and computing systems for business to business clients.

### 3. SHARE CAPITAL

#### 3.1. Authorised and issued share capital of the Company

The Company has only one class of shares, being ordinary shares, all fully-paid or credited as fully-paid, with equal ranking rights to dividend, voting at general meetings and return of capital. As at the Latest Practicable Date, the issued and paid-up share capital of the Company is S\$11,173,105.96, comprising 107,796,700 Ordinary Shares (excluding 8,703,300 treasury shares and 681,818 returned shares).

Pursuant to the Companies (Amendments) Act 2005, companies incorporated in Singapore no longer have an authorised share capital and there is no concept of par value in respect of issued shares.

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## APPENDIX II – ADDITIONAL GENERAL INFORMATION ON THE COMPANY

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There is no restriction in the Constitution on the right to transfer any Shares, which has the effect of requiring the holders of Offer Shares, before transferring them, to offer them for purchase to members of the Company or to any other person.

Since the end of FY2025 and up to the Latest Practicable Date, the Company has not issued any new Shares nor has there been any alteration in the share capital of the Company.

### 3.2. Convertible securities

As at the Latest Practicable Date, the Company does not have any outstanding options, derivatives, warrants or other securities which are convertible or exchangeable into Shares or confer any rights to the holder(s) thereof to subscribe for, convert or exchange into Shares, and the Company has not entered into any agreement for the issue of such options, derivatives, warrants or other securities which are convertible or exchangeable into Shares or confer any rights to the holder(s) thereof to subscribe for, convert or exchange into Shares.

### 3.3. Rights of Shareholders in respect of capital, dividends and voting

The rights of Shareholders in respect of capital, dividends and voting 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 have been reproduced in **Appendix III** to this Circular.

## 4. SUMMARY OF FINANCIAL INFORMATION

### 4.1. Consolidated statements of comprehensive income

A summary of the audited consolidated statements of comprehensive income of the Group for FY2022, FY2023 and FY2024 and the unaudited consolidated statement of comprehensive income of the Group for FY2025 is set out in **Appendix IV** to this Circular.

### 4.2. Consolidated statements of financial position

A summary of the audited consolidated statements of financial position of the Group as at 31 March 2024 and 31 March 2023 are set out in **Appendix IV** to this Circular.

### 4.3. Material changes in financial position

As at the Latest Practicable Date, save as disclosed in this Circular and in publicly available information on the Company (including, without limitation, announcements released on SGXNET such as the FY2025 Results), there has not been, within the knowledge of the Company, any material change in the financial position or prospects of the Company since 31 March 2024, being the date on which the last published audited consolidated financial statements of the Group were made up.

### 4.4. Significant accounting policies

The summary of significant accounting policies of the Group are disclosed in Note 2 to the audited consolidated financial statements of the Group for FY2024 as set out in the Group's annual report for FY2024.

Save as disclosed in this Circular and save for information on the Group which is publicly available (including, without limitation, the audited consolidated financial statements of the Group for FY2022, FY2023 and FY2024, and the unaudited FY2025 Results), there were no significant accounting policies or any point from the notes of the accounts of the Group which are of major relevance for the interpretation of the accounts.



## APPENDIX II – ADDITIONAL GENERAL INFORMATION ON THE COMPANY

### 4.5. Changes in accounting policies

Save as disclosed in this Circular and in publicly available information of the Group, as at the Latest Practicable Date, there was no change in the accounting policies of the Group which will cause the figures disclosed in this Circular not to be comparable to a material extent.

## 5. DISCLOSURE OF INTERESTS UNDER THE CODE

### 5.1. Interests of the Company in shares of the Offeror

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries owns any shares, securities which carry voting rights, or convertible securities, warrants, options or derivatives in respect of shares or securities which carry voting rights (collectively, "**Relevant Securities**") of the Offeror, whether directly or indirectly.

### 5.2. Dealings in shares and Relevant Securities of the Offeror by the Company

Neither the Company nor any of its subsidiaries have dealt for value in the shares and Relevant Securities of the Offeror during the three (3) months prior to the date of the Offer Announcement and ending on the Latest Practicable Date ("**Relevant Period**").

### 5.3. Interests of Directors in shares and Relevant Securities of the Offeror

As at the Latest Practicable Date, none of the Directors has any direct or deemed interest in any of the shares or Relevant Securities of the Offeror.

### 5.4. Dealings in shares and Relevant Securities of the Offeror by the Directors

As at the Latest Practicable Date, none of the Directors has dealt for value in any of the shares or Relevant Securities of the Offeror during the Relevant Period.

### 5.5. Interests of Directors in Shares and Relevant Securities of the Company

As at the Latest Practicable Date, based on information available to the Company and save as disclosed below, none of the Directors has any direct or deemed interest in any of the Shares or Relevant Securities of the Company:

Directors	Direct Interest		Deemed Interest		Total	
	Number of Shares	% <sup>(1)</sup>	Number of Shares	% <sup>(1)</sup>	Number of Shares	% <sup>(1)</sup>
Mr Ronald Teng Woo Boon <sup>(3)</sup>	26,798,400	24.86	3,520,000 <sup>(2)</sup>	3.27	30,318,400	28.13
Mr Neo Gim Kiong	3,094,100	2.87	-	-	3,094,100	2.87
Mr Mark Chim Suan Kit	-	-	-	-	-	-
Ms Doreen Ng Mei Ling	-	-	-	-	-	-

#### Notes:

- (1) Based on 107,796,700 Shares (excluding 8,703,300 treasury shares and 681,818 returned Shares) as at the Latest Practicable Date.
- (2) Mr Ronald Teng Woo Boon is deemed interested in the Shares held by his spouse, Ms Teo Su Ching.
- (3) Mr Ronald Teng Woo Boon has executed an irrevocable undertaking in favour of the Offeror, pursuant to which he has undertaken to, *inter alia*, accept the Offer in respect of all Shares held or controlled by him. Accordingly, Mr Ronald Teng Woo Boon had accepted the Offer in respect of his Shares on 26 May 2025. Please refer to Section 2.4 of this Circular and Section 5.9 of Appendix II to this Circular for further details.

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## APPENDIX II – ADDITIONAL GENERAL INFORMATION ON THE COMPANY

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### 5.6. Dealings in Shares and Relevant Securities of the Company by the Directors

As at the Latest Practicable Date, save as disclosed in any information on the Group which is publicly available (including without limitation the dealings disclosures made by the Offeror, announcements, financial statements and annual reports released by the Company on SGXNET), none of the Directors has dealt for value in any of the Shares or Relevant Securities of the Company during the Relevant Period.

### 5.7. Interests of the IFA in Shares and Relevant Securities of the Company

As at the Latest Practicable Date, the IFA, its other related corporations and funds whose investments are managed by the IFA on a discretionary basis do not own or control any of the Shares or Relevant Securities of the Company as at the Latest Practicable Date.

### 5.8. Dealings in Shares and Relevant Securities of the Company by the IFA

Neither the IFA, its other related corporations and funds whose investments are managed by the IFA on a discretionary basis have dealt for value in the Shares or Relevant Securities of the Company during the Relevant Period.

### 5.9. Directors' Intentions

- (a) Mr Ronald Teng Woo Boon has executed an irrevocable undertaking in favour of the Offeror, pursuant to which he has undertaken to, *inter alia*, accept the Offer in respect of all Shares held or controlled by him. Accordingly, Mr Ronald Teng Woo Boon had accepted the Offer in respect of his Shares on 26 May 2025.
- (b) Mr Neo Gim Kiong intends to accept the Offer in respect of all the Shares held or controlled by him.

Save as disclosed above, none of the Directors has any other direct or deemed interest in the Shares.

## 6. ARRANGEMENTS WITH DIRECTORS

### 6.1. Directors' Service Contracts

As at the Latest Practicable Date, there are no service contracts between any of the Directors 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, and there are no such service contracts entered into or amended by the Company or any of its subsidiaries during the Relevant Period.

### 6.2. Arrangements Affecting Directors

As at the Latest Practicable Date:

- (a) it is not proposed that any payment or other benefit shall be made or given to any Director, or 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 Offer;
- (b) there are no agreements or arrangements made between any Director and any other person in connection with or conditional upon the outcome of the Offer; and
- (c) none of the Directors has any material personal interest, whether direct or indirect, in any material contract entered into by the Offeror.

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## APPENDIX II – ADDITIONAL GENERAL INFORMATION ON THE COMPANY

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### 7. VIEWS OF THE BOARD ON THE OFFEROR'S INTENTIONS FOR THE GROUP

The Board refers Shareholders to the rationale for the Offer and the Offeror's intentions for the Group as extracted from the Offer Document in **Sections 4 and 5** of this Circular. The Board is willing to render reasonable co-operation with the Offeror to maintain the existing business and operations of the Group which is in the interests of the Company and the Shareholders as a whole.

### 8. MATERIAL CONTRACTS

#### Disclosure under the Code

Save as disclosed in publicly available information on the Company (including without limitation the announcements, financial statements and annual reports released by the Company on SGXNET), neither the Company nor its subsidiaries has entered into any material contract (other than in the ordinary course of business) with interested persons during the period commencing three (3) years prior to the commencement of the Offer Period and ending on the Latest Practicable Date.

An "interested person", as defined in the Note on Rule 24.6 read with the Note on Rule 23.12 of the Code, means:

- (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) of the Company and his/her immediate family is a beneficiary;
- (d) any company in which a director, the chief executive officer or a Substantial Shareholder (being an individual) of the Company and his/her 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 a 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.

For the purpose of this section, "Substantial Shareholder" shall mean a person (including a corporation) who has an interest in not less than 5% of the total Shares.

### 9. MATERIAL LITIGATION

As at the Latest Practicable Date:

- (a) no member of the Group is engaged in any material litigation or arbitration proceedings, as plaintiff or defendant, which might materially and adversely affect the financial position of any member of the Group, taken as a whole; and
- (b) the Directors are not aware of any litigation, claim or proceeding pending or threatened against any member of the Group or to which any member of the Group may become a party or of any fact likely to give rise to any litigation, claims or proceeding which might materially and adversely affect the financial position of any member of the Group.

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## APPENDIX II – ADDITIONAL GENERAL INFORMATION ON THE COMPANY

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### 10. GENERAL INFORMATION

- (a) **Costs and Expenses.** All expenses and costs incurred by the Company in relation to the Offer will be borne by the Company.
- (b) **Consent of IFA.** ACA has given and confirmed that it has not withdrawn its written consent to the issue of this Circular with the inclusion herein of the IFA Letter, the IFA FY2025 Results Report, the advice given to the Independent Directors and the references to its name in the form and context in which they appear in this Circular.
- (c) **Consent of Auditor.** Ernst & Young LLP has given and confirmed that it has not withdrawn its written consent to the issue of this Circular with the inclusion herein of the Auditor FY2025 Results Report and the references to its name in the form and context in which they appear in this Circular.

### 11. VALIDITY OF THE FY2025 RESULTS

As the FY2025 Results are unaudited statements of results announced during the offer period (which for purposes of Rule 25 of the Code commences on the Offer Announcement Date and ends on the date the Offer is declared to have closed) and before the Offer has been publicly recommended by the Board, such statements constitute a “profit forecast” under Rule 25 of the Code. Accordingly, the Directors are of the view that the FY2025 Results, which were announced on 26 May 2025, remains valid for the purpose of the Offer and Ernst & Young LLP, the auditors of the Company, has no objection to the Auditor FY2025 Results Report and the IFA has no objection to the IFA FY2025 Results Report, each as set out in **Appendix V** to this Circular, continuing to apply.

### 12. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company (by prior appointment) at 150 Ubi Avenue 4, #04-01, Ubi Biz Hub, Singapore 408825 during normal business hours for the period during which the Offer remains open for acceptances:

- (a) the Constitution of the Company;
- (b) the annual reports of the Group for FY2022, FY2023 and FY2024;
- (c) the FY2025 Results, the IFA FY2025 Results Report and the Auditor FY2025 Results Report;
- (d) the IFA Letter; and
- (e) the letters of consent as referred to in **Sections 10(b) and (c) of Appendix II** to this Circular.

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## APPENDIX III – RELEVANT EXTRACTS FROM THE COMPANY'S CONSTITUTION

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The provisions in the Constitution relating to the rights of Shareholders in respect of capital, dividends and voting have been reproduced below. Please see the definitions in the Constitution for terms used in the extracts below.

### **Rights in respect of capital**

#### **SHARES**

5. Subject to the Act and to these Articles relating to new shares and to any special right attached to any share for the time being issued, all shares shall be under the absolute control of the Members in General Meeting but subject thereto, the Directors may allot and issue shares (with or without conferring any right of renunciation), grant options over or otherwise dispose of the same to such persons on such terms and conditions (including such consideration) and at such time and subject or not to the payment of any part of the amount thereof in cash as the Directors determine Provided Always that:-
  - (a) the rights attaching to shares of a class other than ordinary shares shall be expressed in the resolution creating the same.
  - (b) (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 the second sentence of Article 57 with such adaptations as are necessary shall apply; and
  - (c) Any other issue of shares, the aggregate of which would exceed the limits referred to in Article 58 shall be subject to the approval of the Company in General Meeting.
- 6(1). Subject to the provisions of these Articles and of the Act 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 any right of renunciation), grant options over or otherwise dispose of the them to such persons, at such times and on such terms as they think proper.
- 6(2). 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 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 as the holder thereof or before such share is entered against the name of a Depositor in the Depository Register, as the case may be, recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of such share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit.
7. Any share in the Company may be issued with such preferred, qualified, deferred or other special rights, privileges and conditions or such restrictions, whether in regard to dividend, return of capital, voting or otherwise, as the Company may from time to time by Ordinary Resolution determine, and subject to the Statutes, the Company may issue preference shares preference shares which are or, at the option of the Company may from time to time by Ordinary Resolution determine, and subject to the Statutes, the Company may issue preference shares which are or, at the option of the Company, are liable to be redeemed on such terms and in such manner as the Company before the issue thereof may by Ordinary Resolution determine Provided Always preference shares may be issued subject to such limitation thereof as may be prescribed by any applicable Exchange Rules.
8. The Company shall have the power to issue further preference capital ranking equally with or in priority to the preference capital then already issued.
9. Whenever the share capital is divided into different classes of shares, subject to the provisions of the Act, preference capital other than redeemable preference capital may be repaid and the special rights attached to any class may be modified, affected, altered or abrogated either with

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### APPENDIX III – RELEVANT EXTRACTS FROM THE COMPANY'S CONSTITUTION

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the consent in writing of the holders of three-quarters of the issued shares of the class or the sanction of a Special Resolution passed at a separate meeting of the holders of the shares of the class (but not otherwise) and may be so repaid, modified, affected, altered or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up. To every such separate meeting all the provisions of these Articles 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 not less than 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 much holder shall on a poll have one vote for every share of the class held by him.

Provided that where the necessary majority for such a Special Resolution is not obtained at the meeting, consent in writing if obtained from the holders of three-fourths of the issued shares of the class concerned within two months of the meeting shall be as valid and effectual as a Special Resolution carried at the meeting. The foregoing provisions of this Article 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.

11. If by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by instalments, every such instalment shall, when due, be paid to the Company by the holder for the time being of the share or his legal personal representative.
12. The Company may pay commissions or brokerage to any person in consideration of his subscribing, or agreeing to subscribe, whether absolutely or conditionally, or procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares in the capital of the Company or options therefor. Any such commissions or brokerage may be paid in whole or in part in cash or fully or partly paid shares of the Company or options therefor as may be arranged, and the Company may, in addition to, or in lieu of, such commission or brokerage, confer on any such person an option call within a specified time for a specified number or amount of shares in the Company at a specified price and on such other terms and conditions as the Directors may deem fit. The payment or agreement to pay a commission or brokerage or the conferring of an option shall be in the discretion of the Directors on behalf of the Company.
- 13(1). The Company shall not be bound to register more than three persons as the joint holders of any share except in the case of executors, administrators or trustees of the estate of a deceased Member.
- 13(2). Subject to Article 13(1), any two or more persons may be registered as joint holders of any share and the joint holders of a share shall be severally as well as jointly liable for the payment of all instalments and calls and interest (if any) due in respect of such share.
- 13(3). The joint holder first named in the Register or the Depository Register, as the case may be, shall as regards voting, proxy, service of notices and delivery of certificates and dividend warrants, be deemed to be the sole owner of such share.
14. No person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or be required in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any other rights in respect of any share other than 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 as the registered holder or in the person whose name is entered in the Depository Register in respect of that share, as the case may be, except only where these Articles otherwise provide or as required by the Statutes or pursuant to any order of Court.
15. No person shall exercise any rights of a Member in respect of a share until his name shall have been entered in the Register as the registered holder thereof or in the Depository Register in respect of such share, as the case may be, and, unless the Directors otherwise determine, such person shall have paid all calls and other moneys for the time being due and payable on any share held by him.

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## **APPENDIX III – RELEVANT EXTRACTS FROM THE COMPANY'S CONSTITUTION**

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16. No part of the funds of the Company shall be employed by the Directors or the Company in the acquisition of shares in the Company or in lending on the security of shares in the Company unless permitted by the Statutes.

### **SHARE CERTIFICATE**

17. Every certificate for shares shall be under the Seal or under the Share Seal as provided in Article 132.
18. Every certificate of shares shall specify the number and class of shares to which it relates and the amount paid and amount (if any) unpaid thereon. No share certificate shall be issued representing shares of more than one class.
19. Every person whose name is entered as a registered holder in the Register shall be entitled without payment to receive within ten Market Days (or such other period as may be approved by the Exchange) after the closing date for applications to subscribe for a new issue of shares, and within ten Market Days (or such other period as may be approved by the Exchange) after lodgement of a registrable transfer, one certificate under the Seal in respect of each class of shares held by him for all his shares in that class or several certificates in reasonable denominations each for one or more of his shares in any one class subject to such person's prior payment of two Singapore Dollars (or such other sum as the Directors shall from time to time determine having regard to any limitation thereof as the Exchange may prescribe) for every certificate after the first unless otherwise directed by the Directors Provided Always that in the case of joint registered holders, the Company shall not be bound to issue more than one certificate and delivery of such certificate to any one of them shall be sufficient delivery to all such holders.
- 20(1). Where only some of the shares comprised in any share certificate are transferred, the old certificate shall be cancelled and a new certificate for the balance of such shares shall be issued in lieu thereof without charge.
- 20(2). Any two or more certificates representing shares of any one class held by any person whose name is entered in the Register may be cancelled at his request and a single new certificate for such shares issued in lieu thereof without charge.
- 20(3). Any share certificate representing shares of any class held by any person whose name is entered in the Register may be surrendered by such person for cancellation and at his request the Company may issue in lieu thereof two or more share certificates representing such shares in such proportions as such person may specify, and the Directors may comply with such request if they think fit. Such person shall pay a maximum of two Singapore Dollars 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, taking into consideration any limitation thereof as may be prescribed by the Exchange.
- 20(4). Subject to the Statutes, if any share certificate shall be defaced, worn out, destroyed, stolen or lost, it may be renewed on such evidence being produced and a letter of indemnity or undertaking (if required) being given by the purchaser, registered holder, transferee, person entitled or Member company of the Exchange or on its behalf or their client or clients as the Directors shall require and in the case of defacement or wearing out on delivery up of the old certificate and in any case on payment of such sum not exceeding two Singapore Dollars as the Directors may from time to time require (or such other amount not exceeding two Singapore Dollars as may be permitted under the Statutes). In the case of theft, destruction or loss the registered holder or the 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 theft, destruction or loss.
- 20(5). Where shares are registered jointly in the names of several persons, any such request may be made by any one of the registered joint holders.

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21. Only the person whose name stands first in the Register as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive notices from the Company and any notice given to such person shall be deemed notice to all the joint holders.

### **LIEN ON SHARES**

22. The Company shall have a first and paramount lien on every share (not being a fully paid share) and all dividends or interests from time to time declared in respect thereof for all moneys (whether presently payable or not) called or payable at a fixed time, in respect of that share and for all moneys which the Company may be called upon by law to pay in respect of the shares of the Member or the deceased Member. The Directors may however waive any lien which has arisen and may resolve that any share shall for any limited period be exempt wholly or partially from the provisions of this Article 22.
23. For the purpose of enforcing such lien the Directors may sell all or any of the shares subject thereto in such manner as they think fit, and no sale shall be made until such time as the moneys are presently payable, and until a notice in writing stating the amount due and demanding payment, and giving notice of intention to sell in default, shall have been served in such a manner as the Directors shall think fit on the holder for the time being of the share or the person (if any) entitled by transmission to the shares, and default in payment shall have been made by him or them for seven days after such notice.
24. The net proceeds of any such sale shall be applied in or towards the satisfaction of the amount due, and the residue (if any) shall be paid to the person whose share has been sold, his executors, administrators, trustees or assignee or as he shall direct.
25. To give effect to any such sale the Directors may authorise some person to transfer or to effect the transfer, as the case may be of the shares sold to the purchaser.

### **FORFEITURE OF SHARES**

32. If any Member fails to pay the whole or any part of any call or instalment of a call on or before the day appointed for the payment of the same or any interest thereon, the Directors may at any time thereafter during such time as the call or instalment or interest remains unpaid serve a notice on such Member requiring him to pay the same, together with any interest (including interest upon interest) and expenses that may have been incurred by the Company by reason of such non-payment.
33. The notice shall name a further day (not being less than fourteen days from the date of service of the notice) and a place on and at which such call or instalment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or instalment or interest is payable shall be liable to be forfeited.
34. If the requirements of any notice as aforesaid are not complied with, any share in respect of which the notice has been given, may at any time thereafter, before payment of all such calls or instalments, interests and expenses due in respect thereof, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture. The Directors may accept a surrender of any share liable to be forfeited hereunder.
35. Any share so forfeited or surrendered shall be deemed to be the property of the Company, and the Directors may sell, re-allot, or otherwise dispose of the same in such manner as they think fit. The Company may receive the consideration, if any, given for the share on any sale or disposition thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed.
36. The Directors may at any time before any share so forfeited or surrendered shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture or surrender thereof upon such conditions as they think fit.



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37. For the purpose of giving effect to any sale of forfeited or surrendered shares, the Directors may authorise some person to transfer or to effect the transfer of, as the case may be, the shares sold to the purchaser.
38. Any Member whose shares shall have been forfeited or surrendered shall cease to be a Member in respect of the forfeited or surrendered shares but shall, notwithstanding such forfeiture or surrender, be liable to pay, and shall forthwith pay to the Company all calls, instalments, interest and expenses owing upon or in respect of such shares at the time of forfeiture or surrender, together with interest thereon from the time of forfeiture or surrender until payment, at the rate of eight per cent per annum and the Directors may enforce the payment of such moneys or any part thereof if they think fit, but shall not be under any obligation so to do. Any residue after the satisfaction of the unpaid calls, accrued interest and expenses shall be paid to the person whose shares have been forfeited or surrendered, his executors, administrators, trustees or assignees or as he shall direct.
- 39(1). A statutory declaration in writing that the declarant is a Director or the Secretary, and that a share has been duly forfeited, 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 by the Company of the consideration (if any) given for the share on the sale, re-allotment or disposal thereof together with the share certificate, where the same be required, delivered to a purchaser or (where the purchaser is a Depositor) to the Depository or the allottee thereof, as the case may be, shall (subject to the execution of a transfer if the same be required) constitute a good title to the share.
- 39(2). (a) In the event of such sale, re-allotment or disposal, where the person (the "Relevant Person") to whom the share is sold, re-allotted or disposed of is not a Depositor, the share shall be registered in the Register in the name of the Relevant Person and, where the Relevant 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.
- (b) The Relevant 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**

40. Save as provided by these Articles, there shall be no restriction on the transfer of fully paid shares (except where required by law or by the rules, bye-laws or listing rules of the Exchange). All transfers of the legal title in the shares may be transferred by the registered holders thereof by an instrument of transfer in the form approved by the Exchange upon which shares in the Company may be listed or in any other form acceptable to the Directors ("a registered transfer"); and all transfer of shares registered in the name of the Depository or its nominee (as the case may be) and deposited with the Depository as book-entry securities shall be effected by book-entry in the Depository Register in accordance with the Act. The instrument of transfer shall be left at the Office accompanied by the certificate of the shares to be transferred and such other evidence (if any) as the Directors may reasonably require to show the right of the transferor to make the transfer. The transferor shall be deemed to remain the registered holder of the shares until the name of the transferee is entered in the Register in respect thereof.
41. The instrument of transfer shall be signed both by the transferor and by the transferee, and it shall be witnessed Provided Always that an instrument of transfer in respect of which the transferee is the Depository shall be effective although not signed or witnessed by or on behalf of the Depository.
42. Shares of different classes shall not be comprised in the same instrument of transfer.

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43. No share shall in any circumstances be transferred to any infant, bankrupt or person of unsound mind.
- 44(1). All instruments of transfer which are registered shall be retained by the Company, but any instrument of transfer which the Directors may refuse to register shall (except in any case of fraud) be returned to the party presenting the same.
- 44(2). The Company shall be entitled to destroy:-
- (a) all instruments of transfer which have been registered at any time after the expiration of six years from the date of registration thereof:-
  - (b) 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
  - (c) all share certificates which have been cancelled at any time after the expiration of six years from the date of cancellation thereof.
- 44(3). It shall be conclusively presumed in favour of the Company that every entry in the Register purporting to have been made on the basis of an instrument of transfer or other document so destroyed was duly and properly made and that:
- (a) every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered;
  - (b) every share certificate so destroyed was a valid and effective certificate duly and properly cancelled; and
  - (c) 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.
- 44(4). Articles 44(2) and 44(3) shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties hereto) to which the document might be relevant.
- 44(5). Nothing contained in this Article 44 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 circumstance which would not attach to the Company in the absence of this Article 44, and references in this Article 44 to the destruction of any document include references to the disposal thereof in any manner.
45. The Directors may decline to accept any instrument of transfer unless:-
- (a) 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 and a certificate of payment of stamp duty (if any) is deposited with the instrument of transfer,
  - (b) such fee not exceeding two Singapore Dollars for each transfer or such other sum as may from time to time be prescribed by the Exchange is paid to the Company; and
  - (c) such fee not exceeding two Singapore Dollars as the Directors may from time to time determine is paid to the Company in respect of the registration of any instrument of transfer, probate, letters of administration, certificate of marriage or death, power of attorney or any document relating to or affecting the title to the shares.

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46. The Directors may refuse to register the transfer of shares or allow the entry of or against a person's name in the Depository Register in respect of shares transferred or to be transferred to such person:-

- (a) which are not fully paid up; or
- (b) on which the Company has a lien.

In the case of shares not fully paid-up, the Directors may refuse to register a transfer to a transferee of whom they do not approve.

47. If the Directors refuse to register any transfer of any share they shall, where required by the Statutes, serve on the transferor and transferee, within 10 market days beginning with the day on which the transfer was lodged with the Company, a notice in writing informing each of them of such refusal and of the facts which are considered to justify the refusal.
48. The Register may be closed at such times and for such periods as the Directors may from time to time determine Provided Always that the Register shall not be closed for more than thirty days in any year Provided Always that the Company shall give at least 10 Market Days (or such other period of time as the Exchange may determine) prior notice of such closure as may be required to the Exchange stating the period and purpose or purposes for which such closure is to be made.

### **TRANSMISSION OF SHARES**

- 49(1). In the case of the death of a Member the survivor where the deceased was a joint holder, and the legal personal representative of the deceased who was a sole or only surviving holder, or where such legal representative is entered in the Depository Register in respect of the shares of the deceased Member who was a Depositor, shall be the only person recognised by the Company as having any title to his shares.
- 49(2). Nothing herein contained shall release the estate of a deceased Member from any liability in respect of any share solely or jointly held by him.
50. 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 may upon producing such evidence of his title as the Directors may require, have the right either to be registered himself as the holder of the share, upon giving to the Company notice in writing of such intent, or to make such transfer thereof as such deceased or bankrupt person could have made, but the Directors shall in either case have the same right to refuse or suspend registration as they would have had in the case of such transfer by such deceased or bankrupt person before the death or bankruptcy, as the case may be.
51. Save as otherwise provided in these Articles, a person becoming entitled to a share pursuant to Articles 49(1) and 50, shall have the right to receive and give a discharge for any dividends or other moneys payable in respect of the share, but he shall have no right to receive notice or to attend or vote at meetings of the Company, or (save as aforesaid) to any of the rights or privileges of a Member until he shall have been registered as a Member in the Register or his name shall have been entered in the Depository Register, as the case may be Provided Always that the Directors may at any time give notice requiring any such person to elect either to be registered himself or transfer the share, and if the notice is not complied with within ninety days of the date of such notice, the Directors may thereafter withhold payment of all dividends or other moneys payable in respect of the share until the requirements of the notice have been complied with.

### **STOCK**

53. The Company in General Meeting may by Ordinary Resolution convert any paid-up shares into stock and may from time to time reconvert such stock into paid-up shares.

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## APPENDIX III – RELEVANT EXTRACTS FROM THE COMPANY'S CONSTITUTION

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54. When any shares have been converted into stock the several holders of such stock may transfer the same or any part thereof in the same manner and subject to the entitled to transfer same Articles 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 will admit. But no stock shall be transferable except in such units as the Directors may if they think fit from time to time determine.
55. The holders of stock shall, according to the number of stock units held by them, have the same rights, privileges, and advantages as regards dividends, return of capital, voting and other matters, as if they held the shares from which the stock arose, but so that none of such rights, privileges, and advantages (except the participation in the dividends, profits and assets of the Company) shall be conferred by the number of stock units as would not, if existing in shares, have conferred such rights, privileges or advantages; and no such conversion shall affect or prejudice any preference or other special privileges attached to the shares so converted.
56. All such provisions of these Articles as are applicable to paid up shares shall apply to stock and in all such provisions the words "shares" shall include "stock", and "Depositor", "Member" and "shareholder" shall include "stockholder".

### INCREASE OF CAPITAL

57. Subject to the Act and to these Articles and any special rights for the time being attached to any existing class of shares, all new shares shall be issued upon such terms and conditions (including such consideration) and with such rights and privileges annexed thereto as the General Meeting resolving upon the same shall direct and, in particular (but without prejudice to the generality of the foregoing) such new shares may be issued with a preferential, qualified or postponed right to dividends, and in the distribution of assets of the Company, and with a special or without any right of voting, or otherwise.
- 58(1). Unless otherwise determined by the Company in General Meeting or except as permitted under the Exchange's listing rules, 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 nearly as the circumstances admit, to the number of the existing shares to which they are entitled.
- 58(2). 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 in the manner hereinbefore provided.
- 58(3). Notwithstanding Articles 58(1) and 58(2), 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 in the capital of the Company ("shares") whether by way of rights, bonus or otherwise; and/or
  - (b) (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
  - (iii) 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 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) excluding treasury shares shall be subject to such limits and manner of calculation as may be prescribed by the Exchange;
  - (2) in exercising the authority conferred by the Ordinary Resolution, the Company shall comply with the provisions of the Listing Manual of the Exchange for the time being in force (unless such compliance is waived by the Exchange) and these Articles; 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 Act (whichever is the earliest).
59. Except so far as otherwise provided by the conditions of issue or by these Articles, all new shares shall be subject to the provisions of the Act and of these Articles with reference to allotment, payment of calls, transfer, transmission, forfeiture, lien and otherwise.

### **ALTERATION OF CAPITAL**

- 60(1). The Company may by Ordinary Resolution:-
- (a) consolidate and divide all or any part of its shares; or
  - (b) by subdivision of its existing shares or any of them (subject nevertheless, to the provisions of the Act) and so that the resolution by which the subdivision is effected may determine that, as between the holders of the shares resulting from such subdivision, one or more of such shares may, as compared with the others, have any such preferred, deferred or other special rights or be subject to any restriction as the Company has power to attach to new shares; or
  - (d) subject to the Statutes, convert any class of shares into any other class of shares.
- 60(2). The Company may by Special Resolution reduce its share capital or any undistributable reserve in any manner and with and subject to any requirement authorised and consent required by law. Without prejudice to the generality of the foregoing, upon cancellation of any share purchased or otherwise acquired by the Company pursuant to these presents, the number of issued shares of the Company shall be diminished by the number of the shares so cancelled and, where any such cancelled shares was purchased or acquired out of the capital of the Company, the amount of the share capital of the Company shall be reduced accordingly.
- 60(3). Anything done in pursuance of this Article shall be done in manner provided by and subject to any conditions imposed by the Act or so far as the Act shall not be applicable then in accordance with the terms of the resolution authorising the same or so far as such resolution shall not be applicable then in such manner as the Directors deem most expedient.

### **REDUCTION OF CAPITAL**

61. 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.

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### **Rights in respect of voting**

#### **SHARES**

10. Preference shareholders shall have the same rights as ordinary Members as regards the receiving of notices, reports and balance sheets and the attending of General Meetings of the Company. Preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital of the Company or winding up or sanctioning the 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.

#### **GENERAL MEETINGS**

66. In addition to any other meetings, a General Meeting shall be held once at least in every calendar year, at such time and place as may be determined by the Directors, but so that no more than fifteen months shall be allowed to elapse between any two such General Meetings.
67. The abovementioned General Meetings shall be called Annual General Meetings. All other General Meetings shall be called Extraordinary General Meetings.
68. The First Annual General Meeting of the Company shall be held at such time within a period of not more than eighteen months from the date of incorporation of the Company and at such time and place as the Directors may determine.
69. The Directors may call an Extraordinary General Meeting of the Company whenever they think fit in accordance with the Statutes.
70. The Directors shall, on the requisition of the holders of not less than one-tenth of the issued shares in the capital of the Company. (excluding treasury shares) upon which all calls or other sums then due have been paid, forthwith proceed to convene an Extraordinary General Meeting of the Company, and in the case of such requisition the following provisions shall have effect:-
- (a) The requisition must state the objects of the meeting and must be signed by the requisitionists and deposited at the Office, and may consist of several documents in like form each signed by one or more requisitionists.
  - (b) If the Directors of the Company do not proceed to cause a meeting to be held within twenty-one days from the date of the requisition being so deposited, the requisitionists or any of them representing more than one-half of the voting rights of all of them may themselves convene the meeting, but any meeting so convened shall not be held after three months from the date of the deposit.
  - (c) In the case of a meeting at which a resolution is to be proposed as a Special Resolution the Directors shall be deemed not to have duly convened the meeting if they do not give such notice as is required by the Statutes.
  - (d) Any meeting convened under this Article by the requisitionists shall be convened in the same manner as nearly as possible as that in which meetings are to be convened by Directors.
71. Subject to the Statutes relating to the convening of meetings to pass Special Resolutions and agreements for shorter notice, at least fourteen clear days' notice in writing specifying the place, day and hour of the meeting, and in case of special business, a notice in writing setting out the general nature of such special business, accompanied by a statement regarding the effect of any proposed resolution in respect of such special business, shall be given to all Members and (so long as shares in the Company are listed on a stock exchange) the Exchange, other than such as are not entitled under these Articles to receive such notices from the Company. At least fourteen clear days notice in writing of any General Meeting shall be given and at least twenty-one clear days notice in writing in the case of a Meeting to pass Special Resolution shall be given to all Members and the Exchange. Every such notice shall be published in at least one English Language daily newspaper circulating in Singapore at least fourteen clear days before the meeting. Whenever any meeting is adjourned for fourteen days or more, at least seven days' notice in writing of the place and hour of such adjourned meeting shall be given in like

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## **APPENDIX III – RELEVANT EXTRACTS FROM THE COMPANY'S CONSTITUTION**

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manner Provided Always that when a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

72. Any Member entitled to be present and vote at a meeting or his proxy may submit any resolution to any General Meeting, provided that at least for the prescribed time before the day appointed for the meeting he shall have served upon the Company a notice in writing by him containing the proposed resolution, and stating his intention to submit the same. The prescribed time abovementioned shall be such that, between the date that the notice is served and the day appointed for the meeting, there shall be not less than three or more than fourteen intervening days.
73. Upon receipt of any such notice as in the last preceding Article mentioned, the Secretary shall include in the notice of the meeting in any case where the notice of intention is received before the notice of the meeting is issued, and shall in any other case issue as quickly as possible to the Members notice that such resolution will be proposed.
74. The accidental omission to give any notice to or non-receipt of any notice by any Member shall not invalidate the meeting or any resolution passed or proceedings at any such meeting.

### **PROCEEDINGS AT GENERAL MEETINGS**

75. All business shall be deemed special that is transacted at an Extraordinary General Meeting and also all business that is transacted at an Annual General Meeting with the exception of the consideration of the accounts, balance sheets and reports (if any) of the Directors and Auditors, the fixing of the remuneration of Directors, the election of Directors in the place of those retiring, the declaration of dividends and the appointment of and the fixing of the remuneration of the Auditors or determining the manner such remuneration is to be fixed.
76. Except at any time when a corporation is the sole Member and save as is herein otherwise provided, two Members present in person or by proxy shall be a quorum for a General Meeting and no business other than the appointment of a Chairman shall be transacted at any General Meeting unless the quorum is present at the commencement of the business. For the purposes of this Article "Member" includes a person attending as a proxy. Provided that (i) a proxy representing more than one Member shall only count as one Member for the purpose of determining the quorum; and (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. A corporation being a Member shall be deemed to be personally present if represented in accordance with the provisions of Article 91.
77. If within half an hour from the time appointed for the 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 upon 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 and at such other time and place as the Directors may be not less than ten days' notice appoint and if at the adjourned meeting, any two or more Members present in person or by proxy shall be a quorum.
78. The Chairman (if any) of the Board of Directors or, in his absence, the Deputy Chairman. Chairman (if any) shall preside as Chairman at every General Meeting, but if there is no such Chairman or Deputy Chairman, or if at any meeting neither shall be present within fifteen minutes after the time appointed for holding the same, or shall be unwilling to act as Chairman, the Directors present shall choose one of their number, or, if no Director be present or if all the Directors present decline to take the chair, the Members present shall choose one of themselves to be Chairman of the meeting.
79. The Chairman may with the consent of any meeting at which a quorum is present (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 other than the business left unfinished at the meeting from which the adjournment took place. Where a meeting is

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### APPENDIX III – RELEVANT EXTRACTS FROM THE COMPANY'S CONSTITUTION

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adjourned sine die, the time and place for the adjourned meeting shall be fixed by the Directors. Whenever any meeting is adjourned for fourteen days or more or sine die, at least seven days' notice of the place and hour of such adjourned meeting shall be given as in the case of the original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

80. At every General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands by the Members present in person and entitled to vote, unless before or upon the declaration of the result of the show of hands a poll be demanded by:-
- (a) the Chairman of the Meeting; or
  - (b) not less than two Members present in person or by proxy and entitled to vote; or
  - (c) a Member or Members present in person or by proxy, holding or representing, as the case may be:-
    - (i) not less than one-tenth of the total voting rights of all Members entitled to vote at the meeting; or
    - (ii) not less than one-tenth of the total number of paid up shares of the Company (excluding treasury shares)
- 81(1). If a poll is duly demanded (and the demand is not withdrawn), it shall be taken in such manner (including the use of ballot or voting papers) as the Chairman directs, and the results of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 81(2). No poll shall be demanded on the election of a Chairman of a meeting or on a question of adjournment. A poll demanded on any other question shall be taken immediately or at such time (note being more than thirty days from the date of the meeting) and place as the Chairman of the meeting directs. No notice need be given of a poll not taken immediately.
82. Unless a poll be so demanded (and the demand is not withdrawn), a declaration by the Chairman of the meeting that a resolution has been carried, or has been carried by a particular majority, or lost, or not carried by a particular majority shall be conclusive, and an entry to that effect in the minute book of the Company shall be conclusive evidence thereof, without proof of the number or proportion of the votes recorded in favour of or against such resolution. The demand for a poll may be withdrawn only with the approval of the meeting.
- 83(1). No objection shall be raised as to the admissibility of any vote except at the meeting or adjourned meeting, as the case may be, at which the vote objected to is or may be given, tendered or cast, 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.
- 83(2). If any votes shall be counted which ought not to have been counted, or might have been rejected, the error shall not vitiate the result of the voting unless it be pointed out at the same meeting, or at any adjournment thereof, and unless in the opinion of the Chairman at the meeting or at any adjournment thereof as the case may be, it shall be of sufficient importance to vitiate the result of the voting.
84. In case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded, as the case may be, shall have a second or casting vote.



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## APPENDIX III – RELEVANT EXTRACTS FROM THE COMPANY'S CONSTITUTION

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### VOTES OF MEMBERS

- 85(1). Subject to and without prejudice to any special privileges or restriction as to voting for the time being attached to any special class or classes of shares for the time being forming part of the capital of the Company and these Articles:-
- (a) every Member who is present in person or by proxy shall have one vote on a show of hands, where a member is represented by one or more proxies, only the first named proxy specified in the relevant instrument of proxy shall be deemed to be authorised to vote on a show of hands and the second named proxy shall not be so entitled to vote unless the first named proxy is not present or fails to cast a vote;
  - (b) every Member who is present in person or by proxy, in case of a poll, shall have one vote for every share which he holds or represents and upon which all calls or other sums due thereon to the Company have been paid.
- 85(2). For the purpose of determining the number of votes which a Member, being a Depositor, or his proxy may cast at any General Meeting upon a poll being called, the number of shares held or represented shall, in relation to the shares of that Depositor, be the number of shares entered against his name in the Depository Register as at the Cut-Off Time as certified by the Depository to the Company.
86. In the case of joint holders the vote of the senior who tenders a vote whether in person or by proxy, 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 or the Depository Register, as the case may be,
87. Unless the Directors otherwise determine, no person other than a Member who shall have paid everything for the time being due from him and payable to the Company in respect of his shares, shall be entitled to be present or to vote on any question either personally or by proxy at any General Meeting.
88. A Member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll by the committee, curator bonis, or other person in the nature of a committee or curator bonis appointed by that Court, and such committee, curator bonis, or other person may, on a poll, vote by proxy, provided that such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the Office not less than forty-eight hours before the time appointed for holding the meeting.
89. On a poll, voted may be given either personally or by proxy 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.
- 90(1). A proxy need not be a Member.
- 90(2). A Member shall not be entitled to appoint more than two proxies to attend and vote at the same General Meeting Provided Always that where the Member is a Depositor, the Company shall be entitled and bound:-
- (a) to reject any instrument of proxy lodged if the Depositor is not shown to have any shares entered against his name in the Depository Register as at the Cut-Off Time as certified by the Depository to the Company;
  - (b) to accept as the maximum number of votes which in aggregate the proxy or proxies appointed by the 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 the Cut-Off Time as certified by the Depository to the Company, whether that number be greater or smaller than the number specified in any instrument of proxy executed by or on behalf of that Depositor; and

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### APPENDIX III – RELEVANT EXTRACTS FROM THE COMPANY'S CONSTITUTION

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- (c) 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.
- 90(3). In any case where a 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. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his name in the Depository Register and any second named proxy as an alternate to the first named or at the Company's option to treat the instrument of proxy as invalid.
91. Any corporation which is a Member may, by resolution of its directors or other governing body, authorise any person to act as its representative at any meetings of the Company or any class of Members of the Company, and such representative shall be entitled to exercise the same powers on behalf of the corporation which he represents as if he had been an individual Member of the Company and such corporation shall for the purposes of these Articles but subject to the Act) be deemed to be present in person at any such meeting if a person so authorized is present thereat.
92. 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:-
- (1) in the case of an individual shall be signed by the appointor or his attorney;
- (2) in the case of a corporation shall be either given under its common seal or signed on its behalf by an attorney or a duly authorized officer of the corporation.
93. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or the power of attorney or other authority, if any, or a duly certified copy thereof shall (failing previous registration with the Company) be duly stamped and be deposited 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, not less than forty-eight hours before the time for holding 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 the person named in the instrument proposes to vote and in default the instrument of proxy 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 that an instrument of proxy relating to more than one meeting (including any adjournment thereof) having once been so delivered 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.
94. The signature on an instrument of proxy need not be witnessed.
95. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal or revocation of the proxy or transfer of the share in respect of which the vote is given Provided Always that no notice in writing of the death or revocation or transfer shall have been received at the Office one hour at least before the time fixed for holding 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.
96. An instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll, to move any resolution or amendment thereto and to speak at the meeting.
97. 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.

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## APPENDIX III – RELEVANT EXTRACTS FROM THE COMPANY'S CONSTITUTION

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### Rights in respect of dividends

#### DIVIDENDS

135. 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 purpose of this Article, an amount paid or credited as paid on a share in advance of a call is to be ignored.

136. The Company may by Ordinary Resolution declare dividends but no such dividend shall exceed the amount recommended by the Directors.

137. No dividend shall be payable except out of the profits of the Company available for distribution under the provisions of the Act. No dividend or other moneys payable on or in respect of a share shall carry interest as against the Company.

138(1). 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.

138(2). The declaration of the Directors as to the net profits of the Company shall be conclusive.

139. 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.

140. The Directors may retain any dividends 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.

141. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer in the Register or the entry of the shares against the Depositors name in the Depository Register, as the case may be.

142. The Company may upon the recommendation of the Directors by Ordinary Resolution direct payment of a dividend wholly or in part by the distribution of specific assets, and in particular of wholly or partly paid-up shares, debentures, or debenture stock of the Company, or wholly or partly paid-up shares, debentures, or debenture stock of any other company, or in any one or more of such ways, and the Directors shall give effect to such resolution; and where any difficulty arises in regard to the distribution, they may settle the same as they think expedient, and in particular may issue fractional certificates, and may fix the value for distribution of such specific assets, or any part thereof and may determine that cash payments shall be made to

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### **APPENDIX III – RELEVANT EXTRACTS FROM THE COMPANY'S CONSTITUTION**

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any Member 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 upon such trusts for the persons entitled to the dividends as may seem expedient to the Directors. Where requisite, a proper contract shall be filed in accordance with Section 63 of the Act, and the Directors may appoint any person to sign such contract on behalf of the persons entitled to the dividend, and such appointment shall be effective.

143. The Directors may retain the dividends payable upon shares in respect of which any person is under the provisions of these Articles as to the transmissions of shares hereinbefore contained entitled to become a Member, or which any person under those provisions is entitled to transfer until such person shall become a Member in respect of such shares or shall duly transfer the same.
144. In case several persons are registered in the Register or entered in the Depository Register, as the case may be, as the holders of any share, any resolution of the Directors or the Company in General Meeting declaring a dividend on shares of any class may specify that the dividend shall be payable to such persons at the close of business on a particular date and thereupon the dividend shall be payable in accordance with their respective holdings so registered. Any person registered in the Register or in the Depository Register, as the case may be, as the holder or joint holder of any share or is entitled jointly to a share in consequence of the death or bankruptcy of the holder may give effectual receipts for dividends, bonuses, other moneys payable or properties distributable and payment on account of dividends on or in respect of such shares.
145. Notice of declaration of any dividend, whether interim or otherwise, may be given by advertisement.
146. Unless otherwise directed, any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque, dividend warrant or Post Office Order, sent through the post to the registered address appearing in the Register or the Depository Register, as the case may be, of the Member or person entitled, or where two or more persons are registered in the Register or entered in the Depository Register, as the case may be, as joint holders or are entitled to the dividend as a result of the death or bankruptcy of the holder, to that one whose name shall stand first on the Register or the Depository Register, as the case may be, in respect thereof and every cheque, dividend warrant or Post Office Order so sent shall be made payable to the order of the person to whom it is sent or to any person and address as such Member(s) or persons(s) may direct in writing. The Company shall not be responsible for the loss of any cheque, dividend warrant or Post Office Order, which shall be sent by post duly addressed to and at the sole risk of the Member or person for whom it is intended. Payment of the cheque, dividend warrant or Post Office Order by the bank upon which they are respectively drawn shall be a full and valid discharge to the Company. Notwithstanding the provisions of these Articles, payment by the Company to the Depository of any dividend payable to a Depositor shall also be a full and valid discharge of the Company from liability to the Depositor in respect of that payment to the extent of the payment made to the Depository.
147. The payment by the Directors of any unclaimed dividends or other moneys payable on or in respect of a share into separate account shall not constitute the Company a trustee in respect thereof. Any dividend 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 may be forfeited and is so, 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 of such dividends are first payable.

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## APPENDIX III – RELEVANT EXTRACTS FROM THE COMPANY'S CONSTITUTION

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### CAPITALISATION OF PROFITS AND RESERVES

148(1). Subject to the approval of the Company in General Meeting (whether such approval is pursuant to an Ordinary Resolution authorizing the Directors to exercise the power of the Company to issue shares generally pursuant to Article 58 or otherwise), the Directors may:-

(a) issue bonus shares for which no consideration is payable to the Company to the persons registered as holders of shares in the Register 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 Article 58) such other date as may be determined by the Directors,

in proportion to their then holdings of shares; and/or

(b) Capitalize any sum for the time being standing to the credit of any of the company's reserve funds (whether of a capital or income nature) or other undistributable reserve or the profit and loss account by appropriating such sum to the persons registered as holders of shares in the Register 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 Article 58) such other date as may be determined by the Directors,

in proportion to their then holdings of shares and applying such sum on their behalf in paying up any amounts for the time being unpaid on any shares held by them respectively or paying up in full new shares or debentures of the Company to be allotted and distributed, credited as fully paid up to and amongst them in proportion aforesaid or partly in the one way and partly in the other.

148(2). The Directors may do all acts and things required to give effect to any such bonus issue and/or capitalization under Article 148(1), 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 also authorize any person to enter on behalf of the Members interested into an agreement with the Company providing for any such bonus issue or capitalization and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

148(3). In addition and without prejudice to the powers provided for by these Articles, the Directors shall have power to issue shares for which no consideration is payable and/or to capitalize any undivided profits or other moneys of the Company not required for the payment or provision of any dividend on any share 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, 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.

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## **APPENDIX III – RELEVANT EXTRACTS FROM THE COMPANY'S CONSTITUTION**

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### **RESERVE FUND**

149. The Directors may, before declaring any dividend or bonus in respect of any class of shares out of or in respect of the earnings or profits of the Company for any yearly or other period, cause to be reserved or retained and set aside out of such sums as they may determine to form a Reserve Fund to meet contingencies or depreciation in the value of the property of the Company, or for equalising dividends or for special dividends or for distribution of bonuses or for repairing, improving and maintaining any of the property of the Company, or for such other purposes the Directors shall, in their absolute discretion, think conducive to the interest of the Company.

## APPENDIX IV – FINANCIAL INFORMATION OF THE GROUP

### 1. SUMMARY OF CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

A summary of the financial information of the Group for FY2022, FY2023 and FY2024 (based on the audited consolidated financial statements of the Group for each of FY2022, FY2023 and FY2024 respectively) and the unaudited consolidated financial information for FY2025 (based on the FY2025 Results) are set out below.

	<b>FY2025</b>	<b>FY2024</b>	<b>FY2023</b>	<b>FY2022</b>
	<b>(unaudited)</b>	<b>(audited)</b>	<b>(audited)</b>	<b>(audited)</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Revenue	193,627	208,081	203,716	225,569
Fair value gain on investment in convertible loan	-	2,155	-	-
Profit before tax	4,952	8,336	7,251	11,242
Profit for the year	4,059	7,381	6,069	9,406
Non-controlling interests	50	79	177	373
Basic (SGD in cent)	3.71	6.54	5.21	7.94
Diluted (SGD in cent)	3.71	2.20	2.50	4.25

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 FY2025 should be read in conjunction with the FY2025 Results and the accompanying notes as set out therein.

Copies of the aforesaid documents are available on the website of the SGX-ST at <https://www.sgx.com>, the Company's corporate website at <https://banleong.com/news-room/>, and for inspection at the Company's registered office during normal business hours up to the Closing Date.

### 2. CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

The consolidated statements of financial position as extracted from the Group's annual report for FY2024 is set out below.

	<b>FY2024</b>	<b>FY2023</b>
	<b>(audited)</b>	<b>(audited)</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Non-current assets</b>		
Property, plant and equipment	779	469
Right-of-use assets	3,815	1,255
Investment in subsidiaries	-	-
Deferred tax assets	14	14
Non current other receivable	3,502	1,329
	<b>8,110</b>	<b>3,067</b>
<b>Current assets</b>		
Inventories	31,208	28,668
Trade receivables	23,159	24,831
Other receivables and deposits	2,860	4,462
Prepayments	104	74

## APPENDIX IV – FINANCIAL INFORMATION OF THE GROUP

	<b>FY2024</b> <b>(audited)</b> <b>S\$'000</b>	<b>FY2023</b> <b>(audited)</b> <b>S\$'000</b>
Cash and cash equivalents	18,069	18,005
	<hr/> 75,400	<hr/> 76,040
<b>Current Liabilities</b>		
Trade payables	(22,212)	(23,192)
Bills payable to banks	(1,714)	(853)
Short-term loans	(800)	(800)
Other payables and accruals	(6,459)	(7,671)
Lease liability	(890)	(760)
Income tax payable	(805)	(800)
	<hr/> (32,880)	<hr/> (34,076)
<b>Net current assets</b>	<hr/> 42,520	<hr/> 41,964
<b>Non-current liabilities</b>		
Lease liability	(3,052)	(429)
	<hr/> (3,052)	<hr/> (429)
<b>Net assets</b>	<hr/> <hr/> 47,578	<hr/> <hr/> 44,602
<b>Equity attributable to owners of the Company</b>		
Share capital	11,173	11,173
Returned shares	(105)	(105)
Treasury shares	(2,220)	(1,018)
Other reserve	66	66
Retained earnings	37,842	33,167
Foreign currency translation reserve	(1,025)	(545)
	<hr/> 45,731	<hr/> 42,738
Non-controlling interests	<hr/> 1,847	<hr/> 1,864
<b>Total equity</b>	<hr/> <hr/> 47,578	<hr/> <hr/> 44,602



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## APPENDIX V – FY2025 RESULTS

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**BAN LEONG TECHNOLOGIES LIMITED  
AND SUBSIDIARY COMPANIES**

**CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE SIX MONTHS AND FULL YEAR ENDED 31 MARCH 2025**

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## A. Condensed interim consolidated statement of profit and loss and other comprehensive income

	Group				
	6 months ended 31.03.2025 S\$	6 months ended 31.03.2024 S\$	12 months ended 31.03.2025 S\$	12 months ended 31.03.2024 S\$	Increase/ (Decrease)
<b>Revenue</b>	96,093,022	105,650,543	193,626,934	208,080,530	(6.9%)
Cost of sales	(86,902,401)	(96,504,593)	(176,682,500)	(189,900,064)	(7.0%)
<b>Gross profit</b>	<b>9,190,621</b>	<b>9,145,950</b>	<b>16,944,434</b>	<b>18,180,466</b>	<b>(6.8%)</b>
Other income	9.6%	8.7%	8.8%	8.7%	
(Allowance for)/writeback of expected credit losses	816,280	192,750	1,054,051	273,088	286.0%
Selling and distribution expenses	27,684	202,000	(26,316)	148,000	(117.8%)
General and administrative expenses	(4,165,560)	(3,693,404)	(8,025,288)	(7,382,172)	8.7%
	(2,898,636)	(2,776,527)	(5,639,181)	(5,745,506)	(1.9%)
<b>Profit from operating activities before foreign exchange</b>	<b>2,970,389</b>	<b>3,070,769</b>	<b>4,307,700</b>	<b>5,473,876</b>	<b>(21.3%)</b>
Foreign exchange gain, net	365,910	500,877	839,821	784,884	7.0%
<b>Profit from operating activities</b>	<b>3,336,299</b>	<b>3,571,646</b>	<b>5,147,521</b>	<b>6,258,760</b>	<b>(17.8%)</b>
Financial costs	(105,074)	(60,588)	(255,428)	(107,933)	136.7%
Financial income	27,644	18,640	60,007	30,118	99.2%
<b>Profit before taxation and fair value gain</b>	<b>3,258,869</b>	<b>3,529,698</b>	<b>4,952,100</b>	<b>6,180,945</b>	<b>(19.9%)</b>
Fair value gain on investment in convertible loan	-	2,155,200	-	2,155,200	NA
<b>Profit before tax</b>	<b>3,258,869</b>	<b>5,684,898</b>	<b>4,952,100</b>	<b>8,336,145</b>	<b>(40.6%)</b>
Income tax expense	(595,615)	(471,258)	(893,015)	(955,401)	(6.5%)
<b>Profit for the year</b>	<b>2,663,254</b>	<b>5,213,640</b>	<b>4,059,085</b>	<b>7,380,744</b>	<b>(45.0%)</b>
<b>Profit attributable to:</b>					
Owners of the Company	2,624,437	5,132,095	4,008,751	7,301,881	(45.1%)
Non controlling interests	38,817	81,545	50,334	78,863	(36.2%)
	2,663,254	5,213,640	4,059,085	7,380,744	(45.0%)
<b>Other comprehensive income:</b>					
Foreign currency translation	(225,179)	(176,796)	706,194	(575,704)	(222.7%)
<b>Other comprehensive income for the year, net of tax</b>	<b>(225,179)</b>	<b>(176,796)</b>	<b>706,194</b>	<b>(575,704)</b>	<b>(222.7%)</b>
<b>Total comprehensive income for the year, net of tax</b>	<b>2,438,075</b>	<b>5,036,844</b>	<b>4,765,279</b>	<b>6,805,040</b>	<b>(30.0%)</b>
Total comprehensive income attributable to:					
Owners of the Company	2,410,732	4,975,943	4,586,168	6,821,270	(32.8%)
Non controlling interests	27,343	60,901	179,111	(16,230)	(1203.6%)
	<b>2,438,075</b>	<b>5,036,844</b>	<b>4,765,279</b>	<b>6,805,040</b>	<b>(30.0%)</b>
<b>Earnings per share for profit for the period attributable to the owners of the Company during the year:</b>					
Basic (SGD in cent)	2.43	4.60	3.71	6.54	
Diluted (SGD in cent)	2.43	4.60	3.71	6.54	

**B. Condensed interim statements of financial position**

	Group		Company	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	S\$	S\$	S\$	S\$
<b>Non-current assets</b>				
Property, plant and equipment	663,357	779,245	516,560	643,303
Right-of-use assets	2,976,712	3,814,641	2,655,569	3,285,453
Investment in subsidiaries	-	-	1,089,107	1,089,107
Deferred tax assets	35,315	14,200	1,783	1,783
Non current other receivable	-	3,502,200	-	1,347,000
	3,675,384	8,110,286	4,263,019	6,366,646
<b>Current assets</b>				
Inventories	33,567,179	31,208,023	25,936,509	17,060,126
Trade receivables	22,685,598	23,159,074	19,874,405	18,457,666
Other receivables and deposits	4,404,891	2,859,760	1,540,621	2,673,199
Prepayments	103,415	104,053	88,666	92,064
Cash and cash equivalents	21,053,603	18,068,999	15,964,978	12,198,490
	81,814,686	75,399,909	63,405,179	50,481,545
<b>Current Liabilities</b>				
Trade payables	(24,641,332)	(22,212,268)	(26,510,185)	(15,723,992)
Bills payable to banks	(1,442,598)	(1,713,502)	(971,268)	(950,538)
Short-term loans	(800,000)	(800,000)	(800,000)	(800,000)
Other payables and accruals	(5,345,222)	(6,459,345)	(4,445,843)	(4,671,390)
Lease liability	(859,401)	(889,581)	(641,795)	(620,284)
Income tax payable	(574,501)	(805,335)	(710,917)	(833,621)
	(33,663,054)	(32,880,031)	(34,080,008)	(23,599,825)
<b>Net current assets</b>	48,151,632	42,519,878	29,325,171	26,881,720
<b>Non-current liabilities</b>				
Lease liability	(2,257,549)	(3,051,767)	(2,138,013)	(2,779,808)
	(2,257,549)	(3,051,767)	(2,138,013)	(2,779,808)
<b>Net assets</b>	49,569,467	47,578,397	31,450,177	30,468,558
<b>Equity attributable to owners of the Company</b>				
Share capital	11,173,106	11,173,106	11,173,106	11,173,106
Returned shares	(104,822)	(104,822)	(104,822)	(104,822)
Treasury shares	(2,722,887)	(2,219,906)	(2,722,887)	(2,219,906)
Other reserve	65,685	65,685	-	-
Retained earnings	39,579,622	37,842,099	23,104,780	21,620,180
Foreign currency translation reserve	(447,720)	(1,025,137)	-	-
	47,542,984	45,731,025	31,450,177	30,468,558
Non-controlling interests	2,026,483	1,847,372	-	-
<b>Total equity</b>	49,569,467	47,578,397	31,450,177	30,468,558

**C. Condensed interim statements of changes in equity**

	Attributable to owners of the Company							Non-controlling interests	Total equity
	Share capital	Returned shares	Treasury shares	Retained earnings	Foreign currency translation reserves	Other Reserve	Equity attributable to owners of the Company		
<b>2024/25 Group</b>									
Opening balance at 1 April 2024	11,173,106	(104,822)	(2,219,906)	37,842,099	(1,025,137)	65,685	45,731,025	1,847,372	47,578,397
Profit for the year	-	-	-	4,008,751	-	-	4,008,751	50,334	4,059,085
Other comprehensive income for the year	-	-	-	-	577,417	-	577,417	128,777	706,194
Total comprehensive income for the year	-	-	-	4,008,751	577,417	-	4,586,168	179,111	4,765,279
Purchase of treasury shares	-	-	(502,981)	-	-	-	(502,981)	-	(502,981)
Dividends	-	-	-	(2,271,228)	-	-	(2,271,228)	-	(2,271,228)
Balance as at 31 March 2025	11,173,106	(104,822)	(2,722,887)	39,579,622	(447,720)	65,685	47,542,984	2,026,483	49,569,467

	Attributable to owners of the Company								
	Share capital	Returned shares	Treasury shares	Retained earnings	Foreign currency translation reserves	Other Reserve	Equity attributable to owners of the Company	Non-controlling interests	Total equity
2023/24 Group									
Opening balance at 1 April 2023	11,173,106	(104,822)	(1,018,212)	33,167,469	(544,526)	65,685	42,738,700	1,863,602	44,602,302
Profit for the year	-	-	-	7,301,881	-	-	7,301,881	78,863	7,380,744
Other comprehensive income for the year	-	-	-	-	(480,611)	-	(480,611)	(95,093)	(575,704)
Total comprehensive income for the year	-	-	-	7,301,881	(480,611)	-	6,821,270	(16,230)	6,805,040
Purchase of treasury shares	-	-	(1,201,694)	-	-	-	(1,201,694)	-	(1,201,694)
Dividends	-	-	-	(2,627,251)	-	-	(2,627,251)	-	(2,627,251)
Balance as at 31 March 2024	11,173,106	(104,822)	(2,219,906)	37,842,099	(1,025,137)	65,685	45,731,025	1,847,372	47,578,397

<b>2024/25 Company</b>	Share capital	Returned shares	Treasury shares	Retained earnings	Total equity
Opening balance as at 1 April 2024	11,173,106	(104,822)	(2,219,906)	21,620,180	30,468,558
Profit for the year	-	-	-	3,755,828	3,755,828
Total comprehensive income for the year	-	-	-	3,755,828	3,755,828
Purchase of treasury shares	-	-	(502,981)	-	(502,981)
Dividends	-	-	-	(2,271,228)	(2,271,228)
Balance as at 31 March 2025	11,173,106	(104,822)	(2,722,887)	23,104,780	31,450,177

<b>2023/24 Company</b>	Share capital	Returned shares	Treasury shares	Retained earnings	Total equity
Opening balance as at 1 April 2023	11,173,106	(104,822)	(1,018,212)	19,422,395	29,472,467
Profit for the year	-	-	-	4,825,036	4,825,036
Total comprehensive income for the year	-	-	-	4,825,036	4,825,036
Purchase of treasury shares	-	-	(1,201,694)	-	(1,201,694)
Dividends	-	-	-	(2,627,251)	(2,627,251)
Balance as at 31 March 2024	11,173,106	(104,822)	(2,219,906)	21,620,180	30,468,558

#### D. Condensed interim consolidated statement of cash flows

	Group	
	12 months ended	12 months ended
	31.03.2025	31.03.2024
	S\$	S\$
<b>Operating activities</b>		
Profit before tax	4,952,100	8,336,145
Adjustments for:		
Depreciation of property, plant and equipment and right-of-use assets	1,225,556	1,222,967
Fair value gain on investment in convertible loan	-	(2,155,200)
Gain on disposal of property, plant and equipment	(7,671)	(44)
Allowance for/(writeback of) expected credit losses	26,316	(148,000)
(Writeback of)/allowance for inventory to net realizable value, net	(120,842)	251,063
Finance costs	255,428	107,933
Interest income	(60,007)	(30,118)
Currency alignment	420,044	(352,344)
<b>Operating profit before working capital changes</b>	<b>6,690,924</b>	<b>7,232,402</b>
(Increase)/decrease in:		
Inventories	(2,238,314)	(2,791,257)
Trade receivables	447,160	1,820,420
Other receivables and deposits	1,957,069	1,583,857
Prepayments	638	(30,246)
Increase/(decrease) in:		
Trade payables	2,429,064	(979,325)
Other payables and accruals	(1,114,123)	(1,211,434)
<b>Cash generated from operations</b>	<b>8,172,418</b>	<b>5,624,417</b>
Interest paid	(255,428)	(107,933)
Interest received	60,007	30,118
Income tax paid	(1,144,964)	(950,564)
<b>Net cash flows generated from operating activities</b>	<b>6,832,033</b>	<b>4,596,038</b>
<b>Investing activities</b>		
Proceeds from disposal of property, plant and equipment	7,891	71
Purchase of property, plant and equipment	(171,975)	(598,773)
<b>Net cash flows used in investing activities</b>	<b>(164,084)</b>	<b>(598,702)</b>
<b>Financing activities</b>		
Bills payable to banks, net	(270,904)	860,952
Repayment of principal portion of lease liabilities	(916,924)	(752,483)
Purchase of treasury shares	(502,981)	(1,201,694)
Dividends paid to shareholders	(2,271,228)	(2,627,251)
<b>Net cash flows used in financing activities</b>	<b>(3,962,037)</b>	<b>(3,720,476)</b>
<b>Net change in cash and cash equivalents</b>	<b>2,705,912</b>	<b>276,860</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>278,692</b>	<b>(213,282)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>18,068,999</b>	<b>18,005,421</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>21,053,603</b>	<b>18,068,999</b>

#### E. Notes to the condensed interim consolidated financial statements

##### 1 Corporate Information

Ban Leong Technologies Limited (the "Company") is a limited liability company which is domiciled and incorporated in Singapore and is listed on the Singapore Exchange Securities Trading Limited ("SGX-ST").

The registered office and principal place of business of the Company is located at 150 Ubi Avenue 4, #04-01 Ubi Biz-Hub, Singapore 408825.

The principal activities of the Company and its subsidiaries (the "Group") are the wholesale and distribution of computer peripherals, accessories and other multimedia products.

##### 2 Basis of Preparation

The condensed interim financial statements for the six months ended 31 March 2025 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 March 2024.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of the new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore Dollars (SGD or S\$).

### 2.1 New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

### 2.2 Use of judgement and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 March 2024.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

### 2.3 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

#### (i) Allowance for inventory to net realisable value

Allowance for inventory to net realisable value is estimated based on the best available facts and circumstances, including but not limited to the stocks' own physical conditions, their market selling prices, the sales trend, estimated costs to be incurred for their sales and price protection and support provided by suppliers. The allowances are re-evaluated and adjusted as additional information received affects the amount estimated.

The carrying amount of the Group's inventories as at 31 March 2025 is \$33,567,179 (31 March 2024: \$31,208,023).

#### (ii) Allowance for expected credit losses ("ECL")

The allowance for ECL is established on the basis of making debtor specific impairment loss provision, which is based on the assessment of the ability of individual debtors who are credit impaired, and for remaining trade receivable balances by determining the default rates to be applied against trade receivables after the specific impairment loss provision.

The assessment of the debtor's ability to pay are based on the age of the balances, payment history, status of negotiations with debtors and other external information available to management to assess the creditworthiness of the debtor. The default rates are based on the Group's historical credit loss experience, profiling customers by credit risk characteristics and are adjusted for forward-looking factors specific to the debtors and the economic environment.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECL is a significant estimate. The amount of ECL is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

The carrying amount of the Group's trade receivables as at 31 March 2025 is \$22,685,598 (31 March 2024: \$23,159,074).

#### (iii) Income taxes

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. The Group establishes tax provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the relevant tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective Group companies' domicile.

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The carrying amount of the Group's income tax payable at the end of the financial year was \$574,501 (31 March 2024: \$805,335). The carrying amount of the Group's deferred tax assets and deferred tax liabilities at the end of the financial year was \$35,315 (31 March 2024: \$14,200) and \$Nil (31 March 2024: \$Nil) respectively.

### 3 Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial year.

#### 4 Segment and revenue information

The Group is organised into business units based on their products and services and is organised into 3 main operating segments, namely:

(a) Multimedia

Audio and visual products, such as ear phones, speakers, cameras and commercial and consumer displays.

(b) Data storage

Products that are used in the storage of data such as cloud drives, HDD enclosures, Blu-ray and portable DVD-RW.

(c) IT accessories

PC-related accessories such as computer systems, components, peripherals, printers, mobile products from wearables, accessories and powerpacks. New categories include smart home solutions and robotics

These operating segments are reported in a manner consistent with internal reporting provided to management who are responsible for allocating resources and assessing performance of the operating segments.

#### 4.1 Business segments

Revenue is recognised when the goods are delivered to the customer and all criteria for acceptance have been satisfied, net of discounts, returns and applicable goods and services tax.

##### 1 October 2024 to 31 March 2025

Sales to external customers

Profit from operating activities

Financial costs

Financial income

Profit before taxation and fair value gain

Fair value gain on investment in convertible loan

Profit before tax

Income tax expense

Profit for the year

##### Assets and liabilities:

Inventories

Unallocated assets

##### Total assets

Unallocated liabilities

##### Total liabilities

Depreciation of property, plant and equipment and

right of use assets

Other non-cash income, net

Capital expenditure

Group			
IT accessories	Multimedia	Data storage	Total
S\$	S\$	S\$	S\$
39,102,950	54,581,113	2,408,959	96,093,022
1,576,304	1,697,052	62,943	3,336,299
4.0%	3.1%	2.6%	3.5%
			(105,074)
			27,644
			3,258,869
			-
			3,258,869
			(595,615)
			2,663,254
15,574,323	17,516,171	476,685	33,567,179
			51,922,891
			85,490,070
			35,920,603
			35,920,603
			612,215
			(327,200)
			130,559

##### 1 October 2023 to 31 March 2024

Sales to external customers

Profit from operating activities

Financial costs

Financial income

Profit before taxation and fair value gain

Fair value gain on investment in convertible loan

Profit before tax

Income tax expense

Profit for the year

##### Assets and liabilities:

Inventories

Unallocated assets

##### Total assets

Unallocated liabilities

##### Total liabilities

Depreciation of property, plant and equipment and

right of use assets

Other non-cash income, net

Capital expenditure

Group			
IT accessories	Multimedia	Data storage	Total
S\$	S\$	S\$	S\$
43,701,233	60,968,857	980,453	105,650,543
1,776,834	1,746,262	48,550	3,571,646
4.1%	2.9%	5.0%	3.4%
			(60,588)
			18,640
			3,529,698
			2,155,200
			5,684,898
			(471,258)
			5,213,640
15,389,856	15,442,539	375,628	31,208,023
			52,302,172
			83,510,195
			35,931,798
			35,931,798
			602,401
			(121,939)
			549,935

##### 1 April 2024 to 31 March 2025

Sales to external customers

Profit from operating activities

Financial costs

Financial income

Profit before taxation and fair valuation

Fair value gain on investment in convertible loan

Profit before tax

Income tax expense

Profit for the year

##### Assets and liabilities:

Inventories

Unallocated assets

##### Total assets

Unallocated liabilities

##### Total liabilities

Depreciation of property, plant and equipment and right of use assets

Other non-cash expenses, net

Capital expenditure

Group			
IT accessories	Multimedia	Data storage	Total
S\$	S\$	S\$	S\$
76,348,395	113,365,439	3,913,100	193,626,934
2,475,688	2,563,547	108,287	5,147,521
3.2%	2.3%	2.8%	2.7%
			(255,428)
			60,007
			4,952,100
			-
			4,952,100
			(893,015)
			4,059,085
15,574,323	17,516,171	476,685	33,567,179
			51,922,891
			85,490,070
			35,920,603
			35,920,603
			1,225,556
			(102,197)
			171,975

1 April 2023 to 31 March 2024	Group			
	IT accessories	Multimedia	Data storage	Total
	S\$	S\$	S\$	S\$
Sales to external customers	83,830,686	122,543,734	1,706,110	208,080,530
Profit from operating activities	2,850,982 3.4%	3,336,100 2.7%	71,678 4.2%	6,258,760 3.0%
Financial costs				(107,933)
Financial income				30,118
Profit before taxation and fair value gain				6,180,945
Fair value gain on investment in convertible loan				2,155,200
Profit before tax				8,336,145
Income tax expense				(955,401)
Profit for the year				7,380,744
<b>Assets and liabilities:</b>				
Inventories	15,389,856	15,442,539	375,628	31,208,023
Unallocated assets				52,302,172
<b>Total assets</b>				<b>83,510,195</b>
Unallocated liabilities				35,931,798
<b>Total liabilities</b>				<b>35,931,798</b>
Depreciation of property, plant and equipment and right of use assets				1,222,967
Other non-cash expenses, net				103,019
Capital expenditure				598,773

4.2 Geographical segments

	Revenue			
	6 months ended 31.03.2025	6 months ended 31.03.2024	12 months ended 31.03.2025	12 months ended 31.03.2024
	S\$	S\$	S\$	S\$
Singapore	79,359,566	85,335,730	159,948,308	167,994,871
Malaysia	8,247,727	8,753,583	17,577,770	17,971,216
Thailand	5,404,177	5,890,441	10,250,147	11,202,026
Asia	2,288,224	5,320,568	4,083,454	10,426,800
Others	793,328	350,221	1,767,255	485,617
Total	96,093,022	105,650,543	193,626,934	208,080,530
<b>Timing of transfer of goods or services</b>				
At a point in time	96,093,022	105,650,543	193,626,934	208,080,530

5 Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 March 2025 and 31 March 2024.

	The Group		The Company	
	31.03.2025 \$	31.03.2024 \$	31.03.2025 \$	31.03.2024 \$
Financial Assets				
Trade receivables	22,682,751	23,159,074	19,874,405	18,457,666
Other receivables and deposits	364,594	2,410,661	1,119,334	3,684,175
Cash and cash equivalents	21,053,603	18,068,999	15,964,978	12,198,490
<b>Financial assets at amortised cost</b>	<b>44,100,948</b>	<b>47,133,946</b>	<b>36,958,717</b>	<b>34,340,331</b>
Other receivables	3,495,212	3,495,212	-	-
<b>Financial assets at fair value through profit or loss</b>	<b>3,495,212</b>	<b>3,495,212</b>	<b>-</b>	<b>-</b>
Financial Liabilities				
Trade payables	24,361,061	22,068,813	26,229,914	15,591,371
Bills payable to banks	1,442,598	1,713,502	971,268	950,538
Short-term loans	800,000	800,000	800,000	800,000
Other payables and accruals	4,819,136	5,968,745	3,988,954	4,307,866
<b>Financial liabilities at amortised cost</b>	<b>31,422,795</b>	<b>30,551,060</b>	<b>31,990,136</b>	<b>21,649,775</b>

6 Profit before taxation

6.1 Significant items

	The Group			
	6 months ended 31.03.2025	6 months ended 31.03.2024	12 months ended 31.03.2025	12 months ended 31.03.2024
	S\$	S\$	S\$	S\$
Depreciation of property, plant and equipment and right-of-use assets	612,215	602,401	1,225,556	1,222,967
Fair value gain on investment in convertible loan	-	(2,155,200)	-	(2,155,200)
Gain on disposal of property, plant and equipment	(7,776)	(44)	(7,671)	(44)
Allowance for/(writeback of) expected credit losses	(27,685)	202,000	26,316	(148,000)
(Writeback of)/allowance for inventory to net realizable value, net	(291,740)	80,104	(120,842)	251,062
Employee benefits expense	5,205,014	4,798,557	9,873,707	9,645,803
Foreign exchange gain, net	(365,910)	(500,877)	(839,821)	(784,884)
Operating lease expenses	171,312	202,899	423,108	423,956

6.2 Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the financial statements.



## 7 Taxation

The Group calculates the income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

The Group			
6 months ended 31.03.2025 S\$	6 months ended 31.03.2024 S\$	12 months ended 31.03.2025 S\$	12 months ended 31.03.2024 S\$
595,615	471,258	893,015	955,401

## 8 Dividends

Dividend declared and paid during the financial year:

Ordinary dividends paid:

Interim one-tier tax exempt dividend 31 March 2025:0.50cent (31 March 2024:0.60cent) per share

Final one-tier tax exempt dividend 31 March 2024:1.60cents (31 March 2023:1.75cents) per share

The Group and the Company	
12 months ended 31.03.2025	12 months ended 31.03.2024
S\$	S\$
538,984	667,347
1,732,245	1,959,904

## 9 Net Asset Value

	Group		Company	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	Cents	Cents	Cents	Cents
Net asset value per ordinary share	44.10	41.84	29.18	27.88

Net asset value per ordinary share for year ended 31 March 2025 was calculated based on net assets of the Group and Company after deducting non controlling interests divided by 107,796,700 shares, excluding 8,703,300 treasury shares and 681,818 returned shares. (FY2023/24 : 109,288,700 shares, excluding 7,211,300 treasury shares and 681,818 returned shares).

## 10 Property, plant and equipment

During the financial year ended 31 March 2025, the Group acquired assets amounting to \$171,975 (FY2023/24: \$598,773) and disposed and assets written off amounting to \$137,314 (FY2023/24: \$2,025,748).

## 11 Borrowings

Amount repayable within one year or on demand

Secured \*

Unsecured

Amount repayable after one year

Secured \*

Unsecured

\* Finance lease is secured by the fixed assets acquired under the lease arrangement.

The Group	
31.03.2025	31.03.2024
S\$	S\$
471,330	795,467
1,771,268	1,750,538
-	-
-	-

## 12 Share capital

Share capital	FY2024/25		FY2023/24	
	No. of shares	S\$	No. of shares	S\$
Issued and fully paid ordinary share	117,181,818	11,173,106	117,181,818	11,173,106

Treasury shares	FY2024/25		FY2023/24	
	No. of shares	S\$	No. of shares	S\$
Balance as at 1 April	7,211,300	2,219,906	3,766,800	1,018,212
Purchased during the year	1,492,000	502,981	3,444,500	1,201,694
Balance as at 31 March	8,703,300	2,722,887	7,211,300	2,219,906

### 13 Fair value of assets and liabilities

#### (a) Fair value hierarchy

The Group and Company categorised fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- (i) Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- (ii) Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- (iii) Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

#### (b) Assets and liabilities measured at fair value

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting period:

	Fair value measurements at the end of the reporting period using			
	Quoted prices (Level 1)	Significant observable other than quoted prices (Level 2)	Significant unobservable (Level 3)	Total
	\$	\$	\$	\$
<b>Group and Company</b>				
<b>Assets measured at fair value</b>				
<b>Financial assets:</b>				
Financial assets at fair value				
<b>2025</b>				
Investment in convertible loan	–	–	3,502,200	3,502,200
<b>2024</b>				
Investment in convertible loan	–	–	3,502,200	3,502,200

#### Level 3 fair value measurements

(i) Information about significant unobservable inputs used in Level 3 fair value measurements

The following table shows the information about fair value measurement using significant unobservable inputs (Level 3).

Assets	Valuation techniques	Unobservable inputs	
Investment in convertible loan	Market approach	Adjustments to the prices of recent transactions	
(i) <i>Movements in Level 3 assets</i>			
		<b>Group</b>	
		<b>Fair value measurement using significant unobservable inputs (Level 3)</b>	
		<b>2025</b>	<b>2024</b>
		\$	\$
<b>Investment in convertible loan</b>			
At 1 April		3,502,200	1,329,000
Additions		—	—
Fair value changes		—	2,155,200
Currency realignment		—	18,000
At 31 March		3,502,200	3,502,200

(c) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

Lease liabilities, trade receivables, other receivables and deposits, cash and cash equivalents, trade payables, bills payable to banks (unsecured) and short-term loans, other payables and accruals.

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values due to their short-term nature. Lease liabilities approximate their fair values as they are subject to interest rates close to market rate of interests for similar arrangements with financial institutions.

## **F. OTHER INFORMATION**

### **1 Review**

The condensed consolidated statement of financial position of Ban Leong Technologies Limited and its subsidiaries as at 31 March 2025 and the related condensed consolidated profit and loss and other comprehensive income, condensed statement of changes in equity and condensed consolidated statement of cash flows for the full year ended 31 March 2025 and certain explanatory notes have been reviewed by the independent auditor of the Company in accordance with Singapore Standard on Review Engagement 2410.

### **2 Review of performance of the Group**

#### **Turnover, Earnings & Cost**

Revenue decreased by \$14.5mil or 6.9% from \$208.1mil in FY2023/24 to \$193.6mil in FY2024/25. Save for export market which recorded an increase in revenue of 18.2% to \$11mil, retail, commercial and online segments recorded decline in revenue due to sluggish market sentiments. Revenue contribution from accessories and multimedia segments declined by \$7.5mil and \$9.2mil respectively for FY2024/25. The storage segment saw an increase of \$2.2mil or 129.4% from 1.7mil in FY2023/24 to \$3.9mil in FY2024/25.

Gross profits remain relatively stable at about 8.8% for both financial years.

Other operating income increased by \$0.8mil or 286.0% from \$0.3mil in FY2023/24 to \$1.1mil in FY2024/25. About 60% of the increase came from reversal of unutilised trade credits and the balance were from higher government grants received in this financial year.

Allowance for expected credit loss recorded a gain of \$148k for FY2023/24 due to reversal of over provisions for prior year.

Selling and distribution expenses increased by about \$0.6mil or 8.7% to \$8.0mil in FY2024/25 as the Group paid out more in staff related and distribution expenses.

General and administrative expenses decreased marginally by \$0.1mil or 1.9% and foreign exchange gain remained stable at about \$0.8mil for both financial years.

Finance expenses increased by about \$147.5k or 136.7%, representing about 1.8% of total operating expenses for FY2024/25 (FY2023/24: 0.8%). This increase is mainly attributable to a lease renewal that took place during the financial year. Finance income improved by almost \$30.0k or 99.2% contributed by higher balances placed in high yield current accounts.

Fair value gain on investment in convertible loan to Oasis Holdings Pte Ltd amounted to \$2.2mil was recorded in FY2023/24.

#### **Assets & Liabilities, Cash flow**

The non-current assets decreased by \$4.4mil or 54.7%, from \$8.1mil in FY2023/24 to \$3.7mil in FY2024/25. Property, plant and equipment and right of use assets decreased by \$1.0mil or 20.8% due to depreciation during the year. Convertible Loan to Oasis Holdings Pte Ltd, previously classified as Non current receivable in FY2023/24 is reclassified as other receivables in FY2024/25 due to loan maturity at the end of 2025.

The Group saw trade receivables decreased by \$0.5mil or 2.0% from \$23.2mil in FY2023/24 to \$22.7mil in FY2024/25 and the trade receivables turnover in days increased to 43 days (FY2023/24:42 days).

Specific allowance has been made for doubtful debts after due consideration by the management and Board.

The trade payables increased by \$2.4mil or 10.9% from \$22.2mil in FY2023/24 to \$24.6mil in FY2024/25 with turnover days at about 48 days (FY2023/24:44 days).

Inventory increased by \$2.4mil or 7.6% from \$31.2mil in FY2023/24 to \$33.6mil in FY2024/25. Inventory turnover days increased to 67 days (FY2023/24:58 days). Specific allowance has been made for slow moving items and management deems it as adequate.

The Group has utilised credit facilities from banks such as bills payable and short term loans to support regional growth and finance the purchase of inventory.

Positive cash from operations increased from \$5.6mil in FY2023/24 to about \$8.2mil in FY2024/25 as the Group recorded an increased its collection from other receivables and extended its credit from trade payables. Working capital gap increased to 62days in FY2024/25 (FY2023/24:56 days).

### **3 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

No forecasts have been provided previously.

### **4 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.**

Despite the challenging business conditions, the group has delivered profits before taxation at S\$4,952,100.

With the uncertainties in geopolitical conditions, as well as challenging business conditions in the markets where we operate, the group will continue its focus to adopt a prudent approach in managing our businesses.

**5 Dividend information****5a Current Financial Period Reported on**

Any dividend recommended for the current financial period reported on? Yes

Name of Dividend	Final
Dividend type	Final
Dividend per share	1.3cents
Tax rate	Tax exempt

The Directors are pleased to declare a tax exempt one-tier final cash dividend of 1.3cents per share (FY2023/24: 1.6cents per share) in respect of the full year ended 31 March 2025. The final dividend will be paid to the shareholders on 22 August 2025.

**5b Corresponding Period of the Immediate Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of Dividend	Final
Dividend type	Final
Dividend per share	1.6cent
Tax rate	Tax exempt

**5c Date Payable**

22/08/2025

**5d Books Closure Date**

Date on which Registrable Transfer received by the company will be registered before entitlements to the dividend are determined: 08/08/2025, 5.00pm

**6 Interested person transactions**

Name of Interested Person	Aggregate value of all interested person transactions during the period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)	
	FY2024/25	FY2023/24	FY2024/25	FY2023/24
	Apr 24 - Mar 25	Apr 23 - Mar 24	Apr 24 - Mar 25	Apr 23 - Mar 24
	S\$	S\$	S\$	S\$
Hongkong Lava Technology Limited	-	-	1,372,242	7,908,911

**7 Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).**

The Company has received undertaking from all its directors and executive officers in the format as set out I Appendix 7.7 under Rule 720(1) of the Listing Manual of SGX-ST.

**8 Disclosure of persons occupying managerial positions who are related to a director, CEO or substantial shareholder**

The Board of Directors confirm that there is no person occupying managerial position in the Company or any of its principal subsidiaries who is a relative of a director, executive officer or substantial shareholder of the Company during the financial year and up to the date of the announcement.

**9 Singapore Code on Takeovers and Mergers**

The unaudited results of the Group for the six months and full year ended 31 March 2025 ("Unaudited FY2025 Results") have been reported on in accordance with Rule 25 of the Singapore Code on Take-overs and Mergers.

**Auditors' Consent**

Ernst & Young LLP, the auditors of the Company has given and has not withdrawn its written consent to the release of its letter dated 26 May 2025 on the Unaudited FY2025 Results for purpose of attachment to the Company's announcement, and all references to its name in the form and context in which they appear herein.

**Independent Financial Adviser's Consent**

Asian Corporate Advisors Pte. Ltd., the independent financial adviser to the directors of the Company who are considered independent for the purposes of the voluntary conditional cash offer announced on 30 April 2025, has given and has not withdrawn its consent to the release of its letter dated 26 May2025 on the Unaudited FY2025 Results for purpose of attachment to the Company's announcement, and all references to its name in the form and context in which they appear herein.

**10 Directors' Responsibility Statement**

The Directors (including those who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement are fair and accurate and that no material facts have been omitted from this Announcement, and they jointly and severally accept responsibility accordingly. Where any information has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the Directors has been to ensure, through reasonable enquiries, that such information has been accurately extracted from such sources or, as the case may be, reflected or reproduced in this Announcement.

**RONALD TENG WOO BOON**  
**MANAGING DIRECTOR**

Date: 26 May 2025



**Shape the future  
with confidence**

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ey.com

ASU-CPR/11507374/HYY

26 May 2025

The Board of Directors  
Ban Leong Technologies Limited  
150 Ubi Avenue 4,  
#04-01 Ubi Biz-Hub,  
Singapore 408825

## **REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL STATEMENTS TO THE MEMBERS OF BAN LEONG TECHNOLOGIES LIMITED**

We have reviewed the accompanying unaudited interim condensed financial statements of Ban Leong Technologies Limited. (the 'Company') and its subsidiaries (collectively, the 'Group'), which comprise the interim condensed balance sheet of the Group and the Company as at 31 March 2025, the statement of changes in equity of the Group and the Company, and the interim condensed consolidated statement of comprehensive income, and interim condensed consolidated cash flow statement of the Group for the period from 1 April 2024 to 31 March 2025.

Management is responsible for the preparation and fair presentation of these interim financial statements in accordance with Singapore Financial Reporting Standard (International) 1-34 Interim Financial Reporting ("SFRS(I) 1-34"). Our responsibility is to express a conclusion on these interim financial statements based on our review.

### *Scope of Review*

We conducted our review in accordance with Singapore Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### *Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not presented fairly, in all material respects, in accordance with SFRS(I) 1-34.



**Shape the future  
with confidence**

The Board of Directors  
Ban Leong Technologies Limited

26 May 2025

*Other matters*

We have not carried out a review in accordance with Singapore Standards on Review Engagements 2410 on the interim financial information for the 6 months period ended 31 March 2025 and the comparative figures in this interim financial information. The interim financial information for the 6 months period ended 31 March 2025 and the comparative figures are the responsibility of the management and directors.

*Restriction of use*

Our report is provided in accordance with the terms of our engagement. Our work was undertaken so that we might report to you on the interim financial information for the purpose of assisting the Company to comply with Rule 25 of the Singapore Code on Take-overs and Mergers, and for no other purpose. Our report is included in the Company's announcement of its unaudited results for the year ended 31 March 2025, for the information of its members. We do not assume responsibility to anyone other than the Company for our work, for our report, or for the conclusions we have reached in our report.

*Ernst & Young LLP*

Ernst & Young LLP

Public Accountants and  
Chartered Accountants  
Singapore

26 May 2025

26 May 2025

**The Board of Directors**

Ban Leong Technologies Limited  
150 Ubi Avenue 4  
#04-01 Ubi Biz Hub  
Singapore 408825

Dear Sirs

**LETTER ON THE RESULTS ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025 AND THE VOLUNTARY CONDITIONAL CASH OFFER (THE “OFFER”) BY EPICSOFT ASIA PTE. LTD. (THE “OFFEROR”)**

We refer to the above announcement as well as the announcement dated 30 April 2025 and the offer document dated 21 May 2025 (the “**Offer Document**”) in connection with the Offer by the Offeror for all the issued and paid-up ordinary shares (the “**Shares**”) in the capital of Ban Leong Technologies Limited (the “**Company**”), other than Shares held in treasury and those Shares held, directly or indirectly, by the Offeror.

This letter (“**Letter**”) is prepared and provided to the directors of the Company (“**Directors**”) for the sole purpose of complying with Rule 25.6(c) of the Singapore Code on Take-overs and Mergers (“**Code**”). On 26 May 2025, the Company announced the unaudited financial statements for the six months and full year ended 31 March 2023 (the “**Results Announcement**”). We have reviewed the Results Announcement for the financial performance, position and cash flow statements for the financial year ended 31 March 2025 (“**FY2025 Financial Information**” or “**Results**”) and for the purposes of Rule 25 of the Code. Accordingly, our Letter should not be used or relied by anyone for any other purposes and is provided to the Directors for the sole purpose of complying with Rule 25 of the Code and the contents of this Letter as one of the basis for Rule 25.3 of the Code. The Results are the sole and full responsibility of the Directors.

ACA did not prepare or assist in the preparation of or review of the Results nor were we involved in any discussions or deliberations that led to the Results.

We have assumed for the purposes of this Letter that the financial statements as presented in the annual report of the Company for the financial year ended 31 March 2024 have been drawn up so as to give a true and fair view of the state of affairs of the Company and the Company and its subsidiaries (the “**Group**”) as at 31 March 2024 and the results of the business, changes in equity and cash flows of the Group for the financial year then ended which has been audited. The audited financial statements and the Results are not prepared or finalised in connection with or for the purposes or in contemplation of the Offer.

In the course of our evaluation, we have held discussion(s) with the Directors and the management of the Company (“**Management**”) as the case may be relating to the Results and the Results Announcement as presented and have examined information collated by us including, *inter alia*, the past audited financial statements as well as information, both written or verbal, provided to us by the Directors and the Management. The Directors have confirmed to ACA the accuracy, truthfulness and completeness of all written (correspondence and emails) and verbal information provided and that all material information including but not limited to the accounting standards and policies, bases or assumptions for the preparation of the Results or the plans or the prospects or the proposals available to or known by them and the Management in connection with the Results and the Results

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**Asian Corporate Advisors Pte. Ltd.**

**Address: 160 Robinson Road #21-05, Singapore 068914. Telephone: 6-221-0271. Facsimile: 6-227-6349.**

**Incorporated in Singapore. Company Registration/GST number: 20-0310232-R**

Announcement has been disclosed to ACA and included in the Results and the Results Announcement, that such information, statements, views and analysis (as may be applicable) is stated in accordance to accepted accounting standards and policies and that, *inter alia*, all judgments and estimates are made after due and careful analysis and are fair, true and accurate in all material aspects and that there is no other information or fact, *inter alia*, no material contingent liabilities, bad or doubtful debts or inventories (which have not been so provided for in terms of allowance or provisions or write-offs), unrecorded earnings or expenses or assets or liabilities, basis of valuation or value of its assets or liabilities of the Company or the Group which could have a material impact on the Results and the Results Announcement or the omission of which would result in the Results and the Results Announcement being untrue, inaccurate or incomplete in any material aspect or misleading. Accordingly, no representation or warranty, expressed or implied, is made and no responsibility is accepted by ACA concerning the truth, accuracy, completeness, adequacy or sufficiency of any bases or assumptions used for the Results, and the Results Announcement or any such information or facts as disclosed in the Results.

We have assumed and the Directors have provided representations on the truth, accuracy and completeness of all information provided and disclosed (including the Results and the Results Announcement, past audited financial statements and announcements), *inter alia*, the correspondence, the email exchanges and our discussions on the Results, and have relied on, *inter alia*, confirmation from the Directors for the Results that to the best of their knowledge, nothing has come to the attention of the Directors which may render the unaudited financial statements for FY2025 to be false or misleading and the report from the Company's auditor (the "**Auditor**") dated 26 May 2025 where they have been engaged to review the condensed financial information for FY2025 as a requirement under Rule 25 of the Code.

Save as provided in this Letter, we do not express any other views on the FY2025 Financial Information.

Subject to the contents of this Letter and on the bases of the procedures performed by the Directors for the financial performance, position and cash flow statements for FY2025, nothing has come to our attention that causes us to believe that the FY2025 Financial Information have not been made after due and careful enquiry.

We do not accept responsibility to any person (other than the Directors and strictly for the sole purpose of complying with Rule 25 of the Code and not such other, *inter alia*, responsibilities or duties of the Directors) in respect of, arising out of, or in connection with this Letter.

Yours faithfully,  
For and on behalf of  
ASIAN CORPORATE ADVISORS PTE. LTD.

(signed)  
  
Mr Liao H.K.  
Managing Director

(signed)  
  
Ms Foo Quee Yin  
Managing Director